



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF PORTSMOUTH
SCIOTO COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

OHIO AUDITOR OF STATE
KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

City Council
City of Portsmouth
728 Second Street
Portsmouth, Ohio 45662

We have reviewed the *Independent Auditor's Report* of the City of Portsmouth, Scioto County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2024 through December 31, 2024. 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 Portsmouth is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads 'Tiffany L. Ridenbaugh'.

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 12, 2025

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**CITY OF PORTSMOUTH
SCIOTO COUNTY**

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**CITY OF PORTSMOUTH
SCIOTO COUNTY**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed through Ohio Department of Development</i>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	AF-23	\$ -	\$ 9,500
TOTAL UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			-	9,500
<u>UNITED STATES DEPARTMENT OF JUSTICE</u>				
<i>Passed Through Ohio Governor's Office of Criminal Justice Services:</i>				
Edward Byrne Memorial Justice Assistance Grant Program				
In Car Cameras	16.738	2022-JG-A03-6280E	-	15,315
Task Force	16.738	2022-JG-A01-6027	-	25,784
Total Edward Byrne Memorial Justice Assistance Grant Program			-	41,099
TOTAL UNITED STATES DEPARTMENT OF JUSTICE			-	41,099
<u>UNITED STATES DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed through Ohio Department of Transportation</i>				
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	PID # 113482	-	127,489
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	PID # 114328	-	299,074
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	PID # 117093	-	50,591
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	PID # 117315	-	9,453
Total Highway Planning and Construction (Federal-Aid Highway Program)			-	486,607
<i>Passed Through Ohio Department of Public Safety - Ohio Traffic Safety Office</i>				
State and Community Highway Safety	20.600	SHEP-2024-Portsmouth Police Dept-00020	-	19,598
TOTAL UNITED STATES DEPARTMENT OF TRANSPORTATION			-	506,205
<u>UNITED STATES DEPARTMENT OF TREASURY</u>				
<i>Passed through Ohio Department of Budget and Management</i>				
Coronavirus State and Local Fiscal Recovery Fund	21.027	2022-AR-LEP-939	-	3,001
Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	-	148,406
Total Coronavirus State and Local Fiscal Recovery Fund			-	151,407
TOTAL UNITED STATES DEPARTMENT OF TREASURY			-	151,407
<u>UNITED STATES ENVIRONMENTAL PROTECTION AGENCY</u>				
<i>Passed through Ohio Environmental Protection Agency</i>				
Air Pollution Control Program Support	66.001	31-1334820	-	88,795
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act, PM2	66.034	31-1334820	-	53,666
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act, IRA	66.034	31-1334820	-	82,655
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act			-	136,321
TOTAL UNITED STATES ENVIRONMENTAL PROTECTION AGENCY			-	225,116
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed through the Ohio Department of Health</i>				
Public Health Emergency Preparedness, FY23	93.069	07320012PH1423	-	33,417
Public Health Emergency Preparedness, FY24	93.069	07320012PH1524	-	38,643
Total Public Health Emergency Preparedness			-	72,060
Family Planning Services, FY24	93.217	07320011RH1224	-	19,816
Family Planning Services, FY25	93.217	07320011RH1325	-	1,351
Total Family Planning Services			-	21,167
Maternal and Child Health Services Block Grant to the States, FY24	93.994	07320011RH1224	-	2,270
Maternal and Child Health Services Block Grant to the States, FY25	93.994	07320011RH1325	-	59,144
Total Maternal and Child Health Services Block Grant to the States			-	61,414
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	07320012WF0223	-	5,000
HIV Prevention Activities Health Department Based	93.940	07320012HP1623	-	86,233
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	07320012WF0223	-	120,280
Sexually Transmitted Diseases (STD) Prevention and Control Grants, FY23	93.977	07320012ST1523	-	9,465
Sexually Transmitted Diseases (STD) Prevention and Control Grants, FY24	93.977	07320012ST1624	-	259,767
Total Sexually Transmitted Diseases (STD) Prevention and Control Grants			-	269,232
<i>Passed through the Substance Abuse and Mental Health Services Administration</i>				
Telehealth Programs	93.211	G25RH32465	-	243,073
TOTAL UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			-	878,459
TOTAL FEDERAL AWARDS EXPENDITURES			\$ -	\$ 1,811,786

The accompanying notes are an integral part of this schedule

**CITY OF PORTSMOUTH
SCIOTO COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Portsmouth (the City's) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

The City passes certain federal awards received from Ohio Department of Health to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E – MATCHING REQUIREMENTS

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



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

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portsmouth, Scioto County, Ohio (the City) as of and for the year ended December 31, 2024, 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 30, 2025.

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 purposes 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 City'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.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
July 30, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

To the City Council:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Portsmouth's, Scioto County, (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Portsmouth's major federal programs for the year ended December 31, 2024. The City of Portsmouth's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Portsmouth complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Portsmouth, Scioto County, (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated July 30, 2025. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
July 30, 2025

**CITY OF PORTSMOUTH
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Sexually Transmitted Diseases Prevention and Control Grants ALN 93.977 HIV Prevention Activities Health Department Based ALN 93.940 Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health ALN 93.967
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Annual Comprehensive Financial Report

City of Portsmouth, Ohio



**For Year Ended
December 31, 2024**

**M. Trent Williams, CPM, CPFA
Auditor/Treasurer**



THE CITY OF PORTSMOUTH, OHIO

SCIOTO COUNTY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

Prepared by:

M. Trent Williams, CPM, CPFA
City Auditor

Finance Department:

Constance J. Snipes
Deputy Auditor

Jennifer E. Newman
Finance Clerk II

Heather L. Shoemaker
Finance Clerk I

Kelli R. Kuhn
Finance Clerk I

Income Tax Division:

Vicki L. Musser
Tax Commissioner

Sherry A. Boling
Deputy Tax Commissioner



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SCIOTO COUNTY, OHIO

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INTRODUCTORY SECTION





The City of Portsmouth

"Where the Ohio and Scioto Meet"

Department of Finance

Municipal Building, Room 3

Phone (740) 354-7751 ~ Fax (740) 354-7751

Web: www.ci.portsmouth.oh.us ~ Email: cityauditor@mail.com

728 Second Street ~ P.O. Box 1323
Portsmouth, Ohio 45662



State of Ohio

M. Trent Williams, City Auditor

July 30, 2025

Honorable President and Members of City Council
City Manager
Citizens of Portsmouth, Ohio

As City Auditor, it is my pleasure to present the twenty-ninth Annual Comprehensive Financial Report (ACFR) of the City of Portsmouth, Ohio for the year ended December 31, 2024. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Portsmouth (the "City") to conform to nationally recognized standards of excellence in financial reporting. 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 my knowledge and belief, the enclosed data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

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

This Annual Comprehensive Financial Report was prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB) and other authoritative pronouncements. BHM CPA Group has issued an opinion on the City of Portsmouth's financial statements for the year ended December 31, 2024. The Independent Auditor's Report is located at the front of the Financial Section of this report.

***Letter of Transmittal
For the Year Ended December 31, 2024***

The Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City includes the following services as authorized by its Charter: police and fire protection, emergency medical services, parks and recreation, planning, zoning, street maintenance, cemetery, health and other governmental services. In addition, the City owns and operates the water treatment and distribution system, the wastewater treatment and collection system and the solid waste collection and disposal operation, each of which is reported as an enterprise fund. The City also reports the Health Department as a blended component unit.

Historical Information

In 1763 on the site of present day Portsmouth, the French surrendered the Ohio Valley to the English. At that time Major John Belli platted the town of Alexandria, which was directly across the Scioto River from the present site of Portsmouth. After frequent flooding, Alexandria relocated to the higher east bank of the Scioto. The town was established by Major Henry Massie, who renamed the town Portsmouth to honor his former home of Portsmouth, Virginia.

Portsmouth's location at the confluence of the Scioto River and the Ohio River greatly contributed to its early growth. Portsmouth grew rapidly upon the completion of the Ohio-Erie Canal in 1832 due to the goods and people who traveled the canal and then transferred to steamboats navigating the Ohio and Mississippi Rivers. Smelting furnaces and the railroad were also major forces in the development of the area. After major flooding in 1913 and 1937, a flood wall system was installed to protect the City.

Location

Portsmouth, at an altitude of 533 feet above sea level, is located in southern Ohio approximately 90 miles south of Columbus, the state capital, and 100 miles east of Cincinnati, Ohio. Portsmouth, the county seat of Scioto County, encompasses an area of 12 square miles and serves a residential population of 18,252 (2020 Census). The City, which is bisected by U.S. Routes 23 and 52, is strategically located on the Ohio River providing distribution alternatives which include highways, railways and waterways. The City is also situated in close proximity to an abundance of fossil fuels, namely coal and natural gas from nearby Kentucky and West Virginia. The City is connected to Kentucky by two bridges: the U.S. Grant Bridge in downtown Portsmouth and the Carl Perkins Bridge located approximately two miles west of the City. Portsmouth is served by the CSX Railway System and the Norfolk Southern. The Greater Portsmouth Regional Airport, which is located in Minford, Ohio and owned by Scioto County, has a 5,000 foot paved runway which can accommodate corporate jets the size of a Boeing 727.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Form of Government

Portsmouth, a charter city which has a Council-Manager form of government, is divided into six wards. Each ward is represented on City Council by one person elected to a four year term. Additionally, one person is elected by Council to serve as President of Council. The City Manager is appointed by City Council. The current City Manager was appointed in 2018. Elected officials serving four year terms are the City Solicitor, and City Auditor/Treasurer. Currently the City Auditor/Treasurer is serving his seventh term and the City Solicitor is serving his fourth term.

Municipal Services

The City provides many services to its citizens, including police and fire protection, emergency medical services, street maintenance, traffic control, recreation facilities, engineering, zoning, code enforcement, planning, community development, building inspection, electrical inspection, cemetery, health services, litter control and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates three enterprise activities: water treatment and distribution, wastewater collection and treatment, and solid waste collection and disposal services. The enterprise funds are used to account for activities that are operated in a manner similar to a private business. The intent of the City is that the costs of providing the services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City Manager has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to insure their adequacy to meet operation, maintenance, debt service and capital replacement needs. Responsibility for the frequency and amount of rate changes lies solely with the City Manager upon recommendation of the Public Service Director.

ECONOMIC CONDITION AND OUTLOOK

Business and Industry

Among the principal products and services provided by Portsmouth area businesses are shoelaces, iron castings, concrete products, education, and health care services. Portsmouth is served by one daily and two weekly newspapers and by three local radio stations. Cable television is available, offering education and community access channels in addition to entertainment channels. Financial services are provided to the city by six banks and two credit unions. A complete range of medical services is provided to the Portsmouth area by the Southern Ohio Medical Center (SOMC) and Kings Daughters Medical Center (KDMC).

***Letter of Transmittal
For the Year Ended December 31, 2024***

SOMC continues its expansion with the recent completion of its South Campus and Wheelersburg locations that now house Urgent & Family Care, Outpatient Lab and Imaging Services, and Occupational Medicine, and Pharmacy, as well as the addition of a new employee parking facility on Sherman Road that now provides parking spaces closer to the hospital's main entrance providing easier access for patients. In late 2019, SOMC completed renovation of its SOMC LIFE Center replacing its running track and updated workout equipment. SOMC completed in 2020, its Hospice expansion project to serve a greater number of patients. SOMC continues its 10 year master plan that has become a tremendous benefit in meeting the health care needs of the Southern Ohio region.

Kings Daughters Medical Center (KDMC), another regional hospital based in nearby Ashland, Kentucky, continues to make a presence in the southern Ohio area acquiring property from the City of Portsmouth for its Medical Specialties and Urgent Care offices as well as similar facilities springing up in communities outside and around the City.

The Southern Ohio Veterans Memorial Highway project, also known as State Route 823, opened to traffic in December 2018. The 16-mile, limited access, four-lane highway bypassing about 26 miles of U.S. 52 and U.S. 23 in Portsmouth is the single largest highway project in Ohio history. The Ohio Department of Transportation reports that the new artery reduces travel time by 16 minutes compared to the alternative route in the area. The bypass reduces traffic congestion in and around the City and reduces the wear and tear on city streets, especially in reducing large truck traffic from within the City.

Unemployment Rates

Data obtained from the State of Ohio Department of Jobs and Family Services indicates that the percentage of unemployment for Portsmouth and Scioto County averaged 6.5% for the 2024 calendar year, two points above the state average of 4.5% and the national average of 4.1%.

Utilities

Public utilities providing services to the City of Portsmouth are as follows:

- Electric American Electric Power
- Telephone Frontier Communications
- Natural Gas Columbia Gas of Ohio
- Internet/Cable TV Spectrum

City water, wastewater and solid waste services are provided to residents of the area as indicated below:

Water is provided by the City of Portsmouth to over 13,000 customers both within the City and in some areas of Scioto County and Lawrence County, and soon will be providing water to Greenup County, Kentucky. The City filtration plant has the capacity to produce 12 million gallons of treated water daily and is currently producing five to six million gallons of water per day. There are approximately 25 million gallons of water stored in reservoirs and tanks located in and around the City.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Serving over 7,500 connections are two separate facilities for wastewater treatment. The main plant located in Portsmouth has the capacity to treat ten million gallons daily and is currently treating approximately five million gallons daily. A small plant is located in Sciotoville. The City is currently collecting and treating sewage for Portsmouth, New Boston Village, the Rosemount area located in Clay Township and most recently in the Rigrish Addition area of Minford.

Solid waste collection and disposal is operated by the City of Portsmouth providing service to nearly 6,000 customers. The solid waste transfer station officially commenced operations in the fall of 1993.

Recreation and Cultural Facilities and Events

Portsmouth boasts seventeen City owned parks and numerous sports facilities, including Spartan Stadium, Branch Rickey Park and several tennis and pickle ball courts. West Portsmouth recently saw the opening of an outdoor Splash Park, Pump Track, and walking trail at the site of Earl Thomas Conley Park. West of Portsmouth is the Shawnee State Park providing recreation, camping, cabins, a lodge and many other attractions for residents and out-of-town visitors. The State of Ohio has repurposed the former Shawnee State Golf Course into a new campground facility featuring a marina, dog park, pump track, archery range, and paddle canoes. A non-profit organization, Arc of Appalachia has opened the Tremper Mound facility showcasing the ancient Native American mounds and kayaking. The group has also reopened the John Simon farm to hold an annual sorghum festival.

Along Front Street in downtown Portsmouth is the Portsmouth Murals Project on the flood wall in the historic Boneyfiddle District. These murals tell the "story" of Portsmouth and are proving to be a great tourist attraction. The funds were raised for this citizen initiated project by the people of Portsmouth through donations and fund-raisers and a state grant. With the recent conclusion of the main part of the ten year project there are now 50 completed panels on the flood wall. Maintenance of the project and new sites for continuing the project is ongoing. The City, along with the Ohio Department of Transportation completed a multi-use bike/running path along the entire length of the Murals from Shawnee State University to the most westerly point of Portsmouth at Alexandria Park Point.

As a result of the popularity of the Portsmouth Murals located along the Ohio River floodwall on Branch Rickey Way, the Scioto County Welcome Center was built, in part, to provide a visitors center to accommodate those viewing the 2,000 feet of spectacular Portsmouth history. The Welcome Center is open every day and houses the offices of the Portsmouth Area Chamber of Commerce as well as the Portsmouth-Scioto County Visitors Bureau. Tourists and visitors to the murals and Boneyfiddle district of downtown Portsmouth can make use of the indoor restroom facilities and gift shop inside the Center along with a long corridor filled with Portsmouth memorabilia. The Center with its large meeting facility is also frequent host to wedding receptions, parties and civic and other conferences and meetings.

An annual Roy Rogers Western Days Festival is held each summer to honor native son Roy Rogers, and a display of memorabilia from his collection is on permanent display in Portsmouth. Firstar Gallery offers month-long exhibits by area artists and hosts an annual area high school cash scholarship art contest. The Ackerman Collection is an exhibit of a collection of area photos dating from 1745. This is a private collection and is shown by appointment only.

CITY OF PORTSMOUTH, OHIO

Letter of Transmittal For the Year Ended December 31, 2024

Visitors can revel in Portsmouth's past by visiting the Boneyfiddle District Brewery Arcade, a unique and fascinating historic area for the antique enthusiast. Scioto County Historical Society presents the 1810 homestead, meticulously detailed and furnished to delight visitors. The Southern Ohio Museum/Cultural Center presents visual arts, science and history along with a theater and children's series which delights theater buffs. Exhibits change throughout the year.

Portsmouth is ideally located on the Ohio and Scioto Rivers for all types of water related activities, including fishing, boating, canoeing, and kayaking. There are camping facilities along the river which are usually filled to capacity during the summer months. These facilities are owned and operated by the City. As one of the largest festivals in Ohio, the annual Portsmouth River Days Festival is held over the Labor Day weekend and draws many visitors to our area. River Days provides quality, free entertainment to many tens of thousands of locals and visitors each year boasting the state's largest daytime parade as well as Ohio's largest queen's scholarship pageant. Each night features local, regional and national entertainment acts culminating with an annual fireworks extravaganza. The City and Shawnee State University are host to the annual Miss Ohio USA and Miss Ohio Teen USA Pageants.

The cultural and recreational needs of the City have been enhanced by the 1993 formation of the Portsmouth Wind Symphony. Citizens from the Portsmouth and surrounding area who have a love of music and the necessary talents have come together to fill a void in the community and provide many hours of entertainment for the people of this area.

During the 1995-1996 academic year, the \$17 million, 102,000 square foot acoustically correct Vern Riffe Center for the Arts opened and has featured some of the biggest names in Broadway theater, jazz, big band, dance, folk, dramatic arts, and pop music.

The Shawnee State University Clark Planetarium opened April 24, 1998. The Clark Planetarium is one of only 34 Digistar II Planetariums in the world. The Planetarium office can be contacted about show topics, times and for reservations to a show.

Portsmouth City Schools and Sciotoville Community Schools are comprised of three elementary schools, two middle schools and two high schools, with a total combined enrollment of approximately 2,500 students. The pupil-teacher ratio is approximately eleven to one. Adult education programs are offered by Portsmouth City Schools and Shawnee State University.

Higher education facilities in the area include Ohio University Southern in nearby Ironton, 35 miles east of the City; and Shawnee State University in Portsmouth.

Shawnee State University is a four year university, the newest in the state. The University features a Fine and Performing Arts Center on the campus and an indoor Physical Education Center. More than seventy Associate, Bachelor, and Master degree programs are currently available to over 2,500 students on the 65 acre SSU campus. Immediate plans are to make Shawnee State campus a pedestrian only campus. Second Street and several side streets have been closed and Third Street was closed in furtherance of this plan. On campus housing for the University is offered to its students at twelve apartment style dormitories.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Employee Relations

The City of Portsmouth has contracts with five employee bargaining units. These groups are Local 9 of the International Association of Firefighters, Lodge 33 of the Fraternal Order of Police, Police/Fire Dispatchers-Fraternal Order of Police, Local 1039 AFSCME, Ohio Council 8 and AFSCME 1039-C Finance Department Employees. Contract periods for all unions are three year terms beginning in January and ending in December.

Long-term Financial Planning

In an attempt to head off greater financial difficulties and to avoid a harsher emergency declaration, the Auditor of State issued a Fiscal Watch declaration for the City of Portsmouth to help the City restore its deficit fund balances and bring the City back into more sound fiscal health.

With reductions by the State of Ohio to local government revenue, personal property tax and estate tax, the City was forced to request an increase in the city income tax rate of 0.5% to a rate of 2.5% to replace the revenue lost from state cuts and to continue and enhance operations into the next ten or more years. The new rate provides additional general fund revenue of nearly \$3,700,000 annually and allows the City to be less reliant on state funding.

MAJOR INITIATIVES

Following a period of transition, evaluation and planning due to the return of the City to City Council/City Manager form of government, the City embarked on several new projects and made many improvements.

Financial

By the end of 2024 the financial condition continued to improve with the 2016 income tax rate increase producing nearly \$3.7 million of additional revenue to the General Fund and total revenue of over \$16 million for the fourth straight year to the City's General and Capital Improvement Funds. The long-time deficit balance in the sewer fund has been resolved and has ended with a growing positive balance each month since August 2021. As the only major factor holding the City back from being released from Fiscal Watch by the State Auditor, the City is applying for release from its Fiscal Watch status at the end of 2025.

Administrative

The Finance Department continued its participation in the State Treasurer's online checkbook initiative to provide for enhanced transparency of the City's finances. As a result, the City's spending information can be viewed online along with the State of Ohio and many other municipalities throughout the State of Ohio. The Finance Department is also in process of implementing online municipal income tax filing to be made available to its taxpayers for their 2025 returns. Several other improvements were also made within the City building in 2024. After years of studies and discussing different plans, the City made the move to acquire a vacant bank building in the center of downtown to renovate for a new City Hall. The City acquired the former Fifth/Third Bank building at 500 Chillicothe Street and contracted with an architect for design plans. The City has also selected a general contractor who began renovations in late 2024 with move in planned for late 2025/early 2026. The project will cost an estimated \$7 million with a portion directly the City and a \$4M bond to be issued in 2025 for the remaining renovations costs.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Public Service

The Public Service Department's Streets Division continued to enhance its operations major repairs to the sanitation transfer station, and an excavator for more efficient grave digging in Greenlawn Cemetery. GIS mapping continues for the graves in the 40-acre cemetery.

Public Safety

The Police Department promoted its first female Police Chief in 2020 in the history of the City of Portsmouth along with the addition of the new position of Deputy Chief in 2021. The successful conversion of a City owned impound vehicle lot continues to thrive and bring in additional revenue to the City totaling over \$250,000 in 2024. An Evidence Technician was hired to protect criminal evidence captured by the Police Department. The Fire Department continued its Emergency Medical Services program, adding additional revenue of \$468,000 in 2024 in support of the City's fast, quality first response to emergencies for our citizens. A \$600,000 upgrade to Police and Fire MARCS radio communications systems will continue into 2025. Additionally in 2024, the City completed a \$600,000 "Safe Routes to School" program, funded through the City and the Ohio Department of Transportation. Included in the project were raised crosswalks, handicapped ramps, curb bump outs to better control traffic and additional lights and signage in the downtown city schools campus area.

Flood Defense

The flood defense system constructed as a result of the devastating flood of 1937 is in great shape and is constantly being improved. Supported by a flood defense levy that provides tax revenue to continue to maintain the city's flood defense system, the City is kept safe and the Ohio River is kept within its banks.

The City's flood defense system is continually monitored by FEMA and the Army Corps of Engineers, and the City works to maintain compliance making improvements to the system annually. The Corps of Engineers noted some weaknesses in the flood levy around the east end area of the City and are began a \$39 million project in 2023 that will shore up noted weaknesses over the next two years. Contract disputes and construction easement issues delayed the project in 2024. But the City secured the necessary easements and the Army Corps' contract dispute has been settled allowing the contractor to move forward with the project in 2025.

Water

Realizing that the City's water plant is beyond its designated life, preliminary steps were taken to prepare for the soon approaching time when the water plant must to be replaced. Environmental testing on property behind the current water plant has been completed and additional land obtained needed for construction of the new plant. A "needs assessment" has been completed which is necessary to apply for grants and loans and demonstrate that the critical needs actually exist. Pilot testing has been completed for the new water treatment process called ACTIFLO that will improve the quality of the City's water while reducing the space required for the process. This is the first of this type of system in the state of Ohio for drinking water. Preliminary design plans for the new water treatment plant began in 2020, at an estimated cost of \$100+ million along with a utility rate study to determine rates necessary for the cost of the project. Engineering and design began in 2021, continuing through 2024 and ground was broken in August 2024. The project is slated to be finished in the fall of 2026.

***Letter of Transmittal
For the Year Ended December 31, 2024***

The largest project completed in 2024 was the relocation of a 600' 16" waterline near Adams Street on 6th and 7th Street to help fire flows and assist in better fire protection at in-house cost of just over \$250,000. Water Works began construction on the Franklin Furnace Booster Pump Station at just over \$1 million to boost water pressure and volume to the Franklin Furnace industrial complex. The project will complete in 2025. Additionally, the City began supplying water to the city of South Shore, Kentucky with a temporary water line spanning the Ohio River with a line across the Grant Bridge in downtown. This temporary line will be replaced with a permanent 20" line for a long term supply to South Shore with the line to run under the Ohio River from the City's water filtration plant to South Shore. Construction for this unique under river construction is to begin in the March of 2025 and be complete in late summer.

Wastewater

The City of Portsmouth entered into an Administrative Order of Consent (AOC) with the Environmental Protection Agency in 2013 and remains in compliance with the AOC agreement in 2019, meeting all deadlines and completed all activities required. As a result, the City has been released from the consent order and is now working with the Ohio EPA to ensure the City remains in compliance going forward. The replacement of the Munn's Run Pump Station and Force Main in New Boston. This line serves the Clay Township, New Boston, and Portsmouth communities and will be completed in 2025. The Sewer department began construction of a pre-treatment bar screens at both the Lawson Run and Sciotoville plants in 2023 at the cost of just over \$1.5 million and was completed in 2024. A system-wide needs assessment began in 2024 to evaluate four major system components including a long-term control plan, major pump stations, the Sciotoville plant and the City's primary plant at Lawson Run.

Health

The Portsmouth City Health Department (PCHD) is the steward of public health for the citizens of the City of Portsmouth. On November 19, 2019, PCHD was awarded national accreditation status by the Public Health Accreditation Board (PHAB).

Each year, the Portsmouth City Health Department (PCHD) publishes an annual report highlighting our achievements and identifying areas for growth. Over the past year, we have successfully transitioned from providing services during the pandemic to delivering the Ten Essential Public Health Services and operating our Primary Care Clinic.

One notable success has been moving the Exchange Program back to the Health Department. Clients now receive more comprehensive services than before. In addition to the basic exchange, they have access to HIV/STI and Hepatitis C testing, and navigation to essential resources, including employment, housing, food, and—most importantly—treatment. Our staff also provide first aid and make referrals for other health needs.

