



City of Springboro, Ohio

2021

Annual Comprehensive Financial Report
For Year Ended December 31, 2021



CITY OF SPRINGBORO
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TABLE OF CONTENTS

CITY OF SPRINGBORO
WARREN COUNTY, OHIO

I INTRODUCTORY SECTION

| | | |
|----------|---|------|
| A | Letter of Transmittal | v |
| B | List of Principal Officials | xii |
| C | City Organizational Chart | xiii |
| D | Certificate of Achievement for Excellence in Financial Reporting..... | xiv |

II FINANCIAL SECTION

| | | |
|----------|---|----|
| A | Independent Auditor's Report | 1 |
| B | Management's Discussion and Analysis | 5 |
| C | Basic Financial Statements: | |
| | Government-wide Financial Statements: | |
| | Statement of Net Position..... | 16 |
| | Statement of Activities | 18 |
| | Fund Financial Statements: | |
| | <i>Governmental Funds:</i> | |
| | Balance Sheet..... | 20 |
| | Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities | 22 |
| | Statement of Revenues, Expenditures and Changes in Fund Balances | 24 |
| | Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 26 |
| | Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis): | |
| | General Fund | 27 |
| | Austin Center Municipal Public Improvement TIF Fund..... | 28 |
| | Urban Redevelopment TIF Fund | 29 |
| | <i>Proprietary Funds:</i> | |
| | Statement of Net Position..... | 30 |
| | Statement of Revenues, Expenses and Changes in Fund Net Position | 34 |
| | Statement of Cash Flows..... | 36 |
| | <i>Fiduciary Funds:</i> | |
| | Statement of Net Position..... | 40 |
| | Statement of Changes in Net Position | 41 |
| | Notes to the Basic Financial Statements | 42 |

D Required Supplementary Information:

| | |
|--|-----|
| Schedule of City's Proportionate Share of the Net Pension Liability | 106 |
| Schedule of City Pension Contributions..... | 108 |
| Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability/(Asset) | 110 |
| Schedule of City's Other Postemployment Benefit (OPEB) Contributions | 112 |
| Notes to the Required Supplementary Information | 114 |

E Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

| | |
|--|-----|
| Combining Balance Sheet | 122 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... | 123 |
| Combining Balance Sheet – Nonmajor Special Revenue Funds | 124 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds | 127 |
| Combining Balance Sheet – Nonmajor Capital Projects Funds..... | 130 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds | 131 |

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

| | |
|--|-----|
| <i>General Fund</i> | 132 |
| <i>Special Revenue Funds:</i> | |
| Austin Center Municipal Public Improvement TIF Fund..... | 136 |
| Urban Redevelopment TIF Fund..... | 137 |
| <i>Debt Service Fund:</i> | |
| Debt Service Fund | 138 |
| <i>Capital Projects Fund:</i> | |
| Income Tax Capital Improvement Fund | 139 |

Nonmajor Governmental Funds:

| | |
|---|-----|
| <i>Special Revenue Funds:</i> | |
| Street Maintenance and Repair Fund | 140 |
| State Highway Fund..... | 141 |
| Permissive Use Tax Fund | 142 |
| Motor Vehicle License Tax Fund..... | 143 |
| Community Oriented Policing Service (COPS) Grant Fund | 144 |

Special Revenue Funds (Continued):

| | |
|--|-----|
| Drug Law Enforcement Fund..... | 145 |
| Mayor's Court Improvement Fund | 146 |
| Austin JEDD Fund..... | 147 |
| American Rescue Plan Fund | 148 |
| COVID Fund | 149 |
| South Tech Public Improvement TIF Fund | 150 |
| Law Enforcement Trust Fund | 151 |
| D.A.R.E Trust Fund | 152 |

Capital Projects Funds:

| | |
|----------------------------------|-----|
| Construction Fund..... | 153 |
| Permanent Improvement Fund | 154 |
| Land Acquisition Fund | 155 |

Fiduciary Funds – Custodial Funds:

| | |
|--|-----|
| Statement of Net Position..... | 158 |
| Statement of Changes in Net Position | 159 |

III STATISTICAL SECTION

| | |
|---|------|
| Net Position by Component - Last Ten Years | S 2 |
| Changes in Net Position - Last Ten Years | S 4 |
| Fund Balances, Governmental Funds - Last Ten Years | S 8 |
| Changes in Fund Balances, Governmental Funds - Last Ten Years | S 10 |
| Income Tax Revenues by Source, Governmental Funds – Last Ten Years..... | S 14 |
| Income Tax Statistics - Current Year and Nine Years Ago | S 17 |
| Ratio of Outstanding Debt By Type - Last Ten Years | S 18 |
| Ratios of General Bonded Debt Outstanding - Last Ten Years | S 20 |
| Computation of Direct and Overlapping Debt Attributable to Governmental Activities - Current Year..... | S 23 |
| Debt Limitations - Last Ten Years | S 24 |
| Pledged Revenue Coverage - Last Ten Years..... | S 26 |
| Demographic and Economic Statistics - Last Ten Years | S 28 |
| Principal Employers - Current Year and Nine Years Ago | S 31 |
| Full Time Equivalent Employees by Function - Last Ten Years | S 32 |
| Operating Indicators by Function - Last Ten Years | S 34 |
| Capital Asset Statistics by Function - Last Ten Years | S 36 |



INTRODUCTORY SECTION





CITY OF SPRINGBORO

320 West Central Avenue • Springboro, Ohio 45066
Jonathan Hudson, Director of Finance

phone (937) 748-4343

fax (937) 748-6859

June 23, 2022

Honorable Mayor, Members of Council
And Citizens of Springboro
Springboro, Ohio

We are pleased to present the City of Springboro (the City) Annual Comprehensive Financial Report for the year ended December 31, 2021. The responsibility for both the accuracy of the presented data, and the completeness and fairness of presentation, including all disclosures, rests with the management of the City, particularly the office of the Director of Finance. This report is prepared in conformance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the data is fairly presented in all material aspects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

Accounting principles generally accepted in the United States of America 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's MD&A can be found immediately following the independent auditor's report.

THE CITY

We became a chartered municipality forty-three years ago, a City thirty years ago and have earned the reputation as being a model community. The City is located in the southwestern part of the State of Ohio, uniquely within the boundaries of two counties, Warren County and Montgomery County, Ohio. The City is a home rule municipal corporation, organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides, for a Council/Manager form of government, was adopted on November 7, 1978, effective on January 1, 1979 and was amended most recently on November 4, 2009. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer.

Letter of Transmittal

For the Year Ended December 31, 2021

REPORTING ENTITY AND SERVICES

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are complete. The primary government of the City consists of all funds and departments which comprise the legal entity of the City and which provide various services including police, street construction and maintenance, traffic signalization, street lighting, planning and zoning, building inspections, recreation, parks, the library, recycling and general administrative services. In addition, golf, sewer, water, storm water and trash collection and disposal services are provided under an enterprise concept with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes. The Community Improvement Corporation of Springboro is reported as a discretely presented component unit in a separate column on the entity wide financial statements.

The Warren County General Health District, the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission, the Warren County Transportation Improvement District and the Montgomery County Transportation Improvement District were determined to be jointly governed organizations and the Ohio Municipal League of Workers' Compensation Group Rating Plan was determined to be a group purchasing pool. These entities are discussed further in Notes 17 and 18 within the notes to the financial statements.

ECONOMIC OUTLOOK

Growth and development within the City of Springboro is expected to continue to exceed the national and state average due to the City's physical location along Interstate 75 between Cincinnati and Dayton. The United States Census Bureau officially counted population in the City of Springboro on April 1, 2020 as 19,062 an increase of 1,653 from the 2010 United States Census Bureau count. The main factor contributing to this growth over a sustained period was an abundance of available building sites offering appealing terrain, location, amenities, small town atmosphere and a low crime rate. In 2021, 16 new single-family residential construction permits were issued.

Springboro is an important center for manufacturing and service industries. Electric battery manufacturing, metal fabrication, electronics assembly, distribution and aerospace comprise a substantial portion of the economic base in this region. Pioneer Industrial Components assembles audio components for the automobile industry. Advanced Engineering designs solutions for interiors of domestic and foreign vehicles. Thaler Machine designs and manufactures parts for the aerospace and defense industries. These few companies alone generate over 700 jobs.

Letter of Transmittal

For the Year Ended December 31, 2021

Add to that Victory Wholesale Grocers, a national grocery distributor and Klosterman Bakery, a bread distributor, Springboro's prominence as a distribution center becomes evident.

Over 700 businesses call Springboro home, including corporate headquarters, branch offices and bustling distribution and retail/service establishments.

Since the City annexed the South Tech Business Park and began marketing the Stolz Industrial Park and Commercial Way Industrial Park, industrial growth in Springboro has blossomed. The City of Springboro purchased the remaining 89 acres of land at the South Tech Business Park on the northern edge of the City and, in conjunction with other local governments, redeveloped the surrounding infrastructure to create Austin Landing, a mixed-use development along Interstate 75. Development plans are still being finalized for the area.

The City continues to be an inviting location for a wide range of retail shops as well. The City maintains an active role in preserving and enhancing its historical downtown. In 1999, the City's downtown historic district was placed on the National Register of Historic Places. The City continues to be an active participant in state and regional downtown and tourism development programs.

The City recently completed a project to connect all city buildings and city utility outposts on the same fiber network. Extra fiber strands have been installed over an 18 mile route of major city thoroughfares to use for future economic development attraction. The project also was able to deliver 2+ new internet providers to town who are offering fiber to the home to every house in town with speeds up to 2gb up/down performance. This will make Springboro one of the only cities in the United States that will have 3 providers offering these types of internet options to every home in town.

Growth and development in the City are expected to continue to be strong through 2022 and beyond. Medical office development and business retention are high on the City's Economic Development priority list. Work continues at the Wright Station Development which is home to the new state of the art Performing Arts Center and Warped Wing Brewery. Dayton Children's Medical Center continues to fill out the occupancy of their recently opened Emergency Care Unit. New groups of doctors and surgeons are being added to fill out the Medical Center and provide needed services to the community.

***Letter of Transmittal
For the Year Ended December 31, 2021***

MAJOR INITIATIVES

For the Year (2021):

The citizens of Springboro are the City's greatest assets. The City's greatest concern in preparing each year's budget is to provide services that address citizens' needs and safeguard their environment in conformity with applicable Federal and State laws.

General Capital Improvements:

In 2021 work was completed on parking lot security upgrades including fencing, gates, cameras, and card readers at the municipal building parking lot. Fiber and conduit installation continued across the city and striping and sealing were completed on city owned parking lots.

Street Capital Improvements:

The City has an annual resurfacing and miscellaneous street repair program that is completed each year. Sidewalks were installed in various areas of the City as per the Mobility Master Plan. New multi-use pedestrian trails were installed connecting various roadways in town. Concrete improvements were made in conjunction with street resurfacing. Major improvements were also made on East St to complete a new parking lot.

Park Improvements:

Improvements continued in 2021 on Hazel Woods Park with the installation of more parking and sports fields. Construction was completed on a new gazebo at Gardner Park.

Water Capital Improvements:

The Tamarack Hills Water Main Replacement program and the Royal Oaks Water Main Replacement program continued in 2021, replacing 6" water mains with 8" water mains and will be done over several years. Installation of the Water treatment plant generator was completed.

Sewer Capital Improvements:

Work began on the Waste Water Treatment Plant Pump Improvements. Improvements are anticipated to be completed over several years. Work also began on the Wastewater Treatment Plant Blower replacement.

Storm Water Utility Capital Improvements:

Several catch basin repairs/replacements occurred in various subdivisions in conjunction with the concrete work going on in those area.

Golf Course Improvements:

Improvements at the clubhouse continued in 2021 to maintain quality standards. These improvements included new boilers, parking lot upgrades, and floodway improvements began.

Letter of Transmittal

For the Year Ended December 31, 2021

For the Future (2022):

General Capital Improvements:

2022 budget of \$400,000 includes monies for I75 / SR 73 intersection aesthetics to improve the look, feel, and flow of traffic to the main western city gateway.

Street Capital Improvements:

Mobility Master Plan was completed in 2001, which analyzed both motorized and non-motorized transportation needs and developed a capital improvement plan. The 2022 budget includes funding for \$3,223,934 of street capital improvements in various areas including \$1,300,000 for street resurfacing; \$200,000 join repair program; \$277,000 for Clearcreek Park Bike Trail Connection; \$150,000 for Talequah Trail; \$195,000 for street vehicles and equipment; and \$25,000 for the installation of various sidewalks.

Park Improvements:

The 2022 budget includes: \$250,000 for improvements to Community Park for a bike pump track; \$200,000 for Clearcreek Park for new ball fields; and \$20,000 for construction of fencing at Kacie Jane Park.

Water Capital Improvements:

In 1995, the City commissioned the development of a Water Master Plan study in conjunction with the strategic planning process. This plan was updated in 1998, 2001 and 2008 to evaluate how the City's growth and development had compared to that projected in the earlier study and was updated again in 2009. The 2022 budget includes funding for \$750,000 water capital improvements.

Sewer Capital Improvements:

The City has developed a Sanitary Sewer Master Plan to address the sewer collection system and treatment plant needs for the next 20-years. This plan includes an analysis of the system and a Capital Improvement Program (CIP) to address these needs. In 2022 the budget includes \$250,000 to extend the sanitary sewer to the Villages of Creekside subdivision, which will eliminate that lift station and \$400,000 for the Wastewater Treatment Plant blower replacement.

Storm Water Utility Capital Improvements:

The 2022 budget includes: \$75,000 to catch basin replacement program; and \$25,000 for storm water projects in conjunction with street capital projects.

Golf Course Improvements:

Heatherwoode Golf Course improvements for 2022 include: \$50,000 for emergency repairs; \$32,000 for Clubhouse Improvements and \$1,200,000 for flood infrastructure improvements.

***Letter of Transmittal
For the Year Ended December 31, 2021***

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 of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.
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.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Department.

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.

Budgetary control is maintained at the object level for each department within each fund via legislation approved by City Council. Lower levels within each object 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 object 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.

***Letter of Transmittal
For the Year Ended December 31, 2021***

OTHER INFORMATION

Independent Audit:

An audit team from the Wilson, Shannon and Snow, Inc. has performed this year's audit. The independent auditor's unmodified opinion has been included in the Independent Auditor's Report.

Certificate of Achievement:

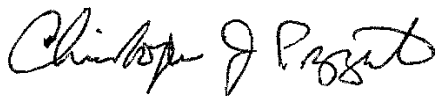
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springboro, Ohio, for its Annual Comprehensive Financial Report for the year ended December 31, 2020. This was the thirty-second year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgment:

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The Finance Department Staff is to be commended for their input and commitment. Particular thanks is to be provided to Beth Eaton for her diligence in the creation of this report.

We would like to express appreciation to Mr. Donald J. Schonhardt, and his staff for their assistance in preparing this report.



Christopher Pozzuto
City Manager



Jonathan Hudson
Finance Director

CITY OF SPRINGBORO, OHIO

List of Principal Officials

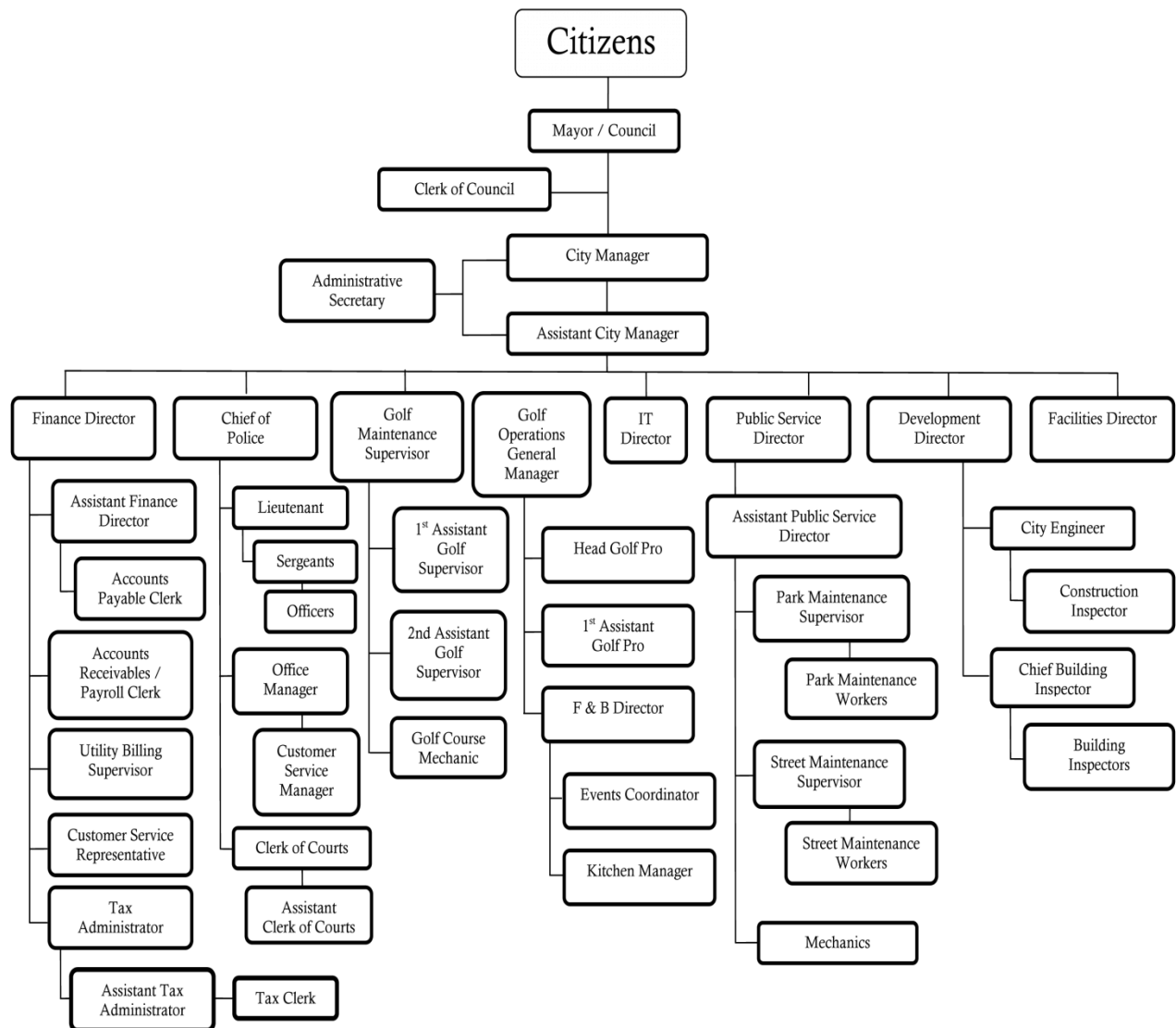
For the Year Ended December 31, 2021

| <i>Council</i> | <i>Title</i> | <i>Years of Service *</i> | <i>Term expires</i> |
|-----------------------|-------------------------|--------------------------------------|----------------------------|
| John Agenbroad | Mayor | 26 | December 2023 |
| Janie Ridd | Council Member Ward 1 | 7 | December 2025 |
| Dale Brunner | Council Member Ward 2 | 6 | December 2025 |
| Jack Hanson | Council Member Ward 3 | 3 | December 2025 |
| Jim Chmiel | Council Member Ward 4 | 20 | December 2025 |
| Becky Iverson | Council Member at Large | 10 | December 2023 |
| Steve Harding | Council Member at Large | 6 | December 2023 |

| <i>Appointed Officials</i> | <i>Title</i> |
|-----------------------------------|-----------------------------------|
| Chris Pozzuto | City Manager |
| Jonathan Hudson | Finance Director |
| Jeff Kruithoff | Chief of Police |
| Elmer Dudas | Development Director |
| Vincent Murphy | Public Service Director |
| Mike Eaton | Facilities Director |
| Matt Lang | IT Director |
| Gerald McDonald | City Solicitor |
| Lori Martin | Clerk of Council |
| Beth Eaton | Assistant Finance Director |
| James Rutherford | Assistant Public Service Director |
| Ryan Michel | Street Maintenance Supervisor |
| Jonathon Brown | Park Maintenance Supervisor |
| Mark Duvall | Utilities Billing Supervisor |
| Dan Walter | Golf Maintenance Supervisor |
| Joannie Kingseed | Income Tax Administrator |
| Kelly Carroll | Clerk of Mayor's Court |
| Chad Dixon | City Engineer |
| Tom West | Golf Operations Manager |

* Denotes length of service with the City, not necessarily solely in the capacity which they now hold.