We are currently planning to expand the program's capacity by hiring additional staff and enhancing the facilities. Plans include adding an exam room to the program area and hiring a Nurse Practitioner (NP), a nurse, and a Community Health Worker (CHW). This expansion will enable us to offer a broader range of services, including primary care, preventive care, reproductive health, and chronic disease management.

***Letter of Transmittal
For the Year Ended December 31, 2024***

The CHW will play a pivotal role in connecting clients to the services they need. Their navigation support goes beyond simply providing contact information. They will assist clients in scheduling appointments, arranging transportation and childcare, and ensuring follow-up. By accompanying clients through every step of their treatment journey, the CHW will function similarly to a peer support specialist.

In 2025, our Strategic Plan centers on expanding the number of clients served at our clinic. We aim to provide healthcare to individuals who often face barriers to access, such as lack of health insurance, fear of stigma, or mistrust of providers and staff. Additionally, we are focused on enhancing the services available to City employees.

As part of our commitment to continuous improvement, we have invested in the Clear Impact software system to support the implementation of our Performance Management Plan. This tool will help us collect and analyze data to refine and improve our service delivery.

PCHD is dedicated to offering high-quality, evidence-based services to the citizens of Portsmouth, ensuring that everyone in our community has access to the care they need.

Community Development

Planning is underway for improvements to the Offnere Street Landing Boat Ramp to provide greater access for boaters to the Ohio River. Additionally, the City was awarded a \$34M riverfront improvement Grant to include an overlook viewing the Ohio and Scioto rivers, a concrete walkway from Alexandria Point to the Offnere Street boat landing, a new amphitheater, campground and playground equipment upgrades, and various other parking and walk path areas. The \$34M grant was awarded and funded by the Appalachian Community Grant through the Ohio Department of Development and Governor Mike DeWine. The City is partnering with the Ironton-Lawrence County Community Action Organization who will administer the grant funding for Portsmouth and several other communities who received funding.

Recreation

A large multi-use path for walking, jogging and bicycles along the Floodwall Murals on Front Street with funding from the Ohio Department of Natural Resources, the Ohio Department of Transportation and local private foundations along with matching funds from the City was completed and opened in 2021 and was extended in 2024 with continuing plans for further improvements. Additional plans for 2025 include lighting the City's pickle ball courts as well as additional improvements being discussed including a restroom facility at the courts. City Council approved a DORA (Designated Outdoor Refreshment Area) district in the downtown and Boneyfiddle district as several other Ohio cities have approved recently. The DORA is intended to permit businesses to distribute and for citizens to consume alcoholic beverages within it to provide people with a safe way to enjoy our downtown restaurants and businesses.

***Letter of Transmittal
For the Year Ended December 31, 2024***

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and members of the finance office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The Auditor's Office (the "Fiscal Office") is responsible for the auditing and analysis of all purchase orders and vouchers of the City. Fiscal Office personnel review and process requisitions, purchase orders and vouchers. Their responsibilities are carefully conducted to ensure the availability of monies in the proper funds and accounts prior to the certification and payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for capital assets, accounting and payroll. These systems, coupled with the review and examination performed by the Fiscal Office, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the department level for each function within each fund via legislation approved by City Council. Lower levels within each character are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available character level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

Relevant Financial Policies

In order to maintain critical emergency funding for its flood defense system, the City established a policy to always maintain a minimum operating balance level of at least \$500,000 within its Flood Defense Levy fund. Additionally, City Council adopted a resolution to set fund balance goals to mitigate current and future risks demonstrating a commitment to maintain sufficient reserve funds.

***Letter of Transmittal
For the Year Ended December 31, 2024***

OTHER INFORMATION

Independent Audit

The basic financial statements of the City of Portsmouth were audited by the BHM CPA Group. The auditor's opinion has been included in this report.

Awards

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Annual Comprehensive Financial Report with contents conforming to all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year. I believe this, our twenty-ninth Annual Comprehensive Financial Report, meets the high standards set by the GFOA Certificate of Achievement program, and I am submitting the report to the GFOA for its review and critique.

Public Disclosure

The publication of this Annual Comprehensive Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Portsmouth, the recipients of this report include City, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it and is conveniently located on the City's Auditor's section of the official website of the City of Portsmouth under the Financial Division at:

<http://portsmouthoh.org/>

The extensive effort to prepare and distribute this report is indicative of the City Auditor's goal of full disclosure of the City's finances.

***Letter of Transmittal
For the Year Ended December 31, 2024***

Acknowledgments

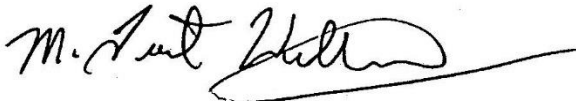
This report is the result of hard work and dedication on the part of many employees and individuals. Special thanks to Scioto County Auditor David Green and Scioto County Chief Deputy Auditor Jenn Kish; City of Portsmouth Deputy Auditor Connie Snipes and the employees of the Portsmouth City Auditor's office and all other City of Portsmouth employees who have contributed to this endeavor.

Sincere appreciation goes to Donald J. Schonhardt & Associates, Inc. for their continued support and assistance in the preparation of this report.

I especially want to thank the citizens of Portsmouth for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Thank you to the members of City Council, City Manager and other city administrators, without whose support we would have been unable to prepare this report.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Trent Williams", with a long horizontal flourish extending to the right.

M. Trent Williams, CPM, CPFA
City Auditor

CITY OF PORTSMOUTH, OHIO

**List of Principal Officials
For the Year Ended December 31, 2024**

<u>Position</u>	<u>Name</u>	<u>Term of Office</u>	<u>Years with City</u>
<u>Executive</u>			
City Manager (Appointed)	Samuel J. Sutherland	Indefinite	36
City Auditor (Elected)	M. Trent Williams	01/01/24 - 01/02/28	26
City Solicitor (Elected)	John R. Haas	01/01/24 - 01/02/28	16
<u>Legislative</u> (Elected)			
		<u>Ward</u>	
Member of Council	Sean D. Dunne	1st	01/04/22 - 01/04/26
Member of Council	Charlotte M. Gordon	2nd	01/01/24 - 01/02/28
Member of Council (Mayor)	Andy A. Cole	3rd	01/04/22 - 01/04/26
Member of Council	Lyvette L. Mosley	4th	01/01/24 - 01/02/28
Member of Council	Joseph T. Sandlin	5th	01/04/22 - 01/04/26
Member of Council	Dennis W. Packard	6th	01/01/24 - 01/02/28
<u>Judicial</u> (Elected)			
Municipal Court Judge	Russell D. Kegley	01/01/24 - 12/31/29	22
Municipal Court Judge	Steven L. Mowery	01/01/22 - 12/31/27	15
<u>Administrative</u> (Appointed)			
Police Chief	Debra A. Brewer	Indefinite	32
Fire Chief	Robert G. Long	Indefinite	29
Public Service Director	George W. James	Indefinite	34
Director of Water	Samuel J. Sutherland	Indefinite	36
Director of Waste Water	Randall A. Nickles	Indefinite	34
Director of Utility Account Services	Crystal Weghorst	Indefinite	19
Community Development Director	Tracy A. Shearer	Indefinite	14
City Clerk	Diana L. Ratliff	Indefinite	12
Municipal Court Clerk	Kasey S. Boone	Indefinite	10
Health Commissioner	Christopher S. Smith	Indefinite	29
Income Tax Commissioner	Vicki L. Musser	Indefinite	16
Civil Service Secretary	Kathy Hodkinson	Indefinite	27

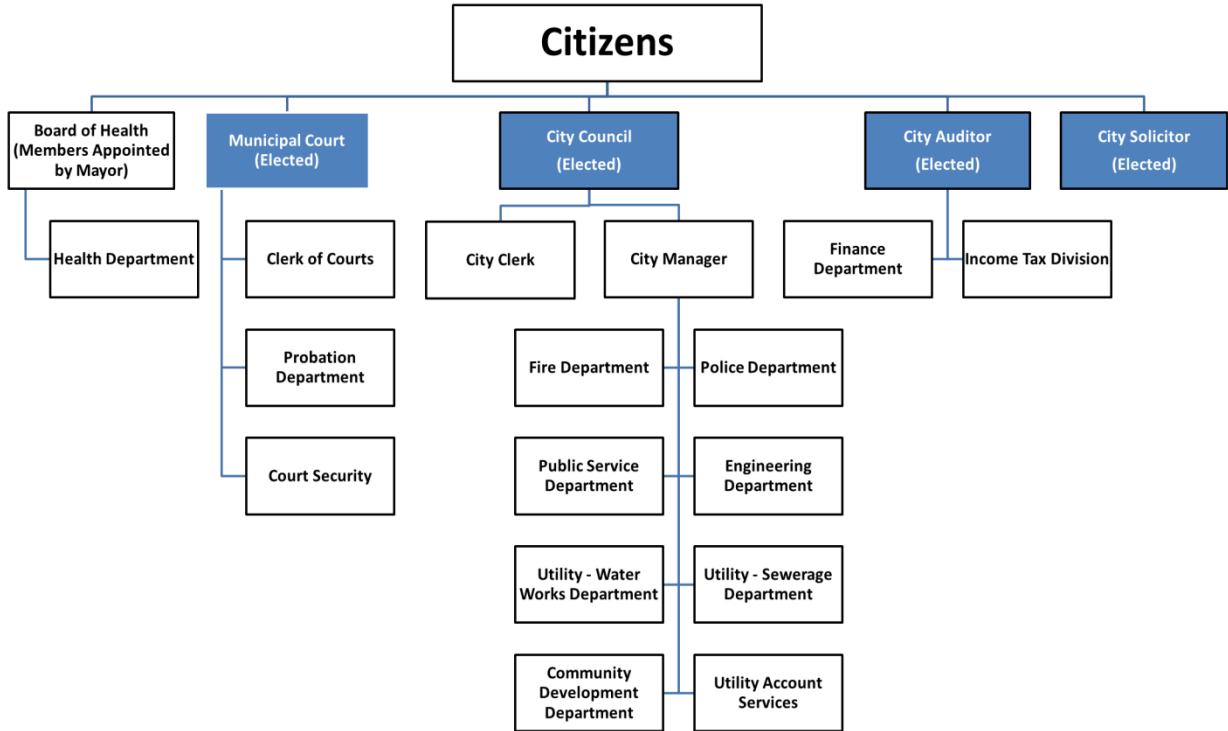
Executive Offices:

Samuel J. Sutherland, City Manager
City of Portsmouth
728 Second Street, Room 1
Portsmouth, Ohio 45662
Ph: 740-354-8807 Fax: 740-354-8809
Email: ssutherland@portsmouthoh.org

M. Trent Williams, Auditor
City of Portsmouth
728 Second Street, Room 3
Portsmouth, Ohio 45662
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Email: twilliams@portsmouthoh.org

John R. Haas, Solicitor
City of Portsmouth
728 Second Street, Room 22
Portsmouth, Ohio 45662
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Email: jhaas@portsmouthoh.org

City Organizational Chart
For the Year Ended December 31, 2024



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

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

Presented to

**City of Portsmouth
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION







INDEPENDENT AUDITOR'S REPORT

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

To the City Council:

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 Portsmouth, Scioto County, Ohio (City), as of and for the year ended December 31, 2024, 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 of Portsmouth, Scioto County, Ohio as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Health Department, and American Rescue Plan Act Funds for the year then ended in accordance with the 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Portsmouth, Ohio
July 30, 2025

***Management's Discussion and Analysis
For the Year Ended December 31, 2024***

Unaudited

The discussion and analysis of the City of Portsmouth's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2024. 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, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- ❑ In total, net position increased \$8,812,697. Net position of governmental activities increased \$707,759 which represents a 2.5% increase from 2023. Net position of business-type activities increased \$8,104,938, or 33.2% from 2023.
- ❑ General revenues accounted for \$23,269,397 in revenue or 42.8% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions accounted for \$31,161,263 or 57.2% of total revenues of \$54,430,660.
- ❑ The City had \$29,612,885 in expenses related to governmental activities; only \$7,051,247 of these expenses were offset by program specific charges for services and sales, grants or contributions.
- ❑ Among major funds, the General Fund had \$21,552,304 in revenues and other financing sources and \$19,268,041 in expenditures and other financing uses. The General Fund's fund balance increased from \$17,214,826 to \$19,499,089.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net-position (the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City one needs to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, and sanitation, are reported as business-type activities.

Fund Financial Statements

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

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

CITY OF PORTSMOUTH, OHIO

**Management’s Discussion and Analysis
For the Year Ended December 31, 2024**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, the Statement of Net Position and the Statement of Activities will essentially match the fund financial statements. The proprietary fund financial statements provide separate information for the Water, Sewer, and Sanitation funds, all of which are considered major funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City’s own programs. All of the City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City’s net position for 2024 compared to 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$37,824,777	\$36,939,620	\$18,007,874	\$13,550,508	\$55,832,651	\$50,490,128
Net OPEB Asset	276,444	0	186,126	0	462,570	0
Capital assets, Net	23,513,489	23,786,972	45,199,933	30,934,552	68,713,422	54,721,524
Total assets	<u>61,614,710</u>	<u>60,726,592</u>	<u>63,393,933</u>	<u>44,485,060</u>	<u>125,008,643</u>	<u>105,211,652</u>
Deferred outflows of resources	<u>10,176,838</u>	<u>12,965,836</u>	<u>1,962,507</u>	<u>3,249,802</u>	<u>12,139,345</u>	<u>16,215,638</u>
Long-term liabilities outstanding	3,449,273	3,647,303	25,682,981	14,879,030	29,132,254	18,526,333
Net Pension Liability	29,094,470	29,700,485	5,713,855	6,706,151	34,808,325	36,406,636
Net OPEB Liability	1,557,395	1,682,293	0	134,914	1,557,395	1,817,207
Other liabilities	2,911,326	3,641,899	1,230,066	1,546,344	4,141,392	5,188,243
Total liabilities	<u>37,012,464</u>	<u>38,671,980</u>	<u>32,626,902</u>	<u>23,266,439</u>	<u>69,639,366</u>	<u>61,938,419</u>
Deferred inflows of resources	<u>5,838,720</u>	<u>6,787,843</u>	<u>203,309</u>	<u>47,132</u>	<u>6,042,029</u>	<u>6,834,975</u>
Net position:						
Net investment in capital assets	22,075,889	21,630,424	19,647,294	15,706,500	41,723,183	37,336,924
Restricted	9,997,084	9,054,291	186,126	0	10,183,210	9,054,291
Unrestricted (Deficit)	<u>(3,132,609)</u>	<u>(2,452,110)</u>	<u>12,692,809</u>	<u>8,714,791</u>	<u>9,560,200</u>	<u>6,262,681</u>
Total net position	<u>\$28,940,364</u>	<u>\$28,232,605</u>	<u>\$32,526,229</u>	<u>\$24,421,291</u>	<u>\$61,466,593</u>	<u>\$52,653,896</u>

The implementation of GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27” and GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” significantly revised accounting for costs and liabilities related to pensions and 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 Net OPEB 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 to equal the City's proportionate share of each plan's collective:

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

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

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

CITY OF PORTSMOUTH, OHIO

**Management's Discussion and Analysis
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Unaudited

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, respectively, not accounted for as deferred inflows/outflows.

Changes in Net Position – The following table shows the changes in net position for 2024 compared to 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2022
Revenues						
Program Revenues:						
Charges for Services and Sales	\$3,301,061	\$3,069,056	\$19,197,590	\$16,735,142	\$22,498,651	\$19,804,198
Operating Grants and Contributions	3,750,186	7,183,107	0	0	3,750,186	7,183,107
Capital Grants and Contributions	0	794,332	4,912,426	955,169	4,912,426	1,749,501
Total Program Revenues	<u>7,051,247</u>	<u>11,046,495</u>	<u>24,110,016</u>	<u>17,690,311</u>	<u>31,161,263</u>	<u>28,736,806</u>
General revenues:						
Property Taxes	3,048,024	2,959,876	0	0	3,048,024	2,959,876
Income Taxes	17,938,665	17,398,629	0	0	17,938,665	17,398,629
Other Local Taxes	366,121	345,866	0	0	366,121	345,866
Intergovernmental Revenue, Unrestricted	1,188,398	1,260,499	0	0	1,188,398	1,260,499
Investment Earnings	41,753	50,955	0	0	41,753	50,955
Miscellaneous	686,436	448,345	0	0	686,436	448,345
Total General Revenues	<u>23,269,397</u>	<u>22,464,170</u>	<u>0</u>	<u>0</u>	<u>23,269,397</u>	<u>22,464,170</u>
Total Revenues	<u>30,320,644</u>	<u>33,510,665</u>	<u>24,110,016</u>	<u>17,690,311</u>	<u>54,430,660</u>	<u>51,200,976</u>
Program Expenses						
Security of Persons and Property	14,867,386	15,002,256	0	0	14,867,386	15,002,256
Public Health and Welfare Services	3,309,566	4,272,238	0	0	3,309,566	4,272,238
Leisure Time Activities	83,440	86,421	0	0	83,440	86,421
Community Environment	650,437	604,580	0	0	650,437	604,580
Transportation	3,235,411	3,178,878	0	0	3,235,411	3,178,878
General Government	7,404,531	6,530,556	0	0	7,404,531	6,530,556
Interest on Long Term Debt	62,114	63,891	0	0	62,114	63,891
Water	0	0	6,838,488	7,584,521	6,838,488	7,584,521
Sewer	0	0	6,278,289	5,265,785	6,278,289	5,265,785
Sanitation	0	0	2,888,301	2,586,247	2,888,301	2,586,247
Total Expenses	<u>29,612,885</u>	<u>29,738,820</u>	<u>16,005,078</u>	<u>15,436,553</u>	<u>45,617,963</u>	<u>45,175,373</u>
Change in Net Position before Transfers and Special Item	707,759	3,771,845	8,104,938	2,253,758	8,812,697	6,025,603
Special Item	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Total Change in Net Position	<u>707,759</u>	<u>3,771,845</u>	<u>8,104,938</u>	<u>2,253,758</u>	<u>8,812,697</u>	<u>6,025,603</u>
Beginning Net Position	<u>28,232,605</u>	<u>24,460,760</u>	<u>24,421,291</u>	<u>22,167,533</u>	<u>52,653,896</u>	<u>46,628,293</u>
Ending Net Position	<u>\$28,940,364</u>	<u>\$28,232,605</u>	<u>\$32,526,229</u>	<u>\$24,421,291</u>	<u>\$61,466,593</u>	<u>\$52,653,896</u>

CITY OF PORTSMOUTH, OHIO

**Management’s Discussion and Analysis
For the Year Ended December 31, 2024**

Unaudited

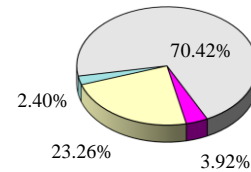
Governmental Activities

Net position of the City’s governmental activities increased by \$707,759. Overall expenses were consistent with the prior year. This was offset by increases in income tax revenue and in property taxes due to property revaluations and a new 1.5 mill tax levy for street improvements.

The City receives an income tax, which is based on 2.5% of all salaries, wages, commissions and other compensation and on net profits earned from those working or doing business in the City.

Income taxes and property taxes made up 60.4% and 10% respectively of revenues for governmental activities for the City in 2023. The City’s reliance upon tax revenues is demonstrated by the following graph indicating 70.4% of total revenues from general tax revenues:

Revenue Sources	2024	Percent of Total
General Tax Revenues	\$21,352,810	70.42%
Intergovernmental Revenue, Unrestricted	1,188,398	3.92%
Program Revenues	7,051,247	23.26%
General Other	728,189	2.40%
Total Revenue	\$30,320,644	100.00%



Business-Type Activities

The net position of the business-type activities increased by \$8,104,938. Utility revenue increased in 2024 due to a 10% increase in water rates and a 3% increase in sewer rates in 2023. ARPA grant monies received helped with this increase as well.

CITY OF PORTSMOUTH, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2024***

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$28,005,612, which is an increase from last year's balance of \$25,473,592. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2024 and 2023:

	Fund Balance December 31, 2024	Fund Balance December 31, 2023	Increase (Decrease)
General	\$19,499,089	\$17,214,826	\$2,284,263
Health Department	1,789,157	1,879,176	(90,019)
General Obligation Bond Retirement	227,551	215,617	11,934
Capital Improvement	1,893,299	1,499,362	393,937
Other Governmental	4,596,516	4,664,611	(68,095)
Total	\$28,005,612	\$25,473,592	\$2,532,020

General Fund – The City's General Fund balance increase is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2024 Revenues	2023 Revenues	Increase (Decrease)
Property and Other Taxes	\$18,108,274	\$17,633,276	\$474,998
Intergovernmental Revenue	1,171,421	1,329,570	(158,149)
Charges for Services	1,003,377	897,866	105,511
Licenses and Permits	213,540	198,770	14,770
Investment Earnings	41,732	50,937	(9,205)
Fines and Forfeitures	420,789	427,092	(6,303)
All Other Revenue	593,171	374,233	218,938
Total	\$21,552,304	\$20,911,744	\$640,560

General Fund revenues in 2024 increased approximately 3.1% compared to revenues in 2023. The increase in Property and Other Taxes is primarily due to better than anticipated income tax collections as well as an increase in property values resulting in additional collections from property tax.

CITY OF PORTSMOUTH, OHIO

***Management’s Discussion and Analysis
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	2024	2023	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$12,019,404	\$11,574,635	\$444,769
Community Environment	353,402	403,745	(50,343)
Transportation	795,203	787,066	8,137
General Government	<u>5,108,805</u>	<u>5,113,088</u>	<u>(4,283)</u>
Total	<u><u>\$18,276,814</u></u>	<u><u>\$17,878,534</u></u>	<u><u>\$398,280</u></u>

General Fund expenditures increased by \$398,280 or 2.2% compared to the prior year. General government increased as a result of doing renovations to the 5th 3rd building and increased tax refunds, and a 3.85% wage increase across the board.

Health Department Fund – The Health Department Fund balance decreased from \$1,879,176 to \$1,789,157. This was due to a decrease in grant revenue from the Reproductive Health and Wellness Grant, resulting from serving fewer clients than projected, and from the HIV Grants, due to reduced federal funding.

American Rescue Plan Act Fund – The American Rescue Plan Act Fund balance is zero because revenue is only recognized as expenditures are made.

General Obligation Bond Retirement Fund – The General Obligation Bond Retirement Fund balance increased from \$215,617 to \$227,551. The fund remained stable compared to 2023.

Capital Improvement Fund - The Capital Improvement Fund balance increased from \$1,499,362 to \$1,893,299. The increase can be attributed to installment loan proceeds for the purchase of a street sweeper.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2024 the City amended its General Fund budget several times. Final budgeted expenditures of \$20.7 million decreased \$1 million from original budget estimates due to budgeted appropriations for renovations to a new City Building that were not completed in 2023. Also budgeted appropriations for anticipated operating fund transfers that were not needed in 2023. As well as not being fully staffed in the Police and Fire Departments after having budgeted for full staffing levels.

For the General Fund, final budget basis revenue of \$22,060,000 increased from original budget estimates of \$20,310,000 as a result of greater than anticipated income tax revenue and property tax collections. The actual revenues of \$22,041,819 were not significantly different than the final budget basis revenue.

CITY OF PORTSMOUTH, OHIO

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Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024 the City had \$68,713,422 net of accumulated depreciation invested in buildings, improvements, machinery and equipment, and infrastructure. Of this total, \$23,513,489 related to governmental activities and \$45,199,933 to the business-type activities. The following table shows 2024 and 2023 balances:

	Governmental Activities		Increase (Decrease)
	2024	2023	
Land	\$2,156,209	\$2,156,209	\$0
Construction In Progress	226,600	620,974	(394,374)
Buildings	6,705,539	5,631,002	1,074,537
Improvements	4,330,879	4,292,369	38,510
Machinery and Equipment	17,169,537	16,438,846	730,691
Infrastructure	36,696,639	36,368,561	328,078
Less: Accumulated Depreciation	(43,771,914)	(41,720,989)	(2,050,925)
Totals	<u>\$23,513,489</u>	<u>\$23,786,972</u>	<u>(\$273,483)</u>

The increases in infrastructure were for street projects. Buildings increased due to construction being completed on the New City Building. Machinery and Equipment increased due to the purchase of City vehicles including five new police vehicles and a street sweeper.

	Business-Type Activities		Increase (Decrease)
	2024	2023	
Land	\$63,504	\$63,504	\$0
Construction in Progress	21,056,784	6,927,814	14,128,970
Buildings	7,633,690	6,976,721	656,969
Improvements other than Buildings	41,956,852	41,402,229	554,623
Machinery and Equipment	18,254,160	17,772,059	482,101
Less: Accumulated Depreciation	(43,765,057)	(42,207,775)	(1,557,282)
Totals	<u>\$45,199,933</u>	<u>\$30,934,552</u>	<u>\$14,265,381</u>

Business type capital assets increased by \$14,265,381. Construction in Progress increased due to the construction of Water and Sewer projects including a new water treatment plant and a booster station at Munn's Run and the start of SSO elimination at Sciotoville-Harding. Additional information on the City's capital assets can be found in Note 9.

CITY OF PORTSMOUTH, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

Debt

At December 31, 2024, the City had \$1,285,000 in General Obligation Bonds outstanding, \$270,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Governmental Activities:		
General Obligation Bond	\$1,285,000	\$1,545,000
Compensated Absences	1,682,490	1,624,405
Installment Loans Payable	481,783	477,898
Total Governmental Activities	<u>\$3,449,273</u>	<u>\$3,647,303</u>
Business-Type Activities:		
Ohio Public Works Commission Loan	\$2,305,129	\$2,281,703
Ohio Water Development Authority Loan	23,056,283	12,287,418
Compensated Absences	321,569	309,909
Total Business-Type Activities	<u>25,682,981</u>	<u>14,879,030</u>
Totals	<u>\$29,132,254</u>	<u>\$18,526,333</u>

Ohio Water Development Loans increased because the City is financing the new water treatment plant.

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2024, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.

ECONOMIC FACTORS

The local economy continues to improve and the General fund has stabilized as well. The Auditor of State declared the City to be in Fiscal Watch on April 9, 2013. The City implemented its revised five-year fiscal recovery plan in October 2014 with a major component being a proposed one-half percent increase in the City's income tax rate. The increase was approved by the City's voters and became effective January 1, 2016. Although still under Fiscal Watch, the City has achieved significant financial improvement resulting in a growing General Fund balance and as seeing all other funds continue to improve and maintain positive end of year fund balances. The City continues working closely with the Auditor of State's office through its five-year recovery plan. With the elimination of the Sewer fund deficit in 2020, the City is edging closer to the removal from its Fiscal Watch status. The City Manager is making preparations to submit a final financial recovery plan to remove the City's Fiscal Watch status in early 2026.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. M. Trent Williams, City Auditor of the City of Portsmouth.



CITY OF PORTSMOUTH, OHIO

**Statement of Net Position
December 31, 2024**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 29,997,749	\$ 11,512,554	\$ 41,510,303
Receivables:			
Taxes	5,381,840	0	5,381,840
Accounts	886,196	4,098,288	4,984,484
Intergovernmental	1,473,434	400,000	1,873,434
Settlement	415,941	0	415,941
Internal Balances	(985,610)	985,610	0
Inventory of Supplies at Cost	10,423	480,471	490,894
Prepaid Items	403,327	35,037	438,364
Restricted Assets:			
Cash and Cash Equivalents	241,477	495,914	737,391
Net OPEB Asset	276,444	186,126	462,570
Capital Assets:			
Capital Assets Not Being Depreciated	2,382,809	21,120,288	23,503,097
Capital Assets Being Depreciated, Net of Accumulated Depreciation	21,130,680	24,079,645	45,210,325
Total Assets	61,614,710	63,393,933	125,008,643
Deferred Outflows of Resources:			
Pension	8,890,368	1,802,806	10,693,174
OPEB	1,286,470	159,701	1,446,171
Total Deferred Outflows of Resources	10,176,838	1,962,507	12,139,345
Liabilities:			
Accounts Payable	316,332	544,248	860,580
Accrued Wages and Benefits	18,223	10,963	29,186
Intergovernmental Payable	217,263	73,261	290,524
Claims Payable	2,032,355	0	2,032,355
Due to Others	65,386	0	65,386
Unearned Revenue	250,267	0	250,267
Refundable Deposits	0	495,914	495,914
Accrued Interest Payable	11,500	105,680	117,180
Long-term Liabilities:			
Due Within One Year	1,861,678	1,049,625	2,911,303
Due in More Than One Year:			
Net Pension Liability	29,094,470	5,713,855	34,808,325
Net OPEB Liability	1,557,395	0	1,557,395
Other Amounts Due in More Than One Year	1,587,595	24,633,356	26,220,951
Total Liabilities	37,012,464	32,626,902	69,639,366

(Continued)

CITY OF PORTSMOUTH, OHIO

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Property Tax	2,792,700	0	2,792,700
Pension	1,321,442	96,805	1,418,247
OPEB	1,724,578	106,504	1,831,082
Total Deferred Inflows of Resources	5,838,720	203,309	6,042,029
Net Position:			
Net Investment in Capital Assets	22,075,889	19,647,294	41,723,183
Restricted For:			
Streets and Highways	1,622,934	0	1,622,934
Community Development	1,172,050	0	1,172,050
Security of Persons and Property	2,464,355	0	2,464,355
OPEB	276,444	186,126	462,570
Public Health and Welfare	2,033,262	0	2,033,262
Capital Projects	1,920,804	0	1,920,804
Debt Service	265,758	0	265,758
Perpetual Care:			
Expendable	214,634	0	214,634
Nonexpendable	26,843	0	26,843
Unrestricted (Deficit)	(3,132,609)	12,692,809	9,560,200
Total Net Position	\$ 28,940,364	\$ 32,526,229	\$ 61,466,593

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

**Statement of Activities
For the Year Ended December 31, 2024**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 14,867,386	\$ 1,273,995	\$ 102,407	\$ 0
Public Health and Welfare Services	3,309,566	1,088,314	1,797,279	0
Leisure Time Activities	83,440	107,235	0	0
Community Environment	650,437	114,637	83,620	0
Transportation	3,235,411	23,353	1,303,238	0
General Government	7,404,531	693,527	463,642	0
Interest on Long Term Debt	62,114	0	0	0
Total Governmental Activities	29,612,885	3,301,061	3,750,186	0
Business-Type Activities:				
Water	6,838,488	10,416,934	0	2,302,964
Sewer	6,278,289	5,876,543	0	2,609,462
Sanitation	2,888,301	2,904,113	0	0
Total Business-Type Activities	16,005,078	19,197,590	0	4,912,426
Totals	\$ 45,617,963	\$ 22,498,651	\$ 3,750,186	\$ 4,912,426

General Revenues

Property Taxes Levied for:

General Purposes

Special Purpose

Debt Service

Income Taxes

Other Local Taxes

Intergovernmental Revenue, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (13,490,984)	\$ 0	\$ (13,490,984)
(423,973)	0	(423,973)
23,795	0	23,795
(452,180)	0	(452,180)
(1,908,820)	0	(1,908,820)
(6,247,362)	0	(6,247,362)
(62,114)	0	(62,114)
<u>(22,561,638)</u>	<u>0</u>	<u>(22,561,638)</u>
0	5,881,410	5,881,410
0	2,207,716	2,207,716
0	15,812	15,812
<u>0</u>	<u>8,104,938</u>	<u>8,104,938</u>
<u>(22,561,638)</u>	<u>8,104,938</u>	<u>(14,456,700)</u>
2,112,192	0	2,112,192
750,502	0	750,502
185,330	0	185,330
17,938,665	0	17,938,665
366,121	0	366,121
1,188,398	0	1,188,398
41,753	0	41,753
686,436	0	686,436
<u>23,269,397</u>	<u>0</u>	<u>23,269,397</u>
707,759	8,104,938	8,812,697
28,232,605	24,421,291	52,653,896
<u>\$ 28,940,364</u>	<u>\$ 32,526,229</u>	<u>\$ 61,466,593</u>

CITY OF PORTSMOUTH, OHIO

**Balance Sheet
Governmental Funds
December 31, 2024**

	General	Health Department	American Rescue Plan Act	General Obligation Bond Retirement
Assets:				
Cash and Cash Equivalents	\$ 17,584,016	\$ 1,739,205	\$ 408,899	\$ 227,551
Receivables:				
Taxes	4,061,539	0	0	211,060
Accounts	278,339	0	0	0
Intergovernmental	512,313	224,430	0	9,647
Settlement	0	0	0	0
Due from Other Funds	227,210	0	0	0
Interfund Loans Receivables	200,000	0	0	0
Inventory of Supplies, at Cost	7,710	2,713	0	0
Prepaid Items	294,069	74,570	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Total Assets	\$ 23,165,196	\$ 2,040,918	\$ 408,899	\$ 448,258
Liabilities:				
Accounts Payable	\$ 195,028	\$ 26,596	\$ 0	\$ 0
Accrued Wages and Benefits Payable	18,223	0	0	0
Intergovernmental Payable	172,413	25,165	0	0
Claims Payable	140,820	0	0	0
Due to Others	0	0	0	0
Unearned Revenue	0	0	250,267	0
Due to Other Funds	24,453	0	158,632	0
Interfund Loans Payable	0	200,000	0	0
Total Liabilities	550,937	251,761	408,899	0
Deferred Inflows of Resources:				
Property Tax	1,931,200	0	0	171,000
Unavailable Revenue	1,183,970	0	0	49,707
Total Deferred Inflows of Resources	3,115,170	0	0	220,707
Fund Balances:				
Nonspendable	301,779	77,283	0	0
Restricted	0	1,711,874	0	227,551
Committed	169,905	0	0	0
Assigned	5,755,096	0	0	0
Unassigned	13,272,309	0	0	0
Total Fund Balances	19,499,089	1,789,157	0	227,551
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 23,165,196	\$ 2,040,918	\$ 408,899	\$ 448,258

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 1,662,102	\$ 4,218,190	\$ 25,839,963
228,461	880,780	5,381,840
20,000	587,857	886,196
0	727,044	1,473,434
0	415,941	415,941
0	24,453	251,663
0	0	200,000
0	0	10,423
10,241	5,068	383,948
0	241,477	241,477
<u>\$ 1,920,804</u>	<u>\$ 7,100,810</u>	<u>\$ 35,084,885</u>
\$ 0	\$ 94,708	\$ 316,332
0	0	18,223
0	19,685	217,263
0	0	140,820
0	65,386	65,386
0	0	250,267
0	227,210	410,295
0	0	200,000
<u>0</u>	<u>406,989</u>	<u>1,618,586</u>
0	690,500	2,792,700
27,505	1,406,805	2,667,987
<u>27,505</u>	<u>2,097,305</u>	<u>5,460,687</u>
10,241	31,911	421,214
1,883,058	4,543,776	8,366,259
0	21,628	191,533
0	0	5,755,096
0	(799)	13,271,510
<u>1,893,299</u>	<u>4,596,516</u>	<u>28,005,612</u>
<u>\$ 1,920,804</u>	<u>\$ 7,100,810</u>	<u>\$ 35,084,885</u>

CITY OF PORTSMOUTH, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2024***

Total Governmental Fund Balances \$ 28,005,612

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

Capital Assets used in governmental activities are not
resources and therefore are not reported in the funds. 23,513,489

Other long-term assets are not available to pay for current-
period expenditures and therefore are reported as unavailable
revenue in the funds. 2,667,987

Internal Service Funds are used by management to charge the
costs of insurance to individual funds. The assets and liabilities
of the internal service funds are included in governmental
activities in the statement of net position. 1,458,652

The net pension liability is not due and payable in the current period;
therefore, the liability and related deferred inflows/outflows are not
reported in governmental funds:

Deferred Outflows - Pension	8,890,368	
Deferred Inflows - Pension	(1,321,442)	
Net Pension Liability	<u>(29,094,470)</u>	(21,525,544)

The net OPEB liability is not due and payable in the current period;
therefore, the liability and related deferred inflows/outflows are not
reported in governmental funds:

Deferred Outflows - OPEB	1,286,470	
Deferred Inflows - OPEB	(1,724,578)	
Net OPEB Asset	276,444	
Net OPEB Liability	<u>(1,557,395)</u>	(1,719,059)

Long-term liabilities, including bonds payable, are not due
and payable in the current period and therefore are not
reported in the funds.

General Obligation Bonds Payable	(1,285,000)	
Installment Loan Payable	(481,783)	
Compensated Absences Payable	(1,682,490)	
Accrued Interest Payable	<u>(11,500)</u>	<u>(3,460,773)</u>

Net Position of Governmental Activities \$ 28,940,364

See accompanying notes to the basic financial statements



CITY OF PORTSMOUTH, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024**

	General	Health Department	American Rescue Plan Act	General Obligation Bond Retirement
Revenues:				
Taxes	\$ 18,108,274	\$ 0	\$ 0	\$ 179,045
Intergovernmental Revenues	1,171,421	1,703,651	26,265	19,269
Charges for Services	1,003,377	294,400	0	0
Licenses and Permits	213,540	0	0	0
Investment Earnings	41,732	0	0	0
Fines and Forfeitures	420,789	0	0	0
All Other Revenue	593,171	104,412	0	0
Total Revenue	21,552,304	2,102,463	26,265	198,314
Expenditures:				
Current:				
Security of Persons and Property	12,019,404	0	0	0
Public Health and Welfare Services	0	3,050,709	0	0
Leisure Time Activities	0	0	0	0
Community Environment	353,402	0	0	0
Transportation	795,203	0	0	0
General Government	5,108,805	0	26,265	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	135,000
Interest and Fiscal Charges	0	0	0	51,380
Total Expenditures	18,276,814	3,050,709	26,265	186,380
Excess (Deficiency) of Revenues Over Expenditures	3,275,490	(948,246)	0	11,934
Other Financing Sources (Uses):				
Installment Loans	0	0	0	0
Transfers In	0	858,227	0	0
Transfers Out	(991,227)	0	0	0
Total Other Financing Sources (Uses)	(991,227)	858,227	0	0
Net Change in Fund Balances	2,284,263	(90,019)	0	11,934
Fund Balances at Beginning of Year	17,214,826	1,879,176	0	215,617
Fund Balances End of Year	\$ 19,499,089	\$ 1,789,157	\$ 0	\$ 227,551

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 2,158,065	\$ 851,022	\$ 21,296,406
40,000	1,883,595	4,844,201
0	247,952	1,545,729
0	0	213,540
0	21	41,753
0	720,355	1,141,144
75,460	8,105	781,148
<u>2,273,525</u>	<u>3,711,050</u>	<u>29,863,921</u>
0	689,283	12,708,687
0	0	3,050,709
0	64,455	64,455
0	135,389	488,791
0	1,477,886	2,273,089
0	1,545,132	6,680,202
1,741,343	0	1,741,343
351,115	0	486,115
17,130	0	68,510
<u>2,109,588</u>	<u>3,912,145</u>	<u>27,561,901</u>
163,937	(201,095)	2,302,020
230,000	0	230,000
0	133,000	991,227
0	0	(991,227)
<u>230,000</u>	<u>133,000</u>	<u>230,000</u>
393,937	(68,095)	2,532,020
1,499,362	4,664,611	25,473,592
<u>\$ 1,893,299</u>	<u>\$ 4,596,516</u>	<u>\$ 28,005,612</u>

CITY OF PORTSMOUTH, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2024***

Net Change in Fund Balances - Total Governmental Funds \$ 2,532,020

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlay	1,962,995	
Depreciation Expense	<u>(2,222,479)</u>	(259,484)

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to decrease net position.

The statement of activities reports losses arising from the disposal of capital assets. However, in the governmental funds, proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.	(13,999)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 456,723

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,103,688

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (2,908,286)

Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability/asset are reported as OPEB expense in the statement of activities. 2,780

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Installment Loan Issued	(230,000)	
General Obligation Bonds Payable	260,000	
Installment Loan Payable	<u>226,115</u>	256,115

(Continued)

CITY OF PORTSMOUTH, OHIO

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 6,396

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 the governmental funds.

 Compensated Absences (58,085)

Internal Service Funds used by management to charge the costs of insurance and use of supplies to individual funds are not reported in the statement of activities. Governmental fund expenditures and related internal service revenues are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities. (1,410,109)

Change in Net Position of Governmental Activities \$ 707,759

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 17,159,000	\$ 18,216,000	\$ 18,199,282	\$ (16,718)
Intergovernmental Revenue	1,178,000	1,346,000	1,334,587	(11,413)
Charges for Services	810,000	977,000	996,892	19,892
Licenses and Permits	210,000	218,000	213,540	(4,460)
Investment Earnings	25,000	40,000	41,732	1,732
Fines and Forfeitures	430,000	430,000	427,671	(2,329)
All Other Revenues	98,000	563,000	558,115	(4,885)
Total Revenues	<u>19,910,000</u>	<u>21,790,000</u>	<u>21,771,819</u>	<u>(18,181)</u>
Expenditures:				
Current:				
Security of Persons and Property	12,789,679	12,033,579	12,033,579	0
Community Environment	329,294	359,199	359,199	0
Transportation	669,242	1,079,743	1,079,743	0
General Government	4,807,722	4,705,193	4,705,193	0
Total Expenditures	<u>18,595,937</u>	<u>18,177,714</u>	<u>18,177,714</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,314,063	3,612,286	3,594,105	(18,181)
Other Financing Sources (Uses):				
Transfers Out	(2,580,978)	(2,280,978)	(2,280,978)	0
Advances In	400,000	270,000	270,000	0
Advances Out	(400,000)	(200,000)	(200,000)	0
Total Other Financing Sources (Uses):	<u>(2,580,978)</u>	<u>(2,210,978)</u>	<u>(2,210,978)</u>	<u>0</u>
Net Change in Fund Balance	(1,266,915)	1,401,308	1,383,127	(18,181)
Fund Balance at Beginning of Year	14,476,580	14,476,580	14,476,580	0
Prior Year Encumbrances	531,436	531,436	531,436	0
Fund Balance at End of Year	<u>\$ 13,741,101</u>	<u>\$ 16,409,324</u>	<u>\$ 16,391,143</u>	<u>\$ (18,181)</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Health Department Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,657,000	\$ 1,741,000	\$ 1,724,876	\$ (16,124)
Charges for Services	930,000	304,000	294,400	(9,600)
All Other Revenues	120,000	105,000	104,412	(588)
Total Revenues	<u>2,707,000</u>	<u>2,150,000</u>	<u>2,123,688</u>	<u>(26,312)</u>
Expenditures:				
Public Health and Welfare Services	<u>3,626,678</u>	<u>3,078,240</u>	<u>3,078,240</u>	<u>0</u>
Total Expenditures	<u>3,626,678</u>	<u>3,078,240</u>	<u>3,078,240</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(919,678)	(928,240)	(954,552)	(26,312)
Other Financing Sources (Uses):				
Transfers In	793,000	858,000	858,227	227
Transfers Out	(7,000)	0	0	0
Advances In	200,000	0	200,000	200,000
Advances Out	0	(270,000)	(270,000)	0
Total Other Financing Sources (Uses)	<u>986,000</u>	<u>588,000</u>	<u>788,227</u>	<u>200,227</u>
Net Change in Fund Balance	66,322	(340,240)	(166,325)	173,915
Fund Balance at Beginning of Year	<u>1,905,530</u>	<u>1,905,530</u>	<u>1,905,530</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,971,852</u>	<u>\$ 1,565,290</u>	<u>\$ 1,739,205</u>	<u>\$ 173,915</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
American Rescue Plan Act Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 26,000	\$ 26,265	\$ 265
Total Revenues	<u>0</u>	<u>26,000</u>	<u>26,265</u>	<u>265</u>
Expenditures:				
General Government	1,359,432	1,055,943	1,055,943	0
Total Expenditures	<u>1,359,432</u>	<u>1,055,943</u>	<u>1,055,943</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,359,432)	(1,029,943)	(1,029,678)	265
Fund Balance at Beginning of Year	1,359,431	1,359,431	1,359,431	0
Prior Year Encumbrances	62,423	62,423	62,423	0
Fund Balance at End of Year	<u>\$ 62,422</u>	<u>\$ 391,911</u>	<u>\$ 392,176</u>	<u>\$ 265</u>

See accompanying notes to the basic financial statements



CITY OF PORTSMOUTH, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2024**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Assets:			
Current assets:			
Cash and Cash Equivalents	\$ 9,301,723	\$ 1,697,540	\$ 513,291
Accounts receivable (net of allowance for uncollectibles)	2,229,282	1,328,444	540,562
Intergovernmental receivable	400,000	0	0
Due from Other Funds	0	158,632	0
Inventory of Supplies at Cost	202,506	277,965	0
Prepaid Items	22,705	6,842	5,490
Total current assets	12,156,216	3,469,423	1,059,343
Noncurrent assets:			
Restricted Assets:			
Cash and Cash Equivalents	495,914	0	0
Total restricted assets	495,914	0	0
Net OPEB Asset	85,871	66,552	33,703
Capital assets:			
Capital Assets Not Being Depreciated	18,272,968	2,847,320	0
Capital Assets Being Depreciated, net of accumulated depreciation	11,833,653	11,673,153	572,839
Total capital assets	30,106,621	14,520,473	572,839
Total noncurrent assets	30,688,406	14,587,025	606,542
Total Assets	42,844,622	18,056,448	1,665,885
Deferred Outflows of Resources:			
Pension	826,923	653,006	322,877
OPEB	73,679	57,102	28,920
Total Deferred Outflows of Resources	900,602	710,108	351,797
Liabilities:			
Current liabilities:			
Accounts Payable	139,564	330,544	74,140
Accrued Wages and Benefits	7,452	2,604	907
Intergovernmental Payable	33,809	25,881	13,571
Claims Payable	0	0	0
Refundable Deposits	495,914	0	0
Accrued Interest Payable	33,315	72,365	0
OWDA Loans Payable - Current	373,945	232,586	0
OPWC Loans Payable - Current	54,310	86,064	0
Compensated Absences Payable - Current	198,750	103,970	0
Total Current Liabilities	1,337,059	854,014	88,618

CITY OF PORTSMOUTH, OHIO

Total	Governmental Activities - Internal Service Funds
<u> </u>	<u> </u>
\$ 11,512,554	\$ 4,157,786
4,098,288	0
400,000	0
158,632	0
480,471	0
35,037	19,379
<u>16,684,982</u>	<u>4,177,165</u>
495,914	0
<u>495,914</u>	<u>0</u>
186,126	0
21,120,288	0
24,079,645	0
<u>45,199,933</u>	<u>0</u>
45,881,973	0
<u>62,566,955</u>	<u>4,177,165</u>
1,802,806	0
159,701	0
<u>1,962,507</u>	<u>0</u>
544,248	0
10,963	0
73,261	0
0	1,891,535
495,914	0
105,680	0
606,531	0
140,374	0
302,720	0
<u>2,279,691</u>	<u>1,891,535</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2024**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Noncurrent Liabilities:			
OWDA Loans Payable	16,916,620	5,533,132	0
OPWC Loans Payable	1,310,951	853,804	0
Compensated Absences Payable	13,129	5,720	0
Net Pension Liability	2,636,135	2,043,047	1,034,673
Total Noncurrent Liabilities	20,876,835	8,435,703	1,034,673
Total Liabilities	22,213,894	9,289,717	1,123,291
Deferred Inflows of Resources:			
Pension	44,662	34,613	17,530
OPEB	49,137	38,081	19,286
Total Deferred Inflows of Resources	93,799	72,694	36,816
Net Position:			
Net Investment in Capital Assets	11,418,200	7,656,255	572,839
Restricted for OPEB	85,871	66,552	33,703
Unrestricted	9,933,460	1,681,338	251,033
Total Net Position	\$ 21,437,531	\$ 9,404,145	\$ 857,575

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Total Net Position per the government-wide Statement of Net Position

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
22,449,752	0
2,164,755	0
18,849	0
5,713,855	0
<u>30,347,211</u>	<u>0</u>
32,626,902	1,891,535
96,805	0
106,504	0
<u>203,309</u>	<u>0</u>
19,647,294	0
186,126	0
11,865,831	2,285,630
<u>\$ 31,699,251</u>	<u>\$ 2,285,630</u>
826,978	
<u>\$ 32,526,229</u>	

CITY OF PORTSMOUTH, OHIO

**Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Operating Revenues:			
Charges for Services	\$ 10,404,502	\$ 5,869,087	\$ 2,900,481
Other Operating Revenues	12,432	7,456	3,632
Total Operating Revenues	10,416,934	5,876,543	2,904,113
Operating Expenses:			
Personal Services	2,933,576	2,742,137	1,519,849
Contractual Services	1,822,830	2,407,217	122,995
Materials and Supplies	923,733	128,415	1,038,000
Depreciation	838,341	664,521	86,180
Total Operating Expenses	6,518,480	5,942,290	2,767,024
Operating Income (Loss)	3,898,454	(65,747)	137,089
Non-Operating Expenses:			
Interest and Fiscal Charges	(69,121)	(146,533)	0
Total Non-Operating Expenses	(69,121)	(146,533)	0
Income (Loss) Before Contributions	3,829,333	(212,280)	137,089
Capital Contributions	2,302,964	2,609,462	0
Change in Net Position	6,132,297	2,397,182	137,089
Net Position Beginning of Year	15,305,234	7,006,963	720,486
Net Position End of Year	\$ 21,437,531	\$ 9,404,145	\$ 857,575

Change in Net Position - Total Enterprise Funds

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Change in Net Position - Total Business-Type Activities

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 19,174,070	\$ 5,558,512
23,520	0
19,197,590	5,558,512
7,195,562	7,527,251
4,353,042	3,000
2,090,148	0
1,589,042	0
15,227,794	7,530,251
3,969,796	(1,971,739)
(215,654)	0
(215,654)	0
3,754,142	(1,971,739)
4,912,426	0
8,666,568	(1,971,739)
23,032,683	4,257,369
\$ 31,699,251	\$ 2,285,630
8,666,568	
(561,630)	
\$ 8,104,938	

CITY OF PORTSMOUTH, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024**

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Sanitation
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$9,882,523	\$5,546,305	\$2,885,836
Cash Received from Interfund Services	0	0	0
Cash Payments for Goods and Services	(2,959,305)	(2,751,951)	(1,104,947)
Cash Payments to Employees	(2,888,379)	(2,639,083)	(1,519,039)
Cash Payments for Claims	0	0	0
Customer Deposits Received	81,955	0	0
Customer Deposits Refunded	(20,582)	0	0
Net Cash Provided (Used) by Operating Activities	<u>4,096,212</u>	<u>155,271</u>	<u>261,850</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from Ohio Water Development Authority Loan	10,700,129	1,397,908	0
Proceeds from Ohio Public Works Commission Loan	156,000	0	0
Proceeds from Intergovernmental Grants	966,474	1,840,871	0
Acquisition and Construction of Assets	(11,999,788)	(2,962,674)	(23,175)
Principal Paid on Ohio Public Works Commission Loan	(46,510)	(86,064)	0
Principal Paid on Ohio Water Development Authority Loan	(478,779)	(240,434)	0
Interest Paid on All Debt	(74,064)	(150,109)	0
Net Cash Used by Capital and Related Financing Activities	<u>(776,538)</u>	<u>(200,502)</u>	<u>(23,175)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,319,674	(45,231)	238,675
Cash and Cash Equivalents at Beginning of Year	6,477,963	1,742,771	274,616
Cash and Cash Equivalents at End of Year	<u>\$9,797,637</u>	<u>\$1,697,540</u>	<u>\$513,291</u>
<u>Reconciliation of Cash and Cash Equivalent per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$9,301,723	\$1,697,540	\$513,291
Restricted Cash and Cash Equivalents	495,914	0	0
Cash and Cash Equivalents at End of Year	<u>\$9,797,637</u>	<u>\$1,697,540</u>	<u>\$513,291</u>

CITY OF PORTSMOUTH, OHIO

Total	Governmental Activities Internal Service Fund
\$18,314,664	\$0
0	5,558,512
(6,816,203)	(3,000)
(7,046,501)	0
0	(6,638,964)
81,955	0
(20,582)	0
<u>4,513,333</u>	<u>(1,083,452)</u>
12,098,037	0
156,000	0
2,807,345	0
(14,985,637)	0
(132,574)	0
(719,213)	0
<u>(224,173)</u>	<u>0</u>
<u>(1,000,215)</u>	<u>0</u>
3,513,118	(1,083,452)
<u>8,495,350</u>	<u>5,241,238</u>
<u>\$12,008,468</u>	<u>\$4,157,786</u>
\$11,512,554	\$4,157,786
<u>495,914</u>	<u>0</u>
<u>\$12,008,468</u>	<u>\$4,157,786</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024**

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Sanitation
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$3,898,454	(\$65,747)	\$137,089
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	838,341	664,521	86,180
Changes in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:			
Increase in Accounts Receivable	(534,411)	(330,238)	(18,277)
(Increase) Decrease in Inventory	(202,506)	(277,965)	33,294
(Increase) Decrease in Prepaid Items	(14,615)	(61)	(2,467)
Increase in Net OPEB Asset	(85,871)	(66,552)	(33,703)
Decrease in Deferred Outflows-Pension	483,639	379,157	184,483
Decrease in Deferred Outflows-OPEB	111,937	83,674	44,405
Increase in Accounts Payable	4,379	61,707	25,221
Increase (Decrease) in Intergovernmental Payable	1,734	1,182	(711)
Increase (Decrease) in Accrued Wages and Benefits	4,597	(115)	578
Increase in Claims Payable	0	0	0
Increase in Customer Deposits	61,373	0	0
Increase (Decrease) in Compensated Absences	(3,333)	14,993	0
(Decrease) in Net Pension Liability	(477,992)	(318,793)	(195,511)
(Decrease) in Net OPEB Liability	(62,650)	(47,515)	(24,749)
Increase in Deferred Inflows-Pension	44,662	34,613	14,894
Increase in Deferred Inflows-OPEB	28,474	22,410	11,124
Total Adjustments	197,758	221,018	124,761
Net Cash Provide (Used) by Operating Activities	\$4,096,212	\$155,271	\$261,850

Schedule of Noncash Investing, Capital and Financing Activities:

During 2024 OWDA completely forgave loan Sciotoville-Hardin SSO Elimination in the Sewer Fund.