***City Organizational Chart
For the Year Ended December 31, 2021***



***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 Springboro
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

***F**INANCIAL **S**ECTION*



INDEPENDENT AUDITOR'S REPORT

City of Springboro
Warren County
320 West Central Avenue
Springboro, Ohio 45066

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2021, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springboro, Warren County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Austin Center Municipal Public Improvement TIF and Urban Redevelopment TIF 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/assets 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.

City of Springboro
Warren County
Independent Auditor's Report

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2022, 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.

Wilson, Shannon & Sons, Inc.

Newark, Ohio
June 23, 2022

***Management's Discussion and Analysis
For the Year Ended December 31, 2021***

Unaudited

Management's discussion and analysis of the City of Springboro's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of management's 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 2021 are as follows:

- ❑ In total, net position increased \$7.1 million. Net position of governmental activities increased \$3.9 million which represents a 5.3% increase from 2020. Net position of business-type activities increased \$3.2 million or 3.5 % from 2020.
- ❑ General revenues accounted for \$17.8 million in revenue or 50.7% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for 49.3% of total revenues of \$35 million.
- ❑ Total net position of governmental activities increased by \$3.9 million in total. Revenues decreased by \$585,317 and expenses increased \$220,099. Revenue collections continue to outpace expenses.
- ❑ The City had \$17.4 million in expenses related to governmental activities; \$4.1 million of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$17.9 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$17.9 million in revenues and other financing sources and \$17.2 million in expenditures and other financing uses. The general fund's fund balance increased \$727,905.
- ❑ Net position for enterprise funds increased by \$3.2 million. Revenues were lower than 2020 while expenses decreased in the current year. Transfers from governmental activities and the surplus of revenues over expenses accounted for the increase in 2021.

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 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.

***Management's Discussion and Analysis
For the Year Ended December 31, 2021***

Unaudited

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, liabilities and deferred inflows/outflows 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 you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and continued growth within the City.

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

- Governmental Activities – Most of the City's program's 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 golf course, water, sewer, trash and storm water services are reported as business-type activities.

Fund Financial Statements

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

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual 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 programs. 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 SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2021

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

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 statements 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 separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2021 compared to 2020:

| | Governmental Activities | | Business-type Activities | | Total | |
|----------------------------------|----------------------------|--------------|-----------------------------|--------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Current and other assets | \$27,587,161 | \$26,257,540 | \$26,121,066 | \$24,575,069 | \$53,708,227 | \$50,832,609 |
| Net OPEB Asset | 316,378 | 0 | 227,255 | 0 | 543,633 | 0 |
| Capital assets, Net | 77,337,977 | 76,130,169 | 81,385,392 | 82,537,964 | 158,723,369 | 158,668,133 |
| Total assets | 105,241,516 | 102,387,709 | 107,733,713 | 107,113,033 | 212,975,229 | 209,500,742 |
| Deferred Outflows of Resources | 2,850,653 | 2,812,262 | 975,758 | 1,450,366 | 3,826,411 | 4,262,628 |
| Net Pension Liability | 8,703,938 | 8,863,794 | 1,868,481 | 2,466,046 | 10,572,419 | 11,329,840 |
| Net OPEB Liability | 948,483 | 3,170,712 | 0 | 1,737,127 | 948,483 | 4,907,839 |
| Long-term debt outstanding | 8,948,374 | 9,533,837 | 8,306,006 | 10,097,865 | 17,254,380 | 19,631,702 |
| Other liabilities | 6,629,785 | 5,744,079 | 802,653 | 437,899 | 7,432,438 | 6,181,978 |
| Total liabilities | 25,230,580 | 27,312,422 | 10,977,140 | 14,738,937 | 36,207,720 | 42,051,359 |
| Deferred Inflows of Resources | 4,289,672 | 3,243,155 | 1,500,792 | 770,919 | 5,790,464 | 4,014,074 |
| Net investment in capital assets | 69,246,590 | 65,852,121 | 73,811,554 | 73,298,682 | 143,058,144 | 139,150,803 |
| Restricted | 13,723,168 | 11,754,091 | 530,296 | 507,439 | 14,253,464 | 12,261,530 |
| Unrestricted | (4,397,841) | (2,961,818) | 21,889,689 | 19,247,422 | 17,491,848 | 16,285,604 |
| Total net position | \$78,571,917 | \$74,644,394 | \$96,231,539 | \$93,053,543 | \$174,803,456 | \$167,697,937 |

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

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*.

***Management's Discussion and Analysis
For the Year Ended December 31, 2021***

Unaudited

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.

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. As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting.

CITY OF SPRINGBORO, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2021****Unaudited**

Changes in Net Position – The following table shows the changes in net position for 2021 compared to 2020:

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|--------------|-----------------------------|--------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services and Sales | \$915,991 | \$1,406,180 | \$12,643,379 | \$13,258,060 | \$13,559,370 | \$14,664,240 |
| Operating Grants and Contributions | 1,659,123 | 2,808,730 | 0 | 0 | 1,659,123 | 2,808,730 |
| Capital Grants and Contributions | 1,500,000 | 100,694 | 516,341 | 1,249,691 | 2,016,341 | 1,350,385 |
| Total Program Revenues | 4,075,114 | 4,315,604 | 13,159,720 | 14,507,751 | 17,234,834 | 18,823,355 |
| General revenues: | | | | | | |
| Income Taxes | 15,367,154 | 15,032,782 | 0 | 0 | 15,367,154 | 15,032,782 |
| Property Taxes | 761,596 | 693,921 | 0 | 0 | 761,596 | 693,921 |
| Other Local Taxes | 44,769 | 34,968 | 0 | 0 | 44,769 | 34,968 |
| Payment in Lieu of Taxes | 545,750 | 604,025 | 0 | 0 | 545,750 | 604,025 |
| Intergovernmental, unrestricted | 397,993 | 301,577 | 0 | 0 | 397,993 | 301,577 |
| Investment Earnings | 132,036 | 394,130 | (176,241) | 155,596 | (44,205) | 549,726 |
| Miscellaneous | 686,357 | 1,219,079 | 0 | 0 | 686,357 | 1,219,079 |
| Total General Revenues | 17,935,655 | 18,280,482 | (176,241) | 155,596 | 17,759,414 | 18,436,078 |
| Total Revenues | 22,010,769 | 22,596,086 | 12,983,479 | 14,663,347 | 34,994,248 | 37,259,433 |
| Program Expenses | | | | | | |
| Security of Persons and Property | 4,808,868 | 4,239,484 | 0 | 0 | 4,808,868 | 4,239,484 |
| Public Health and Welfare Services | 16,384 | 16,618 | 0 | 0 | 16,384 | 16,618 |
| Leisure Time Activities | 1,401,601 | 1,331,660 | 0 | 0 | 1,401,601 | 1,331,660 |
| Community Environment | 739,420 | 1,095,542 | 0 | 0 | 739,420 | 1,095,542 |
| Transportation | 3,624,939 | 3,540,567 | 0 | 0 | 3,624,939 | 3,540,567 |
| General Government | 6,434,048 | 6,587,249 | 0 | 0 | 6,434,048 | 6,587,249 |
| Interest and Fiscal Charges | 335,455 | 329,496 | 0 | 0 | 335,455 | 329,496 |
| Golf Course | 0 | 0 | 2,402,783 | 2,986,882 | 2,402,783 | 2,986,882 |
| Water | 0 | 0 | 3,330,446 | 2,751,493 | 3,330,446 | 2,751,493 |
| Sewer | 0 | 0 | 3,166,101 | 3,149,313 | 3,166,101 | 3,149,313 |
| Trash | 0 | 0 | 1,266,452 | 1,289,600 | 1,266,452 | 1,289,600 |
| Storm Water | 0 | 0 | 362,232 | 462,507 | 362,232 | 462,507 |
| Total Expenses | 17,360,715 | 17,140,616 | 10,528,014 | 10,639,795 | 27,888,729 | 27,780,411 |
| Change in Net Position before transfers | 4,650,054 | 5,455,470 | 2,455,465 | 4,023,552 | 7,105,519 | 9,479,022 |
| Transfers | (722,531) | (1,368,676) | 722,531 | 1,368,676 | 0 | 0 |
| Total Change in Net Position | 3,927,523 | 4,086,794 | 3,177,996 | 5,392,228 | 7,105,519 | 9,479,022 |
| Beginning Net Position | 74,644,394 | 70,557,600 | 93,053,543 | 87,661,315 | 167,697,937 | 158,218,915 |
| Ending Net Position | \$78,571,917 | \$74,644,394 | \$96,231,539 | \$93,053,543 | \$174,803,456 | \$167,697,937 |

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2021

Unaudited

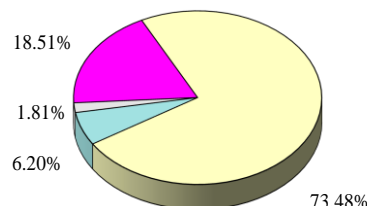
Governmental Activities

Net position of the City's governmental activities increased by \$3.9 million. Revenues decreased by \$585,317 in 2021 compared to 2020 and expenses and transfers decreased by \$426,046. The absence of State and Federal grants for COVID relief account for the large decrease in operating grants in 2021. Security of Persons and Property accounted for the majority of the increase in expenses in 2021.

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Property taxes and income taxes made up 3.5% and 69.8% respectively of revenues for governmental activities for the City in 2021. The City's reliance upon tax revenues is demonstrated by the following graph indicating 73.48% of total revenues from general tax revenues:

| Revenue Sources | 2021 | Percent of Total |
|---------------------------------|---------------------|---------------------|
| Intergovernmental, unrestricted | \$397,993 | 1.81% |
| Program Revenues | 4,075,114 | 18.51% |
| General Tax Revenues | 16,173,519 | 73.48% |
| General Other | 1,364,143 | 6.20% |
| Total Revenue | <u>\$22,010,769</u> | <u>100.00%</u> |



Business-Type Activities

Net position of the business-type activities increased by \$3,177,996. This increase was the result of revenues outpacing expenses.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$16,613,132, which is a increase from last year's balance of \$15,853,582. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2021 and 2020:

| | Fund Balance December 31, 2021 | Fund Balance December 31, 2020 | Increase (Decrease) |
|---|-----------------------------------|-----------------------------------|------------------------|
| General | \$11,135,003 | \$10,407,098 | \$727,905 |
| Austin Center Municipal Public TIF | (2,250,474) | 644,643 | (2,895,117) |
| Urban Redevelopment TIF | (4,253,817) | (4,237,466) | (16,351) |
| Debt Service | 563,220 | 346,314 | 216,906 |
| Income Tax Capital Improvement (Capital Project) | 4,434,614 | 3,747,105 | 687,509 |
| Other Governmental | 6,984,586 | 4,945,888 | 2,038,698 |
| Total | <u>\$16,613,132</u> | <u>\$15,853,582</u> | <u>\$759,550</u> |

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2021

Unaudited

General Fund – The City's General Fund balance increase is due to revenue collections outpacing expenditure totals. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

| | 2021 Revenues | 2020 Revenues | Increase (Decrease) |
|-----------------------------|---------------------|---------------------|------------------------|
| Municipal Income Taxes | \$10,403,005 | \$9,829,739 | \$573,266 |
| Property and Other Taxes | 784,133 | 739,817 | 44,316 |
| Intergovernmental Revenue | 385,790 | 296,567 | 89,223 |
| Fines, Licenses and Permits | 396,760 | 504,583 | (107,823) |
| Investment Earnings | 98,935 | 379,736 | (280,801) |
| Special Assessments | 36,897 | 37,929 | (1,032) |
| All Other Revenue | 2,127,916 | 1,198,990 | 928,926 |
| Total | <u>\$14,233,436</u> | <u>\$12,987,361</u> | <u>\$1,246,075</u> |

General Fund revenues increased compared with revenues in 2020. The majority of the increase is attributed to higher collections of income taxes and a one-time reimbursement receipt.

| | 2021 Expenditures | 2020 Expenditures | Increase (Decrease) |
|------------------------------------|----------------------|----------------------|------------------------|
| Security of Persons and Property | \$4,194,540 | \$3,320,406 | \$874,134 |
| Public Health and Welfare Services | 16,384 | 16,618 | (234) |
| Leisure Time Activities | 1,191,728 | 906,155 | 285,573 |
| Community Environment | 1,056,940 | 938,584 | 118,356 |
| General Government | 5,378,283 | 4,627,413 | 750,870 |
| Capital Outlay | 3,485,000 | 0 | 3,485,000 |
| Debt Service: | | | |
| Principal Retirement | 595,000 | 0 | 595,000 |
| Interest and Fiscal Charges | 90,240 | 0 | 90,240 |
| Total | <u>\$16,008,115</u> | <u>\$9,809,176</u> | <u>\$6,198,939</u> |

General Fund expenditures increased by \$6.2 million or 63.2% over the prior year due largely to costs associated with a capital lease.

Austin Center Municipal Public Improvement TIF – This fund is used to account for payments in lieu of taxes from Montgomery County for properties within the Austin TIF area to be used for payments to the Miamisburg City School District as required per the Cooperative Agreement. Retirement of the Austin Rd. Interchange Bonds via a manuscript debt transaction accounted for the large decrease in fund balance at year end.

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2021

Unaudited

Urban Redevelopment TIF Fund – This fund will be utilized to redevelop the 73/741 Intersection area. Construction activity and interest expenditures related to the outstanding note payable accounted for the majority of the activity of this fund in 2021.

Debt Service Fund – The Debt Service Fund balance increased this year by \$216,906. The fund balance of this fund will vary from year to year based upon the City's debt service requirements, as well as premiums received on notes or bonds sold during the year.

Income Tax Capital Improvement Fund - The fund balance increased \$687,509 to a balance of \$4,434,614. Income tax collections outpaced transfers out this year. Transfers vary year to year depending on the capital projects slated for that year.

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 2021 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$10.7 million did not change from the original budget estimates. The General Fund had an adequate fund balance to cover expenditures.

The large variances between budgeted and actual expenditures represent fiscally conservative spending practices.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021 the City had \$158,723,369 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$77,337,977 was related to governmental activities and \$81,385,392 to the business-type activities. The following table shows 2021 and 2020 balances:

| | Governmental Activities | | Changes |
|---------------------------------------|----------------------------|--------------|-------------|
| | 2021 | 2020 | |
| Land | \$26,546,235 | \$26,546,235 | \$0 |
| Construction in Progress | 2,572,030 | 77,108 | 2,494,922 |
| Total Non-Depreciable Capital Assets | 29,118,265 | 26,623,343 | 2,494,922 |
| Improvements | 11,006,274 | 10,670,480 | 335,794 |
| Infrastructure | 57,028,794 | 55,905,722 | 1,123,072 |
| Buildings | 18,852,467 | 18,694,709 | 157,758 |
| Machinery and Equipment | 7,915,334 | 7,378,689 | 536,645 |
| Less: Accumulated Depreciation | (46,583,157) | (43,142,774) | (3,440,383) |
| Total Depreciable Capital Assets, Net | 48,219,712 | 49,506,826 | (1,287,114) |
| Totals | \$77,337,977 | \$76,130,169 | \$1,207,808 |

CITY OF SPRINGBORO, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2021****Unaudited**

| | Business-Type Activities | | Changes |
|---------------------------------------|-----------------------------|--------------|---------------|
| | 2021 | 2020 | |
| Land | \$8,685,240 | \$8,685,240 | \$0 |
| Construction in Progress | 133,913 | 79,914 | 53,999 |
| Total Non-Depreciable Capital Assets | 8,819,153 | 8,765,154 | 53,999 |
| Buildings | 4,469,177 | 4,469,177 | 0 |
| Land Improvements | 2,116,227 | 2,103,009 | 13,218 |
| Infrastructure | 95,625,961 | 94,808,262 | 817,699 |
| Machinery and Equipment | 6,855,310 | 6,711,375 | 143,935 |
| Less: Accumulated Depreciation | (36,500,436) | (34,319,013) | (2,181,423) |
| Total Depreciable Capital Assets, Net | 72,566,239 | 73,772,810 | (1,206,571) |
| Totals | \$81,385,392 | \$82,537,964 | (\$1,152,572) |

The primary increases occurred in construction in progress and infrastructure in the governmental activities. The largest changes in the business-type activities capital assets (other than accumulated depreciation) occurred primarily in infrastructure (i.e. replacement of small water and sewer mains to larger sizes). This is a result of the commitment made by City Council and management to upgrade some older utility equipment throughout neighborhoods within the City.

As of December 31, 2021, the City has contractual commitments of \$1.4 million for various projects. Additional information on the City's capital assets can be found in Note 9.

Debt

At December 31, 2021, the City had \$10.02 million in bonds outstanding, \$2,591,556 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2021 and 2020:

| | 2021 | 2020 |
|--------------------------------|--------------|--------------|
| Governmental Activities: | | |
| Special Assessment Bonds | \$279,946 | \$412,420 |
| General Obligation Bonds | 1,666,561 | 5,076,089 |
| General Obligation Notes | 3,200,000 | 3,200,000 |
| Compensated Absences | 911,867 | 845,328 |
| Capital Lease | 2,890,000 | 0 |
| Total Governmental Activities | 8,948,374 | 9,533,837 |
| Business-Type Activities: | | |
| General Obligation Bonds | 1,864,639 | 2,751,957 |
| Mortgage Revenue Bonds | 6,208,422 | 7,110,658 |
| Compensated Absences | 232,945 | 235,250 |
| Total Business-Type Activities | 8,306,006 | 10,097,865 |
| Totals | \$17,254,380 | \$19,631,702 |

***Management's Discussion and Analysis
For the Year Ended December 31, 2021***

Unaudited

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Springboro lies, is limited to ten mills. At December 31, 2021, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

The City's budget for 2021 was very conservative. The City of Springboro has been able to sustain and grow over the past several years despite strong economic headwinds in the overall economy during that time. We have a solid residential and business base, and our income tax revenue has continued to increase. The 2021 expenditures were increased from 2020 levels due to an increase in capital projects and debt retirement. City Council wishes to maintain current service levels to the residents of the City and they will continue to monitor the revenue stream for 2022 and if necessary, adjust expenditures accordingly.