The amount forgiven by OWDA was \$609,959.

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Total	Governmental Activities Internal Service Fund
\$3,969,796	(\$1,971,739)
1,589,042	0
(882,926)	0
(447,177)	0
(17,143)	1,553
(186,126)	0
1,047,279	0
240,016	0
91,307	0
2,205	0
5,060	0
0	886,734
61,373	0
11,660	0
(992,296)	0
(134,914)	0
94,169	0
62,008	0
<u>543,537</u>	<u>888,287</u>
<u>\$4,513,333</u>	<u>(\$1,083,452)</u>

CITY OF PORTSMOUTH, OHIO

**Statement of Net Position
Fiduciary Funds
December 31, 2024**

	<u>Custodial</u>
Assets:	
Receivables:	
Accounts	\$ 476,580
Restricted Assets:	
Cash and Cash Equivalents	<u>58,258</u>
Total Assets	<u>534,838</u>
Liabilities:	
Intergovernmental Payable	17,138
Due to Others	<u>517,700</u>
Total Liabilities	<u>534,838</u>
Unrestricted	<u>0</u>
Total Net Position	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

***Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2024***

	<u>Custodial</u>
Additions:	
Fines and Forfeitures Collections for Others	\$ 1,209,317
Charges Collected for Others	<u>2,825</u>
Total Additions	<u>1,212,142</u>
Deductions:	
Distribution of Fines and Forfeitures to Others	1,209,317
Distribution of Charges Collected for Others	<u>2,825</u>
Total Deductions	<u>1,212,142</u>
Change in Net Position	0
Net Position at Beginning of Year	<u>0</u>
Net Position End of Year	<u><u>\$ 0</u></u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Portsmouth, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council-City Manager form of government, was adopted in 1928 and has been amended several times.

The financial statements are presented as of December 31, 2024 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of accounting principles generally accepted in the United States of America in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity includes the following services as authorized by its charter: police and fire protection, parks and recreation, planning, zoning, street maintenance and general administrative services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and a refuse collection service, each of which is reported as an enterprise fund.

Beginning 2019 it was determined that the Health Department was a legally separate entity under GASB Statement 61, "The Financial Reporting Entity", updated for GASB 80, "Blending Requirements for Certain Component Units". Previously there were multiple funds maintained by the City for Health Department activities of which one was part of the General Fund, one was an enterprise fund and the remaining were special revenue funds.

The Health Department provides public health services, and is a body politic and corporate. The City provides operating support and approves the Health Department's budget. Since the City is expected to repay outstanding debt of the Health Department, it is reported as a blended component unit. It's included as a major fund in the governmental statements due to its significance to the City.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Health Department Fund – This fund is used to account for grant revenues and charges for services for, the operation of the City’s Health Department.

American Rescue Plan Act (ARPA) Fund – This fund is used to account for Coronavirus State and Local Fiscal Recovery funds received as part of the American Rescue Plan Act. The funds are to be used to support the response and recovery from the COVID-19 public health emergency.

General Obligation Bond Retirement Fund – This fund is used for the accumulation of resources for, and the payment of, principal and interest on general obligation debt other than those accounted for in the proprietary funds.

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

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

Enterprise Funds - These 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 costs (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’s major enterprise funds are:

Water Fund – This fund is used to account for the operation of the City’s water service.

Sewer Fund – This fund is used to account for the operation of the City’s sanitary sewer service.

Sanitation Fund – This fund is used to account for the operation of the City’s refuse collection and disposal service.

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments on a cost-reimbursement basis. The Employees Insurance Account “B” Insurance Fund accounts for the accumulation and allocation of costs associated with the employee health care plans.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources and use and balances of financial resources). The following are the City's major governmental funds:

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. These funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units and therefore not available to support the City's own programs. The custodial funds account for revenues and expenditures of State Patrol fines to the County Law Library Resources Board, funds from the three percent (3%) fees as required by Ohio Revised Code, and funds that flow through the municipal court office.

C. Basis of Presentation – Financial Statements

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

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

services offered by the program and grants and contributions that are externally restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which the City considers to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from property taxes is recognized in the year for which the taxes were levied (See Note 5). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual at year end include income taxes, interest on investments, and state levied locally shared taxes, including motor vehicle license fees and local government assistance. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

The accrual basis of accounting is utilized for reporting purposes by the government-wide, the proprietary funds and fiduciary funds financial statements. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

E. Budgetary Process

The annual budgetary process is prescribed by Charter and by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control for the General Fund is by department level, by personal services and other expenditures and for all other funds by personal services and other expenditures. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the legal level as stated above without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the object level by fund may only be made by ordinance of the City Council.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure.

On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during 2024.

3. Appropriations

The appropriation ordinance establishes spending controls at the fund level by department, by personal services and other expenditures for the General Fund and by the personal services and other expenditures in all other funds. The appropriation ordinance may be amended during the year as additional information becomes available provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments within a fund may be modified during the year by an ordinance of City Council. Several supplemental appropriations were made during 2024. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. In addition, encumbrances are recorded as the equivalent of expenditures on the budgetary basis. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary cash basis statements for the General Fund and major special revenue funds:

	Net Change in Fund Balance		
	General Fund	Health Department Fund	ARPA Fund
GAAP Basis (as reported)	\$2,284,263	(\$90,019)	\$0
Increase (Decrease):			
Accrued Revenues at December 31, 2024 received during 2025	(2,184,284)	(224,430)	0
Accrued Revenues at December 31, 2023 received during 2024	2,473,799	245,655	0
Unearned Revenues at December 31, 2023 received during 2023	0	0	(1,421,854)
Unearned Revenues at December 31, 2024 received during 2024	0	0	408,899
Accrued Expenditures at December 31, 2024 paid during 2025	445,633	249,827	0
Accrued Expenditures at December 31, 2023 paid during 2024	(454,067)	(320,218)	0
2023 Prepays for 2024	126,937	47,430	0
2024 Prepays for 2025	(294,069)	(74,570)	0
Perspective Difference-			
Budgeted Special Revenue Funds reclassified as General Fund	16,915	0	0
Outstanding Encumbrances	(1,032,000)	0	(16,723)
Budget Basis	\$1,383,127	(\$166,325)	(\$1,029,678)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and investments with original maturity dates of three months or less. The City pools its cash, except for cash and investments in certain fiduciary funds and monies held for construction in enterprise funds, for maximum investing efficiency. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

G. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The consumption method is used to account for inventories. As such, inventories are recognized as expenditures when goods are used. Reported inventories in governmental funds are offset by a nonspendable fund balance.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Donated capital assets are recorded at their acquisition value as of the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Infrastructure is included in Improvements other than Buildings in Note 9 B. Donated capital assets are recorded at their acquisition value as of the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	15 - 50
Improvements other than Buildings	25-50
Infrastructure	10-50
Machinery, Equipment, Furniture and Fixtures	3 - 15

J. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds Payable	Bond Retirement Fund
Ohio Public Works Commission Loans Payable	Water Fund, Sewer Fund
Ohio Water Development Authority	Water Fund, Sewer Fund
Net Pension/ OPEB Liability	General Fund, Water Fund, Sewer Fund, Sanitation Fund
Loans Payable	Capital Improvement Fund, Sewer Fund

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

GASB Statement No. 101, “*Compensated Absences*”, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. In addition, certain salary related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability. Accrued vacation and sick leave are accumulated to City employees at varying amounts and are attributable to services already rendered. At the time of the employee’s termination, such accruals are paid to the employee at varying rates from the fund to which the employee’s payroll is charged.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account “Compensated Absences Payable.” In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account.

Compensated absences are expensed in the water, sewer, and sanitation enterprise funds when earned. The related liability is reported within the fund.

L. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Pensions/Other Postemployment Benefits (OPEB)

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

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Interfund activity within governmental activities and business-type activities are eliminated for reporting on the government-wide financial statements.

In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. The elimination of the internal service funds is based on the activity of each fund to which it provides service.

O. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balances (Continued)

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

P. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, collection of solid waste refuse, and primary care health services. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide and proprietary statements of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, grants, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide and proprietary statements of net position explained in Notes 10 and 11.

R. Restricted Assets

Certain assets are classified as restricted cash on the statement of net position and the balance sheet because these funds are being held as customer deposits or for endowments.

S. Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2024 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, “Accounting Changes and Error Corrections” and Statement No. 101, “Compensated Absences.”

GASB Statement No. 100 addresses accounting and financial reporting requirements for accounting changes and error corrections.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences.

The implementation of these Statements had no effect on beginning net position/fund balance.

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CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 3 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General Fund	Health Department Fund	General Obligation Bond Retirement Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$294,069	\$74,570	\$0	\$10,241	\$5,068	\$383,948
Supplies Inventory	7,710	2,713	0	0	0	10,423
Endowment	0	0	0	0	26,843	26,843
Total Nonspendable	<u>301,779</u>	<u>77,283</u>	<u>0</u>	<u>10,241</u>	<u>31,911</u>	<u>421,214</u>
Restricted:						
Transportation Projects	0	0	0	0	1,323,686	1,323,686
Court Projects	0	0	0	0	734,680	734,680
Public Safety	0	0	0	0	811,151	811,151
Health	0	1,711,874	0	0	284,821	1,996,695
Cemetery	0	0	0	0	214,634	214,634
Community Development	0	0	0	0	1,141,744	1,141,744
Debt Retirement	0	0	227,551	0	0	227,551
Capital Improvements	0	0	0	1,883,058	0	1,883,058
Parks and Recreation	0	0	0	0	33,060	33,060
Total Restricted	<u>0</u>	<u>1,711,874</u>	<u>227,551</u>	<u>1,883,058</u>	<u>4,543,776</u>	<u>8,366,259</u>
Committed:						
Parks and Recreation	0	0	0	0	21,628	21,628
Compensated Absences	169,905	0	0	0	0	169,905
Total Committed	<u>169,905</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,628</u>	<u>191,533</u>
Assigned:						
Projected Budgetary Deficit	4,723,096	0	0	0	0	4,723,096
Services and Supplies	1,032,000	0	0	0	0	1,032,000
Total Assigned	<u>5,755,096</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,755,096</u>
Unassigned:	13,272,309	0	0	0	(799)	13,271,510
Total Fund Balances	<u>\$19,499,089</u>	<u>\$1,789,157</u>	<u>\$227,551</u>	<u>\$1,893,299</u>	<u>\$4,596,516</u>	<u>\$28,005,612</u>

The Nonspendable endowment listed within the table has been established pursuant to state law and binds the City to forever hold such money as a permanent fund and to provide perpetual care of the lots. Income or interest of such money is considered restricted for the current operations of the cemetery.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 4 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- * United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- * Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- * Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- * Time certificates of deposit or savings or deposit accounts including, but not limited to , passbook accounts;
- * Bonds and other obligations of the State of Ohio and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio if training requirements have been met;
- * No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 4 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

- * The State Treasury’s investment pool (STAR Ohio).
- * Certain bankers’ acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the government’s deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate fair value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the City’s deposits was \$42,305,952 and the bank balance was \$43,413,285. Federal depository insurance covered \$451,731 of the bank balance and \$42,961,554 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held in the Ohio Pooled Collateral System	<u>\$42,961,554</u>
Total Balance	<u><u>\$42,961,554</u></u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes collected during 2024 were levied after October 1, 2023 on assessed values as of January 1, 2023, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. Public utility tangible personal property is currently assessed at varying percentages of its true value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 2022. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Portsmouth. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2024 was \$11.75 per \$1,000 of assessed value. The assessed value upon which the 2024 tax collections were based was \$285,303,640. This amount constituted \$251,205,410 in real property assessed value and \$34,098,230 in public utility assessed.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .1175% (11.75 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 50% of the tax paid to another municipality to a maximum of the total amount assessed.

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

NOTE 6 - RECEIVABLES

Receivables at December 31, 2024 consisted of taxes, intergovernmental, settlement, and accounts receivable. All receivables are expected to be collected with the next year.

CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables balances at December 31, 2024 are as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$227,210	\$24,453
ARPA Fund	0	158,632
Other Governmental Funds	24,453	227,210
Total Governmental Funds	<u>\$251,663</u>	<u>\$410,295</u>
Sewer Fund	158,632	0
Total Enterprise Funds	<u>158,632</u>	<u>0</u>
	<u>\$410,295</u>	<u>\$410,295</u>
	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$200,000	\$0
Health Department Fund	0	200,000
Total Governmental Funds	<u>\$200,000</u>	<u>\$200,000</u>

On the Statement of Net Position, the Business-Type Activities reported an internal balance at December 31, 2024 of \$985,610, which was offset in the Governmental Activities by the same amount. The Due from Other Funds in the Other Governmental Funds is for reimbursement of expenditures made by the Community Development Fund for the General Fund. The Interfund Loan is a short-term loan which will be paid back within the year. The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by December 31, 2024. All interfund receivables are expected to be collected within the next year.

NOTE 8 - TRANSFERS

Following is a summary of Transfers in and out for all funds for 2024:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General Fund	\$0	\$991,227
Health Department Fund	858,227	0
Other Governmental Funds	133,000	0
Total Governmental Funds	<u>991,227</u>	<u>991,227</u>
Totals	<u>\$991,227</u>	<u>\$991,227</u>

Transfers were used to provide additional resources for current operations in the Health Department and other governmental funds.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 9 - CAPITAL ASSETS

A. Governmental Capital Assets

Summary by category of changes in Governmental Capital Assets:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Capital assets not being depreciated:				
Land	\$2,156,209	\$0	\$0	\$2,156,209
Construction in Progress	620,974	106,080	(500,454)	226,600
Subtotal	2,777,183	106,080	(500,454)	2,382,809
Capital assets being depreciated:				
Buildings	5,631,002	1,074,537	0	6,705,539
Improvements	4,292,369	38,510	0	4,330,879
Machinery and Equipment	16,438,846	762,250	(31,559)	17,169,537
Infrastructure	36,368,561	482,072	(153,994)	36,696,639
Subtotal	62,730,778	2,357,369	(185,553)	64,902,594
Total Cost	\$65,507,961	\$2,463,449	(\$686,007)	\$67,285,403

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings	(\$2,759,475)	(\$126,923)	\$0	(\$2,886,398)
Improvements	(2,278,633)	(146,206)	0	(2,424,839)
Machinery and Equipment	(11,552,768)	(1,077,274)	31,559	(12,598,483)
Infrastructure	(25,130,113)	(872,076)	139,995	(25,862,194)
Total Depreciation	(\$41,720,989)	(\$2,222,479) *	\$171,554	(\$43,771,914)
Net Value:	\$23,786,972			\$23,513,489

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$794,718
Public Health & Welfare Services	79,155
Leisure Time Activities	18,485
Community Environment	147,708
Transportation	916,545
General Government	265,868
Total Depreciation Expense	\$2,222,479

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business Type Capital Assets

Summary by Category at December 31, 2024:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Capital assets not being depreciated:				
Land	\$63,504	\$0	\$0	\$63,504
Construction in Progress	6,927,814	14,430,967	(301,997)	21,056,784
Subtotal	6,991,318	14,430,967	(301,997)	21,120,288
Capital assets being depreciated:				
Buildings	6,976,721	656,969	0	7,633,690
Improvements other than Buildings	41,402,229	554,623	0	41,956,852
Machinery and Equipment	17,772,059	513,861	(31,760)	18,254,160
Subtotal	66,151,009	1,725,453	(31,760)	67,844,702
Total Cost	\$73,142,327	\$16,156,420	(\$333,757)	\$88,964,990

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings	(\$2,330,656)	(\$166,342)	\$0	(\$2,496,998)
Improvements other than Buildings	(24,731,858)	(842,460)	0	(25,574,318)
Machinery and Equipment	(15,145,261)	(580,240)	31,760	(15,693,741)
Total Depreciation	(\$42,207,775)	(\$1,589,042)	\$31,760	(\$43,765,057)

Net Value:	\$30,934,552			\$45,199,933
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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

Ohio Revised Code 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 contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member’s pension benefit vests at retirement. Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member’s original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

	<u>State and Local</u>
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$1,284,780 for 2024. Of this amount, \$104,362 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 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. (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2024 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2024 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,305,138 for 2024. Of this amount, \$114,593 is reported as an intergovernmental 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, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$14,200,253	\$20,608,072	\$34,808,325
Proportion of the Net Pension Liability-2024	0.054240%	0.213304%	
Proportion of the Net Pension Liability-2023	0.056275%	0.208263%	
Percentage Change	<u>(0.002035%)</u>	<u>0.005040%</u>	
Pension Expense	\$1,507,078	\$2,067,325	\$3,574,403

CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$1,302,407	\$1,302,407
Differences between expected and actual experience	232,091	661,579	893,670
Net difference between projected and actual earnings on pension plan investments	2,866,217	2,335,328	5,201,545
Change in proportionate share	39,153	666,481	705,634
City contributions subsequent to the measurement date	<u>1,284,780</u>	<u>1,305,138</u>	<u>2,589,918</u>
Total Deferred Outflows of Resources	<u>\$4,422,241</u>	<u>\$6,270,933</u>	<u>\$10,693,174</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$312,957	\$312,957
Differences between expected and actual experience	0	230,476	230,476
Change in proportionate share	<u>277,847</u>	<u>596,967</u>	<u>874,814</u>
Total Deferred Inflows of Resources	<u>\$277,847</u>	<u>\$1,140,400</u>	<u>\$1,418,247</u>

\$2,589,918 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. 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&F</u>	<u>Total</u>
Year Ending December 31:			
2025	\$553,558	\$1,091,272	\$1,644,830
2026	885,133	1,131,569	2,016,702
2027	1,829,060	1,562,541	3,391,601
2028	(408,137)	(120,924)	(529,061)
2029	0	158,133	158,133
2030	<u>0</u>	<u>2,804</u>	<u>2,804</u>
Total	<u>\$2,859,614</u>	<u>\$3,825,395</u>	<u>\$6,685,009</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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2023 and December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2023
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3.0 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent 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 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care 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 11.2 percent for 2023.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

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

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$22,355,016	\$14,200,253	\$7,417,862

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2023 is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2023, compared with January 1, 2022, are presented below.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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, 2023, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	125.00 %	

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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2022 was 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 earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using 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	\$27,296,926	\$20,608,072	\$15,045,639

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

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

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 annually 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 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. 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. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified heath care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least page 55.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2024.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The City's contractually required contribution to OP&F was \$30,735 for 2024. Of this amount, \$2,681 is reported as an intergovernmental payable.

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

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, 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, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	(\$462,570)	\$1,557,395	
Proportion of the Net OPEB Liability (Asset) -2024	0.051253%	0.2133036%	
Proportion of the Net OPEB Liability (Asset) -2023	<u>0.053041%</u>	<u>0.2082631%</u>	
Percentage Change	<u>(0.001788%)</u>	<u>0.0050405%</u>	
OPEB Expense	(\$40,093)	\$18,297	(\$21,796)

CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$119,092	\$535,911	\$655,003
Differences between expected and actual experience	0	74,892	74,892
Net difference between projected and actual earnings on OPEB plan investments	277,799	115,002	392,801
Change in proportionate share	0	292,740	292,740
City contributions subsequent to the measurement date	0	30,735	30,735
Total Deferred Outflows of Resources	<u>\$396,891</u>	<u>\$1,049,280</u>	<u>\$1,446,171</u>
Deferred Inflows of Resources			
Changes in assumptions	\$198,847	\$1,002,922	\$1,201,769
Differences between expected and actual experience	65,837	286,207	352,044
Change in proportionate share	0	277,269	277,269
Total Deferred Inflows of Resources	<u>\$264,684</u>	<u>\$1,566,398</u>	<u>\$1,831,082</u>

\$30,735 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 in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2024	(\$11,740)	(\$31,861)	(\$43,601)
2025	21,508	(48,563)	(27,055)
2026	216,243	(29,262)	186,981
2027	(93,804)	(124,758)	(218,562)
2028	0	(147,983)	(147,983)
2029	0	(166,247)	(166,247)
2030	0	(1,129)	(1,129)
2031	0	1,950	1,950
Total	<u>\$132,207</u>	<u>(\$547,853)</u>	<u>(\$415,646)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.70 percent
Prior measurement date	5.22 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.77 percent
Prior measurement date	4.05 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2038
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal 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 real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real 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, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00%	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent. (Fidelity Index's "20-Year Municipal GO AA Index")

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$254,215	(\$462,570)	(\$1,056,324)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability 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 or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. 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 the health care 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 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$481,778)	(\$462,570)	(\$440,776)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

	January 1, 2023		January 1, 2022	
	Entry	Age Normal	Entry	Age Normal
Actuarial Cost Method				
Investment Rate of Return	7.5 percent		7.5 percent	
Projected Salary Increases	3.50 percent to 10.5 percent		3.25 percent to 10.5 percent	
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5		Inflation rate of 2.75 percent plus productivity increase rate of 0.5	
Single discount rate	4.07 percent		4.27 percent	
Cost of Living Adjustments	2.2 percent simple		2.2 percent simple	
Projected Depletion Year of OPEB Assets	2038		2036	

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

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, 2023, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	125.00 %	

Note: Assumptions are geometric.

* levered 2.0x

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

Discount Rate For 2023, the total OPEB liability was calculated using the discount rate of 4.07 percent. 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 7.5 percent. 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, the long-term assumed rate of return on investments of 7.5 percent was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38 percent was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07 percent.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The 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 4.07 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07 percent), or one percentage point higher (5.07 percent) than the current rate.

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City’s proportionate share of the net OPEB liability	\$1,918,279	\$1,557,395	\$1,253,460

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

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CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2024 were as follows:

				Balance			Balance	Amount due
				December 31,		(Deletions)	December 31,	Within
				2023	Additions		2024	One Year
Business-Type Activities:								
Ohio Public Works Commission Loans:*								
2008	0.0%	Wastewater-Sludge Digester	2029	\$227,500	\$0	(\$35,000)	\$192,500	\$35,000
2011	0.0%	Wastewater-Primary Clarifier	2028	319,761	0	(22,053)	297,708	22,053
2014	0.0%	Wastewater-Grandview Avenue	2035	478,671	0	(29,011)	449,660	29,011
2018	0.0%	Water - Sunrise Reservoir Water Main	2050	1,255,771	0	(46,510)	1,209,261	46,510
2024	0.0%	Franklin Furnance Booster Station	2044	0	156,000	0	156,000	7,800
Total Ohio Public Works Commission Loans				2,281,703	156,000	(132,574)	2,305,129	140,374
Ohio Water Development Authority Loans:*								
2007	3.25%	Water MIEX Installation	2028	1,061,343	0	(222,730)	838,613	230,028
2008	4.11%	Wastewater-Sludge Digester	2038	324,698	0	(16,033)	308,665	16,699
2009	3.43%	Wastewater-Lawson Run	2031	780,711	0	(92,955)	687,756	96,170
2010	0.00%	Water-High Service Pumps	2029	13,510	0	(2,252)	11,258	2,252
2010	4.39%	Wastewater-Collection System	2016	518,763	0	(19,159)	499,604	19,688
2012	2.00%	Water-Filtration Filter Rebuild	2032	824,500	0	(89,919)	734,581	91,726
2014	3.30%	Wastewater-Sewer Improvements	2044	3,068,414	0	(96,808)	2,971,606	100,029
2016	2.90%	Water-Sunrise Reservoir	2039	971,964	0	(48,521)	923,443	49,939
2023	3.86%	Sciotoville-Harding SSO Elimination	2029	525,617	99,821	(625,438)	0	0
2021	2.60%	Water Treatment Plant	2059	4,197,898	10,700,129	(115,357)	14,782,670	0
2024	4.33%	Sciotoville WWTP Phase 1	2030	0	6,780	0	6,780	0
2024	4.33%	Lawson Run WWTP Phase 2	2030	0	70,159	0	70,159	0
2024	4.33%	Pumping Station Operation	2030	0	39,691	0	39,691	0
2024	4.33%	Long Term Control Plan Development	2030	0	626,834	0	626,834	0
2024	3.26%	Lawson Run & Sciotoville WWTP	2044	0	554,623	0	554,623	0
Total Ohio Water Development Authority Loans				12,287,418	12,098,037	(1,329,172)	23,056,283	606,531
Compensated Absences				309,909	11,660	0	321,569	302,720
Total Business-Type Long-Term Debt				\$14,879,030	\$12,265,697	(\$1,461,746)	\$25,682,981	\$1,049,625
Governmental Activities:								
General Obligation Bond								
2016	2.52%	Refunding General Obligation Bond-Police and Fireman's Disability/Pension	2025	\$275,000	\$0	(\$135,000)	\$140,000	\$140,000
2022	3.50%	General Obligation Bond-Fire Truck	2032	1,270,000	0	(125,000)	1,145,000	130,000
Total General Obligation Bonds				1,545,000	0	(260,000)	1,285,000	270,000
Compensated Absences				1,624,405	58,085	0	1,682,490	1,506,620
Installment Loans Payable*				477,898	230,000	(226,115)	481,783	85,058
Total Governmental Activities				\$3,647,303	\$288,085	(\$486,115)	\$3,449,273	\$1,861,678

* The Ohio Public Works Commission Loans, Ohio Water Development Loans and Installment Loans are direct borrowings.

* The Sciotoville-Harding SSO Elimination Loan was completely forgiven by OWDA. The amount forgiven by OWDA was \$609,959.

CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

				Original Issue
				<u> </u>
Business-Type Activities				
Ohio Public Works Commission Loans (OPWC):				
0.00%	Wastewater-Sludge Digester	2008-2029		\$700,000
0.00%	Wastewater-Primary Clarifier	2011-2028		441,049
0.00%	Wastewater-Grandview Avenue	2014-2035		580,207
0.00%	Water - Sunrise Reservoir Water Main	2018-2050		1,395,301
0.00%	Water - Franklin Furnace Booster Station	2024-2044		156,000
Total OPWC Loans				<u>\$3,272,557</u>
Ohio Water Development Authority Loans (OWDA):				
3.25%	Water MIEX Installation	2007-2028		\$3,734,915
4.11%	Wastewater-Sludge Digester	2008-2038		501,078
3.43%	Wastewater-Lawson Run	2009-2031		1,711,234
0.00%	Water-High Service Pumps	2010-2029		45,034
4.39%	Wastewater-Collection System	2010-2016		676,977
2.00%	Water Filtration Filter Rebuild	2012-2032		1,739,606
3.30%	Wastewater-Sewer Improvements	2014-2045		3,738,695
2.90%	Water-Sunrise Reservoir Improvements	2016-2039		1,152,663
2.60%	Water Treatment Plant	2024-2059		14,782,670 *
4.33%	Sciotoville WWTP Phase 1	2024-2030		6,780 *
4.33%	Lawson Run WWTP Phase 2	2024-2030		70,159 *
4.33%	Pumping Station Operation	2024-2030		39,691 *
4.33%	Long Term Control Plan Development	2024-2030		626,834 *
3.26%	Lawson Run & Sciotoville WWTP	2024-2044		554,623 *
Total OWDA Loans				<u>\$29,380,959</u>
* Amount Disbursed as of December 31, 2024				
Governmental Activities Long-Term Debt				
General Obligation Bonds:				
Police and Fireman's Disability and Pension				
2.52%	Refunding	2016-2025		\$1,250,000
3.50%	Fire Truck Acquisition	2022-2032		1,390,000
Total General Obligation Bonds				<u>\$2,640,000</u>
Installment Loans Payable:				
0.00%	Building	2022-2031		418,000
3.32%	Ambulance	2022-2024		200,129
5.98%	Street Sweeper	2024-2028		230,000
Total Installment Loans Payable				<u>\$848,129</u>

CITY OF PORTSMOUTH, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2024 follows:

Business-Type Activities:

Years	OPWC Loans		OWDA Loan	
	Principal	Interest	Principal	Interest
2025	\$140,373	\$0	\$606,531	\$207,000
2026	140,373	0	625,261	189,286
2027	140,373	0	644,589	171,008
2028	140,373	0	536,817	152,151
2029	140,373	0	423,420	138,472
2030-2034	544,364	0	1,595,276	526,818
2035-2039	493,784	0	1,337,893	313,074
2040-2044	286,056	0	1,013,242	122,721
2045-2049	232,550	0	192,497	4,777
2050-2051	46,510	0	0	0
Totals	<u>\$2,305,129</u>	<u>\$0</u>	<u>\$6,975,526</u>	<u>\$1,825,307</u>

Governmental Activities:

Years	General Obligation Bonds		Installment Loans	
	Principal	Interest	Principal	Interest
2025	\$270,000	\$43,603	\$85,058	\$0
2026	130,000	35,525	87,645	0
2027	135,000	30,975	90,387	0
2028	140,000	26,250	93,293	0
2029	145,000	21,350	41,800	0
2030-2033	465,000	32,900	83,600	0
Totals	<u>\$1,285,000</u>	<u>\$190,603</u>	<u>\$481,783</u>	<u>\$0</u>

OWDA loans of \$14,782,670, \$6,780, \$70,159, \$39,691, \$626,834, \$554,623 issued in 2024, totaling \$16,080,757, less amount due within one year is excluded from the maturity tables above. The construction has started; However, the loan will not be payable until the completion of the construction. At that time, the loan payment schedule will be established.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 13 - INSURANCE AND 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. The City maintains insurance coverage for bodily injury, personal injury, general liability, boiler and machinery coverage and fleet (automotive) insurance in addition to professional liability coverage for police and fire and elected officials. The City also carries commercial insurance for employee health coverage and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The City has a self-insured health care plan which includes all healthcare costs. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program.

The liability for unpaid claims costs of \$1,891,535 reported in the fund at December 31, 2024 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is based on an estimate provided by the third party administrator.

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2023	\$497,297	\$6,961,888	(\$6,454,384)	\$1,004,801
2024	\$1,004,801	\$7,546,630	(\$6,659,896)	\$1,891,535

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 14 - CONTINGENCIES

A. Litigation

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. Federal and State Grants

For the period January 1, 2024 to December 31, 2024, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. However, amounts are undeterminable at this time.

C. Asset Retirement Obligations

GASB Statement No. 83 "Certain Asset Retirement Obligations" establishes criteria for determining the recognition of a liability for an Asset Retirement Obligation (ARO). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Recognition of the ARO occurs when the liability is both incurred and reasonably estimable. An ARO is incurred based on external laws, regulations, or contracts.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their sewage treatment facilities and the permit would specify the procedures required to dispose of all or part of the sewage treatment plant. At this time, the City does not have an approved permit from the Ohio EPA to dispose of all or part of their sewage treatment plants. Due to the lack of specific legal requirements for retiring the sewage treatment plants, the City has determined that the amount of the Asset Retirement Obligation cannot be reasonably estimated.

CITY OF PORTSMOUTH, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 15 – SIGNIFICANT COMMITMENTS

As of December 31, 2024, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Remaining Contractual Commitment</u>	<u>Expected Date of Completion</u>
New Water Filtration Treatment Plant Design	\$110,000,000	2026

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to honor upon performance by the vendor in the next year were as follows:

Governmental Funds:	
General Fund	\$1,032,000
ARPA Fund	16,723
Capital Improvement Fund	<u>348,000</u>
Total Governmental Funds	1,396,723
Enterprise Funds:	
Water Fund	35,309
Sewer Fund	<u>37,772</u>
Total Enterprise Funds	<u>73,081</u>
Total	<u><u>\$1,469,804</u></u>

NOTE 16 – FINANCIAL CONDITION

On April 9, 2013, the Ohio Auditor of State declared the City of Portsmouth to be in a state of fiscal watch under Section 118.02(E) of the Ohio Revised Code.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PORTSMOUTH, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Ten Years***

Ohio Public Employees Retirement System

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability	0.055479%	0.053581%	0.051062%	0.050855%
City's proportionate share of the net pension liability	\$6,691,387	\$9,280,905	\$11,595,312	\$7,978,164
City's covered payroll	\$6,801,733	\$6,668,708	\$6,627,308	\$6,586,669
City's proportionate share of the net pension liability as a percentage of its covered payroll	98.38%	139.17%	174.96%	121.13%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	81.08%	77.25%	84.66%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportion of the net pension liability	0.1956245%	0.195448%	0.229788%	0.191289%
City's proportionate share of the net pension liability	\$10,134,165	\$12,573,277	\$14,554,541	\$11,740,270
City's covered payroll	\$3,799,457	\$3,949,444	\$4,729,486	\$4,158,486
City's proportionate share of the net pension liability as a percentage of its covered payroll	266.73%	318.36%	307.74%	282.32%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	66.77%	68.36%	70.91%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

The schedule is reported as of the measurement date of the Net Pension Liability.

CITY OF PORTSMOUTH, OHIO

2019	2020	2021	2022	2023	2024
0.056051%	0.054956%	0.054006%	0.056268%	0.056275%	0.054240%
\$15,351,233	\$10,862,426	\$7,997,113	\$4,895,544	\$16,623,660	\$14,200,253
\$7,593,536	\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314	\$8,878,750
202.16%	140.28%	105.34%	59.56%	188.32%	159.94%
74.70%	82.17%	86.88%	92.62%	75.74%	79.01%
2019	2020	2021	2022	2023	2024
0.214478%	0.201963%	0.2202556%	0.221847%	0.2082631%	0.2133036%
\$17,507,072	\$13,605,320	\$15,015,022	\$13,755,866	\$19,782,976	\$20,608,072
\$4,802,572	\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209	\$6,118,425
364.54%	286.19%	279.76%	247.68%	351.06%	336.82%
63.07%	69.89%	70.65%	75.03%	62.90%	63.63%

CITY OF PORTSMOUTH, OHIO

***Schedule of City Pension Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$800,245	\$795,277	\$856,267	\$1,063,095
Contributions in relation to the contractually required contribution	<u>800,245</u>	<u>795,277</u>	<u>856,267</u>	<u>1,063,095</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,668,708	\$6,627,308	\$6,586,669	\$7,593,536
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	14.00%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$840,603	\$1,031,501	\$884,510	\$1,026,790
Contributions in relation to the contractually required contribution	<u>840,603</u>	<u>1,031,501</u>	<u>884,510</u>	<u>1,026,790</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$3,949,444	\$4,729,486	\$4,158,486	\$4,802,572
Contributions as a percentage of covered payroll	21.28%	21.81%	21.27%	21.38%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

CITY OF PORTSMOUTH, OHIO

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$1,084,040	\$1,062,828	\$1,150,702	\$1,235,824	\$1,243,025	\$1,284,780
<u>1,084,040</u>	<u>1,062,828</u>	<u>1,150,702</u>	<u>1,235,824</u>	<u>1,243,025</u>	<u>1,284,780</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314	\$8,878,750	\$9,177,000
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$1,013,529	\$1,143,192	\$1,188,553	\$1,198,609	\$1,293,435	\$1,305,138
<u>1,013,529</u>	<u>1,143,192</u>	<u>1,188,553</u>	<u>1,198,609</u>	<u>1,293,435</u>	<u>1,305,138</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209	\$6,118,425	\$6,147,612
21.32%	21.30%	21.40%	21.27%	21.14%	21.23%

CITY OF PORTSMOUTH, OHIO

Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Eight Years

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.048390%	0.048300%	0.053168%
City's proportionate share of the net OPEB liability (asset)	\$4,887,554	\$5,245,024	\$6,931,852
City's covered payroll	\$6,627,308	\$6,586,669	\$7,593,536
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	73.75%	79.63%	91.29%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability	0.229788%	0.191289%	0.214478%
City's proportionate share of the net OPEB liability	\$10,907,520	\$10,838,167	\$1,953,151
City's covered payroll	\$4,729,486	\$4,158,486	\$4,802,572
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	230.63%	260.63%	40.67%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

CITY OF PORTSMOUTH, OHIO

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.052220%	0.051395%	0.053314%	0.053041%	0.051253%
\$7,212,939	(\$915,643)	(\$1,669,876)	\$334,434	(\$462,570)
\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314	\$8,878,750
93.15%	(12.06%)	(20.32%)	3.79%	(5.21%)
47.80%	115.57%	128.23%	94.79%	107.76%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.201963%	0.2202556%	0.2201847%	0.2082631%	0.2133036%
\$1,994,938	\$2,333,644	\$2,413,414	\$1,482,773	\$1,557,395
\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209	\$6,118,425
41.96%	43.48%	43.45%	26.31%	25.45%
47.08%	45.42%	46.86%	52.59%	51.89%

CITY OF PORTSMOUTH, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$133,374	\$132,546	\$65,866	\$0
Contributions in relation to the contractually required contribution	<u>133,374</u>	<u>132,546</u>	<u>65,866</u>	<u>0</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,668,708	\$6,627,308	\$6,586,669	\$7,593,536
Contributions as a percentage of covered payroll	2.00%	2.00%	1.00%	0.00%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$19,747	\$23,645	\$20,796	\$24,011
Contributions in relation to the contractually required contribution	<u>19,747</u>	<u>23,645</u>	<u>20,796</u>	<u>24,011</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$3,949,444	\$4,729,486	\$4,158,486	\$4,802,572
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

CITY OF PORTSMOUTH, OHIO

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$0	\$0	\$0	\$0	\$0	\$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314	\$8,878,750	\$9,177,000
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$23,769	\$26,835	\$27,768	\$28,179	\$30,592	\$30,735
<u>23,769</u>	<u>26,835</u>	<u>27,768</u>	<u>28,179</u>	<u>30,592</u>	<u>30,735</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209	\$6,118,425	\$6,147,612
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023-2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%

2023: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021, and 2023-2024.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 4.05% to 3.77%
- The single discount rate changed from 5.22% to 5.70%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2024: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.96% to 2.84%.
- The investment rate of return changed from 8.0% to 7.5%.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%.
- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.27% to 4.07%.

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*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS,
AND FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

Municipal Court Grants Fund

To account for the Community Corrections Act grant used to support the advancement of court programs.

Municipal Court Subsidy Fund

To account for the Municipal Court's operating expenditures funded by the General Fund. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.).

Municipal Court Special Projects Fund

To account for revenues derived from fines levied by the court and are to be used by the court for special projects The Balance Sheet is not presented because the fund had no assets or liabilities..

Municipal Court Probation Services Fund

To account for fees assessed to criminal and traffic offenders who are placed by the Municipal Court on probation or other community control sanctions to cover the cost of Probation department services and related expenditures.

Municipal Court Programs Fund

To account for revenues derived from the Guardian Interlock grant, the home monitoring fees and the Municipal Corrections grant and are used to support the guardian interlock and home monitoring programs.

Municipal Court Computer Fund

To account for revenues derived from mandatory fines to be used for computers and update of court computer functions.

Municipal Court Security Fund

To account for revenues derived from fines to be used for security measures in the Court.

Community Corrections Grant Fund

To account for grant monies used for community-based corrections programs.

(Continued)

Special Revenue Funds (continued)

Fire Donation Fund

To account for donation of monies to be used for operations of the Fire Department.

Fire Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for fire disability and pension.

Police Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for police disability and pension.

D.A.R.E. State Grant Fund

To account for revenues and expenditures relative to D.A.R.E. activities.

Police Donation Fund

To account for donation of monies to be used for operations of the Police Department.

Justice Assistance Grant (JAG) Grants Fund

To account for monies received from the United States Department of Justice for the purpose of funding special enforcement initiatives in areas which have been identified as high crime risk.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal and state grant monies designated for the cost of additional police officers.

Indigent Drivers Alcohol Treatment Fund

To account for the revenues from fines as established by the state to pay for alcohol related treatment programs for indigent persons.

Indigent Drivers Alcohol Monitoring Fund

To account for the revenues from fines to be used for electronic monitoring devices where alcohol was a contributing factor

Enforcement and Education Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Mandatory Fines Fund

To account for mandatory fines for drug offenses.

Law Enforcement Fund

To account for revenues derived from drug related crimes and expenditures to be used for law enforcement programs.

Federal Forfeitures Fund

To account for monies from the United States Marshall allocated to the City based upon the City's participation in the confiscation of contraband

(Continued)

Special Revenue Funds (continued)

Ohio Peace Officers Training (OPOTA) Fund

To account for monies to be used for continuing professional training programs for law enforcement offices

OneOhio Opioid Fund

To account for the monies obtained and distributed by the State of Ohio for opioid settlements from drug manufacturers and distributors. It is designated for resources to assist with community drug recovery, prevention and treatment.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be for street construction and maintenance.

State Highway Improvement Fund

To account for the revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be for street and state highway improvements and maintenance.

Community Development Fund

To account for federal and state grants which are designed for community and environmental improvements.

Tourism and Cultural Development Fund

To account for revenue derived from Hotel/Motel tax and distributed to various area cultural and recreational organizations.

Flood Defense Fund

To account for a property tax levy designated for flood defense improvements.

Street Resurfacing Levy Fund

To account for property tax levy approved by the voters for street paving

RD Marting Foundation Grant Fund

To account for private foundation grant monies used for the development of City municipal offices and related facilities.

Council Trust for Recreation Fund

To account for revenue from investment interest, rents, leases and user fees from various City recreational facilities and expenditures for improvements to these same facilities.

Playground Trust Fund

To account for revenue and expenditures of interest earned on investment of specific bequests to the City to provide recreational needs for the City

Performance Bond Fund

To account for funds placed in escrow for various construction projects. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there are no revenues or expenditures on a GAAP basis.) (This fund is not part of the City's appropriated budget; therefore no budgetary schedule is presented.)

(Continued)

Permanent Funds

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

Cemetery Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of Cemetery plots. Expenditures to be made only from interest earned on investments.

Mausoleum Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of the Mausoleum. Expenditures are to be made only from interest earned on investments.

CITY OF PORTSMOUTH, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024**

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 4,218,190	\$ 0	\$ 4,218,190
Receivables (net of allowance for doubtful accounts):			
Taxes	880,780	0	880,780
Accounts	587,857	0	587,857
Intergovernmental	727,044	0	727,044
Settlement	415,941	0	415,941
Due from Other Funds	24,453	0	24,453
Prepaid Items	5,068	0	5,068
Restricted Assets:			
Cash and Cash Equivalents	0	241,477	241,477
Total Assets	\$ 6,859,333	\$ 241,477	\$ 7,100,810
Liabilities:			
Accounts Payable	\$ 94,708	\$ 0	\$ 94,708
Intergovernmental Payable	19,685	0	19,685
Due to Others	65,386	0	65,386
Due to Other Funds	227,210	0	227,210
Total Liabilities	406,989	0	406,989
Deferred Inflows of Resources			
Property Tax	690,500	0	690,500
Unavailable Revenue	1,406,805	0	1,406,805
Total Deferred Inflows of Resources	2,097,305	0	2,097,305
Fund Balances:			
Nonspendable	5,068	26,843	31,911
Restricted	4,329,142	214,634	4,543,776
Committed	21,628	0	21,628
Unassigned	(799)	0	(799)
Total Fund Balances	4,355,039	241,477	4,596,516
Total Liabilities, Deferred Inflows of Resources, and Funds Balances	\$ 6,859,333	\$ 241,477	\$ 7,100,810

CITY OF PORTSMOUTH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2024**

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 851,022	\$ 0	\$ 851,022
Intergovernmental Revenues	1,883,595	0	1,883,595
Charges for Services	242,827	5,125	247,952
Investment Earnings	21	0	21
Fines and Forfeitures	720,355	0	720,355
All Other Revenue	8,105	0	8,105
Total Revenue	3,705,925	5,125	3,711,050
Expenditures:			
Current:			
Security of Persons and Property	689,283	0	689,283
Leisure Time Activities	64,455	0	64,455
Community Environment	135,389	0	135,389
Transportation	1,477,886	0	1,477,886
General Government	1,545,132	0	1,545,132
Total Expenditures	3,912,145	0	3,912,145
Excess (Deficiency) of Revenues Over Expenditures	(206,220)	5,125	(201,095)
Other Financing Sources (Uses):			
Transfers In	133,000	0	133,000
Total Other Financing Sources (Uses)	133,000	0	133,000
Net Change in Fund Balances	(73,220)	5,125	(68,095)
Fund Balances at Beginning of Year	4,428,259	236,352	4,664,611
Fund Balances End of Year	\$ 4,355,039	\$ 241,477	\$ 4,596,516

CITY OF PORTSMOUTH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024**

	Municipal Court Special Project	Municipal Court Probation Services	Municipal Court Programs	Municipal Court Computer
Assets:				
Cash and Cash Equivalents	\$ 71,103	\$ 48,955	\$ 51,394	\$ 226,264
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	0	0
Accounts	148,018	415,130	5,356	13,317
Intergovernmental	0	0	10,154	0
Settlement	0	0	0	0
Due from Other Funds	0	0	0	0
Prepaid Items	490	1,378	0	0
Total Assets	\$ 219,611	\$ 465,463	\$ 66,904	\$ 239,581
Liabilities:				
Accounts Payable	\$ 3,117	\$ 0	\$ 3,173	\$ 4,500
Intergovernmental Payable	3,027	2,480	1,254	0
Due to Others	0	0	0	0
Due to Other Funds	0	0	0	0
Total Liabilities	6,144	2,480	4,427	4,500
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	102,414	287,228	3,706	9,214
Total Deferred Inflows of Resources	102,414	287,228	3,706	9,214
Fund Balances:				
Nonspendable	490	1,378	0	0
Restricted	110,563	174,377	58,771	225,867
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	111,053	175,755	58,771	225,867
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 219,611	\$ 465,463	\$ 66,904	\$ 239,581

CITY OF PORTSMOUTH, OHIO

<u>Municipal Court Security</u>	<u>Community Corrections Grant</u>	<u>Fire Donation</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>D.A.R.E. State Grant</u>	<u>Police Donation</u>
\$ 6,901	\$ 1,431	\$ 503	\$ 0	\$ 0	\$ 13,977	\$ 530
0	0	0	88,968	88,968	0	0
0	0	0	0	0	0	0
0	0	0	4,135	4,135	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 6,901</u>	<u>\$ 1,431</u>	<u>\$ 503</u>	<u>\$ 93,103</u>	<u>\$ 93,103</u>	<u>\$ 13,977</u>	<u>\$ 530</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,576	2,230	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>1,576</u>	<u>2,230</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	71,800	71,800	0	0
0	0	0	21,303	21,303	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>93,103</u>	<u>93,103</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
5,325	0	503	0	0	13,977	530
0	0	0	0	0	0	0
0	(799)	0	0	0	0	0
<u>5,325</u>	<u>(799)</u>	<u>503</u>	<u>0</u>	<u>0</u>	<u>13,977</u>	<u>530</u>
<u>\$ 6,901</u>	<u>\$ 1,431</u>	<u>\$ 503</u>	<u>\$ 93,103</u>	<u>\$ 93,103</u>	<u>\$ 13,977</u>	<u>\$ 530</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024**

	JAG Grants	COPS Fast Grant	Indigent Drivers Alcohol Treatment	Indigent Drivers Alcohol Monitoring
Assets:				
Cash and Cash Equivalents	\$ 2,436	\$ 578,161	\$ 73,609	\$ 66,423
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	0	0
Accounts	0	0	4,950	1,086
Intergovernmental	0	25,784	0	0
Settlement	0	0	0	0
Due from Other Funds	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 2,436	\$ 603,945	\$ 78,559	\$ 67,509
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 403
Intergovernmental Payable	0	1,997	0	0
Due to Others	0	0	0	0
Due to Other Funds	0	227,210	0	0
Total Liabilities	0	229,207	0	403
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	0	0	3,399	128
Total Deferred Inflows of Resources	0	0	3,399	128
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	2,436	374,738	75,160	66,978
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	2,436	374,738	75,160	66,978
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,436	\$ 603,945	\$ 78,559	\$ 67,509

CITY OF PORTSMOUTH, OHIO

Enforcement and Education	Mandatory Fines	Law Enforcement	Federal Forfeitures	OPOTA Fund	OneOhio Opioid	Street Construction, Maintenance and Repair
\$ 2,858	\$ 14,781	\$ 122,371	\$ 69,406	\$ 67,725	\$ 284,821	\$ 387,065
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	625,523
0	0	0	0	0	415,941	0
0	0	0	0	0	0	0
0	0	0	0	0	0	2,448
<u>\$ 2,858</u>	<u>\$ 14,781</u>	<u>\$ 122,371</u>	<u>\$ 69,406</u>	<u>\$ 67,725</u>	<u>\$ 700,762</u>	<u>\$ 1,015,036</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,875
0	0	0	0	0	0	6,855
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,730</u>
0	0	0	0	0	0	0
0	0	0	0	0	415,941	383,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>415,941</u>	<u>383,000</u>
0	0	0	0	0	0	2,448
2,858	14,781	122,371	69,406	67,725	284,821	618,858
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>2,858</u>	<u>14,781</u>	<u>122,371</u>	<u>69,406</u>	<u>67,725</u>	<u>284,821</u>	<u>621,306</u>
<u>\$ 2,858</u>	<u>\$ 14,781</u>	<u>\$ 122,371</u>	<u>\$ 69,406</u>	<u>\$ 67,725</u>	<u>\$ 700,762</u>	<u>\$ 1,015,036</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024**

	State Highway Improvement	Community Development	Tourism and Cultural Development	Flood Defense
Assets:				
Cash and Cash Equivalents	\$ 568,536	\$ 126,249	\$ 21,776	\$ 210,926
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	37,273	239,944
Accounts	0	0	0	0
Intergovernmental	41,215	0	0	10,344
Settlement	0	0	0	0
Due from Other Funds	0	24,453	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 609,751	\$ 150,702	\$ 59,049	\$ 461,214
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 27,955	\$ 51,461
Intergovernmental Payable	0	0	0	0
Due to Others	0	0	0	0
Due to Other Funds	0	0	0	0
Total Liabilities	0	0	27,955	51,461
Deferred Inflows of Resources:				
Property Tax	0	0	0	196,400
Unavailable Revenue	24,400	0	0	53,888
Total Deferred Inflows of Resources	24,400	0	0	250,288
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	585,351	150,702	31,094	159,465
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	585,351	150,702	31,094	159,465
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 609,751	\$ 150,702	\$ 59,049	\$ 461,214