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 the Finance Department by calling 937-748-4353 or writing to City of Springboro Finance Department, 320 West Central Avenue, Springboro, Ohio 45066.



CITY OF SPRINGBORO, OHIO**Statement of Net Position
December 31, 2021**

| | Governmental Activities | Business-Type Activities | Total | Component Unit Community Improvement Corporation of Springboro |
|---|------------------------------------|-------------------------------------|--------------------|---|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$ 18,609,479 | \$ 23,655,749 | \$ 42,265,228 | \$ 16,460 |
| Receivables: | | | | |
| Taxes | 1,288,245 | 0 | 1,288,245 | 0 |
| Accounts | 3,215 | 1,516,161 | 1,519,376 | 0 |
| Intergovernmental | 882,547 | 12,870 | 895,417 | 0 |
| Income Taxes | 2,857,136 | 0 | 2,857,136 | 0 |
| Special Assessments | 1,030,583 | 0 | 1,030,583 | 0 |
| Inventory of Supplies at Cost | 189,006 | 32,852 | 221,858 | 0 |
| Inventory Held for Resale | 0 | 71,426 | 71,426 | 0 |
| Prepaid Items | 291,248 | 301,189 | 592,437 | 0 |
| Restricted Assets: | | | | |
| Cash and Cash Equivalents | 0 | 523 | 523 | 0 |
| Cash and Cash Equivalents with Fiscal Agent | 0 | 530,296 | 530,296 | 0 |
| Assets Held for Resale | 2,435,702 | 0 | 2,435,702 | 0 |
| Non-Depreciable Capital Assets | 29,118,265 | 8,819,153 | 37,937,418 | 0 |
| Depreciable Capital Assets, Net | 48,219,712 | 72,566,239 | 120,785,951 | 0 |
| Net OPEB Asset | 316,378 | 227,255 | 543,633 | |
| Total Assets | 105,241,516 | 107,733,713 | 212,975,229 | 16,460 |
| Deferred Outflows of Resources: | | | | |
| Deferred Charge on Debt Refunding | 40,308 | 499,223 | 539,531 | 0 |
| Pension | 1,978,233 | 321,348 | 2,299,581 | 0 |
| OPEB | 832,112 | 155,187 | 987,299 | 0 |
| Total Deferred Outflows of Resources | 2,850,653 | 975,758 | 3,826,411 | 0 |
| Liabilities: | | | | |
| Accounts Payable | 593,715 | 612,703 | 1,206,418 | 0 |
| Accrued Wages and Benefits | 306,969 | 117,695 | 424,664 | 0 |
| Intergovernmental Payable | 190,611 | 46,685 | 237,296 | 0 |
| Refundable Deposits | 0 | 523 | 523 | 0 |
| Unearned Revenue | 991,521 | 0 | 991,521 | |
| Accrued Interest Payable | 46,969 | 25,047 | 72,016 | 0 |
| General Obligation Notes Payable | 4,500,000 | 0 | 4,500,000 | 0 |
| Long Term Liabilities: | | | | |
| Due within one year | 4,624,295 | 1,894,200 | 6,518,495 | 0 |
| Due in More Than One Year: | | | | |
| Net Pension Liability | 8,703,938 | 1,868,481 | 10,572,419 | 0 |
| Net OPEB Liability | 948,483 | 0 | 948,483 | 0 |
| Other Amounts Due in More Than One Year | 4,324,079 | 6,411,806 | 10,735,885 | 0 |
| Total Liabilities | 25,230,580 | 10,977,140 | 36,207,720 | 0 |

CITY OF SPRINGBORO, OHIO

| | Governmental Activities | Business-Type Activities | Total | Component Unit Community Improvement Corporation of Springboro |
|--|------------------------------------|-------------------------------------|-----------------------|---|
| Deferred Inflows of Resources: | | | | |
| Property Tax Levy for Next Fiscal Year | 1,265,000 | 0 | 1,265,000 | 0 |
| Pension | 1,683,369 | 806,438 | 2,489,807 | 0 |
| OPEB | 1,341,303 | 694,354 | 2,035,657 | 0 |
| Total Deferred Inflows of Resources | 4,289,672 | 1,500,792 | 5,790,464 | 0 |
| Net Position: | | | | |
| Net Investment in Capital Assets | 69,246,590 | 73,811,554 | 143,058,144 | 0 |
| Restricted For: | | | | |
| Capital Projects | 9,884,670 | 0 | 9,884,670 | 0 |
| Debt Service | 1,566,264 | 530,296 | 2,096,560 | 0 |
| Security of Persons | 186,692 | 0 | 186,692 | 0 |
| Transportation | 2,085,542 | 0 | 2,085,542 | 0 |
| Unrestricted | (4,397,841) | 21,889,689 | 17,491,848 | 16,460 |
| Total Net Position | \$ 78,571,917 | \$ 96,231,539 | \$ 174,803,456 | \$ 16,460 |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO**Statement of Activities
For the Year Ended December 31, 2021**

| | | Program Revenues | | |
|--|----------------------|--------------------------------------|---------------------------------------|-------------------------------------|
| | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities: | | | | |
| Security of Persons and Property | \$ 4,808,868 | \$ 48,275 | \$ 46,029 | \$ 0 |
| Public Health and Welfare Services | 16,384 | 0 | 0 | 0 |
| Leisure Time Activities | 1,401,601 | 263,879 | 0 | 0 |
| Community Environment | 739,420 | 260,816 | 0 | 0 |
| Transportation | 3,624,939 | 128,470 | 1,613,094 | 0 |
| General Government | 6,434,048 | 214,551 | 0 | 1,500,000 |
| Interest and Fiscal Charges | 335,455 | 0 | 0 | 0 |
| Total Governmental Activities | 17,360,715 | 915,991 | 1,659,123 | 1,500,000 |
| Business-Type Activities: | | | | |
| Golf Course | 2,402,783 | 2,475,175 | 0 | 0 |
| Water | 3,330,446 | 4,547,870 | 0 | 273,496 |
| Sewer | 3,166,101 | 4,210,228 | 0 | 181,680 |
| Trash | 1,266,452 | 1,144,641 | 0 | 0 |
| Storm Water | 362,232 | 265,465 | 0 | 61,165 |
| Total Business-Type Activities | 10,528,014 | 12,643,379 | 0 | 516,341 |
| Totals | \$ 27,888,729 | \$ 13,559,370 | \$ 1,659,123 | \$ 2,016,341 |
| Component Unit: | | | | |
| Community Improvement Corporation of Springboro | \$ 109,812 | \$ 30 | \$ 123,750 | \$ 0 |

General Revenues:

Income Taxes
Property Taxes
Other Local Taxes
Payment in Lieu of Taxes
Intergovernmental, unrestricted
Investment Earnings
Miscellaneous

Transfers

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 SPRINGBORO, OHIO

| Net (Expense) Revenue and Changes in Net Position | | | Component Unit |
|--|-----------------------------|----------------|--|
| Governmental Activities | Business-Type Activities | Total | Community Improvement Corporation of Springboro |
| \$ (4,714,564) | \$ 0 | \$ (4,714,564) | |
| (16,384) | 0 | (16,384) | |
| (1,137,722) | 0 | (1,137,722) | |
| (478,604) | 0 | (478,604) | |
| (1,883,375) | 0 | (1,883,375) | |
| (4,719,497) | 0 | (4,719,497) | |
| (335,455) | 0 | (335,455) | |
| (13,285,601) | 0 | (13,285,601) | |
| 0 | 72,392 | 72,392 | |
| 0 | 1,490,920 | 1,490,920 | |
| 0 | 1,225,807 | 1,225,807 | |
| 0 | (121,811) | (121,811) | |
| 0 | (35,602) | (35,602) | |
| 0 | 2,631,706 | 2,631,706 | |
| (13,285,601) | 2,631,706 | (10,653,895) | |
| | | | \$ 13,968 |
| 15,367,154 | 0 | 15,367,154 | 0 |
| 761,596 | 0 | 761,596 | 0 |
| 44,769 | 0 | 44,769 | 0 |
| 545,750 | 0 | 545,750 | 0 |
| 397,993 | 0 | 397,993 | 0 |
| 132,036 | (176,241) | (44,205) | 0 |
| 686,357 | 0 | 686,357 | 0 |
| (722,531) | 722,531 | 0 | 0 |
| 17,213,124 | 546,290 | 17,759,414 | 0 |
| 3,927,523 | 3,177,996 | 7,105,519 | 13,968 |
| 74,644,394 | 93,053,543 | 167,697,937 | 2,492 |
| \$ 78,571,917 | \$ 96,231,539 | \$ 174,803,456 | \$ 16,460 |

CITY OF SPRINGBORO, OHIO

Balance Sheet Governmental Funds December 31, 2021

| | General | Austin Center Municipal Public Improvement TIF | Urban Redevelopment TIF | Debt Service |
|---|----------------------|---|-------------------------------|---------------------|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$ 9,277,728 | \$ 83,526 | \$ 254,514 | \$ 563,220 |
| Receivables: | | | | |
| Taxes | 738,245 | 550,000 | 0 | 0 |
| Accounts | 215 | 0 | 0 | 0 |
| Intergovernmental | 178,795 | 0 | 0 | 0 |
| Income Taxes | 1,904,760 | 0 | 0 | 0 |
| Special Assessments | 0 | 0 | 0 | 1,030,583 |
| Advances to Other Funds | 1,167,000 | 0 | 0 | 0 |
| Inventory of Supplies, at Cost | 41,230 | 0 | 0 | 0 |
| Prepaid Items | 255,981 | 0 | 107 | 0 |
| Assets Held for Resale | 0 | 0 | 0 | 0 |
| Total Assets | <u>\$ 13,563,954</u> | <u>\$ 633,526</u> | <u>\$ 254,621</u> | <u>\$ 1,593,803</u> |
| Liabilities: | | | | |
| Accounts Payable | \$ 111,792 | \$ 0 | \$ 0 | \$ 0 |
| Accrued Wages and Benefits Payable | 283,386 | 0 | 0 | 0 |
| Intergovernmental Payable | 180,763 | 0 | 0 | 0 |
| Advances from Other Funds | 0 | 2,334,000 | 0 | 0 |
| Unearned Revenue | 0 | 0 | 0 | 0 |
| Accrued Interest Payable | 0 | 0 | 8,438 | 0 |
| General Obligation Notes Payable | 0 | 0 | 4,500,000 | 0 |
| Total Liabilities | <u>575,941</u> | <u>2,334,000</u> | <u>4,508,438</u> | <u>0</u> |
| Deferred Inflows of Resources: | | | | |
| Property Tax Levy for Next Fiscal Year | 715,000 | 550,000 | 0 | 0 |
| Unavailable Amounts | 1,138,010 | 0 | 0 | 1,030,583 |
| Total Deferred Inflows of Resources | <u>1,853,010</u> | <u>550,000</u> | <u>0</u> | <u>1,030,583</u> |
| Fund Balances: | | | | |
| Nonspendable | 297,211 | 0 | 107 | 0 |
| Restricted | 0 | 0 | 0 | 563,220 |
| Assigned | 4,859,576 | 0 | 0 | 0 |
| Unassigned | 5,978,216 | (2,250,474) | (4,253,924) | 0 |
| Total Fund Balances | <u>11,135,003</u> | <u>(2,250,474)</u> | <u>(4,253,817)</u> | <u>563,220</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 13,563,954</u> | <u>\$ 633,526</u> | <u>\$ 254,621</u> | <u>\$ 1,593,803</u> |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

| Income Tax Capital Improvement | Other Governmental Funds | Total Governmental Funds |
|--------------------------------------|--------------------------------|--------------------------------|
| \$ 2,806,979 | \$ 5,623,512 | \$ 18,609,479 |
| 0 | 0 | 1,288,245 |
| 0 | 3,000 | 3,215 |
| 0 | 703,752 | 882,547 |
| 952,376 | 0 | 2,857,136 |
| 0 | 0 | 1,030,583 |
| 1,167,000 | 0 | 2,334,000 |
| 0 | 147,776 | 189,006 |
| 0 | 35,160 | 291,248 |
| 0 | 2,435,702 | 2,435,702 |
| <u>\$ 4,926,355</u> | <u>\$ 8,948,902</u> | <u>\$ 29,921,161</u> |
| \$ 0 | \$ 481,923 | \$ 593,715 |
| 0 | 23,583 | 306,969 |
| 0 | 9,848 | 190,611 |
| 0 | 0 | 2,334,000 |
| 0 | 991,521 | 991,521 |
| 0 | 0 | 8,438 |
| 0 | 0 | 4,500,000 |
| <u>0</u> | <u>1,506,875</u> | <u>8,925,254</u> |
| 0 | 0 | 1,265,000 |
| 491,741 | 457,441 | 3,117,775 |
| <u>491,741</u> | <u>457,441</u> | <u>4,382,775</u> |
| 0 | 182,936 | 480,254 |
| 4,434,614 | 6,801,650 | 11,799,484 |
| 0 | 0 | 4,859,576 |
| 0 | 0 | (526,182) |
| <u>4,434,614</u> | <u>6,984,586</u> | <u>16,613,132</u> |
| <u>\$ 4,926,355</u> | <u>\$ 8,948,902</u> | <u>\$ 29,921,161</u> |

CITY OF SPRINGBORO, OHIO

Reconciliation Of Total Governmental Fund Balances To Net Position Of Governmental Activities December 31, 2021

Total Governmental Fund Balances \$ 16,613,132

***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. 77,337,977

Other long-term assets are not available to pay for current-period
expenditures and therefore are reported as deferred inflows of
resources in the funds.

| | | |
|--|-----------|-----------|
| Income Taxes Receivable - accrual basis | 1,475,223 | |
| Property Taxes Receivable - accrual basis | 23,245 | |
| Special Assessments Receivable - accrual basis | 1,030,583 | |
| Grants Receivable - accrual basis | 588,724 | |
| Total | | 3,117,775 |

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

| | | |
|-----------------------------|-------------|-------------|
| Net OPEB Asset | 316,378 | |
| Deferred Outflows - Pension | 1,978,233 | |
| Deferred Outflows - OPEB | 832,112 | |
| Deferred Inflows - Pension | (1,683,369) | |
| Deferred Inflows - OPEB | (1,341,303) | |
| Net Pension Liability | (8,703,938) | |
| Net OPEB Liability | (948,483) | |
| Total | | (9,550,370) |

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

| | | |
|------------------------------------|-------------|-------------|
| Amounts Due Within One Year | (4,624,295) | |
| Amounts Due in More Than One Year | (4,324,079) | |
| Accrued Interest on Long-Term Debt | (38,531) | |
| Deferred Charge on Debt Refunding | 40,308 | |
| Total | | (8,946,597) |

Net Position of Governmental Activities \$ 78,571,917

See accompanying notes to the basic financial statements



CITY OF SPRINGBORO, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended December 31, 2021

| | General | Austin Center Municipal Public Improvement TIF | Urban Redevelopment TIF | Debt Service |
|--|----------------------|--|-------------------------------|-------------------|
| Revenues: | | | | |
| Municipal Income Tax | \$ 10,403,005 | \$ 0 | \$ 0 | \$ 0 |
| Property and Other Taxes | 784,133 | 0 | 0 | 0 |
| Payment in Lieu of Taxes | 0 | 545,750 | 0 | 0 |
| Intergovernmental Revenues | 385,790 | 0 | 0 | 0 |
| Fines, Licenses and Permits | 396,760 | 0 | 0 | 0 |
| Investment Earnings | 98,935 | 0 | 0 | 0 |
| Special Assessments | 36,897 | 0 | 0 | 235,776 |
| Donations | 0 | 0 | 0 | 0 |
| All Other Revenue | 2,127,916 | 8,208 | 62,528 | 0 |
| Total Revenue | <u>14,233,436</u> | <u>553,958</u> | <u>62,528</u> | <u>235,776</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Security of Persons and Property | 4,194,540 | 0 | 0 | 0 |
| Public Health and Welfare Services | 16,384 | 0 | 0 | 0 |
| Leisure Time Activities | 1,191,728 | 0 | 0 | 0 |
| Community Environment | 1,056,940 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 |
| General Government | 5,378,283 | 220,727 | 36,816 | 78,945 |
| Capital Outlay | 3,485,000 | 0 | 0 | 0 |
| Debt Service: | | | | |
| Principal Retirement | 595,000 | 0 | 0 | 6,705,000 |
| Interest and Fiscal Charges | 90,240 | 54,156 | 42,063 | 212,180 |
| Total Expenditures | <u>16,008,115</u> | <u>274,883</u> | <u>78,879</u> | <u>6,996,125</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (1,774,679) | 279,075 | (16,351) | (6,760,349) |
| Other Financing Sources (Uses): | | | | |
| General Obligation Notes Issued | 0 | 0 | 0 | 0 |
| Inception of Capital Lease | 3,485,000 | 0 | 0 | 0 |
| Transfers In | 164,536 | 0 | 0 | 6,977,255 |
| Transfers Out | (1,146,574) | (3,174,192) | 0 | 0 |
| Total Other Financing Sources (Uses) | <u>2,502,962</u> | <u>(3,174,192)</u> | <u>0</u> | <u>6,977,255</u> |
| Net Change in Fund Balances | 728,283 | (2,895,117) | (16,351) | 216,906 |
| Fund Balances (Deficits) at Beginning of Year | 10,407,098 | 644,643 | (4,237,466) | 346,314 |
| Change in Inventory Reserve | (378) | 0 | 0 | 0 |
| Fund Balances (Deficits) End of Year | <u>\$ 11,135,003</u> | <u>\$ (2,250,474)</u> | <u>\$ (4,253,817)</u> | <u>\$ 563,220</u> |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

| Income Tax Capital Improvement | Other Governmental Funds | Total Governmental Funds |
|--------------------------------------|--------------------------------|--------------------------------|
| \$ 5,218,467 | \$ 0 | \$ 15,621,472 |
| 0 | 0 | 784,133 |
| 0 | 0 | 545,750 |
| 0 | 1,625,658 | 2,011,448 |
| 0 | 58,300 | 455,060 |
| 27,078 | 6,023 | 132,036 |
| 0 | 19,833 | 292,506 |
| 0 | 1,725 | 1,725 |
| 21,544 | 304,311 | 2,524,507 |
| <u>5,267,089</u> | <u>2,015,850</u> | <u>22,368,637</u> |
| 0 | 168,957 | 4,363,497 |
| 0 | 0 | 16,384 |
| 0 | 0 | 1,191,728 |
| 0 | 0 | 1,056,940 |
| 0 | 1,227,035 | 1,227,035 |
| 0 | 59,957 | 5,774,728 |
| 0 | 2,813,475 | 6,298,475 |
| 0 | 0 | 7,300,000 |
| 0 | 0 | 398,639 |
| <u>0</u> | <u>4,269,424</u> | <u>27,627,426</u> |
| 5,267,089 | (2,253,574) | (5,258,789) |
| 0 | 3,200,000 | 3,200,000 |
| 0 | 0 | 3,485,000 |
| 0 | 5,003,623 | 12,145,414 |
| (4,579,580) | (3,967,599) | (12,867,945) |
| <u>(4,579,580)</u> | <u>4,236,024</u> | <u>5,962,469</u> |
| 687,509 | 1,982,450 | 703,680 |
| 3,747,105 | 4,945,888 | 15,853,582 |
| 0 | 56,248 | 55,870 |
| <u>\$ 4,434,614</u> | <u>\$ 6,984,586</u> | <u>\$ 16,613,132</u> |

CITY OF SPRINGBORO, OHIO

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Year Ended December 31, 2021

| | |
|---|----------------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ 703,680 |
| <i>Amounts reported for governmental activities in the statement of activities are different because</i> | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | 1,221,387 |
| The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to change net position. | (13,579) |
| Revenues and transfers in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | (357,868) |
| Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. | 881,853 |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension expense in the statement of activities. | 824,535 |
| The issuance of long-term debt (e.g. notes, bonds) 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. | |
| General Obligation Notes Issued | (3,200,000) |
| Capital Lease Initiated | (3,485,000) |
| Principal Retirement | 7,300,000 |
| Total | 615,000 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | 63,204 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | (10,669) |
| <i>Change in Net Position of Governmental Activities</i> | <u>\$ 3,927,543</u> |
| See accompanying notes to the basic financial statements | |

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2021**

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|---------------|---------------|---|
| Revenues: | | | | |
| Municipal Income Tax | \$ 8,695,500 | \$ 10,500,000 | \$ 10,515,887 | \$ 15,887 |
| Property and Other Taxes | 779,102 | 799,102 | 784,133 | (14,969) |
| Intergovernmental Revenue | 220,400 | 375,000 | 380,374 | 5,374 |
| Fines, Licenses and Permits | 490,630 | 490,630 | 401,119 | (89,511) |
| Investment Earnings | 50,000 | 160,000 | 167,917 | 7,917 |
| Special Assessments | 37,162 | 37,162 | 36,897 | (265) |
| All Other Revenues | 285,500 | 2,285,500 | 2,134,461 | (151,039) |
| Total Revenues | 10,558,294 | 14,647,394 | 14,420,788 | (226,606) |
| Expenditures: | | | | |
| Current: | | | | |
| Security of Persons and Property | 4,381,066 | 4,329,931 | 4,202,722 | 127,209 |
| Public Health and Welfare Services | 16,750 | 16,750 | 16,384 | 366 |
| Leisure Time Activities | 1,314,136 | 1,370,535 | 1,223,461 | 147,074 |
| Community Environment | 1,620,342 | 1,679,705 | 1,189,499 | 490,206 |
| General Government | 6,025,033 | 8,131,012 | 6,600,380 | 1,530,632 |
| Total Expenditures | 13,357,327 | 15,527,933 | 13,232,446 | 2,295,487 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,799,033) | (880,539) | 1,188,342 | 2,068,881 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 117,835 | 166,630 | 164,536 | (2,094) |
| Transfers Out | (3,060,813) | (2,139,563) | (1,146,574) | 992,989 |
| Advances In | 0 | 110,078 | 110,078 | 0 |
| Advances Out | 0 | (2,576,334) | (1,250,000) | 1,326,334 |
| Total Other Financing Sources (Uses): | (2,942,978) | (4,439,189) | (2,121,960) | 2,317,229 |
| Net Change in Fund Balance | (5,742,011) | (5,319,728) | (933,618) | 4,386,110 |
| Fund Balance at Beginning of Year | 8,418,975 | 8,418,975 | 8,418,975 | 0 |
| Prior Year Encumbrances | 981,914 | 981,914 | 981,914 | 0 |
| Fund Balance at End of Year | \$ 3,658,878 | \$ 4,081,161 | \$ 8,467,271 | \$ 4,386,110 |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Austin Center Municipal Public Improvement TIF Fund
For the Year Ended December 31, 2021**

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------|-------------|---|
| Revenues: | | | | |
| Payment in Lieu of Taxes | \$ 540,000 | \$ 540,000 | \$ 545,750 | \$ 5,750 |
| All Other Revenues | 0 | 10,000 | 8,208 | (1,792) |
| Total Revenues | 540,000 | 550,000 | 553,958 | 3,958 |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | 17,000 | 222,750 | 220,727 | 2,023 |
| Total Expenditures | 17,000 | 222,750 | 220,727 | 2,023 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 523,000 | 327,250 | 333,231 | 5,981 |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (500,000) | (3,179,037) | (3,174,192) | 4,845 |
| Advances In | 0 | 2,500,000 | 2,500,000 | 0 |
| Advances Out | 0 | (220,156) | (220,156) | 0 |
| Total Other Financing Sources (Uses): | (500,000) | (899,193) | (894,348) | 4,845 |
| Net Change in Fund Balance | 23,000 | (571,943) | (561,117) | 10,826 |
| Fund Balance at Beginning of Year | 644,643 | 644,643 | 644,643 | 0 |
| Fund Balance at End of Year | \$ 667,643 | \$ 72,700 | \$ 83,526 | \$ 10,826 |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Urban Redevelopment TIF Fund
For the Year Ended December 31, 2021**

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|-------------------|-------------------|---|
| Revenues: | | | | |
| All Other Revenues | \$ 120,000 | \$ 120,000 | \$ 62,729 | \$ (57,271) |
| Total Revenues | <u>120,000</u> | <u>120,000</u> | <u>62,729</u> | <u>(57,271)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | 1,016,900 | 1,009,462 | 42,799 | 966,663 |
| Total Expenditures | <u>1,016,900</u> | <u>1,009,462</u> | <u>42,799</u> | <u>966,663</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (896,900) | (889,462) | 19,930 | 909,392 |
| Other Financing Sources (Uses): | | | | |
| General Obligation Notes Issued | 4,500,000 | 4,500,000 | 4,500,000 | 0 |
| Transfers In | 1,000,000 | 1,000,000 | 0 | (1,000,000) |
| Transfers Out | (4,544,875) | (4,544,875) | (4,544,875) | 0 |
| Total Other Financing Sources (Uses): | <u>955,125</u> | <u>955,125</u> | <u>(44,875)</u> | <u>(1,000,000)</u> |
| Net Change in Fund Balance | 58,225 | 65,663 | (24,945) | (90,608) |
| Fund Balance at Beginning of Year | 257,589 | 257,589 | 257,589 | 0 |
| Prior Year Encumbrances | 16,900 | 16,900 | 16,900 | 0 |
| Fund Balance at End of Year | <u>\$ 332,714</u> | <u>\$ 340,152</u> | <u>\$ 249,544</u> | <u>\$ (90,608)</u> |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO
Statement of Net Position
Proprietary Funds
December 31, 2021

| | Business-Type Activities | | |
|---|--------------------------|-------------------|-------------------|
| | Enterprise Funds | | |
| | Golf Course | Water | Sewer |
| Assets: | | | |
| <i>Current Assets:</i> | | | |
| Equity in Pooled Cash and Investments | \$ 1,100,889 | \$ 9,516,412 | \$ 12,399,122 |
| Receivables: | | | |
| Accounts | 0 | 629,632 | 662,706 |
| Intergovernmental | 220 | 12,552 | 64 |
| Inventory of Supplies at Cost | 32,852 | 0 | 0 |
| Inventory Held for Resale | 71,426 | 0 | 0 |
| Prepaid Items | 10,913 | 137,513 | 142,833 |
| <i>Total Current Assets</i> | <u>1,216,300</u> | <u>10,296,109</u> | <u>13,204,725</u> |
| <i>Non Current Assets:</i> | | | |
| Restricted Assets: | | | |
| Cash and Cash Equivalents | 0 | 523 | 0 |
| Cash and Cash Equivalents with Fiscal Agent | 0 | 0 | 530,296 |
| Non-Depreciable Capital Assets | 7,873,881 | 722,622 | 222,650 |
| Depreciable Capital Assets, Net | 2,669,372 | 31,729,251 | 29,683,883 |
| Net OPEB Asset | 96,062 | 64,907 | 42,821 |
| <i>Total Noncurrent Assets</i> | <u>10,639,315</u> | <u>32,517,303</u> | <u>30,479,650</u> |
| Total Assets | <u>11,855,615</u> | <u>42,813,412</u> | <u>43,684,375</u> |
| Deferred Outflows of Resources: | | | |
| Deferred Charge on Debt Refunding | 0 | 122,718 | 376,505 |
| Pension | 135,813 | 91,905 | 60,474 |
| OPEB | 65,586 | 44,410 | 29,180 |
| Total Deferred Outflows of Resources | <u>201,399</u> | <u>259,033</u> | <u>466,159</u> |

CITY OF SPRINGBORO, OHIO

| Trash | Storm Water | Total |
|------------|-------------|---------------|
| \$ 121,663 | \$ 517,663 | \$ 23,655,749 |
| 179,315 | 44,508 | 1,516,161 |
| 15 | 19 | 12,870 |
| 0 | 0 | 32,852 |
| 0 | 0 | 71,426 |
| 4,877 | 5,053 | 301,189 |
| 305,870 | 567,243 | 25,590,247 |
| 0 | 0 | 523 |
| 0 | 0 | 530,296 |
| 0 | 0 | 8,819,153 |
| 0 | 8,483,733 | 72,566,239 |
| 10,248 | 13,217 | 227,255 |
| 10,248 | 8,496,950 | 82,143,466 |
| 316,118 | 9,064,193 | 107,733,713 |
| 0 | 0 | 499,223 |
| 14,477 | 18,679 | 321,348 |
| 6,991 | 9,020 | 155,187 |
| 21,468 | 27,699 | 975,758 |

(Continued)

CITY OF SPRINGBORO, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2021**

| | Business-Type Activities | | |
|--|--------------------------|----------------------|----------------------|
| | Enterprise Funds | | |
| | Golf Course | Water | Sewer |
| Liabilities: | | | |
| <i>Current Liabilities:</i> | | | |
| Accounts Payable | 27,874 | 419,460 | 36,642 |
| Accrued Wages and Benefits | 48,627 | 32,737 | 22,434 |
| Intergovernmental Payable | 18,281 | 13,006 | 9,831 |
| Refundable Deposits | 0 | 523 | 0 |
| Accrued Interest Payable | 0 | 4,997 | 20,050 |
| Compensated Absences Payable - Current | 9,609 | 6,790 | 5,808 |
| General Obligation Bonds - Current | 0 | 922,318 | 0 |
| Mortgage Revenue Bonds - Current | 0 | 0 | 947,236 |
| <i>Total Current Liabilities</i> | <u>104,391</u> | <u>1,399,831</u> | <u>1,042,001</u> |
| <i>Noncurrent Liabilities:</i> | | | |
| Compensated Absences Payable | 42,510 | 72,808 | 62,614 |
| General Obligation Bonds Payable | 0 | 942,321 | 0 |
| Mortgage Revenue Bonds Payable | 0 | 0 | 5,261,186 |
| Net Pension Liability | 789,825 | 533,668 | 352,068 |
| <i>Total Noncurrent Liabilities</i> | <u>832,335</u> | <u>1,548,797</u> | <u>5,675,868</u> |
| Total Liabilities | <u>936,726</u> | <u>2,948,628</u> | <u>6,717,869</u> |
| Deferred Inflows of Resources: | | | |
| Pension | 340,890 | 230,332 | 151,951 |
| OPEB | 293,511 | 198,318 | 130,833 |
| Total Deferred Inflows of Resources | <u>634,401</u> | <u>428,650</u> | <u>282,784</u> |
| Net Position: | | | |
| Net Investment in Capital Assets | 10,543,253 | 30,709,952 | 24,074,616 |
| Restricted for: | | | |
| Debt Service | 0 | 0 | 530,296 |
| Unrestricted | (57,366) | 8,985,215 | 12,544,969 |
| Total Net Position | <u>\$ 10,485,887</u> | <u>\$ 39,695,167</u> | <u>\$ 37,149,881</u> |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

| Trash | Storm Water | Total |
|-----------|--------------|---------------|
| 99,144 | 29,583 | 612,703 |
| 6,128 | 7,769 | 117,695 |
| 2,537 | 3,030 | 46,685 |
| 0 | 0 | 523 |
| 0 | 0 | 25,047 |
| 974 | 1,465 | 24,646 |
| 0 | 0 | 922,318 |
| 0 | 0 | 947,236 |
| 108,783 | 41,847 | 2,696,853 |
| 12,098 | 18,269 | 208,299 |
| 0 | 0 | 942,321 |
| 0 | 0 | 5,261,186 |
| 84,258 | 108,662 | 1,868,481 |
| 96,356 | 126,931 | 8,280,287 |
| 205,139 | 168,778 | 10,977,140 |
| 36,366 | 46,899 | 806,438 |
| 31,312 | 40,380 | 694,354 |
| 67,678 | 87,279 | 1,500,792 |
| 0 | 8,483,733 | 73,811,554 |
| 0 | 0 | 530,296 |
| 64,769 | 352,102 | 21,889,689 |
| \$ 64,769 | \$ 8,835,835 | \$ 96,231,539 |

CITY OF SPRINGBORO, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2021

| | Business-Type Activities | | |
|--|--------------------------|----------------------|----------------------|
| | Enterprise Funds | | |
| | Golf Course | Water | Sewer |
| Operating Revenues: | | | |
| Charges for Services | \$ 2,078,287 | \$ 4,547,431 | \$ 4,059,886 |
| Sales | 332,489 | 0 | 0 |
| Other Operating Revenue | 64,399 | 439 | 150,342 |
| Total Operating Revenues | 2,475,175 | 4,547,870 | 4,210,228 |
| Operating Expenses: | | | |
| Personal Services | 736,509 | 430,108 | 306,050 |
| Contractual Services | 600,321 | 1,712,002 | 1,738,394 |
| Materials and Supplies | 721,174 | 227,892 | 56,432 |
| Depreciation | 344,779 | 855,641 | 821,923 |
| Total Operating Expenses | 2,402,783 | 3,225,643 | 2,922,799 |
| Operating Income (Loss) | 72,392 | 1,322,227 | 1,287,429 |
| Nonoperating Revenue (Expenses): | | | |
| Investment Earnings | 0 | (68,593) | (107,648) |
| Interest and Fiscal Charges | 0 | (104,803) | (243,302) |
| Total Nonoperating Revenues (Expenses) | 0 | (173,396) | (350,950) |
| Income (Loss) Before Transfers and Contributions | 72,392 | 1,148,831 | 936,479 |
| Transfers In | 897,011 | 0 | 0 |
| Transfers Out | 0 | (87,240) | (87,240) |
| Capital Contributions - Tap in Fees | 0 | 273,496 | 181,680 |
| Capital Contributions | 0 | 0 | 0 |
| Change in Net Position | 969,403 | 1,335,087 | 1,030,919 |
| Net Position Beginning of Year | 9,516,484 | 38,360,080 | 36,118,962 |
| Net Position End of Year | \$ 10,485,887 | \$ 39,695,167 | \$ 37,149,881 |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

| Trash | Storm Water | Total |
|------------------|---------------------|----------------------|
| \$ 1,141,961 | \$ 265,430 | \$ 12,092,995 |
| 0 | 0 | 332,489 |
| 2,680 | 35 | 217,895 |
| <u>1,144,641</u> | <u>265,465</u> | <u>12,643,379</u> |
| 70,198 | 86,380 | 1,629,245 |
| 1,181,777 | 70,592 | 5,303,086 |
| 14,477 | 3,354 | 1,023,329 |
| 0 | 201,906 | 2,224,249 |
| <u>1,266,452</u> | <u>362,232</u> | <u>10,179,909</u> |
| (121,811) | (96,767) | 2,463,470 |
| 0 | 0 | (176,241) |
| 0 | 0 | (348,105) |
| <u>0</u> | <u>0</u> | <u>(524,346)</u> |
| (121,811) | (96,767) | 1,939,124 |
| 0 | 0 | 897,011 |
| 0 | 0 | (174,480) |
| 0 | 0 | 455,176 |
| 0 | 61,165 | 61,165 |
| <u>(121,811)</u> | <u>(35,602)</u> | <u>3,177,996</u> |
| 186,580 | 8,871,437 | 93,053,543 |
| <u>\$ 64,769</u> | <u>\$ 8,835,835</u> | <u>\$ 96,231,539</u> |

CITY OF SPRINGBORO, OHIO

Statement of Cash Flows Proprietary Funds For the Year Ended December 31, 2021

| | Business-Type Activities | | |
|---|--------------------------|-------------|--------------|
| | Enterprise Funds | | |
| | Golf Course | Water | Sewer |
| <u>Cash Flows from Operating Activities:</u> | | | |
| Cash Received from Customers | \$2,410,776 | \$4,499,698 | \$4,034,242 |
| Other Operating Receipts | 64,427 | 471 | 150,349 |
| Cash Payments for Goods and Services | (1,297,903) | (1,918,299) | (1,765,472) |
| Cash Payments to Employees | (1,359,039) | (882,045) | (561,901) |
| Net Cash Provided (Used) by Operating Activities | (181,739) | 1,699,825 | 1,857,218 |
| <u>Cash Flows from Noncapital Financing Activities:</u> | | | |
| Transfers In from Other Funds | 897,011 | 0 | 0 |
| Transfers Out to Other Funds | 0 | (87,240) | (87,240) |
| Net Cash Provided (Used) by Noncapital Financing Activities | 897,011 | (87,240) | (87,240) |
| <u>Cash Flows from Capital and Related Financing Activities:</u> | | | |
| Cash Received from Tap-in Fees in Excess of Cost | (212,108) | 273,496 | 181,680 |
| Acquisition and Construction of Assets | 0 | (467,384) | 0 |
| Principal Paid on General Obligation Bonds | 0 | (840,000) | 0 |
| Principal Paid on Mortgage Revenue Bonds | 0 | 0 | (825,000) |
| Interest Paid on All Debt | 0 | (93,562) | (261,225) |
| Net Cash Used by Capital and Related Financing Activities | (212,108) | (1,127,450) | (904,545) |
| <u>Cash Flows from Investing Activities:</u> | | | |
| Receipt of Interest | 0 | 25,054 | 18,056 |
| Change in Value of Investments | 0 | (93,647) | (125,704) |
| Net Cash Used by Investing Activities | 0 | (68,593) | (107,648) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 503,164 | 416,542 | 757,785 |
| Cash and Cash Equivalents at Beginning of Year | 597,725 | 9,100,393 | 12,171,633 |
| Cash and Cash Equivalents at End of Year | \$1,100,889 | \$9,516,935 | \$12,929,418 |
| <u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u> | | | |
| Cash and Cash Equivalents | \$1,100,889 | \$9,516,412 | \$12,399,122 |
| Restricted Cash and Cash Equivalents | 0 | 523 | 0 |
| Restricted Cash and Cash Equivalents with Fiscal Agent | 0 | 0 | 530,296 |
| Cash and Cash Equivalents at End of Year | \$1,100,889 | \$9,516,935 | \$12,929,418 |