CITY OF PORTSMOUTH, OHIO

Street Resurfacing Levy	RD Marting Foundation	Council Trust for Recreation	Playground Trust	Performance Bonds	Total Nonmajor Special Revenue Funds
\$ 119,477	\$ 959,948	\$ 22,118	\$ 33,060	\$ 65,386	\$ 4,218,190
425,627	0	0	0	0	880,780
0	0	0	0	0	587,857
5,754	0	0	0	0	727,044
0	0	0	0	0	415,941
0	0	0	0	0	24,453
0	0	752	0	0	5,068
<u>\$ 550,858</u>	<u>\$ 959,948</u>	<u>\$ 22,870</u>	<u>\$ 33,060</u>	<u>\$ 65,386</u>	<u>\$ 6,859,333</u>
\$ 0	\$ 0	\$ 224	\$ 0	\$ 0	\$ 94,708
0	0	266	0	0	19,685
0	0	0	0	65,386	65,386
0	0	0	0	0	227,210
<u>0</u>	<u>0</u>	<u>490</u>	<u>0</u>	<u>65,386</u>	<u>406,989</u>
350,500	0	0	0	0	690,500
80,881	0	0	0	0	1,406,805
<u>431,381</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,097,305</u>
0	0	752	0	0	5,068
119,477	959,948	0	33,060	0	4,329,142
0	0	21,628	0	0	21,628
0	0	0	0	0	(799)
<u>119,477</u>	<u>959,948</u>	<u>22,380</u>	<u>33,060</u>	<u>0</u>	<u>4,355,039</u>
<u>\$ 550,858</u>	<u>\$ 959,948</u>	<u>\$ 22,870</u>	<u>\$ 33,060</u>	<u>\$ 65,386</u>	<u>\$ 6,859,333</u>

CITY OF PORTSMOUTH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	Municipal Court Grants	Municipal Court Special Project	Municipal Court Probation Services	Municipal Court Programs
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	268,617	258,662	121,073
All Other Revenue	0	532	0	0
Total Revenue	0	269,149	258,662	121,073
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	32	323,021	226,883	87,346
Total Expenditures	32	323,021	226,883	87,346
Excess (Deficiency) of Revenues Over Expenditures	(32)	(53,872)	31,779	33,727
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(32)	(53,872)	31,779	33,727
Fund Balances at Beginning of Year	32	164,925	143,976	25,044
Fund Balances End of Year	\$ 0	\$ 111,053	\$ 175,755	\$ 58,771

CITY OF PORTSMOUTH, OHIO

Municipal Court Computer	Municipal Court Security	Community Corrections Grant	Fire Donation	Fire Pension	Police Pension	D.A.R.E. State Grant
\$ 0	\$ 0	\$ 0	\$ 0	\$ 76,728	\$ 76,727	\$ 0
240,000	0	197,377	0	8,258	8,258	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
25,391	0	0	0	0	0	0
0	0	0	0	0	0	0
265,391	0	197,377	0	84,986	84,985	0
0	0	0	0	84,986	84,985	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
74,995	190,744	199,877	0	0	0	0
74,995	190,744	199,877	0	84,986	84,985	0
190,396	(190,744)	(2,500)	0	0	0	0
0	133,000	0	0	0	0	0
0	133,000	0	0	0	0	0
190,396	(57,744)	(2,500)	0	0	0	0
35,471	63,069	1,701	503	0	0	13,977
\$ 225,867	\$ 5,325	\$ (799)	\$ 503	\$ 0	\$ 0	\$ 13,977

(Continued)

CITY OF PORTSMOUTH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	Police Donation	JAG Grants	COPS Fast Grant	Indigent Drivers Alcohol Treatment
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	89,001	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	11,708
All Other Revenue	22	0	0	0
Total Revenue	22	0	89,001	11,708
Expenditures:				
Current:				
Security of Persons and Property	500	0	186,315	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	1,779
Total Expenditures	500	0	186,315	1,779
Excess (Deficiency) of Revenues Over Expenditures	(478)	0	(97,314)	9,929
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(478)	0	(97,314)	9,929
Fund Balances at Beginning of Year	1,008	2,436	472,052	65,231
Fund Balances End of Year	\$ 530	\$ 2,436	\$ 374,738	\$ 75,160

CITY OF PORTSMOUTH, OHIO

Indigent Drivers Alcohol Monitoring	Enforcement and Education	Mandatory Fines	Law Enforcement	Federal Forfeitures	OPOTA Fund	OneOhio Opioid
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	13,384	0
0	0	0	0	0	0	178,921
0	0	0	0	0	0	0
6,743	102	264	27,795	0	0	0
0	0	0	4,668	0	0	0
<u>6,743</u>	<u>102</u>	<u>264</u>	<u>32,463</u>	<u>0</u>	<u>13,384</u>	<u>178,921</u>
0	0	0	13,267	0	4,300	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
403	0	0	0	0	0	0
<u>403</u>	<u>0</u>	<u>0</u>	<u>13,267</u>	<u>0</u>	<u>4,300</u>	<u>0</u>
6,340	102	264	19,196	0	9,084	178,921
0	0	0	0	0	0	0
0	0	0	0	0	0	0
6,340	102	264	19,196	0	9,084	178,921
60,638	2,756	14,517	103,175	69,406	58,641	105,900
<u>\$ 66,978</u>	<u>\$ 2,858</u>	<u>\$ 14,781</u>	<u>\$ 122,371</u>	<u>\$ 69,406</u>	<u>\$ 67,725</u>	<u>\$ 284,821</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	Street Construction, Maintenance and Repair	State Highway Improvement	Community Development	Tourism and Cultural Development
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 124,376
Intergovernmental Revenues	1,206,759	79,079	9,500	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	21	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	<u>1,206,759</u>	<u>79,079</u>	<u>9,521</u>	<u>124,376</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	9,500	125,889
Transportation	1,199,075	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>1,199,075</u>	<u>0</u>	<u>9,500</u>	<u>125,889</u>
Excess (Deficiency) of Revenues Over Expenditures	7,684	79,079	21	(1,513)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	7,684	79,079	21	(1,513)
Fund Balances at Beginning of Year	613,622	506,272	150,681	32,607
Fund Balances End of Year	<u>\$ 621,306</u>	<u>\$ 585,351</u>	<u>\$ 150,702</u>	<u>\$ 31,094</u>

CITY OF PORTSMOUTH, OHIO

Flood Defense	Street Resurfacing Levy	RD Marting Foundation	Council Trust for Recreation	Playground Trust	Total Nonmajor Special Revenue Funds
\$ 206,045	\$ 367,146	\$ 0	\$ 0	\$ 0	\$ 851,022
20,658	11,321	0	0	0	1,883,595
0	0	0	63,906	0	242,827
0	0	0	0	0	21
0	0	0	0	0	720,355
2,883	0	0	0	0	8,105
<u>229,586</u>	<u>378,467</u>	<u>0</u>	<u>63,906</u>	<u>0</u>	<u>3,705,925</u>
314,930	0	0	0	0	689,283
0	0	0	64,455	0	64,455
0	0	0	0	0	135,389
0	278,811	0	0	0	1,477,886
0	0	440,052	0	0	1,545,132
<u>314,930</u>	<u>278,811</u>	<u>440,052</u>	<u>64,455</u>	<u>0</u>	<u>3,912,145</u>
(85,344)	99,656	(440,052)	(549)	0	(206,220)
0	0	0	0	0	133,000
0	0	0	0	0	133,000
(85,344)	99,656	(440,052)	(549)	0	(73,220)
244,809	19,821	1,400,000	22,929	33,060	4,428,259
<u>\$ 159,465</u>	<u>\$ 119,477</u>	<u>\$ 959,948</u>	<u>\$ 22,380</u>	<u>\$ 33,060</u>	<u>\$ 4,355,039</u>

CITY OF PORTSMOUTH, OHIO

**Combining Balance Sheet
Nonmajor Permanent Funds
December 31, 2024**

	<u>Cemetery Trust</u>	<u>Mausoleum Trust</u>	<u>Total Nonmajor Permanent Funds</u>
Assets:			
Restricted Assets:			
Cash and Cash Equivalents	\$ 236,625	\$ 4,852	\$ 241,477
Total Assets	<u>\$ 236,625</u>	<u>\$ 4,852</u>	<u>\$ 241,477</u>
Fund Balances:			
Nonspendable	\$ 22,339	\$ 4,504	\$ 26,843
Restricted	214,286	348	214,634
Total Fund Balances	<u>236,625</u>	<u>4,852</u>	<u>241,477</u>
Total Liabilities and Fund Balances	<u>\$ 236,625</u>	<u>\$ 4,852</u>	<u>\$ 241,477</u>

CITY OF PORTSMOUTH, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Permanent Funds
For the Year Ended December 31, 2024***

	Cemetery Trust	Mausoleum Trust	Total Nonmajor Permanent Funds
Revenues:			
Charges for Services	\$ 5,125	\$ 0	\$ 5,125
Total Revenue	<u>5,125</u>	<u>0</u>	<u>5,125</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	5,125	0	5,125
Fund Balances at Beginning of Year	<u>231,500</u>	<u>4,852</u>	<u>236,352</u>
Fund Balances End of Year	<u>\$ 236,625</u>	<u>\$ 4,852</u>	<u>\$ 241,477</u>

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 17,159,000	\$ 18,216,000	\$ 18,199,282	\$ (16,718)
Intergovernmental Revenues	1,178,000	1,346,000	1,334,587	(11,413)
Charges for Services	810,000	977,000	996,892	19,892
Licenses and Permits	210,000	218,000	213,540	(4,460)
Investment Earnings	25,000	40,000	41,732	1,732
Fines and Forfeitures	430,000	430,000	427,671	(2,329)
All Other Revenues	98,000	563,000	558,115	(4,885)
Total Revenues	<u>19,910,000</u>	<u>21,790,000</u>	<u>21,771,819</u>	<u>(18,181)</u>
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	5,718,656	5,131,160	5,131,160	0
Materials and Supplies	242,000	259,538	259,538	0
Contractual Services	424,878	404,831	404,831	0
Capital Outlay	16,900	16,180	16,180	0
Total Police	<u>6,402,434</u>	<u>5,811,709</u>	<u>5,811,709</u>	<u>0</u>
Fire:				
Personal Services	4,939,621	4,921,650	4,921,650	0
Materials and Supplies	175,430	161,399	161,399	0
Contractual Services	258,540	224,377	224,377	0
Capital Outlay	11,000	3,976	3,976	0
Total Fire	<u>5,384,591</u>	<u>5,311,402</u>	<u>5,311,402</u>	<u>0</u>
Police Dispatch:				
Personal Services	737,154	592,681	592,681	0
Contractual Services	15,500	0	0	0
Total Police Dispatch	<u>752,654</u>	<u>592,681</u>	<u>592,681</u>	<u>0</u>
Street Lighting:				
Contractual Services	250,000	317,787	317,787	0
Total Street Lighting	<u>250,000</u>	<u>317,787</u>	<u>317,787</u>	<u>0</u>
Total Security of Persons and Property	<u>12,789,679</u>	<u>12,033,579</u>	<u>12,033,579</u>	<u>0</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Environment:				
Building Inspection:				
Personal Services	134,035	138,295	138,295	0
Materials and Supplies	2,100	26	26	0
Contractual Services	77,350	73,283	73,283	0
Total Building Inspection	213,485	211,604	211,604	0
Administration:				
Personal Services	110,009	116,038	116,038	0
Materials and Supplies	1,350	2,914	2,914	0
Contractual Services	4,450	28,643	28,643	0
Total Administration	115,809	147,595	147,595	0
Total Community Environment	329,294	359,199	359,199	0
Transportation:				
Traffic Lights:				
Personal Services	278,760	341,598	341,598	0
Materials and Supplies	32,700	23,892	23,892	0
Contractual Services	31,250	29,486	29,486	0
Total Traffic Lights	342,710	394,976	394,976	0
Cemetery Grounds:				
Personal Services	255,571	314,482	314,482	0
Materials and Supplies	13,800	9,632	9,632	0
Contractual Services	23,000	29,650	29,650	0
Capital Outlay	2,000	1,950	1,950	0
Total Cemetery Grounds	294,371	355,714	355,714	0
Recreational Grounds:				
Personal Services	24,661	13,422	13,422	0
Materials and Supplies	3,000	299,695	299,695	0
Contractual Services	4,500	15,936	15,936	0
Total Recreational Grounds	32,161	329,053	329,053	0
Total Transportation	669,242	1,079,743	1,079,743	0
General Government:				
City Council:				
Personal Services	134,334	134,730	134,730	0
Materials and Supplies	800	396	396	0
Contractual Services	13,050	14,905	14,905	0
Total City Council	148,184	150,031	150,031	0

(Continued)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Executive:				
Personal Services	39,171	17,087	17,087	0
Materials and Supplies	4,000	8,020	8,020	0
Contractual Services	17,900	2,957	2,957	0
Total Executive	61,071	28,064	28,064	0
Legal:				
Personal Services	307,337	317,364	317,364	0
Materials and Supplies	4,500	1,842	1,842	0
Contractual Services	7,350	3,748	3,748	0
Total Legal	319,187	322,954	322,954	0
Finance:				
Personal Services	240,382	251,200	251,200	0
Materials and Supplies	6,000	5,072	5,072	0
Contractual Services	62,750	35,990	35,990	0
Total Finance	309,132	292,262	292,262	0
Civil Service:				
Personal Services	18,377	20,187	20,187	0
Materials and Supplies	250	0	0	0
Contractual Services	15,500	5,245	5,245	0
Total Civil Service	34,127	25,432	25,432	0
Income Tax:				
Personal Services	151,770	152,970	152,970	0
Materials and Supplies	5,650	2,392	2,392	0
Contractual Services	23,825	18,025	18,025	0
Total Income Tax	181,245	173,387	173,387	0
Engineering:				
Personal Services	321,805	261,680	261,680	0
Materials and Supplies	8,650	3,816	3,816	0
Contractual Services	224,350	962,434	962,434	0
Total Engineering	554,805	1,227,930	1,227,930	0

(Continued)

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Service:				
Personal Services	31,694	22,021	22,021	0
Materials and Supplies	1,050	581	581	0
Contractual Services	26,441	76,465	76,465	0
Capital Outlay	500	500	500	0
Total Public Service	59,685	99,567	99,567	0
City Building:				
Personal Services	83,552	84,014	84,014	0
Materials and Supplies	3,500	3,106	3,106	0
Contractual Services	166,000	247,256	247,256	0
Total City Building	253,052	334,376	334,376	0
Drainage Projects:				
Capital Outlay	80,000	29,978	29,978	0
Total Drainage Projects	80,000	29,978	29,978	0
Garage:				
Personal Services	19,727	42,445	42,445	0
Materials and Supplies	252,128	339,107	339,107	0
Contractual Services	30,650	15,185	15,185	0
Capital Outlay	5,000	0	0	0
Total Garage	307,505	396,737	396,737	0
Economic Development:				
Materials and Supplies	55,000	55,000	55,000	0
Total Economic Development	55,000	55,000	55,000	0
Non-Departmental:				
Personal Services	183,000	41,680	41,680	0
Materials and Supplies	5,000	5,634	5,634	0
Contractual Services	1,193,851	1,139,804	1,139,804	0
Capital Outlay	1,062,878	382,357	382,357	0
Total Non-Departmental	2,444,729	1,569,475	1,569,475	0
Total General Government	4,807,722	4,705,193	4,705,193	0
Total Expenditures	18,595,937	18,177,714	18,177,714	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,314,063	3,612,286	3,594,105	(18,181)

(Continued)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers Out	(2,580,978)	(2,280,978)	(2,280,978)	0
Advances In	400,000	270,000	270,000	0
Advances Out	(400,000)	(200,000)	(200,000)	0
Total Other Financing Sources (Uses)	<u>(2,580,978)</u>	<u>(2,210,978)</u>	<u>(2,210,978)</u>	<u>0</u>
Net Change in Fund Balance	(1,266,915)	1,401,308	1,383,127	(18,181)
Fund Balance at Beginning of Year	14,476,580	14,476,580	14,476,580	0
Prior Year Encumbrances	531,436	531,436	531,436	0
Fund Balance at End of Year	<u>\$ 13,741,101</u>	<u>\$ 16,409,324</u>	<u>\$ 16,391,143</u>	<u>\$ (18,181)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2024***

HEALTH DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,657,000	\$ 1,741,000	\$ 1,724,876	\$ (16,124)
Charges for Services	930,000	304,000	294,400	(9,600)
All Other Revenues	120,000	105,000	104,412	(588)
Total Revenues	<u>2,707,000</u>	<u>2,150,000</u>	<u>2,123,688</u>	<u>(26,312)</u>
Expenditures:				
Public Health and Welfare Services:				
Health Department Operating:				
Personal Services	712,492	673,346	673,346	0
Materials and Supplies	7,055	7,966	7,966	0
Contractual Services	120,680	109,921	109,921	0
Total Health Department Operating	<u>840,227</u>	<u>791,233</u>	<u>791,233</u>	<u>0</u>
Environmental State Grants:				
Personal Services	498,644	442,932	442,932	0
Materials and Supplies	45,409	11,155	11,155	0
Contractual Services	92,210	50,126	50,126	0
Capital Outlay	20,000	81,304	81,304	0
Total Environmental State Grants	<u>656,263</u>	<u>585,517</u>	<u>585,517</u>	<u>0</u>
Safety State Grant:				
Materials and Supplies	9,132	4,401	4,401	0
Contractual Services	0	4,714	4,714	0
Total Safety State Grant	<u>9,132</u>	<u>9,115</u>	<u>9,115</u>	<u>0</u>
Rural AIDS State Grant:				
Personal Services	190,888	236,096	236,096	0
Materials and Supplies	27,000	23,342	23,342	0
Contractual Services	42,900	90,069	90,069	0
Capital Outlay	1,000	209	209	0
Total Rural AIDS State Grant	<u>261,788</u>	<u>349,716</u>	<u>349,716</u>	<u>0</u>
Drug Free Communities Grant:				
Personal Services	0	534	534	0
Contractual Services	11,013	7,922	7,922	0
Total Drug Free Communities Grant	<u>11,013</u>	<u>8,456</u>	<u>8,456</u>	<u>0</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2024***

HEALTH DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Injury Prevention Grant:				
Personal Services	0	1,032	1,032	0
Materials and Supplies	30,336	9,199	9,199	0
Contractual Services	18,000	3,199	3,199	0
Total Injury Prevention Grant	48,336	13,430	13,430	0
Family Planning Grant:				
Personal Services	124,246	113,993	113,993	0
Materials and Supplies	47,000	17,394	17,394	0
Contractual Services	11,000	10,000	10,000	0
Total Family Planning Grant	182,246	141,387	141,387	0
Rural Health Opioid Program:				
Contractual Services	14,993	13,061	13,061	0
Total Rural Health Opioid Program	14,993	13,061	13,061	0
Rural Community Opioid Response Program:				
Personal Services	199,621	172,661	172,661	0
Materials and Supplies	39,982	27,726	27,726	0
Contractual Services	21,000	42,686	42,686	0
Total Rural Community Opioid Response Program	260,603	243,073	243,073	0
Public Health Emergency Preparedness:				
Personal Services	61,556	68,316	68,316	0
Materials and Supplies	5,834	120	120	0
Contractual Services	10,000	1,954	1,954	0
Capital Outlay	0	1,670	1,670	0
Total Public Health Emergency Preparedness	77,390	72,060	72,060	0
Federal HIV Prevention Grant:				
Personal Services	197,563	109,572	109,572	0
Materials and Supplies	30,000	6,127	6,127	0
Contractual Services	23,700	2,643	2,643	0
Total Federal HIV Prevention Grant	251,263	118,342	118,342	0
State HIV Prevention Grant:				
Materials and Supplies	13,000	0	0	0
Contractual Services	4,000	1,000	1,000	0
Total State HIV Prevention Grant	17,000	1,000	1,000	0

(Continued)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2024***

HEALTH DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Land Reutilization:				
Contractual Services	25,000	14,959	14,959	0
Total Land Reutilization	25,000	14,959	14,959	0
Primary Care:				
Personal Services	248,507	243,363	243,363	0
Materials and Supplies	502,000	116,158	116,158	0
Contractual Services	0	231,609	231,609	0
Total Primary Care	750,507	591,130	591,130	0
Workforce Development:				
Personal Services	92,521	118,629	118,629	0
Materials and Supplies	0	70	70	0
Contractual Services	15,482	3,436	3,436	0
Total Workforce Development	108,003	122,135	122,135	0
Rural Response Opioid Epidemic:				
Personal Services	73,353	0	0	0
Contractual Services	39,561	3,626	3,626	0
Total Rural Response Opioid Epidemic	112,914	3,626	3,626	0
Total Expenditures	3,626,678	3,078,240	3,078,240	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(919,678)	(928,240)	(954,552)	(26,312)
Other Financing Sources (Uses):				
Transfers In	793,000	858,000	858,227	227
Transfers Out	(7,000)	0	0	0
Advances In	200,000	0	200,000	200,000
Advances Out	0	(270,000)	(270,000)	0
Total Other Financing Sources (Uses)	986,000	588,000	788,227	200,227
Net Change in Fund Balance	66,322	(340,240)	(166,325)	173,915
Fund Balance at Beginning of Year	1,905,530	1,905,530	1,905,530	0
Fund Balance at End of Year	<u>\$ 1,971,852</u>	<u>\$ 1,565,290</u>	<u>\$ 1,739,205</u>	<u>\$ 173,915</u>

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2024**

AMERICAN RESCUE PLAN ACT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 26,000	\$ 26,265	\$ 265
Total Revenues	<u>0</u>	<u>26,000</u>	<u>26,265</u>	<u>265</u>
Expenditures:				
General Government:				
Capital Outlay	1,359,432	1,055,943	1,055,943	0
Total Expenditures	<u>1,359,432</u>	<u>1,055,943</u>	<u>1,055,943</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,359,432)	(1,029,943)	(1,029,678)	265
Fund Balance at Beginning of Year	1,359,431	1,359,431	1,359,431	0
Prior Year Encumbrances	62,423	62,423	62,423	0
Fund Balance at End of Year	<u>\$ 62,422</u>	<u>\$ 391,911</u>	<u>\$ 392,176</u>	<u>\$ 265</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund
For the Year Ended December 31, 2024***

GENERAL OBLIGATION BOND RETIREMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 180,000	\$ 179,045	\$ (955)
Intergovernmental Revenues	19,000	19,269	269
Total Revenues	<u>199,000</u>	<u>198,314</u>	<u>(686)</u>
Expenditures:			
Debt Service:			
Principal Retirement	135,000	135,000	0
Interest and Fiscal Charges	51,380	51,380	0
Total Expenditures	<u>186,380</u>	<u>186,380</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,620	11,934	(686)
Fund Balance at Beginning of Year	<u>215,617</u>	<u>215,617</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 228,237</u>	<u>\$ 227,551</u>	<u>\$ (686)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Funds
For the Year Ended December 31, 2024***

CAPITAL IMPROVEMENT FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 2,200,000	\$ 2,176,856	\$ (23,144)
Intergovernmental Revenues	40,000	40,000	0
All Other Revenues	60,000	55,460	(4,540)
Total Revenues	<u>2,300,000</u>	<u>2,272,316</u>	<u>(27,684)</u>
Expenditures:			
Capital Outlay	2,416,088	2,416,088	0
Debt Service:			
Principal Retirement	226,698	226,698	0
Interest and Fiscal Charges	3,376	3,376	0
Total Expenditures	<u>2,646,162</u>	<u>2,646,162</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(346,162)	(373,846)	(27,684)
Fund Balance at Beginning of Year	776,981	776,981	0
Prior Year Encumbrances	910,968	910,968	0
Fund Balance at End of Year	<u>\$ 1,341,787</u>	<u>\$ 1,314,103</u>	<u>\$ (27,684)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Materials and Supplies	32	32	0
Total Expenditures	32	32	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32)	(32)	0
Fund Balance at Beginning of Year	32	32	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Personal Services	1,250,039	1,250,039	0
Materials and Supplies	8,216	8,216	0
Contractual Services	46,150	46,150	0
Total Expenditures	1,304,405	1,304,405	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,304,405)	(1,304,405)	0
Other Financing Sources (Uses):			
Transfers In	1,330,000	1,289,751	(40,249)
Total Other Financing Sources (Uses)	1,330,000	1,289,751	(40,249)
Net Change in Fund Balance	25,595	(14,654)	(40,249)
Fund Balance at Beginning of Year	14,654	14,654	0
Fund Balance at End of Year	\$ 40,249	\$ 0	\$ (40,249)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 280,000	\$ 277,381	\$ (2,619)
All Other Revenues	0	532	532
Total Revenues	<u>280,000</u>	<u>277,913</u>	<u>(2,087)</u>
Expenditures:			
General Government:			
Personal Services	212,505	212,505	0
Materials and Supplies	89,511	89,511	0
Contractual Services	14,070	14,070	0
Capital Outlay	3,498	3,498	0
Total Expenditures	<u>319,584</u>	<u>319,584</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,584)	(41,671)	(2,087)
Fund Balance at Beginning of Year	<u>94,800</u>	<u>94,800</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 55,216</u>	<u>\$ 53,129</u>	<u>\$ (2,087)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MUNICIPAL COURT PROBATION SERVICES FUND			
Revenues:			
Fines and Forfeitures	\$ 230,000	\$ 226,112	\$ (3,888)
Total Revenues	<u>230,000</u>	<u>226,112</u>	<u>(3,888)</u>
Expenditures:			
General Government:			
Personal Services	222,625	222,625	0
Materials and Supplies	4,232	4,232	0
Total Expenditures	<u>226,857</u>	<u>226,857</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,143	(745)	(3,888)
Fund Balance at Beginning of Year	25,967	25,967	0
Fund Balance at End of Year	<u>\$ 29,110</u>	<u>\$ 25,222</u>	<u>\$ (3,888)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 127,000	\$ 126,811	\$ (189)
Total Revenues	<u>127,000</u>	<u>126,811</u>	<u>(189)</u>
Expenditures:			
General Government:			
Personal Services	27,022	27,022	0
Contractual Services	<u>58,310</u>	<u>58,310</u>	<u>0</u>
Total Expenditures	<u>85,332</u>	<u>85,332</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,668	41,479	(189)
Fund Balance at Beginning of Year	<u>9,625</u>	<u>9,625</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 51,293</u>	<u>\$ 51,104</u>	<u>\$ (189)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 240,000	\$ 240,000	\$ 0
Fines and Forfeitures	26,000	25,963	(37)
Total Revenues	<u>266,000</u>	<u>265,963</u>	<u>(37)</u>
Expenditures:			
General Government:			
Contractual Services	24,763	24,763	0
Capital Outlay	42,226	42,226	0
Total Expenditures	<u>66,989</u>	<u>66,989</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	199,011	198,974	(37)
Fund Balance at Beginning of Year	<u>25,539</u>	<u>25,539</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 224,550</u>	<u>\$ 224,513</u>	<u>\$ (37)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Personal Services	190,586	190,586	0
Total Expenditures	190,586	190,586	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(190,586)	(190,586)	0
Other Financing Sources (Uses):			
Transfers In	133,000	133,000	0
Total Other Financing Sources (Uses)	133,000	133,000	0
Net Change in Fund Balance	(57,586)	(57,586)	0
Fund Balance at Beginning of Year	64,487	64,487	0
Fund Balance at End of Year	\$ 6,901	\$ 6,901	\$ 0