CITY OF SPRINGBORO, OHIO

| Trash | Storm Water | Totals |
|-------------|-------------|--------------|
| \$1,132,744 | \$263,170 | \$12,340,630 |
| 2,685 | 38 | 217,970 |
| (1,193,153) | (73,767) | (6,248,594) |
| (135,262) | (171,579) | (3,109,826) |
| (192,986) | 17,862 | 3,200,180 |
| 0 | 0 | 897,011 |
| 0 | 0 | (174,480) |
| 0 | 0 | 722,531 |
| 0 | 0 | 243,068 |
| 0 | (39,850) | (507,234) |
| 0 | 0 | (840,000) |
| 0 | 0 | (825,000) |
| 0 | 0 | (354,787) |
| 0 | (39,850) | (2,283,953) |
| 0 | 0 | 43,110 |
| 0 | 0 | (219,351) |
| 0 | 0 | (176,241) |
| (192,986) | (21,988) | 1,462,517 |
| 314,649 | 539,651 | 22,724,051 |
| \$121,663 | \$517,663 | \$24,186,568 |
| \$121,663 | \$517,663 | \$23,655,749 |
| 0 | 0 | 523 |
| 0 | 0 | 530,296 |
| \$121,663 | \$517,663 | \$24,186,568 |

(Continued)

CITY OF SPRINGBORO, OHIO

Statement of Cash Flows Proprietary Funds For the Year Ended December 31, 2021

| | Business-Type Activities Enterprise Funds | | |
|--|--|-------------|-------------|
| | Golf Course | Water | Sewer |
| <u>Reconciliation of Operating Income (Loss) to Net Cash</u> | | | |
| <u>Provided (Used) by Operating Activities:</u> | | | |
| Operating Income (Loss) | \$72,392 | \$1,322,227 | \$1,287,429 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation Expense | 344,779 | 855,641 | 821,923 |
| Changes in Assets and Liabilities: | | | |
| (Increase) in Accounts Receivable | 0 | (35,275) | (25,644) |
| (Increase) Decrease in Intergovernmental Receivable | 28 | (12,426) | 7 |
| Decrease in Inventory | 6,403 | 0 | 0 |
| Decrease in Inventory Held for Resale | 8,918 | 0 | 0 |
| (Increase) Decrease in Prepaid Items | 1,228 | (1,640) | (3,168) |
| (Increase) in Net OPEB Asset | (96,062) | (64,907) | (42,821) |
| Decrease in Deferred Outflows - Pension | 70,596 | 50,811 | 29,489 |
| Decrease in Deferred Outflows - OPEB | 76,818 | 54,063 | 32,911 |
| Increase in Accounts Payable | 8,387 | 24,978 | 32,257 |
| Increase (Decrease) in Accrued Wages and Benefits | 9,524 | (641) | 1,576 |
| (Decrease) in Intergovernmental Payable | (4,547) | (4,734) | (1,522) |
| Increase (Decrease) in Compensated Absences | (7,780) | 788 | 7,700 |
| Increase in Deferred Inflows - Pension | 120,397 | 77,698 | 55,435 |
| Increase in Deferred Inflows - OPEB | 189,043 | 126,010 | 85,113 |
| (Decrease) in Net Pension Liability | (249,643) | (185,894) | (102,948) |
| (Decrease) in Net OPEB Liability | (732,220) | (506,874) | (320,519) |
| Total Adjustments | (254,131) | 377,598 | 569,789 |
| Net Cash Provided (Used) by Operating Activities | (\$181,739) | \$1,699,825 | \$1,857,218 |

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2021, the Golf Course, Water and Storm Water Funds had outstanding liabilities of \$16,763, \$386,815 and \$23,300 for the purchase of certain capital assets. During 2021, the Storm Water Fund received contributed capital assets valued at \$61,165.

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

| Trash | Storm Water | Totals |
|-------------|-------------|-------------|
| (\$121,811) | (\$96,767) | \$2,463,470 |
| 0 | 201,906 | 2,224,249 |
| (9,217) | (2,260) | (72,396) |
| 5 | 3 | (12,383) |
| 0 | 0 | 6,403 |
| 0 | 0 | 8,918 |
| 91 | (533) | (4,022) |
| (10,248) | (13,217) | (227,255) |
| 7,422 | 9,717 | 168,035 |
| 8,108 | 10,563 | 182,463 |
| 3,354 | 432 | 69,408 |
| 995 | 1,177 | 12,631 |
| (573) | (841) | (12,217) |
| (1,947) | (1,066) | (2,305) |
| 13,113 | 16,696 | 283,339 |
| 20,296 | 26,072 | 446,534 |
| (25,358) | (33,722) | (597,565) |
| (77,216) | (100,298) | (1,737,127) |
| (71,175) | 114,629 | 736,710 |
| (\$192,986) | \$17,862 | \$3,200,180 |

CITY OF SPRINGBORO, OHIO

***Statement of Net Position
Fiduciary Funds
December 31, 2021***

| | Custodial Funds |
|---------------------------------------|--------------------------|
| Assets: | |
| Equity in Pooled Cash and Investments | \$ 92,110 |
| Receivables: | |
| Special Assessments | 361,011 |
| Total Assets | <u><u>\$ 453,121</u></u> |
| Liabilities: | |
| Due to Others | \$ 446,755 |
| Undistributed Monies | 6,366 |
| Total Liabilities | <u><u>\$ 453,121</u></u> |

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

***Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2021***

| | <u>Custodial Funds</u> |
|-----------------------------------|------------------------|
| Additions: | |
| Intergovernmental Revenues | \$ 81,199 |
| Fines, Licenses and Permits | 188,008 |
| Special Assessments | 121,823 |
| Donations | <u>13,142</u> |
| Total Additions | <u>404,172</u> |
| Deductions: | |
| Other Distributions | <u>404,172</u> |
| Total Deductions | <u>404,172</u> |
| Change in Net Position | 0 |
| Net Position at Beginning of Year | <u>0</u> |
| Net Position at 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, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Springboro, 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 - Manager form of government, was adopted November 7, 1978, became effective January 1, 1979, and was amended November 4, 2011. The six member Council and the Mayor are elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies, and a law enforcement officer of the City. The City Manager appoints all of the department managers.

The financial statements are presented as of December 31, 2021 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 GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" as amended by GASB Statement No. 61, "The Financial Reporting Entity Omnibus" in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading.

Based on the foregoing, the City's financial reporting entity includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, street construction and maintenance, street lighting, parks and recreation, planning and zoning and other governmental services. In addition, golf, water, sewer, trash collection and disposal services and storm water collection services are provided under an enterprise concept with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. In addition, the City has included the Community Improvement Corporation of Springboro (CIC) as a discretely presented component unit.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Discretely Presented Component Unit – The component unit column in the entity-wide financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The component unit is being presented as a part of the City's reporting entity because the City appoints the voting majority of the component unit's board and the City can impose its' will on the component unit.

Community Improvement Corporation of Springboro – The Community Improvement Corporation of Springboro (CIC), a non-profit organization, has a Board of Directors consisting of no less than three and no more than five board members as determined by the City of Springboro. The CIC was created to serve the business community of Springboro. The CIC spends a majority of its time and effort on administering financial assistance programs that provide resources to local businesses for projects that improve the community through increased local investment, more viable businesses, and increasing or maintaining employment opportunities in the City. The City provides all subsidies to the CIC to finance its operations and activities. Financial statements related to the CIC can be obtained from the Finance Director.

The Warren County General Health District, a jointly governed organization, provides health services within the County. The Board of Health, which consists of a representative from each of the participating governments, oversees the operation of the District. The City is not financially accountable for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers. The City is associated with the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission, Warren County Transportation Improvement District and the Montgomery County Transportation Improvement District also jointly governed organizations. The City is also a member of the Ohio Municipal League of Workers Compensation Group Rating Plan (GRP), an insurance purchasing pool. See Notes 17 and 18 for additional information on these organizations.

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, liabilities, deferred inflows/outflows of resources, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Funds

The 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 upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

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.

Austin Center Municipal Public Improvement TIF Fund - This fund is used to account for payments in lieu of taxes from Montgomery County for properties within the Austin TIF area to be used for payments to the Miamisburg City School District as required per the Cooperative Agreement.

Urban Redevelopment TIF Fund - This fund is used to account for tax increment financing activities associated with redevelopment throughout the City.

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

Income Tax Capital Improvement Fund - This fund is used to account for income tax proceeds from .5% of the City's 1.5% income tax. The funds are to be spent on capital projects at Council's discretion.

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities 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 total position.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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:

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Golf Course Fund – To account for revenue received from user charges; such as greens fees, rentals and concessions, to be used for the general operation of Heatherwoode, an 18-hole championship golf course.

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.

Trash Fund – This fund is used to account for the operation of the City's solid waste collection and disposal service.

Storm Water Fund – This fund is used to account for the City's storm water collection system.

Fiduciary Funds

Custodial Funds - All custodial funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units, and/or other funds. The City's custodial funds account for donations to the Library, Joint Economic Development District (JEDD) activity, Mayor's court fines and special assessments collected on behalf of neighborhood associations. Custodial fund reporting focuses on net position and changes in net position.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

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 services offered by the program and grants and contributions that are 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 and proprietary 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. 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 for the City is 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.

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 grants, entitlements and donations is recognized in the 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2021 but which are not intended to finance 2021 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources.

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

E. Budgetary Process

The budgetary process is prescribed 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 is at the object level (personal services, operations and maintenance and capital outlay) within each department. Budgetary modifications may only be made by ordinance of the City Council.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

1. Tax Budget

The City Finance Director submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

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 if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2021.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2021, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. 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 (Non-GAAP Budgetary Basis) for the General Fund and major special revenue fund are presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**E. Budgetary Process** (Continued)**4. Lapsing of Appropriations**

At the close of each 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.

5. 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. 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 basis statements for the General Fund and major special revenue fund:

| | Net Change in Fund Balance | | |
|--|----------------------------|---|-------------------------------|
| | General Fund | Austin Center Municipal Improvement TIF | Urban Redevelopment TIF |
| GAAP Basis (as reported) | \$728,283 | (\$2,895,117) | (\$16,351) |
| Increase (Decrease): | | | |
| Accrued Revenues at December 31, 2021 received during 2022 | (2,124,958) | 0 | 0 |
| Accrued Revenues at December 31, 2020 received during 2021 | 1,172,388 | 0 | 201 |
| Accrued Expenditures at December 31, 2021 paid during 2022 | 575,941 | 2,334,000 | 4,508,438 |
| Accrued Expenditures at December 31, 2020 paid during 2021 | (469,970) | 0 | (4,512,156) |
| 2021 Prepaids for 2022 | (255,981) | 0 | (107) |
| 2020 Prepaids for 2021 | 262,183 | 0 | 0 |
| Outstanding Encumbrances | (821,504) | 0 | (4,970) |
| Budget Basis | <u>(\$933,618)</u> | <u>(\$561,117)</u> | <u>(\$24,945)</u> |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During 2021, cash and cash equivalents included amounts in demand deposits and in U.S. Treasury Money Market accounts in US Bank and Charles Schwab investment accounts with original maturities of less than three months.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and cash equivalents represents the balance on hand as if each fund maintained its own cash and cash equivalent account. See Note 5, "Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

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. See Note 5, "Cash, Cash Equivalents and Investments."

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents and cash and cash equivalents with fiscal agents set aside to satisfy bond indenture requirements for current and future debt payments and for the replacement and improvement of capital assets originally acquired with bond proceeds. In addition, water and sewer customer deposits are presented as restricted assets.

I. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market (first-in, first-out) in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. Inventories of enterprise funds are expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, 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.

K. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$7,500 and an estimated useful life threshold of three or more years.

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.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, improvements to 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. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**K. 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. Contributed capital assets are recorded at acquisition value at 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 on newly acquired/constructed streets begins in the year following acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

| <u>Description</u> | <u>Governmental and Business-Type Activities Estimated Lives (in years)</u> |
|----------------------------|---|
| Land and Land Improvements | 15 - 60 |
| Buildings | 10 - 40 |
| Infrastructure | 50 - 65 |
| Equipment | 3 - 15 |
| Utility Plant in Service | 50 - 65 |

L. Long-Term Obligations

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

| <u>Obligation</u> | <u>Fund</u> |
|--------------------------|---|
| Special Assessment Bonds | Bond Retirement Fund |
| General Obligation Bonds | Bond Retirement Fund and Water Fund. |
| Compensated Absences | General Fund, Street Maintenance and Repair Fund, |
| Net Pension Liability | Golf Course Fund, Water Fund, Sewer Fund, Trash |
| Net OPEB Liability | Fund and Storm Water Fund |
| Mortgage Revenue Bonds | Sewer Fund |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Bond Discounts/Premiums

Bond discounts and premiums are amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, while premiums are presented as an increase in the face amount of the bonds payable.

N. Compensated Absences

In accordance with GASB Statement No. 16, *"Accounting for Compensated Absences,"* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, if a portion of unpaid compensated absences has matured as of year-end, it 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 proprietary funds when earned and the related liability is reported within the fund.

O. Net position

Net position represents the difference between assets and liabilities and deferred outflows/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 are 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 net positions are available.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. 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 systems. 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 systems report investments at fair value.

Q. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the statement of activities.

R. Interfund Assets/Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management. The interfund loans receivable are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets. Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “due from other funds” or “due to other funds” on the balance sheet. Long-term interfund loans are classified as “advances to/from other funds.” The General Fund and Income Tax Capital Improvement Fund have advances to other funds totaling \$1,167,000 (each) and the Austin Center Municipal Public Improvement TIF Fund has an advance from other funds balance of \$2,334,000. The advance to/from other funds arise from a manuscript debt transaction where the proceeds were utilized to retire the Austin Road Interchange Bonds. The long term advance will be repaid over the next twelve years at an interest rate of 3.25%.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balance

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.

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 Charter authorizes the Director of Finance to assign fund balance.

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 unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

T. Assets Held for Resale

As part of the economic development program, the City has acquired land at the South Tech Industrial Park. The City’s intent is for the land to be sold to businesses to promote economic development within the City. Transactions are conducted through the City’s Land Acquisition and Construction Funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Estimates

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

V. 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 2021.

W. 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 position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for the deferred charge on debt refunding and for deferred pension/OPEB amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See 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 position 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, special assessments, 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/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 10 and 11.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021****NOTE 2 – ACCOUNTABILITY AND COMPLIANCE****A. Change in Accounting Principle**

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

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. The implementation of this statement had no effect on beginning of year net position/fund balance.

B. Compliance

The fund deficits at December 31, 2021 in the Austin Municipal Public Improvement TIF and the Urban Redevelopment TIF funds of \$2,250,474 and \$4,253,817, respectively, arise from the recognition of certain liabilities under the modified accrual basis of accounting. Under the budgetary basis of accounting these deficits do not exist. The General Fund provides transfers when cash is required, not when accruals occur.

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, 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 | Austin Center Municipal Public Improvement TIF | Urban Redevelopment | Debt Service | Income Tax Capital Improvement | Other Governmental Funds | Total Governmental Funds |
|-----------------------------|--------------|--|------------------------|--------------|--------------------------------------|--------------------------------|--------------------------------|
| Nonspendable: | | | | | | | |
| Prepaid Items | \$255,981 | \$0 | \$107 | \$0 | \$0 | \$35,160 | \$291,248 |
| Supplies Inventory | 41,230 | 0 | 0 | 0 | 0 | 147,776 | 189,006 |
| Total Nonspendable | 297,211 | 0 | 107 | 0 | 0 | 182,936 | 480,254 |
| Restricted: | | | | | | | |
| Transportation Projects | 0 | 0 | 0 | 0 | 0 | 1,426,671 | 1,426,671 |
| Court Projects | 0 | 0 | 0 | 0 | 0 | 163,016 | 163,016 |
| Law Enforcement | 0 | 0 | 0 | 0 | 0 | 185,963 | 185,963 |
| TIF Projects | 0 | 0 | 0 | 0 | 0 | 67,685 | 67,685 |
| Debt Service | 0 | 0 | 0 | 563,220 | 0 | 0 | 563,220 |
| Capital Improvements | 0 | 0 | 0 | 0 | 4,434,614 | 4,958,315 | 9,392,929 |
| Total Restricted | 0 | 0 | 0 | 563,220 | 4,434,614 | 6,801,650 | 11,799,484 |
| Assigned: | | | | | | | |
| Projected budgetary deficit | 4,058,652 | 0 | 0 | 0 | 0 | 0 | 4,058,652 |
| Goods and Services | 800,924 | 0 | 0 | 0 | 0 | 0 | 800,924 |
| Total Assigned | 4,859,576 | 0 | 0 | 0 | 0 | 0 | 4,859,576 |
| Unassigned | 5,978,216 | (2,250,474) | (4,253,924) | 0 | 0 | 0 | (526,182) |
| Total Fund Balances | \$11,135,003 | (\$2,250,474) | (\$4,253,817) | \$563,220 | \$4,434,614 | \$6,984,586 | \$16,613,132 |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which depreciation exceeded capital outlay in the current period:

| | |
|----------------------|--------------------|
| Capital Outlay | \$4,884,140 |
| Depreciation Expense | <u>(3,662,753)</u> |
| | \$1,221,387 |

Net effect of capital asset transactions:

| | |
|-----------------------------------|------------|
| Loss on Disposal of Capital Asset | (\$13,579) |
|-----------------------------------|------------|

Governmental revenues not reported in the funds:

| | |
|---|------------------|
| Decrease in Delinquent Income Tax Revenue | (\$254,318) |
| Increase in Delinquent Property Tax | 22,232 |
| Increase in Intergovernmental, unrestricted | 45,668 |
| Decrease in Special Assessment Revenue | <u>(171,450)</u> |
| | (\$357,868) |

Contractually required contributions reported as deferred outflows:

| | |
|---------|---------------|
| Pension | \$868,483 |
| OPEB | <u>13,370</u> |
| | \$881,853 |

Pension and OPEB expense:

| | |
|---------|------------------|
| Pension | (\$888,530) |
| OPEB | <u>1,713,065</u> |
| | \$824,535 |

Expenses not requiring the use of current financial resources:

| | |
|--|---------------|
| Increase in Compensated Absences Payable | (\$66,539) |
| Increase in supplies inventory | <u>55,870</u> |
| | (\$10,669) |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires 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 "cash equivalent" 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- 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
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

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.

A. Deposits

At year end the carrying amount of the City's deposits was \$21,773,695 and the bank balance was \$21,475,215. Federal depository insurance covered \$1,000,000 of the bank balance and \$20,475,215 was uninsured and collateralized with securities held in the Ohio Pooled Collateral System.

B. Investments

The City's investments at December 31, 2021 were as follows:

| | Measurement | Credit | Fair Value | Concentration of Credit | Investment Maturities (in Years) | | |
|-------------------|---------------------|--------|------------|----------------------------|----------------------------------|---------------------|------------------|
| | Amount | Rating | Hierarchy | Risk | less than 1 | 1-3 | 3-5 |
| Negotiable C/D's | \$3,308,115 | AAA | Level 2 | 15.67% | \$2,295,117 | \$1,012,998 | \$0 |
| FHLB | 5,712,378 | AA+ | Level 2 | 27.05% | 3,092,353 | 1,674,567 | 945,458 |
| FNMA | 1,943,404 | AA+ | Level 2 | 9.20% | 1,943,404 | 0 | 0 |
| FFCB | 4,420,363 | AA+ | Level 2 | 20.94% | 1,270,660 | 3,149,703 | 0 |
| FHLM | 1,034,311 | AA+ | Level 2 | 4.90% | 0 | 1,034,311 | 0 |
| US Treasury Notes | 4,695,891 | A-1+ | Level 2 | 22.24% | 763,849 | 3,932,042 | 0 |
| Total Investments | <u>\$21,114,462</u> | | | <u>100.00%</u> | <u>\$9,365,383</u> | <u>\$10,803,621</u> | <u>\$945,458</u> |

Credit Rating – Standard and Poor's

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued)

The City's investments in federal agency securities (FHLM, FNMA, FFCB, FHLB, US T-Notes) and negotiable CD's are valued using quoted prices in markets that are not considered to be active dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy states that it will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. All of the City's investments are collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 6 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes. Property tax payments received during 2021 for tangible personal property (other than public utility property) is for 2021 taxes.