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

COMMUNITY CORRECTIONS GRANT FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 200,000	\$ 197,377	\$ (2,623)
Total Revenues	<u>200,000</u>	<u>197,377</u>	<u>(2,623)</u>
Expenditures:			
General Government:			
Personal Services	<u>200,670</u>	<u>200,670</u>	<u>0</u>
Total Expenditures	<u>200,670</u>	<u>200,670</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(670)	(3,293)	(2,623)
Fund Balance at Beginning of Year	<u>4,724</u>	<u>4,724</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,054</u>	<u>\$ 1,431</u>	<u>\$ (2,623)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	FIRE DONATION FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>503</u>	<u>503</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 503</u></u>	<u><u>\$ 503</u></u>	<u><u>\$ 0</u></u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	FIRE PENSION FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Taxes	\$ 77,000	\$ 76,728	\$ (272)
Intergovernmental Revenues	10,000	8,258	(1,742)
Total Revenues	<u>87,000</u>	<u>84,986</u>	<u>(2,014)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	84,986	84,986	0
Total Expenditures	<u>84,986</u>	<u>84,986</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,014	0	(2,014)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,014</u>	<u>\$ 0</u>	<u>\$ (2,014)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 77,000	\$ 76,727	\$ (273)
Intergovernmental Revenues	10,000	8,258	(1,742)
Total Revenues	<u>87,000</u>	<u>84,985</u>	<u>(2,015)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	84,985	84,985	0
Total Expenditures	<u>84,985</u>	<u>84,985</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,015	0	(2,015)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,015</u>	<u>\$ 0</u>	<u>\$ (2,015)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	13,977	13,977	0
Fund Balance at End of Year	<u>\$ 13,977</u>	<u>\$ 13,977</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

POLICE DONATION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
All Other Revenues	\$ 0	\$ 22	\$ 22
Total Revenues	<u>0</u>	<u>22</u>	<u>22</u>
Expenditures:			
Security of Persons and Property:			
Contractual Services	500	500	0
Total Expenditures	<u>500</u>	<u>500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500)	(478)	22
Fund Balance at Beginning of Year	<u>1,008</u>	<u>1,008</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 508</u>	<u>\$ 530</u>	<u>\$ 22</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	JAG GRANTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>2,436</u>	<u>2,436</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 2,436</u></u>	<u><u>\$ 2,436</u></u>	<u><u>\$ 0</u></u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	COPS FAST GRANT FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 65,000	\$ 63,217	\$ (1,783)
Total Revenues	<u>65,000</u>	<u>63,217</u>	<u>(1,783)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	119,972	119,972	0
Contractual Services	22,035	22,035	0
Capital Outlay	43,097	43,097	0
Total Expenditures	<u>185,104</u>	<u>185,104</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120,104)	(121,887)	(1,783)
Fund Balance at Beginning of Year	674,676	674,676	0
Prior Year Encumbrances	25,372	25,372	0
Fund Balance at End of Year	<u>\$ 579,944</u>	<u>\$ 578,161</u>	<u>\$ (1,783)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

INDIGENT DRIVERS ALCOHOL TREATMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 13,000	\$ 12,581	\$ (419)
Total Revenues	<u>13,000</u>	<u>12,581</u>	<u>(419)</u>
Expenditures:			
General Government:			
Contractual Services	1,779	1,779	0
Total Expenditures	<u>1,779</u>	<u>1,779</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,221	10,802	(419)
Fund Balance at Beginning of Year	62,542	62,542	0
Fund Balance at End of Year	<u>\$ 73,763</u>	<u>\$ 73,344</u>	<u>\$ (419)</u>

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 7,000	\$ 7,122	\$ 122
Total Revenues	<u>7,000</u>	<u>7,122</u>	<u>122</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,000	7,122	122
Fund Balance at Beginning of Year	<u>59,291</u>	<u>59,291</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 66,291</u>	<u>\$ 66,413</u>	<u>\$ 122</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 388	\$ 388
Total Revenues	<u>0</u>	<u>388</u>	<u>388</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	388	388
Fund Balance at Beginning of Year	<u>2,470</u>	<u>2,470</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,470</u>	<u>\$ 2,858</u>	<u>\$ 388</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 264	\$ 264
Total Revenues	<u>0</u>	<u>264</u>	<u>264</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	264	264
Fund Balance at Beginning of Year	<u>14,517</u>	<u>14,517</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,517</u>	<u>\$ 14,781</u>	<u>\$ 264</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 30,000	\$ 27,795	\$ (2,205)
All Other Revenues	5,000	4,668	(332)
Total Revenues	<u>35,000</u>	<u>32,463</u>	<u>(2,537)</u>
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	<u>13,267</u>	<u>13,267</u>	<u>0</u>
Total Expenditures	<u>13,267</u>	<u>13,267</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,733	19,196	(2,537)
Fund Balance at Beginning of Year	<u>103,175</u>	<u>103,175</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 124,908</u>	<u>\$ 122,371</u>	<u>\$ (2,537)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>69,406</u>	<u>69,406</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 69,406</u></u>	<u><u>\$ 69,406</u></u>	<u><u>\$ 0</u></u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 15,000	\$ 13,384	\$ (1,616)
Total Revenues	<u>15,000</u>	<u>13,384</u>	<u>(1,616)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,000	13,384	(1,616)
Fund Balance at Beginning of Year	<u>54,341</u>	<u>54,341</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 69,341</u>	<u>\$ 67,725</u>	<u>\$ (1,616)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	ONEOHIO OPIOID FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 180,000	\$ 178,921	\$ (1,079)
Total Revenues	<u>180,000</u>	<u>178,921</u>	<u>(1,079)</u>
Expenditures:			
General Government:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	180,000	178,921	(1,079)
Fund Balance at Beginning of Year	<u>105,900</u>	<u>105,900</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 285,900</u>	<u>\$ 284,821</u>	<u>\$ (1,079)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 1,150,000	\$ 1,146,107	\$ (3,893)
Total Revenues	<u>1,150,000</u>	<u>1,146,107</u>	<u>(3,893)</u>
Expenditures:			
Transportation:			
Personal Services	861,340	861,340	0
Materials and Supplies	52,687	52,687	0
Contractual Services	313,303	313,303	0
Capital Outlay	702	702	0
Total Expenditures	<u>1,228,032</u>	<u>1,228,032</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,032)	(81,925)	(3,893)
Fund Balance at Beginning of Year	397,490	397,490	0
Prior Year Encumbrances	71,500	71,500	0
Fund Balance at End of Year	<u>\$ 390,958</u>	<u>\$ 387,065</u>	<u>\$ (3,893)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 75,000	\$ 74,135	\$ (865)
Total Revenues	<u>75,000</u>	<u>74,135</u>	<u>(865)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,000	74,135	(865)
Fund Balance at Beginning of Year	<u>494,401</u>	<u>494,401</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 569,401</u>	<u>\$ 568,536</u>	<u>\$ (865)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 10,000	\$ 9,500	\$ (500)
Investment Earnings	0	21	21
Total Revenues	<u>10,000</u>	<u>9,521</u>	<u>(479)</u>
Expenditures:			
Community Environment:			
Contractual Services	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Total Expenditures	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	500	21	(479)
Fund Balance at Beginning of Year	<u>126,228</u>	<u>126,228</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 126,728</u>	<u>\$ 126,249</u>	<u>\$ (479)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

TOURISM AND CULTURAL DEVELOPMENT FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 120,000	\$ 119,247	\$ (753)
Total Revenues	<u>120,000</u>	<u>119,247</u>	<u>(753)</u>
Expenditures:			
Community Environment:			
Contractual Services	122,042	122,042	0
Total Expenditures	<u>122,042</u>	<u>122,042</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,042)	(2,795)	(753)
Fund Balance at Beginning of Year	<u>24,571</u>	<u>24,571</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,529</u>	<u>\$ 21,776</u>	<u>\$ (753)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 206,000	\$ 206,045	\$ 45
Intergovernmental Revenues	21,000	20,658	(342)
All Other Revenues	3,000	2,883	(117)
Total Revenues	<u>230,000</u>	<u>229,586</u>	<u>(414)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	6,775	6,775	0
Materials and Supplies	26,430	26,430	0
Contractual Services	76,564	76,564	0
Capital Outlay	154,304	154,304	0
Total Expenditures	<u>264,073</u>	<u>264,073</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,073)	(34,487)	(414)
Fund Balance at Beginning of Year	245,413	245,413	0
Fund Balance at End of Year	<u>\$ 211,340</u>	<u>\$ 210,926</u>	<u>\$ (414)</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 367,000	\$ 367,146	\$ 146
Intergovernmental Revenues	12,000	11,321	(679)
Total Revenues	<u>379,000</u>	<u>378,467</u>	<u>(533)</u>
Expenditures:			
Transportation:			
Capital Outlay	<u>278,811</u>	<u>278,811</u>	<u>0</u>
Total Expenditures	<u>278,811</u>	<u>278,811</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,189	99,656	(533)
Fund Balance at Beginning of Year	<u>19,821</u>	<u>19,821</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 120,010</u>	<u>\$ 119,477</u>	<u>\$ (533)</u>

CITY OF PORTSMOUTH, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
General Government:			
Capital Outlay	440,052	440,052	0
Total Expenditures	440,052	440,052	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(440,052)	(440,052)	0
Fund Balance at Beginning of Year	1,400,000	1,400,000	0
Fund Balance at End of Year	\$ 959,948	\$ 959,948	\$ 0

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 65,000	\$ 63,906	\$ (1,094)
Total Revenues	65,000	63,906	(1,094)
Expenditures:			
Leisure Time Activities:			
Personal Services	21,875	21,875	0
Materials and Supplies	10,757	10,757	0
Contractual Services	31,625	31,625	0
Total Expenditures	64,257	64,257	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	743	(351)	(1,094)
Fund Balance at Beginning of Year	21,150	21,150	0
Prior Year Encumbrances	1,319	1,319	0
Fund Balance at End of Year	\$ 23,212	\$ 22,118	\$ (1,094)

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	33,060	33,060	0
Fund Balance at End of Year	<u>\$ 33,060</u>	<u>\$ 33,060</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Year Ended December 31, 2024***

	CEMETERY TRUST FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Charges for Services	\$ 5,000	\$ 5,125	\$ 125
Total Revenues	<u>5,000</u>	<u>5,125</u>	<u>125</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	5,125	125
Fund Balance at Beginning of Year	<u>231,500</u>	<u>231,500</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 236,500</u>	<u>\$ 236,625</u>	<u>\$ 125</u>

CITY OF PORTSMOUTH, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	4,852	4,852	0
Fund Balance at End of Year	<u>\$ 4,852</u>	<u>\$ 4,852</u>	<u>\$ 0</u>

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Law Library Fund

To account for revenue and expenditures of State Patrol fines to the County Law Library.

Ohio Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Municipal Court Fund

To account for funds that flow through the municipal court office.

CITY OF PORTSMOUTH, OHIO

**Statement of Net Position
Fiduciary Funds
December 31, 2024**

	Law Library	Ohio Board of Building Standards	Municipal Court	Total Custodial Funds
Assets:				
Receivables:				
Accounts	\$ 17,269	\$ 0	\$ 459,311	\$ 476,580
Restricted Assets:				
Cash and Cash Equivalents	935	18,721	38,602	58,258
Total Assets	<u>18,204</u>	<u>18,721</u>	<u>497,913</u>	<u>534,838</u>
Liabilities:				
Intergovernmental Payable	0	0	17,138	17,138
Due to Others	18,204	18,721	480,775	517,700
Total Liabilities	<u>18,204</u>	<u>18,721</u>	<u>497,913</u>	<u>534,838</u>
Unrestricted	0	0	0	0
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, OHIO

**Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2024**

	Law Library	Ohio Board of Building Standards	Municipal Court	Total Custodial Funds
Additions:				
Fines and Forfeiture Collections for Others	\$ 11,136	\$ 0	\$ 1,198,181	\$ 1,209,317
Charges Collected for Others	0	2,825	0	2,825
Total Additions	<u>11,136</u>	<u>2,825</u>	<u>1,198,181</u>	<u>1,212,142</u>
Deductions:				
Distribution of Fines and Forfeitures to Others	11,136	0	1,198,181	1,209,317
Distribution of Charges Collected for Others	0	2,825	0	2,825
Total Deductions	<u>11,136</u>	<u>2,825</u>	<u>1,198,181</u>	<u>1,212,142</u>
Change in Net Position	0	0	0	0
Net Position at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Position End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



STATISTICAL SECTION





STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 11
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 12 – S 15
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, which the income tax.	
Debt Capacity	S 16 – S 25
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.	
Economic and Demographic Information	S 26 – S 29
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 30 – S 35
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 Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

City of Portsmouth, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017	2018
Governmental Activities:			(1)	(1)
Net Investment in Capital Assets	\$18,924,619	\$18,518,783	\$19,448,701	\$19,371,039
Restricted	5,578,284	5,525,394	5,736,295	5,987,081
Unrestricted	<u>(10,850,195)</u>	<u>(8,842,212)</u>	<u>(21,893,895)</u>	<u>(21,889,402)</u>
Total Governmental Activities Net Position	<u>\$13,652,708</u>	<u>\$15,201,965</u>	<u>\$3,291,101</u>	<u>\$3,468,718</u>
Business-type Activities:				
Net Investment in Capital Assets	\$15,753,500	\$16,163,417	\$16,482,329	\$16,842,545
Restricted	0	0	0	0
Unrestricted	<u>820,725</u>	<u>352,414</u>	<u>(1,322,632)</u>	<u>(1,006,253)</u>
Total Business-type Activities Net Position	<u>\$16,574,225</u>	<u>\$16,515,831</u>	<u>\$15,159,697</u>	<u>\$15,836,292</u>
Primary Government:				
Net Investment in Capital Assets	\$34,678,119	\$34,682,200	\$35,931,030	\$36,213,584
Restricted	5,578,284	5,525,394	5,736,295	5,987,081
Unrestricted	<u>(10,029,470)</u>	<u>(8,489,798)</u>	<u>(23,216,527)</u>	<u>(22,895,655)</u>
Total Primary Government Net Position	<u>\$30,226,933</u>	<u>\$31,717,796</u>	<u>\$18,450,798</u>	<u>\$19,305,010</u>

Source: City Auditor's Office

(1) Amounts adjusted as a result of a prior period adjustment.

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
\$19,736,920	\$20,275,746	\$20,361,528	\$20,201,082	\$21,630,424	\$22,075,889
6,146,334	6,404,322	5,510,254	6,117,367	9,054,291	9,997,084
<u>(13,834,622)</u>	<u>(12,311,310)</u>	<u>(6,095,946)</u>	<u>(1,857,689)</u>	<u>(2,452,110)</u>	<u>(3,132,609)</u>
<u>\$12,048,632</u>	<u>\$14,368,758</u>	<u>\$19,775,836</u>	<u>\$24,460,760</u>	<u>\$28,232,605</u>	<u>\$28,940,364</u>
\$17,300,233	\$16,614,216	\$15,883,356	\$15,669,414	\$15,706,500	\$19,647,294
0	0	0	0	0	186,126
<u>(801,964)</u>	<u>377,100</u>	<u>4,016,287</u>	<u>6,498,119</u>	<u>8,714,791</u>	<u>12,692,809</u>
<u>\$16,498,269</u>	<u>\$16,991,316</u>	<u>\$19,899,643</u>	<u>\$22,167,533</u>	<u>\$24,421,291</u>	<u>\$32,526,229</u>
\$37,037,153	\$36,889,962	\$36,244,884	\$35,870,496	\$37,336,924	\$41,723,183
6,146,334	6,404,322	5,510,254	6,117,367	9,054,291	10,183,210
<u>(14,636,586)</u>	<u>(11,934,210)</u>	<u>(2,079,659)</u>	<u>4,640,430</u>	<u>6,262,681</u>	<u>9,560,200</u>
<u>\$28,546,901</u>	<u>\$31,360,074</u>	<u>\$39,675,479</u>	<u>\$46,628,293</u>	<u>\$52,653,896</u>	<u>\$61,466,593</u>

City of Portsmouth, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017
Expenses			
Governmental Activities:			
Security of Persons and Property	\$9,277,034	\$10,060,825	\$11,246,084
Public Health and Welfare Services	2,646,659	2,993,466	2,593,327
Leisure Time Activities	74,438	71,114	90,138
Community Environment	750,567	624,103	508,146
Transportation	2,048,345	2,597,717	2,042,145
General Government	4,194,086	4,089,277	5,242,442
Interest on Long Term Debt	89,558	50,031	31,788
<i>Total Governmental Activities Expenses</i>	<u>19,080,687</u>	<u>20,486,533</u>	<u>21,754,070</u>
Business-type Activities:			
Water	5,549,162	6,456,104	6,144,431
Sewer	3,303,902	3,976,485	3,990,481
Sanitation	1,739,108	1,904,954	2,061,479
Primary Care (1)	41,722	201,008	366,654
<i>Total Business-type Activities Expenses</i>	<u>10,633,894</u>	<u>12,538,551</u>	<u>12,563,045</u>
<i>Total Primary Government Expenses</i>	<u>\$29,714,581</u>	<u>\$33,025,084</u>	<u>\$34,317,115</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$778,082	\$708,802	\$847,879
Public Health and Welfare Services	279,450	237,720	264,343
Leisure Time Activities	76,955	82,455	80,821
Community Environment	112,766	116,083	75,345
Transportation	31,081	35,198	35,831
General Government	448,460	391,251	527,275
Operating Grants and Contributions	3,201,644	3,191,459	3,199,010
Capital Grants and Contributions	0	124,695	790,795
<i>Total Governmental Activities Program Revenues</i>	<u>4,928,438</u>	<u>4,887,663</u>	<u>5,821,299</u>

City of Portsmouth, Ohio

2018	2019	2020	2021	2022	2023	2024
\$12,000,917	\$3,416,830	\$13,563,806	\$11,990,922	\$12,366,917	\$15,002,256	\$14,867,386
3,373,410	4,247,598	3,999,162	2,765,917	3,315,496	4,272,238	3,309,566
82,158	91,374	61,331	49,139	83,214	86,421	83,440
453,197	646,488	833,460	516,196	686,227	604,580	650,437
2,414,383	2,548,051	2,744,888	2,303,955	2,513,783	3,178,878	3,235,411
5,562,132	6,301,546	6,604,638	3,677,060	5,500,036	6,530,556	7,404,531
25,752	43,889	47,806	31,510	30,245	63,891	62,114
<u>23,911,949</u>	<u>17,295,776</u>	<u>27,855,091</u>	<u>21,334,699</u>	<u>24,495,918</u>	<u>29,738,820</u>	<u>29,612,885</u>
6,853,813	7,058,219	6,736,112	5,501,582	7,023,094	7,584,521	6,838,488
4,471,089	4,718,402	4,994,544	4,204,937	4,547,534	5,265,785	6,278,289
2,177,201	2,297,236	1,988,648	1,786,676	2,068,219	2,586,247	2,888,301
523,175	0	0	0	0	0	0
<u>14,025,278</u>	<u>14,073,857</u>	<u>13,719,304</u>	<u>11,493,195</u>	<u>13,638,847</u>	<u>15,436,553</u>	<u>16,005,078</u>
<u>\$37,937,227</u>	<u>\$31,369,633</u>	<u>\$41,574,395</u>	<u>\$32,827,894</u>	<u>\$38,134,765</u>	<u>\$45,175,373</u>	<u>\$45,617,963</u>
\$1,103,638	\$1,202,860	\$1,145,441	\$1,335,233	\$1,190,775	\$1,389,575	\$1,273,995
635,500	1,448,954	1,370,987	1,460,410	1,031,876	767,766	1,088,314
118,063	77,172	68,265	94,790	92,751	103,871	107,235
73,153	126,420	191,498	93,111	110,293	108,064	114,637
36,931	42,197	42,244	43,430	34,562	9,095	23,353
527,493	564,266	434,225	442,893	696,953	690,685	693,527
3,733,198	3,490,624	6,907,230	3,127,249	4,641,577	7,183,107	3,750,186
0	0	0	0	1,379,753	794,332	0
<u>6,227,976</u>	<u>6,952,493</u>	<u>10,159,890</u>	<u>6,597,116</u>	<u>9,178,540</u>	<u>11,046,495</u>	<u>7,051,247</u>

(Continued)

City of Portsmouth, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017
Business-type Activities:			
Charges for Services			
Water	5,693,192	6,174,408	6,372,974
Sewer	3,074,800	3,703,214	4,314,536
Sanitation	2,181,292	2,042,592	2,105,509
Primary Care (1)	66,219	253,339	264,293
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	35,551	306,604	269,624
<i>Total Business-type Activities Program Revenues</i>	<u>11,051,054</u>	<u>12,480,157</u>	<u>13,326,936</u>
<i>Total Primary Government Program Revenues</i>	<u>15,979,492</u>	<u>17,367,820</u>	<u>19,148,235</u>
Net (Expense)/Revenue			
Governmental Activities	(14,152,249)	(15,598,870)	(15,932,771)
Business-type Activities	417,160	(58,394)	763,891
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$13,735,089)</u>	<u>(\$15,657,264)</u>	<u>(\$15,168,880)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes Levied for:			
General Purposes	\$1,575,946	\$1,602,080	\$1,631,039
Special Purposes	306,374	307,312	306,846
Debt Service	138,622	140,242	143,409
Income Taxes	10,605,852	13,263,572	13,789,556
Other Local Taxes	313,388	320,904	349,724
Grants and Entitlements not			
Restricted to Specific Programs	1,069,435	919,894	962,843
Investment Earnings	30	14	1,259
Miscellaneous	443,943	594,109	425,618
Special Item			
Loss on Disposal of Capital Assets	0	0	0
Transfers	0	0	0
<i>Total Governmental Activities</i>	<u>14,453,590</u>	<u>17,148,127</u>	<u>17,610,294</u>
Business-type Activities:			
Transfers	0	0	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$14,453,590</u>	<u>\$17,148,127</u>	<u>\$17,610,294</u>
Change in Net Position			
Governmental Activities	\$301,341	\$1,549,257	\$1,677,523
Business-type Activities	417,160	(58,394)	763,891
<i>Total Primary Government Change in Net Position</i>	<u>\$718,501</u>	<u>\$1,490,863</u>	<u>\$2,441,414</u>

Source: City Auditor's Office

(1) In 2019, the Primary Care Fund was reclassified as part of the Health Department Fund.

City of Portsmouth, Ohio

2018	2019	2020	2021	2022	2023	2024
6,431,274	6,670,304	7,390,021	7,042,946	8,062,410	9,005,672	10,416,934
4,520,067	5,751,751	4,741,197	5,142,103	5,372,475	5,071,665	5,876,543
2,110,316	2,190,481	1,856,133	2,012,753	2,224,722	2,657,805	2,904,113
446,652	0	0	0	0	0	0
0	0	225,000	0	0	0	0
907,178	123,298	0	203,720	239,258	955,169	4,912,426
<u>14,415,487</u>	<u>14,735,834</u>	<u>14,212,351</u>	<u>14,401,522</u>	<u>15,898,865</u>	<u>17,690,311</u>	<u>24,110,016</u>
<u>20,643,463</u>	<u>21,688,327</u>	<u>24,372,241</u>	<u>20,998,638</u>	<u>25,077,405</u>	<u>28,736,806</u>	<u>31,161,263</u>
(17,683,973)	(10,343,283)	(17,695,201)	(14,737,583)	(15,317,378)	(18,692,325)	(22,561,638)
390,209	661,977	493,047	2,908,327	2,260,018	2,253,758	8,104,938
<u>(\$17,293,764)</u>	<u>(\$9,681,306)</u>	<u>(\$17,202,154)</u>	<u>(\$11,829,256)</u>	<u>(\$13,057,360)</u>	<u>(\$16,438,567)</u>	<u>(\$14,456,700)</u>
\$1,645,052	\$1,671,710	\$1,706,366	\$1,697,434	\$1,753,174	\$2,054,005	\$2,112,192
306,076	316,727	320,492	319,298	381,099	725,317	750,502
141,949	146,962	150,062	157,133	144,592	180,554	185,330
14,305,157	14,710,992	15,050,130	16,118,525	16,897,668	17,398,629	17,938,665
241,947	280,159	319,955	343,704	349,118	345,866	366,121
991,191	1,096,085	1,031,751	1,242,995	1,301,467	1,260,499	1,188,398
9,001	8,484	2,808	1,742	4,618	50,955	41,753
507,603	692,078	1,433,763	263,830	472,643	448,345	686,436
0	0	0	0	(1,294,205)	0	0
(23,519)	0	0	0	(7,872)	0	0
<u>18,124,457</u>	<u>18,923,197</u>	<u>20,015,327</u>	<u>20,144,661</u>	<u>20,002,302</u>	<u>22,464,170</u>	<u>23,269,397</u>
23,519	0	0	0	7,872	0	0
<u>23,519</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,872</u>	<u>0</u>	<u>0</u>
<u>\$18,147,976</u>	<u>\$18,923,197</u>	<u>\$20,015,327</u>	<u>\$20,144,661</u>	<u>\$20,010,174</u>	<u>\$22,464,170</u>	<u>\$23,269,397</u>
\$440,484	\$8,579,914	\$2,320,126	\$5,407,078	\$4,684,924	\$3,771,845	\$707,759
413,728	661,977	493,047	2,908,327	2,267,890	2,253,758	8,104,938
<u>\$854,212</u>	<u>\$9,241,891</u>	<u>\$2,813,173</u>	<u>\$8,315,405</u>	<u>\$6,952,814</u>	<u>\$6,025,603</u>	<u>\$8,812,697</u>

City of Portsmouth, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2015	2016	2017	2018
General Fund				
Nonspendable	\$58,906	\$56,728	\$97,898	\$75,438
Committed	52,556	319,965	358,947	175,198
Assigned	62,043	0	289,028	358,000
Unassigned	1,601,983	3,352,833	5,182,566	6,547,594
<i>Total General Fund</i>	<u>1,775,488</u>	<u>3,729,526</u>	<u>5,928,439</u>	<u>7,156,230</u>
All Other Governmental Funds				
Nonspendable	\$61,360	\$70,874	\$53,953	\$35,548
Restricted	4,636,197	4,676,483	4,622,731	4,901,593
Committed	58,919	49,934	35,957	30,474
Unassigned	(18,382)	(76,160)	(51,773)	(3,448)
<i>Total All Other Governmental Funds</i>	<u>4,738,094</u>	<u>4,721,131</u>	<u>4,660,868</u>	<u>4,964,167</u>
<i>Total Governmental Funds</i>	<u><u>\$6,513,582</u></u>	<u><u>\$8,450,657</u></u>	<u><u>\$10,589,307</u></u>	<u><u>\$12,120,397</u></u>

Source: City Auditor's Office

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
\$241,201	\$182,095	\$191,623	\$337,895	\$184,962	\$301,779
154,832	218,643	172,561	209,861	186,820	169,905
143,170	382,873	1,518,814	3,732,583	1,609,435	5,755,096
8,146,844	11,105,873	11,770,687	10,868,735	15,233,609	13,272,309
8,686,047	11,889,484	13,653,685	15,149,074	17,214,826	19,499,089
\$78,768	\$76,163	\$60,537	\$112,324	\$113,374	\$31,911
5,102,321	5,760,151	4,865,543	5,246,795	8,123,215	4,543,776
14,337	10,689	44,439	26,707	22,177	21,628
(1,880)	0	(1,221)	0	0	(799)
5,193,546	5,847,003	4,969,298	5,385,826	8,258,766	4,596,516
\$13,879,593	\$17,736,487	\$18,622,983	\$20,534,900	\$25,473,592	\$24,095,605

City of Portsmouth, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2015	2016	2017	2018
Revenues:				
Taxes	\$12,749,590	\$15,506,101	\$16,193,330	\$16,705,620
Intergovernmental Revenues	4,056,009	4,366,694	3,823,990	4,738,922
Charges for Services	414,356	496,119	521,577	1,221,514
Licenses and Permits	210,454	213,680	165,177	173,262
Investment Earnings	30	14	1,259	9,001
Fines and Forfeitures	1,093,935	882,641	1,030,819	1,065,652
Donations	0	0	0	0
All Other Revenue	525,638	683,141	557,477	521,348
Total Revenue	19,050,012	22,148,390	22,293,629	24,435,319
Expenditures:				
Current:				
Security of Persons and Property	8,937,793	9,257,240	9,711,886	10,784,563
Public Health and Welfare Services	2,626,098	2,988,836	2,344,996	3,253,449
Leisure Time Activities	62,191	57,121	73,178	67,786
Community Environment	588,429	538,514	419,810	368,753
Transportation	1,148,978	1,288,165	1,165,108	1,286,596
General Government	3,685,862	3,945,141	4,691,647	4,941,114
Capital Outlay	1,323,226	1,739,556	1,512,327	1,954,631
Debt Service:				
Principal Retirement	238,079	333,781	216,618	163,575
Interest and Fiscal Charges	90,883	64,184	32,756	26,763
Total Expenditures	18,701,539	20,212,538	20,168,326	22,847,230
Excess (Deficiency) of Revenues Over Expenditures	348,473	1,935,852	2,125,303	1,588,089
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	57,067	0	0	0
Other Financing Sources - Capital Leases	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Refunding General Obligation Bonds	0	1,250,000	0	0
Payment to Refunded Bond Escrow Agent	0	(1,250,000)	0	0
Installment Loans	0	0	0	0
Transfers In	389,427	536,408	231,852	456,548
Transfers Out	(389,427)	(536,408)	(231,852)	(480,067)
Total Other Financing Sources (Uses)	57,067	0	0	(23,519)
Net Change in Fund Balance	\$405,540	\$1,935,852	\$2,125,303	\$1,564,570
Debt Service as a Percentage of Noncapital Expenditures	1.87%	2.07%	1.35%	0.89%

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
\$17,170,801	\$17,393,784	\$18,695,292	\$19,475,137	\$20,758,069	\$21,296,406
4,397,656	8,130,514	4,097,111	5,793,239	7,055,332	4,844,201
2,079,630	1,942,705	2,293,034	1,779,250	1,527,623	1,545,729
230,122	283,014	206,329	218,936	198,770	213,540
8,484	2,808	1,742	4,618	50,955	41,753
1,173,221	984,183	997,685	1,110,765	1,198,856	1,141,144
0	0	0	0	1,400,000	0
926,477	1,639,345	358,153	580,847	541,016	781,148
<u>25,986,391</u>	<u>30,376,353</u>	<u>26,649,346</u>	<u>28,962,792</u>	<u>32,730,621</u>	<u>29,863,921</u>
11,049,426	12,043,334	11,723,144	11,903,074	12,433,889	12,708,687
3,604,297	3,632,766	3,872,018	3,954,994	3,985,786	3,050,709
70,942	48,392	44,011	74,734	70,699	64,455
522,096	711,089	516,632	621,298	650,483	488,791
1,475,285	1,721,902	2,087,045	1,976,235	2,188,858	2,273,089
4,866,161	5,779,563	5,139,290	5,867,067	6,151,626	6,680,202
2,988,375	2,112,078	2,105,585	4,337,205	1,895,180	1,741,343
231,273	352,098	248,163	299,964	353,431	486,115
44,900	54,418	26,962	18,811	61,977	68,510
<u>24,852,755</u>	<u>26,455,640</u>	<u>25,762,850</u>	<u>29,053,382</u>	<u>27,791,929</u>	<u>27,561,901</u>
1,133,636	3,920,713	886,496	(90,590)	4,938,692	2,302,020
0	0	0	2,250	0	0
594,698	0	0	0	0	0
0	0	0	1,390,000	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	618,129	0	230,000
1,261,376	919,382	890,698	920,990	967,458	991,227
(1,261,376)	(919,382)	(890,698)	(928,862)	(967,458)	(991,227)
<u>594,698</u>	<u>0</u>	<u>0</u>	<u>2,002,507</u>	<u>0</u>	<u>230,000</u>
<u>\$1,728,334</u>	<u>\$3,920,713</u>	<u>\$886,496</u>	<u>\$1,911,917</u>	<u>\$4,938,692</u>	<u>\$2,532,020</u>

1.24% 1.67% 1.15% 1.36% 1.71% 2.17%

City of Portsmouth, Ohio

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

Tax year	2015	2016	2017	2018
Income Tax Rate	2.00%	2.50%	2.50%	2.50%
Estimated Personal Income (in thousands)	\$663,939	\$674,315	\$737,561	\$790,432
Total Tax Collected	\$10,282,891	\$12,978,301	\$14,085,123	\$14,275,245
Income Tax Receipts				
Withholding	9,013,520	11,475,951	12,336,088	12,655,154
Percentage	87.66%	88.42%	87.58%	88.65%
Corporate	887,742	1,081,816	1,212,293	1,031,434
Percentage	8.63%	8.34%	8.61%	7.23%
Individuals	381,629	420,534	536,742	588,657
Percentage	3.71%	3.24%	3.81%	4.12%

Source: City Income Tax Department

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
\$811,953	\$886,303	\$856,858	\$845,414	\$845,414	\$902,069
\$14,613,408	\$14,776,724	\$16,084,379	\$16,893,777	\$17,301,346	\$17,444,172
12,922,222	13,121,874	13,991,213	15,170,718	15,549,108	15,619,519
88.43%	88.80%	86.99%	89.80%	89.87%	89.54%
1,133,570	1,086,273	1,607,199	1,245,229	1,285,941	1,358,362
7.76%	7.35%	9.99%	7.37%	7.43%	7.79%
557,616	568,577	485,967	477,830	466,297	466,291
3.81%	3.85%	3.02%	2.83%	2.70%	2.67%



City of Portsmouth, Ohio

*Income Tax Collections
Current Year and Nine Years Ago*

Calendar Year 2024

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.08%	\$335,008,760	48.01%	\$8,375,219	48.01%
All Others	11,813	99.92%	362,758,120	51.99%	9,068,953	51.99%
Total	<u>11,823</u>	<u>100.00%</u>	<u>\$697,766,880</u>	<u>100.00%</u>	<u>\$17,444,172</u>	<u>100.00%</u>

Calendar Year 2015

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.09%	\$245,554,650	47.76%	\$4,911,093	47.76%
All Others	10,557	99.91%	268,589,900	52.24%	5,371,798	52.24%
Total	<u>10,567</u>	<u>100.00%</u>	<u>\$514,144,550</u>	<u>100.00%</u>	<u>\$10,282,891</u>	<u>100.00%</u>

Source: City Income Tax Department

City of Portsmouth, Ohio

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2015	2016	2017	2018
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$1,305,000	\$1,140,000	\$1,025,000	\$905,000
Installment Loan Payable	313,974	145,193	43,575	0
Business-type Activities ⁽¹⁾				
OWDA Loan Payable	\$9,933,465	\$9,764,232	\$9,433,247	\$9,445,440
OPWC Loan Payable	1,626,817	1,626,256	1,561,256	2,071,959
Water Refunding Revenue Bonds Payable	0	0	0	0
Installment Loan Payable	2,145,492	1,272,725	363,255	0
Total Primary Government	<u>\$15,324,748</u>	<u>\$13,948,406</u>	<u>\$12,426,333</u>	<u>\$12,422,399</u>
Population ⁽²⁾				
City of Portsmouth	20,226	20,226	20,226	20,226
Outstanding Debt Per Capita	\$758	\$690	\$614	\$614
Income ⁽³⁾				
Personal (in thousands)	663,939	674,315	737,561	790,432
Percentage of Personal Income	2.31%	2.07%	1.68%	1.57%

Sources:

(1) City Auditor's Office

(2) US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
\$785,000	\$665,000	\$540,000	\$1,800,000	\$1,545,000	\$1,285,000
483,425	251,327	128,164	576,329	477,898	481,783
\$9,488,183	\$9,225,620	\$9,627,865	\$11,446,282	\$12,287,418	\$23,056,283
2,782,452	2,724,421	2,561,847	2,414,275	2,281,703	2,305,129
0	0	0	0	0	0
0	285,708	192,171	97,155	0	0
<u>\$13,539,060</u>	<u>\$13,152,076</u>	<u>\$13,050,047</u>	<u>\$16,334,041</u>	<u>\$16,592,019</u>	<u>\$27,128,195</u>

20,226	20,226	18,252	18,252	18,252	18,252
\$669	\$650	\$715	\$895	\$909	\$1,486

811,953	886,303	856,858	845,414	845,414	902,069
1.67%	1.48%	1.52%	1.93%	1.96%	3.01%

City of Portsmouth, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2015	2016	2017	2018
Population (1)	20,226	20,226	20,226	20,226
Assessed Value (2)	\$215,872,520	\$224,323,360	\$233,969,550	\$232,591,780
General Bonded Debt (3)				
General Obligation Bonds-Governmental	\$1,305,000	\$1,140,000	\$1,025,000	\$905,000
Resources Available to Pay Principal (4)	\$123,719	\$60,382	\$78,413	\$95,381
Net General Bonded Debt	\$1,181,281	\$1,079,618	\$946,587	\$809,619
Ratio of Net Bonded Debt to Assessed Value	0.55%	0.48%	0.40%	0.35%
Net Bonded Debt per Capita	\$58.40	\$53.38	\$46.80	\$40.03

Source:

- (1) U.S. Bureau of Census of Population
- (2) Scioto County Auditor
- (3) Includes all general obligation bonded debt.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
20,226	20,226	18,252	18,252	18,252	18,252
\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550	\$282,681,620	\$285,303,640
\$785,000	\$665,000	\$540,000	\$1,800,000	\$1,545,000	\$1,285,000
\$118,040	\$148,415	\$175,549	\$203,334	\$215,617	\$227,551
\$666,960	\$516,585	\$364,451	\$1,596,666	\$1,329,383	\$1,057,449
0.29%	0.22%	0.15%	0.66%	0.47%	0.37%
\$32.98	\$25.54	\$19.97	\$87.48	\$72.83	\$57.94



City of Portsmouth, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2024*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Portsmouth</u>	<u>Amount Applicable to the City of Portsmouth</u>
Direct:			
City of Portsmouth	\$1,766,783	100.00%	\$1,766,783
Overlapping:			
Scioto County	23,576,310	20.18%	4,757,699
Portsmouth City School District	8,103,974	92.35%	<u>7,484,020</u>
		Subtotal	<u>12,241,719</u>
		Total	<u><u>\$14,008,502</u></u>

Source: Scioto County Auditor
Portsmouth City School District

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Portsmouth, Ohio

*Debt Limitations
Last Ten Years*

Collection Year	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$215,872,520	\$224,323,360	\$233,969,550	\$232,591,780
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	22,666,615	23,553,953	24,566,803	24,422,137
City Debt Outstanding (2)	1,305,000	1,140,000	1,025,000	905,000
Less: Applicable Debt Service Fund Amounts	(123,719)	(60,382)	(78,413)	(95,381)
Net Indebtedness Subject to Limitation	<u>1,181,281</u>	<u>1,079,618</u>	<u>946,587</u>	<u>809,619</u>
Overall Legal Debt Margin	<u>\$21,485,334</u>	<u>\$22,474,335</u>	<u>\$23,620,216</u>	<u>\$23,612,518</u>
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$215,872,520	\$224,323,360	\$233,969,550	\$232,591,780
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	11,872,989	12,337,785	12,868,325	12,792,548
City Debt Outstanding (2)	1,305,000	1,140,000	1,025,000	905,000
Less: Applicable Debt Service Fund Amounts	(123,719)	(60,382)	(78,413)	(95,381)
Net Indebtedness Subject to Limitation	<u>1,181,281</u>	<u>1,079,618</u>	<u>946,587</u>	<u>809,619</u>
Overall Legal Debt Margin	<u>\$10,691,708</u>	<u>\$11,258,167</u>	<u>\$11,921,738</u>	<u>\$11,982,929</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550	\$282,681,620	\$285,303,640
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
24,447,970	24,716,757	24,832,441	25,323,433	29,681,570	29,956,882
785,000	665,000	540,000	1,800,000	1,545,000	1,285,000
(118,040)	(148,415)	(175,549)	(203,334)	(215,617)	(227,551)
666,960	516,585	364,451	1,596,666	1,329,383	1,057,449
\$23,781,010	\$24,200,172	\$24,467,990	\$23,726,767	\$28,352,187	\$28,899,433
\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550	\$282,681,620	\$285,303,640
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
12,806,080	12,946,873	13,007,469	13,264,655	15,547,489	15,691,700
785,000	665,000	540,000	1,800,000	1,545,000	1,285,000
(118,040)	(148,415)	(175,549)	(203,334)	(215,617)	(227,551)
666,960	516,585	364,451	1,596,666	1,329,383	1,057,449
\$12,139,120	\$12,430,288	\$12,643,018	\$11,667,989	\$14,218,106	\$14,634,251

City of Portsmouth, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2015	2016	2017	2018
Water Mortgage Bonds (1)				
Gross Revenues (2)	\$5,693,192	N/A	N/A	N/A
Direct Operating Expenses (3)	4,276,206	N/A	N/A	N/A
Net Revenue Available for Debt Service	1,416,986	N/A	N/A	N/A
Annual Debt Service Requirement	566,516	N/A	N/A	N/A
Coverage	2.50	N/A	N/A	N/A

N/A - Not Applicable

- (1) Water Mortgage Revenue Bonds were paid off in 2015.
- (2) Gross revenues include operating revenues plus interest income.
- (3) Direct operating expenses include operating expenses less depreciation.

Source: City Auditor's Office

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

City of Portsmouth, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2015	2016	2017	2018	2019
Population ⁽¹⁾					
City of Portsmouth	20,226	20,226	20,226	20,226	20,226
Scioto County	76,825	76,088	75,929	75,502	75,314
Income ^{(2) (a)}					
Total Personal (in thousands)	663,939	674,315	737,561	790,432	811,953
Per Capita	32,826	33,339	36,466	39,080	40,144
Unemployment Rate ⁽³⁾					
Federal	5.3%	4.9%	4.4%	3.9%	3.7%
State	4.9%	4.9%	5.0%	4.6%	4.1%
Scioto County	7.7%	7.6%	7.1%	6.8%	6.3%
Civilian Work Force Estimates ⁽³⁾					
State	5,700,300	5,713,100	5,780,000	5,754,900	5,802,300
Scioto County	29,600	29,900	29,700	29,000	28,900

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2023.
For the presentation of 2024 statistics, the City is using the latest information available.
- (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics

City of Portsmouth, Ohio

2020	2021	2022	2023	2024
20,226	18,252	18,252	18,252	18,252
74,347	73,346	72,194	72,194	71,969
886,303	856,858	845,414	845,414	902,069
43,820	46,946	46,319	46,319	49,423
8.1%	5.3%	3.6%	3.6%	4.0%
8.1%	5.1%	4.0%	3.5%	4.3%
8.7%	6.2%	5.1%	4.8%	5.8%
5,754,300	5,736,900	5,741,300	5,787,000	5,898,600
29,400	29,300	29,200	29,600	29,600



City of Portsmouth, Ohio

*Principal Employers
Current Year and Nine Years Ago*

Employer	Nature of Business	2024	
		Number of Employees	Rank
Southern Ohio Medical Center	Health Care Services	5,205	1
Shawnee State University	Education	1,201	2
Scioto County Offices	Government	589	3
Scioto County Counseling Center	Health Care Services	510	4
Portsmouth City Schools	Education	397	5
City of Portsmouth	Government	305	6
SOMC Medical Care Foundation	Medical	282	7
Portsmouth Hospital Corp	Medical	240	8
OSCO Industries	Manufacturing	232	9
State of Ohio	Government	172	10
Total		<u>9,133</u>	

Employer	Nature of Business	2015	
		Number of Employees	Rank
Southern Ohio Medical Center	Health Care Services	2,728	1
SOMC Medical Care Foundation	Medical	1,386	2
Scioto County Offices	Government	747	3
Portsmouth City Schools	Education	400	4
City of Portsmouth	Government	281	5
Portsmouth Emergency	Health Care Services	232	6
OSCO Industries	Manufacturing	229	7
Norfolk and Southern Railway	Railroad	223	8
State of Ohio	Government	189	9
Shawnee State University	Education	110	10
Total		<u>6,525</u>	

Sources: City Auditor's Office

City of Portsmouth, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities				
Security of Persons and Property				
Police	50.0	51.0	52.0	53.0
Fire	39.0	39.0	39.0	39.0
Public Health and Welfare Services				
Health	26.0	27.0	27.0	29.5
General Government				
Legislative	7.0	7.0	7.0	7.0
Mayor	2.0	2.0	3.0	1.5
Finance	5.0	5.0	5.0	5.0
Legal	5.0	5.0	5.0	5.0
Court	26.5	24.5	27.5	27.0
Income Tax	2.0	2.0	2.0	2.0
Engineering	1.0	2.0	1.0	1.0
Administration	3.0	3.0	2.0	2.0
Garage	3.0	3.0	2.0	2.0
Transportation				
Streets	9.0	9.0	9.0	9.0
Cemetery Grounds	2.0	2.0	2.0	2.0
Recreational Grounds	0.0	0.0	0.0	0.0
Community Environment				
Building Inspection	1.0	1.0	2.0	2.0
Community Development	1.0	1.0	1.0	1.0
Business-Type Activities				
Utilities				
Water	35.0	29.0	32.0	32.5
Sewer	24.0	24.0	23.0	24.0
Sanitation	13.0	13.0	13.0	14.0
<i>Total Employees</i>	<u>254.5</u>	<u>249.5</u>	<u>254.5</u>	<u>258.5</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: City Auditor's Office

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
52.0	53.0	55.0	53.0	54.50	53.50
39.0	39.0	38.0	38.0	38.00	38.00
29.5	27.0	32.0	31.0	27.00	23.50
7.0	7.0	7.0	7.0	7.00	7.00
2.0	2.0	3.0	2.3	1.00	1.00
5.0	5.0	5.0	5.0	5.00	5.00
5.0	5.0	5.0	5.0	5.00	5.00
27.5	27.0	24.0	24.0	24.00	24.50
2.0	2.0	2.0	2.0	2.00	2.00
1.0	2.0	2.0	4.0	4.00	4.00
2.0	2.0	2.0	2.0	2.00	2.00
3.0	3.0	3.0	3.0	3.00	3.00
7.5	11.0	9.0	9.0	11.00	10.50
3.0	5.0	3.0	2.0	3.25	3.00
0.0	0.0	1.0	0.3	0.00	0.00
2.0	2.0	2.0	2.0	2.00	2.00
1.0	1.0	1.0	1.0	1.00	1.00
32.0	32.0	34.0	33.0	34.00	34.00
22.0	23.0	23.0	24.0	24.00	24.00
14.0	15.0	15.0	15.0	17.00	13.00
<u>256.5</u>	<u>263.0</u>	<u>266.0</u>	<u>262.5</u>	<u>264.75</u>	<u>256.00</u>

City of Portsmouth, Ohio

*Operating Indicators by Function
Last Ten Years*

	2015	2016	2017	2018
Governmental Activities				
General Government				
Licenses and Permits				
Number of Building Permits	404	377	458	352
Security of Persons and Property				
Police				
Number of Patrol Units	29	29	34	33
Criminal/Juvenile Citations and Charges	2,024	1,647	1,809	1,620
Traffice Citations Issued	637	640	561	960
Parking Tickets Written	410	416	308	223
Fire				
Number of Calls Answered	1,235	2,230	2,851	3,579
Number of Fire Inpections	98	128	77	72
Number of Investigations	104	5	10	32
Number of EMS Transports	0	0	152	1,594
Business-Type Activities				
Water				
Number of Service Connections	13,400	13,400	13,288	13,236
Average Daily Consumption (thousands of gallons)	6M	6M	6M	6M
Maximum Daily Capacity (thousands of gallons)	12M	12M	12M	12M
Sewer				
Number of Service Connections	7,850	7,850	7,695	7,664
Average Daily Sewage Treatment (thousands of gallons)	5	5	5	5
Maximum Daily Plant Capacity (thousands of gallons)	10	10	10	10
Solid Waste				
Number of Customers Served	6,375	6,375	6,179	6,148

Source: City Auditor's Office

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
351	312	364	336	464	278
26	26	26	28	27	27
1,914	1,441	1,412	1,104	1,098	1,013
772	467	991	848	712	1,194
311	301	778	170	223	270
3,919	2,375	3,939	4,698	4,420	4,368
69	62	86	88	73	86
55	62	74	67	35	25
1,698	1,363	1,687	2,100	1,859	2,483
13,216	13,215	13,168	13,209	13,080	13,129
6M	6M	6M	6M	6M	6M
12M	12M	12M	12M	12M	12M
7,633	7,639	7,595	7,539	7,524	7,522
5	5	5	5	5	5
10	10	10	10	10	10
6,136	6,156	6,134	6,186	6,072	6,067

City of Portsmouth, Ohio

*Capital Asset Statistics by Function
Last Ten Years*

	2015	2016	2017	2018
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	7,680	7,680	7,680	7,680
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	29	29	34	33
Fire				
Stations	3	3	3	3
Vehicles	17	17	19	17
Transportation				
Street				
Streets (lane miles)	220	220	220	220
Street Lights	1,476	1,476	1,476	1,476
Leisure Time Activities				
Recreation/Seniors				
Land (acres)	223	223	223	223
Parks	17	17	17	17
Number of Ball Fields (Lighted)	7	7	7	7
Number of Ball Fields (Unlighted)	4	4	4	4
Number of Tennis Courts (Lighted)	0	0	0	0
Number of Tennis Courts (Unlighted)	11	11	7	7
Number of Pickleball Courts (Unlighted)	0	0	0	8
Public Health and Welfare				
Cemeteries				
Cemeteries	1	1	1	1
Land (acres)	40	40	40	40
Business-Type Activities				
Utilities				
Water				
Number of Filtration/Purification Plants	1	1	1	1
Waterlines (Miles)	400	400	400	400
Number of Hydrants	865	865	865	865
Sewer				
Number of Sewage Treatment Plants	2	2	2	2
Sewerlines (Miles)	30	30	30	30
Storm Water Drainage				
Storm Drains (Miles)	30	30	30	30

City of Portsmouth, Ohio

2019	2020	2021	2022	2023	2024
7,680	7,680	7,680	7,680	7,680	7,680
1	1	1	1	1	1
51	50	51	58	58	60
3	3	3	3	3	3
17	16	16	18	18	17
220	220	220	220	220	220
1,476	1,476	1,476	1,476	1,476	1,476
233	233	233	233	233	233
17	17	17	17	17	17
7	7	7	7	7	7
4	4	4	4	0	0
0	0	0	0	0	0
7	7	7	7	4	4
8	8	8	8	18	18
1	1	1	1	1	1
40	40	40	40	40	40
1	1	1	1	1	1
400	400	400	400	400	400
865	865	865	865	865	865
2	2	2	2	2	2
30	30	30	30	30	30
30	30	30	30	30	30



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OHIO AUDITOR OF STATE KEITH FABER



CITY OF PORTSMOUTH

SCIOTO 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 12/30/2025

65 East State 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