2021 real property taxes are levied after October 1, 2021, on assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of the appraised value. 2021 real property taxes are collected in and intended to finance 2021.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2021 with real property taxes.

Tangible personal property tax revenue received during 2021 (other than public utility property tax) represents the collection of 2021 taxes levied against local inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2021 were levied after October 1, 2020, on the value as of December 31, 2020.

The full tax rate for all City operations for the year ended December 31, 2021, was \$1.11 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows: \$635,338,390 in real property assessed value and \$24,284,320 in public utility assessed value.

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. For 2021, the due dates were February 19 and July 15.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of Warren County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 6 – TAXES (Continued)

A. Property Taxes (Continued)

Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2021 and for which there is an enforceable legal claim. In the General Fund and the Austin Center Municipal Public Improvement TIF Fund, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

B. Income Tax

The City levies a tax of 1.5% 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 67% of the tax paid to another municipality to a maximum of the total amount assessed. Of the one and one-half percent income tax, one-half percent is voter approved for the sole purpose of funding capital improvements.

Employers within the City are required to withhold income tax on employees' 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. Income tax proceeds are to be used for general fund operations, maintenance of equipment, new equipment/capital improvements, debt service and other governmental functions when needed, as determined by City Council. Income tax revenue for 2021 was \$15,367,154.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2021 consisted of income taxes, property taxes, accounts, special assessments and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full.

CITY OF SPRINGBORO, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2021:

| <u>Fund</u> | <u>Transfer In</u> | <u>Transfer Out</u> |
|---|----------------------------|----------------------------|
| General Fund | \$164,536 | \$1,146,574 |
| Austin Center Municipal Public Improvement TIF Fund | 0 | 3,174,192 |
| Debt Service Fund | 6,977,255 | 0 |
| Income Tax Capital Improvement Fund | 0 | 4,579,580 |
| Other Governmental Funds | 5,003,623 | 3,967,599 |
| Total Governmental Funds | <u>12,145,414</u> | <u>12,867,945</u> |
| Golf Course Fund | 897,011 | 0 |
| Water Fund | 0 | 87,240 |
| Sewer Fund | 0 | 87,240 |
| Total Proprietary Funds | <u>897,011</u> | <u>174,480</u> |
| Totals | <u><u>\$13,042,425</u></u> | <u><u>\$13,042,425</u></u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the income tax fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

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CITY OF SPRINGBORO, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021****NOTE 9 - CAPITAL ASSETS****A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2021:

| <i>Historical Cost:</i> | Balance at December 31, 2020 | Additions | Deletions | Balance at December 31, 2021 |
|---|------------------------------------|-----------------|-------------|------------------------------------|
| Class | | | | |
| <i>Non-depreciable Capital assets:</i> | | | | |
| Land | \$26,546,235 | \$0 | \$0 | \$26,546,235 |
| Construction in Progress | 77,108 | 2,511,022 | (16,100) | 2,572,030 |
| Total Non-depreciable Capital assets | 26,623,343 | 2,511,022 | (16,100) | 29,118,265 |
| <i>Capital assets being depreciated:</i> | | | | |
| Improvements | 10,670,480 | 335,794 | 0 | 11,006,274 |
| Infrastructure | 55,905,722 | 1,229,083 | (106,011) | 57,028,794 |
| Buildings | 18,694,709 | 157,758 | 0 | 18,852,467 |
| Machinery and Equipment | 7,378,689 | 666,583 | (129,938) | 7,915,334 |
| Total Depreciable Capital assets | 92,649,600 | 2,389,218 | (235,949) | 94,802,869 |
| Total Cost | \$119,272,943 | \$4,900,240 | (\$252,049) | \$123,921,134 |
| <i>Accumulated Depreciation:</i> | | | | |
| Class | Balance at December 31, 2020 | Additions | Deletions | Balance at December 31, 2021 |
| Improvements | (\$3,427,762) | (\$758,303) | \$0 | (\$4,186,065) |
| Infrastructure | (31,587,575) | (1,812,812) | 92,432 | (33,307,955) |
| Buildings | (3,606,765) | (427,971) | 0 | (4,034,736) |
| Machinery and Equipment | (4,520,672) | (663,667) | 129,938 | (5,054,401) |
| Total Depreciation | (\$43,142,774) | (\$3,662,753) * | \$222,370 | (\$46,583,157) |
| <i>Net Value:</i> | \$76,130,169 | | | \$77,337,977 |

* Depreciation expenses were charged to governmental functions as follows:

| | |
|----------------------------------|-------------|
| Security of Persons and Property | \$274,402 |
| Leisure Time Activities | 537,045 |
| Community Environment | 21,725 |
| Transportation | 2,402,358 |
| General Government | 427,223 |
| Total Depreciation Expense | \$3,662,753 |

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2021:

| <i>Historical Cost:</i> | Balance at December 31, 2020 | Additions | Deletions | Balance at December 31, 2021 |
|---|------------------------------------|---------------|-------------|------------------------------------|
| Class | | | | |
| <i>Non-depreciable Capital assets:</i> | | | | |
| Land | \$8,685,240 | \$0 | \$0 | \$8,685,240 |
| Construction in Progress | 79,914 | 133,913 | (79,914) | 133,913 |
| Total Non-depreciable Capital Assets | 8,765,154 | 133,913 | (79,914) | 8,819,153 |
| <i>Capital assets being depreciated:</i> | | | | |
| Buildings | 4,469,177 | 0 | 0 | 4,469,177 |
| Land Improvements | 2,103,009 | 13,218 | 0 | 2,116,227 |
| Infrastructure | 94,808,262 | 817,699 | 0 | 95,625,961 |
| Machinery and Equipment | 6,711,375 | 186,761 | (42,826) | 6,855,310 |
| Total Depreciable Capital assets | 108,091,823 | 1,017,678 | (42,826) | 109,066,675 |
| Total Cost | \$116,856,977 | \$1,151,591 | (\$122,740) | \$117,885,828 |
| <i>Accumulated Depreciation:</i> | | | | |
| Class | Balance at December 31, 2020 | Additions | Deletions | Balance at December 31, 2021 |
| Buildings | (\$2,553,044) | (\$123,610) | \$0 | (\$2,676,654) |
| Land Improvements | (1,619,721) | (66,313) | 0 | (1,686,034) |
| Infrastructure | (27,531,183) | (1,448,855) | 0 | (28,980,038) |
| Machinery and Equipment | (2,615,065) | (585,471) | 42,826 | (3,157,710) |
| Total Depreciation | (\$34,319,013) | (\$2,224,249) | \$42,826 | (\$36,500,436) |
| <i>Net Value:</i> | \$82,537,964 | | | \$81,385,392 |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

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 administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. 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% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

| | <u>State and Local</u> |
|--|----------------------------|
| 2021 Statutory Maximum Contribution Rates | |
| Employer | 14.0 % |
| Employee | 10.0 % |
| 2021 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 \$619,329 for 2021.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

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 OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

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> |
|--|----------------|---------------------|
| 2021 Statutory Maximum Contribution Rates | | |
| Employer | 19.50 % | 24.00 % |
| Employee | 12.25 % | 12.25 |
| 2021 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 \$508,052 for 2021.

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, 2020, 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, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

| | <u>OPERS</u> | <u>OP&F</u> | <u>Total</u> |
|--|------------------|------------------|--------------|
| Proportionate Share of the Net Pension Liability | \$4,469,739 | \$6,102,680 | \$10,572,419 |
| Proportion of the Net Pension Liability-2021 | 0.030185% | 0.089520% | |
| Proportion of the Net Pension Liability-2020 | <u>0.029447%</u> | <u>0.081785%</u> | |
| Percentage Change | <u>0.000738%</u> | <u>0.007735%</u> | |
| Pension Expense | \$349,911 | \$651,326 | \$1,001,237 |

CITY OF SPRINGBORO, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021****NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

| | OPERS | OP&F | Total |
|--|--------------------|--------------------|--------------------|
| Deferred Outflows of Resources | | | |
| Changes in assumptions | \$0 | \$102,344 | \$102,344 |
| Differences between expected and actual experience | 0 | 255,110 | 255,110 |
| Change in proportionate share | 148,755 | 665,991 | 814,746 |
| City contributions subsequent to the measurement date | 619,329 | 508,052 | 1,127,381 |
| Total Deferred Outflows of Resources | <u>\$768,084</u> | <u>\$1,531,497</u> | <u>\$2,299,581</u> |
| Deferred Inflows of Resources | | | |
| Net difference between projected and actual earnings on pension plan investments | \$1,742,172 | \$296,020 | \$2,038,192 |
| Differences between expected and actual experience | 186,973 | 237,742 | 424,715 |
| Change in proportionate share | 0 | 26,900 | 26,900 |
| Total Deferred Inflows of Resources | <u>\$1,929,145</u> | <u>\$560,662</u> | <u>\$2,489,807</u> |

\$1,127,381 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | OPERS | OP&F | Total |
|--------------------------|----------------------|------------------|----------------------|
| Year Ending December 31: | | | |
| 2022 | (\$620,899) | \$139,263 | (\$481,636) |
| 2023 | (211,710) | 271,916 | 60,206 |
| 2024 | (710,168) | (103,936) | (814,104) |
| 2025 | (237,613) | 94,321 | (143,292) |
| 2026 | 0 | 61,219 | 61,219 |
| Total | <u>(\$1,780,390)</u> | <u>\$462,783</u> | <u>(\$1,317,607)</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, 2021**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020 and December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | December 31, 2020 |
|--|--|
| Wage Inflation | 3.25 percent |
| Future Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation |
| COLA or Ad Hoc COLA (Pre 1/7/13 retirees) | 3 percent simple |
| COLA or Ad Hoc COLA (Post 1/7/13 retirees) | 0.5 percent simple through 2021. 2.15 percent simple, thereafter |
| Investment Rate of Return | 7.2 percent |
| Actuarial Cost Method | Individual Entry Age |
| | December 31, 2019 |
| Wage Inflation | 3.25 percent |
| Future Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation |
| COLA or Ad Hoc COLA (Pre 1/7/13 retirees) | 3 percent simple |
| COLA or Ad Hoc COLA (Post 1/7/13 retirees) | 1.4 percent simple through 2020. 2.15 percent simple, thereafter |
| Investment Rate of Return | 7.2 percent |
| Actuarial Cost Method | Individual Entry Age |

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

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

Discount Rate The discount rate used to measure the total pension liability was 7.2 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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

| | 1% Decrease (6.20%) | Current Discount Rate (7.20%) | 1% Increase (8.20%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability | \$8,526,055 | \$4,469,739 | \$1,096,923 |

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by 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, 2020, compared with January 1, 2019, are presented below.

| | January 1, 2020 | January 1, 2019 |
|----------------------------|---|--|
| Valuation Date | January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020 | January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Investment Rate of Return | 8.0 percent | 8.0 percent |
| Projected Salary Increases | 3.75 percent to 10.5 percent | 3.75 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 | 3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent |

For the January 1, 2020 valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For the January 1, 2020 valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

The most recent experience study was completed for the five year period ended December 31, 2016. The prior experience study was completed December 31, 2011.

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

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

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

* levered 2x

Note: Assumptions are geometric

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2020, the total pension liability was calculated using the discount rate of 8.00 percent. The discount rate used for 2019 was 8.00 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 8.00 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 8.00 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 (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

| | 1% Decrease (7.00%) | Current Discount Rate (8.00%) | 1% Increase (9.00%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability | \$8,495,711 | \$6,102,680 | \$4,099,953 |

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

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/(asset) 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. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2021.

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.

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

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, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2021, 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 and is limited by the provisions of Sections 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$13,370 for 2021.

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, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

| | OPERS | OP&F | Total |
|---|---------------|-----------|---------------|
| Proportionate Share of the Net OPEB Liability (Asset) | (\$543,633) | \$948,483 | \$404,850 |
| Proportion of the Net OPEB Liability (Asset) -2021 | 0.030514% | 0.089520% | |
| Proportion of the Net OPEB Liability -2020 | 0.029683% | 0.081785% | |
| Percentage Change | 0.0008310% | 0.007735% | |
| OPEB Expense | (\$3,241,538) | \$93,088 | (\$3,148,450) |

CITY OF SPRINGBORO, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021****NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)**

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

| | OPERS | OP&F | Total |
|---|--------------------|------------------|--------------------|
| Deferred Outflows of Resources | | | |
| Changes in assumptions | \$267,253 | \$523,984 | \$791,237 |
| Change in proportionate share | 103,524 | 79,168 | 182,692 |
| City contributions subsequent to the measurement date | 0 | 13,370 | 13,370 |
| Total Deferred Outflows of Resources | <u>\$370,777</u> | <u>\$616,522</u> | <u>\$987,299</u> |
| Deferred Inflows of Resources | | | |
| Net difference between projected and actual earnings on OPEB plan investments | \$289,548 | \$35,247 | \$324,795 |
| Changes in assumptions | 880,846 | 151,205 | 1,032,051 |
| Differences between expected and actual experience | 490,623 | 156,452 | 647,075 |
| Change in proportionate share | 0 | 31,736 | 31,736 |
| Total Deferred Inflows of Resources | <u>\$1,661,017</u> | <u>\$374,640</u> | <u>\$2,035,657</u> |

\$13,370 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 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending December 31: | OPERS | OP&F | Total |
|--------------------------|----------------------|------------------|----------------------|
| 2022 | (\$651,362) | \$41,394 | (\$609,968) |
| 2023 | (478,931) | 49,740 | (429,191) |
| 2024 | (125,825) | 36,578 | (89,247) |
| 2025 | (34,122) | 41,603 | 7,481 |
| 2026 | 0 | 27,685 | 27,685 |
| 2027 | 0 | 21,781 | 21,781 |
| 2028 | 0 | 9,731 | 9,731 |
| Total | <u>(\$1,290,240)</u> | <u>\$228,512</u> | <u>(\$1,061,728)</u> |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

| | |
|--|---|
| Wage Inflation | 3.25 percent |
| Projected Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation |
| Single Discount Rate: | |
| Current measurement date | 6.00 percent |
| Prior Measurement date | 3.16 percent |
| Investment Rate of Return: | |
| Current measurement date | 6.00 percent |
| Prior Measurement date | 6.00 percent |
| Municipal Bond Rate: | |
| Current measurement date | 2.00 percent |
| Prior Measurement date | 2.75 percent |
| Health Care Cost Trend Rate: | |
| Current measurement date | 8.5 percent initial, 3.5 percent ultimate in 2035 |
| Prior Measurement date | 10.5 percent initial, 3.5 percent ultimate in 2030 |
| Actuarial Cost Method | Individual Entry Age Normal |

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

| Asset Class | Target Allocation | Weighted Average Long-Term Expected Real Rate of Return (Arithmetic) |
|------------------------------|----------------------|---|
| Fixed Income | 34.00 % | 1.07 % |
| Domestic Equities | 25.00 | 5.64 |
| Real Estate Investment Trust | 7.00 | 6.48 |
| International Equities | 25.00 | 7.36 |
| Other investments | 9.00 | 4.02 |
| Total | 100.00 % | 4.43 % |

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

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 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, 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 6.00 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 (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

| | 1% Decrease (5.00%) | Current Discount Rate (6.00%) | 1% Increase (7.00%) |
|---|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability (asset) | (\$135,177) | (\$543,633) | (\$879,413) |

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates and the expected net OPEB liability (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 that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 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 that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 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) | (\$556,881) | (\$543,633) | (\$528,808) |

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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.

| Valuation Date | January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020 | January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019 |
|----------------------------|--|--|
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Investment Rate of Return | 8.0 percent | 8.0 percent |
| Projected Salary Increases | 3.75 percent to 10.5 percent | 3.75 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 | 2.96 percent | 3.56 percent |
| Cost of Living Adjustments | 2.2 percent simple | 3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

The most recent experience study was completed for the five year period ended December 31, 2016. The prior experience study was completed December 31, 2011.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

* levered 2x

Note: Assumptions are geometric

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

Discount Rate For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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 2.96 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 (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

| | 1% Decrease (1.96%) | Current Discount Rate (2.96%) | 1% Increase (3.96%) |
|---|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability | \$1,182,703 | \$948,483 | \$755,277 |

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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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 12 - COMPENSATED ABSENCES

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn vacation leave at varying rates based upon length of service. Sick leave is accumulated at a rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. Upon retirement an individual will be compensated for their accumulated sick leave at a rate of 25% of the balance.

At December 31, 2021, the City's accumulated, unpaid compensated absences amounted to \$1,144,812, of which \$911,867 is recorded as a liability of the Governmental Activities and \$232,945 is recorded as a liability of the Business-Type Activities. The amounts are recorded as Amounts Due Within One Year and Amounts Due in More Than One Year on the Government Wide Statement of Net Position.

NOTE 13 - LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2021 were as follows:

| | | Balance December 31, 2020 | Issued | (Retired) | Balance December 31, 2021 | Amount Due Within One Year |
|--|------|---------------------------------|------------------|----------------------|---------------------------------|----------------------------------|
| Business Type-Activities: | | | | | | |
| General Obligation Bonds: | | | | | | |
| 2.00 - 5.00% Water Refunding Bond | 2017 | \$2,610,000 | \$0 | (\$840,000) | \$1,770,000 | \$875,000 |
| Premium on Refunding Bond | 2017 | 141,957 | 0 | (47,318) | 94,639 | 47,318 |
| Total General Obligation Bonds | | <u>2,751,957</u> | <u>0</u> | <u>(887,318)</u> | <u>1,864,639</u> | <u>922,318</u> |
| Mortgage Revenue Bonds: | | | | | | |
| 2.00 -5.00% Sewer Refunding - 2004 Issue | 2012 | 6,570,000 | 0 | (825,000) | 5,745,000 | 870,000 |
| 2.00 -5.00% Premium on Sewer Funding - 2004 | 2012 | 540,658 | 0 | (77,236) | 463,422 | 77,236 |
| Total Mortgage Revenue Bonds | | <u>7,110,658</u> | <u>0</u> | <u>(902,236)</u> | <u>6,208,422</u> | <u>947,236</u> |
| Compensated Absences Payable | | <u>235,250</u> | <u>232,945</u> | <u>(235,250)</u> | <u>232,945</u> | <u>24,646</u> |
| Total Business-Type Activity Long-Term Liabilities | | <u>\$10,097,865</u> | <u>\$232,945</u> | <u>(\$2,024,804)</u> | <u>\$8,306,006</u> | <u>\$1,894,200</u> |

CITY OF SPRINGBORO, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021****NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

| | | | Balance December 31, 2020 | Issued | (Retired) | Balance December 31, 2021 | Amount Due Within One Year |
|--|-------------------------------|------|---------------------------------|-------------|---------------|---------------------------------|----------------------------------|
| Governmental Activities: | | | | | | | |
| Special Assessment Bonds: | | | | | | | |
| 2.000 - 5.000% | Various Purpose Refunding | 2017 | \$390,000 | \$0 | (\$125,000) | \$265,000 | \$130,000 |
| | Premium on Refunding | 2017 | 22,420 | 0 | (7,474) | 14,946 | 7,474 |
| Total Special Assessment Bonds (with Governmental Commitment) | | | 412,420 | 0 | (132,474) | 279,946 | 137,474 |
| Unvoted General Obligation Bonds: | | | | | | | |
| 2.000 - 5.000% | Austin Road Interchange Bonds | 2010 | 2,850,000 | 0 | (2,850,000) | 0 | 0 |
| 2.000 - 5.000% | Municipal Building Refunding | 2017 | 1,215,000 | 0 | (390,000) | 825,000 | 410,000 |
| 2.000 - 5.000% | Street Improvement Bonds | 2017 | 900,000 | 0 | (140,000) | 760,000 | 145,000 |
| | Premium on Bonds | | 111,089 | 0 | (29,528) | 81,561 | 29,528 |
| Total General Obligation Bonds | | | 5,076,089 | 0 | (3,409,528) | 1,666,561 | 584,528 |
| Capital Lease Payable | | | 0 | 3,485,000 | (595,000) | 2,890,000 | 610,000 |
| General Obligation Note Payable | | | 3,200,000 | 3,200,000 | (3,200,000) | 3,200,000 | 3,200,000 |
| Compensated Absences Payable | | | 845,328 | 911,867 | (845,328) | 911,867 | 92,293 |
| Total Governmental Activity Long-Term Liabilities | | | \$9,533,837 | \$7,596,867 | (\$8,182,330) | \$8,948,374 | \$4,624,295 |

The principal amount of the City's special assessment bonds outstanding at December 31, 2021, \$265,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. Delinquent special assessments related to outstanding special assessment bonded debt at year end was \$1,983.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**A. Future Long-Term Financing Requirements**

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2021, follow:

| Years | General Obligation Bonds | | | |
|--------|--------------------------|------------------|--------------------------|------------------|
| | Governmental Activities | | Business-Type Activities | |
| | Principal | Interest | Principal | Interest |
| 2022 | \$555,000 | \$51,863 | \$875,000 | \$59,962 |
| 2023 | 565,000 | 397,375 | 895,000 | 40,275 |
| 2024 | 155,000 | 13,950 | 0 | 0 |
| 2025 | 160,000 | 9,300 | 0 | 0 |
| 2026 | 150,000 | 4,500 | 0 | 0 |
| Totals | <u>\$1,585,000</u> | <u>\$476,988</u> | <u>\$1,770,000</u> | <u>\$100,237</u> |

| Years | Special Assessment Bonds | | Mortgage Revenue Bonds | |
|--------|--------------------------|-----------------|------------------------|------------------|
| | Principal | Interest | Principal | Interest |
| 2022 | \$130,000 | \$9,000 | \$870,000 | \$223,200 |
| 2023 | 135,000 | 6,075 | 900,000 | 187,800 |
| 2024 | 0 | 0 | 935,000 | 151,100 |
| 2025 | 0 | 0 | 980,000 | 117,700 |
| 2026 | 0 | 0 | 1,005,000 | 77,875 |
| 2027 | 0 | 0 | 1,055,000 | 26,375 |
| Totals | <u>\$265,000</u> | <u>\$15,075</u> | <u>\$5,745,000</u> | <u>\$784,050</u> |

B. Defeased Debt

In prior years, the City has defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2021, \$445,000 of bonds outstanding are considered defeased.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

B. Defeased Debt (Continued)

In September 2008, the City refunded \$10,570,000 of Mortgage Revenue Bonds for Water 1997, through the issuance of \$10,630,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$1,875,000 at December 31, 2021, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In March 2010, the City refunded \$3,060,000 of General Obligation Bonds for Golf Course Refunding 1999, through the issuance of \$3,200,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$315,000 at December 31, 2021, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In April 2012, the City partially refunded \$10,245,000 of Mortgage Revenue Bonds for Sewer Improvements 2004, through the issuance of \$10,295,000 of Mortgage Revenue Bonds. The refunded bonds, which have an outstanding balance of \$5,845,000 at December 31, 2021, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

NOTE 14 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five year period.

Notes payable at December 31, 2021 were as follows:

| | Balance December 31, 2020 | Issued | (Retired) | Balance December 31, 2021 |
|-------------------------------|---------------------------------|-------------|---------------|---------------------------------|
| Special Revenue Fund: | | | | |
| Urban Redevelopment TIF Fund: | | | | |
| 0.75% Performing Arts Center | \$4,500,000 | \$4,500,000 | (\$4,500,000) | \$4,500,000 |

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2021**

NOTE 15 - 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; and natural disasters. During 2021 the City contracted with several different insurance providers for various insurance coverages, as follows:

| Type of Coverage | Liability Limits | Deductible |
|--------------------------------|------------------|------------|
| Property | \$94,553,461 | \$5,000 |
| Crime | 1,000,000 | 75,000 |
| Inland Marine | 3,052,418 | 1,000 |
| General Liability | 10,000,000 | 10,000 |
| Employee Benefits Liability | 8,000,000 | 1,000 |
| Employers Liability | 8,000,000 | 0 |
| Automobile Liability | 8,000,000 | 1,000 |
| Public Officials Liability | 8,000,000 | 5,000 |
| Police Liability | 8,000,000 | 5,000 |
| Employment Practices Liability | 8,000,000 | 0 |

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 years.

For the year 2021, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

The City may withdraw from the GRP if written notice is provided within sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amount owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to access loss experience for three years following the last year of participation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 16 - CONTRACTUAL COMMITMENTS

As of December 31, 2021, the City had the following significant contractual commitments:

| <u>Project</u> | <u>Remaining Contractual Commitment</u> |
|---|---|
| Hazel Woods Multi-Use Trail | \$331,665 |
| Clearcreek Multi-Use Trail | 403,771 |
| Heatherwoode Maintenance Facility | 775,036 |
| Heatherwoode Clubhouse Roof Replacement | 83,125 |
| Total | <u><u>\$1,593,597</u></u> |

NOTE 17 – GROUP PURCHASING POOL

The City participates in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP). The GRP's business and affairs are conducted by a twenty-five member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance officers and two law directors which are voted in by the members for staggered two year terms. The Executive Director of the Ohio Municipal League serves as coordinator of the GRP. Each year, the participating cities pay an enrollment fee to the GRP to cover the costs of administering the GRP.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

During 2021, the City participated in the Warren County General Health District, the Greater Warren County Drug Task Force, Miami Valley Regional Planning Commission, the Montgomery County Transportation Improvement District, the Warren County Transportation Improvement District and the Warren County Port Authority, jointly governed organizations. The following describes the relationship between these organizations and the City:

Warren County General Health District

The Warren County General Health District (the District) provides health services to the citizens within the County. The District, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The amount the City contributed during 2021 for the operation of the District was minimal. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and County Treasurer serve as the fiscal officers. Financial information may be obtained from Kathy Stephenson at the Warren County General Health District, 416 S. East Street, Lebanon, Ohio 45036.

The Greater Warren County Drug Task Force

The Greater Warren County Drug Task Force (the Task Force) is a multijurisdictional drug task force with the primary goal of combating major narcotic traffickers in Warren and Clinton Counties. It is governed by a local policy board consisting of members from local police departments, sheriff's offices, and county prosecutor's offices. Participating members contribute a fee for the operation of the task force, with each member's control over the operation limited to its representation on the Board. The City does not have any financial interest in or responsibility for the operations of the Task Force. Any information requests should be directed to 822 Memorial Drive, Lebanon, Ohio 45036.

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the Commission) was formed to provide planning and administrative services to approximately 71 governmental and 18 non-governmental members that constitute the full Board of Directors. Each unit of local government members pays a per capita assessment to join the Commission. Non-governmental and other governmental members pay a flat rate to cover associated Commission expenses if they are not a member. The Commission is not dependent upon the City for its existence, no debt exists, and the City does not have an equity interest or a financial responsibility for the Commission. Any information requests should be directed to 10 N. Ludlow St., Suite 700, Dayton, OH 45402.

Montgomery County Transportation Improvement District

The City is a participant in the Montgomery County Transportation Improvement District (the District), a statutorily created political subdivision created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District is a jointly governed entity administered by a Board of Directors that acts as a legislative body and is comprised of seven board members, of whom five are voting and two are non-voting appointed by Montgomery County and State governments. Of the seven, three are elected as officers of the District.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

The City entered into a cooperative agreement with the District on December 15, 2005 which was amended on July 21, 2010 and includes Miami Township, the City of Miamisburg, and the Miamisburg City School District related to the Austin Road Interchange Project. This project is intended to enhance and facilitate traffic flow in the southern portion of Montgomery County and further simulate development of real property in the hope of expanding the employment base in the area. Each entity has agreed to borrow their predetermined respective sum as collateral for the District borrowing monies from the State Infrastructure Bank or from any other appropriate sources in an amount to pay their respective portion of the costs to be incurred for the Austin Road Interchange Project.

On July 30, 2010 the District issued \$20,335,000 Austin Road Interchange Bonds, Series 2010. These 33 year bonds were used for repayment of the note, cost of issuance of the bonds and new money for right-of-way acquisition. The responsibilities for repayment of these bonds is governed by each participating entity in the Austin Road Interchange Project and were allocated to Miami Township of \$11,520,000, City of Miamisburg of \$4,580,000, and the City of Springboro of \$4,235,000. The City paid off the remaining balance of the bonds in 2021 (\$2,850,000). Any information requests should be directed to Crystal Corbin, (937) 226-8240, 451 W Third Street, Dayton, OH 45422.

Warren County Transportation Improvement District

The City is a participant in the Warren County Transportation Improvement District (the WCTID), a statutorily created political subdivision created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The WCTID is a jointly governed entity administered by a Board of Directors that acts as a legislative body and is comprised of seven board members, of whom five are voting and two are non-voting appointed by Warren County and State governments. Of the seven, three are elected from the voting members as officers of the WCTID.

Warren County Port Authority

The City entered into a cooperative agreement with the Warren County Port Authority (the Port Authority) for the purpose of financing, constructing and maintaining fiber assets throughout the City. The Port Authority is a jointly governed entity which has an appointed Board independent of the City. Per Note 24, a cooperative leave agreement was entered into between the Port Authority and the City in the amount of \$3,485,000

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 19 – RELATED ORGANIZATION

The Springboro Friends and Family Fund (the Fund) was incorporated on August 6, 2007 and was created to promote a spirit of good fellowship among the members, their families and dependents, and to assist others during time of health related distress. All permanent full-time employees and permanent part-time employees of the City of Springboro shall be eligible for membership in the Fund as of the date of their hiring.

The Fund shall have a Board of Directors consisting of 5 members. Three members shall be employees of the City of Springboro and two members shall be of the general public at large. The Board of Directors shall have general control over business and activities of the Fund and shall approve all requests for benefits. Although the Fund was created to benefit all employees of the City of Springboro, the City of Springboro does not have an ability to impose its will over the Fund, is not responsible for approving the Fund's annual budget, or would be responsible for any debt issued or outstanding during the course of its existence. Finally, in the event the Fund is dissolved any funds shall be remitted to the Hospice of Dayton in accordance with the Fund's by-laws.

Any requests for information should be directed to Ryan Michel, President, 220 East Mill St, Springboro, OH 45066.

NOTE 20 – SUBSEQUENT EVENTS

On January 20, 2022, the City paid off general obligation bond anticipation notes in the amount of \$3,200,000 for the SR73/SR741 intersection improvements and site development improvements. This was to retire notes previously issued.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2021

NOTE 21 – SIGNIFICANT ENCUMBRANCES

At December 31, 2021 the City had the following significant cash-basis encumbrances outstanding:

| <u>Fund</u> | <u>Total Encumbrances</u> | <u>Significant Encumbrances</u> | <u>Explanation</u> |
|-------------------------------|-------------------------------|-------------------------------------|---|
| Major Funds: | | | |
| General | \$ 821,504 | \$350,000 75,000 | Fiber Project and Downtown Modernization Park Maintenance Upgrades |
| Golf Course | 635,779 | 300,000 80,000 | Floodway Improvements Roof Replacement |
| Water | 3,196,076 | 1,870,146 219,519 200,000 | Water Debt Water Facility Repairs Fiber Project |
| Sewer | 7,326,864 | 5,482,674 228,913 609,812 | Sewer Debt Sewer Facility Repairs Treatment Plant Blower |
| All Nonmajor Funds | 1,498,129 | 887,771 | Multi-Use Trail Projects |

NOTE 22 – TAX ABATEMENT DISCLOSURES

As of December 31, 2021, the City of Springboro provides tax incentives under the Community Reinvestment Area (CRA) program.

Real Estate Tax Abatements

Pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area in 1981, which included all commercial and industrial land within the boundaries of the City of Springboro. The City of Springboro authorizes incentives based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the CRA gave the City the ability to maintain and expand businesses located in the City and create new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate.

The City of Springboro also has an agreement with the Springboro Community City School District, Franklin City School District, Miamisburg City School District and Warren County Career Center for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2021

NOTE 22 – TAX ABATEMENT DISCLOSURES (Continued)

Incentive Criteria for Decision Making

The City of Springboro has offered **Community Reinvestment Act (CRA)** abatements to various businesses based upon substantial project investment in the City. The City considers projects that have at least a payroll of \$1,000,000 dollars annually. There have been a few CRA tax abatement transactions in the past that were less than the criteria above, however, these projects rehabilitated some areas of the City needing improvement with such success.

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2021:

| <u>Tax Abatement Program</u> | <u>Total Amount of Taxes Abated for the Year 2021 (In Actual Dollars)</u> |
|----------------------------------|---|
| Community Reinvestment Act (CRA) | |
| Commercial | \$124,865 |
| Industrial | 364,224 |
| | <u>\$489,089</u> |

The City of Springboro and the Springboro Community City School District, Franklin City School District, Miamisburg City School District and Warren County Career Center, in line with section 5709.82 of the Ohio Revised Code, have created a Community Reinvestment Area (CRA) Compensation Agreement. This agreement requires municipal income tax sharing with the School Districts, when new income tax collections exceed \$1,000,000 dollars for a project granted a CRA abatement. The agreement with Springboro Community City School District and Franklin City School District reimburses those school districts 90 percent of one-third of the municipal income tax revenue. In those same agreements, the Warren County Career Center is reimbursed 10 percent of one-third of the municipal income tax revenue. The agreement with Miamisburg City School District reimburses that school district 50 percent of the municipal income tax revenue.

The following are the required amounts of income tax dollars paid by the City to each School District in 2021:

| | | |
|--|---|-----------------|
| <u>Springboro City School District</u> | | |
| Commercial | 90% of 1/3 Municipal Income Tax Revenue | \$39,499 |
| <u>Franklin City School District</u> | | |
| Industrial | 90% of 1/3 Municipal Income Tax Revenue | \$58,825 |
| <u>Miamisburg City School District</u> | | |
| Commercial | 50% of Municipal Income Tax Revenue | \$12,442 |
| <u>Warren County Career Center</u> | | |
| Commercial | 10% of Municipal Income Tax Revenue | \$4,389 |
| Industrial | 10% of Municipal Income Tax Revenue | 6,536 |
| | | <u>\$10,925</u> |

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 23 – CITY OF SPRINGBORO COMMUNITY IMPROVEMENT CORPORATION (CIC)

Summary of Significant Accounting Policies

Organization

The Community Improvement Corporation of Springboro (“CIC” or “the Organization”) is a non-profit organization incorporated in Ohio on March 30, 1989 by resolution from the City of Springboro, Ohio. The Organization was established as a “community improvement corporation”, as set forth in the Ohio Revised Code. The Board of Directors consist of no less than three and no more than five board members as determined by the City of Springboro.

The CIC was created to serve the business community of Springboro. The CIC's responsibilities include providing financial resources and assistance for development that benefits the business community. Due to the variable nature of local development, the CIC consistently seeks potential projects that support its identified core principles of maintaining a functioning CIC, supporting the business community, developing or maintaining local infrastructure, and encouraging stability and vitality within the region.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net position and revenues and expenses are classified based on the existence or absence of imposed restrictions. Accordingly, net position of the CIC is classified as unrestricted net position because it is not subject to imposed stipulations.

Cash and Cash Equivalents

During the calendar year 2021, the CIC’s cash in an interest bearing account is considered to be cash equivalents. The CIC had no investments.

Income Taxes

The CIC is a non-profit entity exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

Fin 48- Accounting for Uncertain Tax Positions

The CIC may file income tax returns and information returns in the US Federal jurisdiction and various state and local jurisdictions. The CIC is no longer subject to US Federal income tax examination by authorities for the years prior to 2007. With respect to state and local jurisdictions the CIC is no longer subject to income tax examinations prior to 2007. In the normal course of business, the CIC is subject to examination by various taxing authorities. Although the outcome of tax audits is always uncertain, the CIC believes that there are no significant unrecognized tax liabilities as of December 31, 2021.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2021***

NOTE 24 – WARREN COUNTY PORT AUTHORITY LEASE

The City is party to one lease accounted for as capital leases. The lease is to finance the installation of fiber optic cables throughout major thoroughfares of the City. The cost of the equipment obtained under this lease is valued at \$3,485,000. At December 31, 2021 the equipment is capitalized as construction in progress within capital assets. The liability for this lease is recorded on the Statement of Net Position as due within one year and due in more than one year. The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2021:

| <u>Year Ending December 31,</u> | <u>Capital Lease</u> |
|---|---------------------------|
| 2022 | \$675,950 |
| 2023 | 677,030 |
| 2024 | 682,768 |
| 2025 | <u>1,033,048</u> |
| Minimum Lease Payments | 3,068,796 |
| Less amount representing interest at the at the City's incremental borrow rate | <u>(178,796)</u> |
| Present value of minimum lease payments | <u><u>\$2,890,000</u></u> |

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

| Fiscal Year | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|
| City's proportion of the net pension liability | 0.022048% | 0.022048% | 0.025022% |
| City's proportionate share of the net pension liability | \$2,599,172 | \$2,659,236 | \$4,334,157 |
| City's covered payroll | \$2,938,923 | \$2,762,517 | \$3,128,433 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 88.44% | 96.26% | 138.54% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.36% | 86.45% | 81.08% |

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

| Fiscal Year | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|
| City's proportion of the net pension liability | 0.077251% | 0.077251% | 0.076945% |
| City's proportionate share of the net pension liability | \$3,762,361 | \$4,001,919 | \$4,949,952 |
| City's covered payroll | \$1,629,956 | \$1,703,247 | \$1,732,632 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 230.83% | 234.96% | 285.69% |
| Plan fiduciary net position as a percentage of the total pension liability | 73.00% | 72.20% | 66.77% |

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|-------------|-------------|-------------|-------------|-------------|
| 0.026454% | 0.026347% | 0.028445% | 0.029447% | 0.030185% |
| \$6,007,271 | \$4,133,386 | \$7,790,509 | \$5,820,399 | \$4,469,739 |
| \$3,576,317 | \$3,374,031 | \$3,677,686 | \$3,916,571 | \$4,276,229 |
| 167.97% | 122.51% | 211.83% | 148.61% | 104.53% |
| 77.25% | 84.66% | 74.70% | 82.17% | 86.88% |
| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
| 0.077502% | 0.077363% | 0.076406% | 0.081785% | 0.089520% |
| \$4,908,909 | \$4,748,116 | \$6,236,748 | \$5,509,441 | \$6,102,680 |
| \$1,702,937 | \$1,958,784 | \$1,987,232 | \$2,208,416 | \$2,511,126 |
| 288.26% | 242.40% | 313.84% | 249.47% | 243.03% |
| 68.36% | 70.91% | 63.07% | 69.89% | 70.65% |

CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

| Fiscal Year | 2013 | 2014 | 2015 |
|---|-------------|-------------|-------------|
| Contractually required contribution | \$382,060 | \$331,502 | \$375,412 |
| Contributions in relation to the contractually required contribution | 382,060 | 331,502 | 375,412 |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 |
| City's covered payroll | \$2,938,923 | \$2,762,517 | \$3,128,433 |
| Contributions as a percentage of covered payroll | 13.00% | 12.00% | 12.00% |

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

| Fiscal Year | 2013 | 2014 | 2015 |
|---|-------------|-------------|-------------|
| Contractually required contribution | \$259,652 | \$323,617 | \$329,200 |
| Contributions in relation to the contractually required contribution | 259,652 | 323,617 | 329,200 |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 |
| City's covered payroll | \$1,629,956 | \$1,703,247 | \$1,732,632 |
| Contributions as a percentage of covered payroll | 15.93% | 19.00% | 19.00% |

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years
will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$429,158 | \$438,624 | \$514,876 | \$548,320 | \$598,672 | \$619,329 |
| <u>429,158</u> | <u>438,624</u> | <u>514,876</u> | <u>548,320</u> | <u>598,672</u> | <u>619,329</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$3,576,317 | \$3,374,031 | \$3,677,686 | \$3,916,571 | \$4,276,229 | \$4,423,779 |
| 12.00% | 13.00% | 14.00% | 14.00% | 14.00% | 14.00% |

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$323,558 | \$372,169 | \$377,574 | \$419,599 | \$477,114 | \$508,052 |
| <u>323,558</u> | <u>372,169</u> | <u>377,574</u> | <u>419,599</u> | <u>477,114</u> | <u>508,052</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$1,702,937 | \$1,958,784 | \$1,987,232 | \$2,208,416 | \$2,511,126 | \$2,673,958 |
| 19.00% | 19.00% | 19.00% | 19.00% | 19.00% | 19.00% |

CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

| Year | 2016 | 2017 | 2018 |
|---|-------------|-------------|-------------|
| City's proportion of the net OPEB liability (asset) | 0.027151% | 0.026752% | 0.028667% |
| City's proportionate share of the net OPEB liability (asset) | \$2,742,368 | \$2,905,022 | \$3,737,501 |
| City's covered payroll | \$3,576,317 | \$3,374,031 | \$3,677,686 |
| City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | 76.68% | 86.10% | 101.63% |
| Plan fiduciary net position as a percentage of the total OPEB liability (asset) | 54.50% | 54.14% | 46.33% |

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

| Year | 2016 | 2017 | 2018 |
|---|-------------|-------------|-------------|
| City's proportion of the net OPEB liability | 0.077502% | 0.077363% | 0.076406% |
| City's proportionate share of the net OPEB liability | \$3,678,853 | \$4,383,280 | \$695,794 |
| City's covered payroll | \$1,702,937 | \$1,958,784 | \$1,987,232 |
| City's proportionate share of the net OPEB liability as a percentage of its covered payroll | 216.03% | 223.78% | 35.01% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 15.96% | 14.13% | 46.57% |

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2016 is not available.

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

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

| <u>2019</u> | <u>2020</u> |
|-------------|-------------|
|-------------|-------------|

| | |
|-----------|-----------|
| 0.029683% | 0.030514% |
|-----------|-----------|

| | |
|-------------|-------------|
| \$4,099,993 | (\$543,633) |
|-------------|-------------|

| | |
|-------------|-------------|
| \$3,916,571 | \$4,276,229 |
|-------------|-------------|

| | |
|---------|----------|
| 104.68% | (12.71%) |
|---------|----------|

| | |
|--------|---------|
| 47.80% | 115.57% |
|--------|---------|

| <u>2019</u> | <u>2020</u> |
|-------------|-------------|
|-------------|-------------|

| | |
|-----------|-----------|
| 0.081785% | 0.089520% |
|-----------|-----------|

| | |
|-----------|-----------|
| \$807,846 | \$948,483 |
|-----------|-----------|

| | |
|-------------|-------------|
| \$2,208,416 | \$2,511,126 |
|-------------|-------------|

| | |
|--------|--------|
| 36.58% | 37.77% |
|--------|--------|

| | |
|--------|--------|
| 47.08% | 45.42% |
|--------|--------|

CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

| Year | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|
| Contractually required contribution | \$29,389 | \$55,250 | \$62,569 |
| Contributions in relation to the contractually required contribution | 29,389 | 55,250 | 62,569 |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 |
| City's covered payroll | \$2,938,923 | \$2,762,517 | \$3,128,433 |
| Contributions as a percentage of covered payroll | 1.00% | 2.00% | 2.00% |

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

| Year | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|
| Contractually required contribution | \$58,870 | \$8,516 | \$8,663 |
| Contributions in relation to the contractually required contribution | 58,870 | 8,516 | 8,663 |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 |
| City's covered payroll | \$1,629,956 | \$1,703,247 | \$1,732,632 |
| Contributions as a percentage of covered payroll | 3.61% | 0.50% | 0.50% |

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------|---------------|-------------|-------------|-------------|-------------|
| \$71,526 | \$33,740 | \$0 | \$0 | \$0 | \$0 |
| <u>71,526</u> | <u>33,740</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> |
| \$3,576,317 | \$3,374,031 | \$3,677,686 | \$3,916,571 | \$4,276,229 | \$4,423,779 |
| 2.00% | 1.00% | 0.00% | 0.00% | 0.00% | 0.00% |

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--------------|--------------|--------------|---------------|---------------|---------------|
| \$8,515 | \$9,794 | \$9,936 | \$11,042 | \$12,556 | \$13,370 |
| <u>8,515</u> | <u>9,794</u> | <u>9,936</u> | <u>11,042</u> | <u>12,556</u> | <u>13,370</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$1,702,937 | \$1,958,784 | \$1,987,232 | \$2,208,416 | \$2,511,126 | \$2,673,958 |
| 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2021***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2021.

Changes in assumptions:

2014-2016: 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.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2021.

Changes in assumptions:

2014-2017: 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, 2021***

NET PENSION LIABILITY (Continued)

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

2018: The following were the most significant changes of assumptions that affected 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.

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***Notes to the Required Supplementary Information
For the Year Ended December 31, 2021***

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.

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%

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.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2021***

NET OPEB LIABILITY (ASSET) (Continued)

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

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%.

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*C*OMBINING AND *I*NDIVIDUAL *F*UND
*S*TATEMENTS AND *S*CHEDULES

*T*HE 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 trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Street Maintenance and Repair Fund

To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of designated streets within the City.

State Highway Fund

To account for that portion of the state gasoline tax designated for maintenance of state highways within the City.

Permissive Use Tax Fund

To account for the \$5.00 license tax levied by the City of Springboro. This money is used for the maintenance of highway projects.

Motor Vehicle License Tax Fund

To account for \$2.50 of each \$5.00 tax levied by Warren County on each motor vehicle registered in the City. Expenditures include planning, constructing, improving, maintaining, and repairing roads, streets and bridges.

Community Oriented Policing Service (COPS) Grant Fund

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

Drug Law Enforcement Fund

To account for fines and costs collected for felonious drug trafficking convictions and sentences. This money may be used in any drug law enforcement activity.

Mayor's Court Improvement Fund

To account for fees collected from each paid case in the Springboro Mayor's Court. The money may be used to purchase and improve the court computer systems.

Austin JEDD Fund

To account for the City's portion of income tax revenue distributed from the Austin JEDD and expensed for maintenance and improvements to the Austin JEDD area, as required by the Austin Center JEDD Contract.

(Continued)

Special Revenue Funds (continued)

South Tech Public Improvement TIF Fund

To account for payments in lieu of taxes from Warren County for properties within the South Tech TIF area to be used for repayment of the South Tech Street Improvement Bond Anticipation Note and payments to the Springboro Community City School District as required per the Cooperative Agreement.

Law Enforcement Trust Fund

To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

D.A.R.E. Trust Fund

To account for donations and a portion of fines and forfeitures from the City of Springboro's Mayor's Court to be used for the DARE education program.

American Rescue Plan 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. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there are no revenues or expenditures to report for the fiscal year)

COVID Fund

This fund is used to account for Coronavirus Relief funds received through passage of the CARES Act. These funds can be used for necessary expenditures incurred due to the Covid-19 public health emergency. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Construction Fund

To account for transfers of income tax revenues and grants used for all construction projects not accounted for in the permanent improvement fund or the enterprise funds.

Permanent Improvement Fund

To account for various local and state revenues used for all construction projects related to park facilities.

Land Acquisition Fund

To account for purchase of land for City use or for land held for resale.

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|--------------------------------------|---------------------------------------|---|
| Assets: | | | |
| Equity in Pooled Cash and Investments | \$ 2,662,650 | \$ 2,960,862 | \$ 5,623,512 |
| Receivables: | | | |
| Accounts | 0 | 3,000 | 3,000 |
| Intergovernmental | 703,752 | 0 | 703,752 |
| Inventory of Supplies, at Cost | 147,776 | 0 | 147,776 |
| Prepaid Items | 35,160 | 0 | 35,160 |
| Assets Held for Resale | 0 | 2,435,702 | 2,435,702 |
| Total Assets | <u>\$ 3,549,338</u> | <u>\$ 5,399,564</u> | <u>\$ 8,948,902</u> |
| Liabilities: | | | |
| Accounts Payable | \$ 40,674 | \$ 441,249 | \$ 481,923 |
| Accrued Wages and Benefits Payable | 23,583 | 0 | 23,583 |
| Intergovernmental Payable | 9,848 | 0 | 9,848 |
| Unearned Revenue | 991,521 | 0 | 991,521 |
| Total Liabilities | <u>1,065,626</u> | <u>441,249</u> | <u>1,506,875</u> |
| Deferred Inflows of Resources: | | | |
| Unavailable Amounts | 457,441 | 0 | 457,441 |
| Total Deferred Inflows of Resources | <u>457,441</u> | <u>0</u> | <u>457,441</u> |
| Fund Balances: | | | |
| Nonspendable | 182,936 | 0 | 182,936 |
| Restricted | 1,843,335 | 4,958,315 | 6,801,650 |
| Total Fund Balances | <u>2,026,271</u> | <u>4,958,315</u> | <u>6,984,586</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 3,549,338</u> | <u>\$ 5,399,564</u> | <u>\$ 8,948,902</u> |

CITY OF SPRINGBORO, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021**

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|--------------------------------------|---------------------------------------|---|
| Revenues: | | | |
| Intergovernmental Revenues | 1,625,658 | 0 | 1,625,658 |
| Fines, Licenses and Permits | 10,921 | 47,379 | 58,300 |
| Investment Earnings | 6,023 | 0 | 6,023 |
| Special Assessments | 0 | 19,833 | 19,833 |
| Donations | 1,725 | 0 | 1,725 |
| All Other Revenue | 45,279 | 259,032 | 304,311 |
| Total Revenue | 1,689,606 | 326,244 | 2,015,850 |
| Expenditures: | | | |
| Current: | | | |
| Security of Persons and Property | 168,957 | 0 | 168,957 |
| Transportation | 1,227,035 | 0 | 1,227,035 |
| General Government | 50,089 | 9,868 | 59,957 |
| Capital Outlay | 0 | 2,813,475 | 2,813,475 |
| Total Expenditures | 1,446,081 | 2,823,343 | 4,269,424 |
| Excess (Deficiency) of Revenues Over Expenditures | 243,525 | (2,497,099) | (2,253,574) |
| Other Financing Sources (Uses): | | | |
| General Obligation Notes Issued | 0 | 3,200,000 | 3,200,000 |
| Transfers In | 239,563 | 4,764,060 | 5,003,623 |
| Transfers Out | (334,099) | (3,633,500) | (3,967,599) |
| Total Other Financing Sources (Uses) | (94,536) | 4,330,560 | 4,236,024 |
| Net Change in Fund Balances | 148,989 | 1,833,461 | 1,982,450 |
| Fund Balances at Beginning of Year | 1,821,034 | 3,124,854 | 4,945,888 |
| Change in Inventory Reserve | 56,248 | 0 | 56,248 |
| Fund Balances End of Year | \$ 2,026,271 | \$ 4,958,315 | \$ 6,984,586 |

CITY OF SPRINGBORO, OHIO**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021**

| | Street Maintenance and Repair | State Highway | Permissive Use Tax | Motor Vehicle License Tax |
|---|-------------------------------------|-------------------|-----------------------|------------------------------|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$ 509,132 | \$ 248,282 | \$ 4,144 | \$ 509,986 |
| Receivables: | | | | |
| Intergovernmental | 528,051 | 42,809 | 0 | 115,381 |
| Inventory of Supplies, at Cost | 147,776 | 0 | 0 | 0 |
| Prepaid Items | 34,328 | 0 | 0 | 0 |
| Total Assets | <u>\$ 1,219,287</u> | <u>\$ 291,091</u> | <u>\$ 4,144</u> | <u>\$ 625,367</u> |
| Liabilities: | | | | |
| Accounts Payable | \$ 38,708 | \$ 1,966 | \$ 0 | \$ 0 |
| Accrued Wages and Benefits Payable | 23,583 | 0 | 0 | 0 |
| Intergovernmental Payable | 9,416 | 0 | 0 | 0 |
| Unearned Revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>71,707</u> | <u>1,966</u> | <u>0</u> | <u>0</u> |
| Deferred Inflows of Resources: | | | | |
| Unavailable Amounts | 351,981 | 28,539 | 0 | 76,921 |
| Total Deferred Inflows of Resources | <u>351,981</u> | <u>28,539</u> | <u>0</u> | <u>76,921</u> |
| Fund Balances: | | | | |
| Nonspendable | 182,104 | 0 | 0 | 0 |
| Restricted | 613,495 | 260,586 | 4,144 | 548,446 |
| Total Fund Balances | <u>795,599</u> | <u>260,586</u> | <u>4,144</u> | <u>548,446</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 1,219,287</u> | <u>\$ 291,091</u> | <u>\$ 4,144</u> | <u>\$ 625,367</u> |

CITY OF SPRINGBORO, OHIO

| COPS Grant | Drug Law Enforcement | Mayor's Court Improvement | Austin JEDD | South Tech Public Improvement TIF | Law Enforcement Trust |
|------------------|-------------------------|------------------------------|------------------|--|-----------------------------|
| \$ 9,412 | \$ 78,572 | \$ 163,207 | \$ 62,554 | \$ 5,131 | \$ 66,028 |
| 17,509 | 0 | 2 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 729 | 0 | 103 | 0 | 0 | 0 |
| <u>\$ 27,650</u> | <u>\$ 78,572</u> | <u>\$ 163,312</u> | <u>\$ 62,554</u> | <u>\$ 5,131</u> | <u>\$ 66,028</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 234 | 0 | 193 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>234</u> | <u>0</u> | <u>193</u> | <u>0</u> | <u>0</u> | <u>0</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> |
| 729 | 0 | 103 | 0 | 0 | 0 |
| 26,687 | 78,572 | 163,016 | 62,554 | 5,131 | 66,028 |
| <u>27,416</u> | <u>78,572</u> | <u>163,119</u> | <u>62,554</u> | <u>5,131</u> | <u>66,028</u> |
| <u>\$ 27,650</u> | <u>\$ 78,572</u> | <u>\$ 163,312</u> | <u>\$ 62,554</u> | <u>\$ 5,131</u> | <u>\$ 66,028</u> |

(Continued)

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021**

| | DARE Trust | American Rescue Plan | Total Nonmajor Special Revenue Funds |
|---|------------------|-------------------------|--|
| Assets: | | | |
| Equity in Pooled Cash and Investments | \$ 14,681 | \$ 991,521 | \$ 2,662,650 |
| Receivables: | | | |
| Intergovernmental | 0 | 0 | 703,752 |
| Inventory of Supplies, at Cost | 0 | 0 | 147,776 |
| Prepaid Items | 0 | 0 | 35,160 |
| Total Assets | <u>\$ 14,681</u> | <u>\$ 991,521</u> | <u>\$ 3,549,338</u> |
| Liabilities: | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 40,674 |
| Accrued Wages and Benefits Payable | 0 | 0 | 23,583 |
| Intergovernmental Payable | 5 | 0 | 9,848 |
| Unearned Revenue | 0 | 991,521 | 991,521 |
| Total Liabilities | <u>5</u> | <u>991,521</u> | <u>1,065,626</u> |
| Deferred Inflows of Resources: | | | |
| Unavailable Amounts | 0 | 0 | 457,441 |
| Total Deferred Inflows of Resources | <u>0</u> | <u>0</u> | <u>457,441</u> |
| Fund Balances: | | | |
| Nonspendable | 0 | 0 | 182,936 |
| Restricted | 14,676 | 0 | 1,843,335 |
| Total Fund Balances | <u>14,676</u> | <u>0</u> | <u>2,026,271</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 14,681</u> | <u>\$ 991,521</u> | <u>\$ 3,549,338</u> |

CITY OF SPRINGBORO, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021***

| | Street Maintenance and Repair | State Highway | Permissive Use Tax | Motor Vehicle License Tax |
|--|-------------------------------------|-------------------|-----------------------|------------------------------|
| Revenues: | | | | |
| Intergovernmental Revenues | \$ 1,086,904 | \$ 88,127 | \$ 0 | \$ 240,062 |
| Fines, Licenses and Permits | 0 | 0 | 0 | 0 |
| Investment Earnings | 2,869 | 1,170 | 22 | 1,962 |
| Donations | 0 | 0 | 0 | 0 |
| All Other Revenue | 1,779 | 0 | 0 | 0 |
| Total Revenue | <u>1,091,552</u> | <u>89,297</u> | <u>22</u> | <u>242,024</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Security of Persons and Property | 0 | 0 | 0 | 0 |
| Transportation | 1,197,526 | 29,509 | 0 | 0 |
| General Government | 0 | 0 | 0 | 0 |
| Total Expenditures | <u>1,197,526</u> | <u>29,509</u> | <u>0</u> | <u>0</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (105,974) | 59,788 | 22 | 242,024 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 0 | 0 | 0 | 0 |
| Transfers Out | 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 | (105,974) | 59,788 | 22 | 242,024 |
| Fund Balance at Beginning of Year | 845,325 | 200,798 | 4,122 | 306,422 |
| Change in Inventory Reserve | 56,248 | 0 | 0 | 0 |
| Fund Balance End of Year | <u>\$ 795,599</u> | <u>\$ 260,586</u> | <u>\$ 4,144</u> | <u>\$ 548,446</u> |

(Continued)

CITY OF SPRINGBORO, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021**

| | COPS Grant | Drug Law Enforcement | Mayor's Court Improvement | Austin JEDD |
|--|------------------|-------------------------|------------------------------|------------------|
| Revenues: | | | | |
| Intergovernmental Revenues | \$ 0 | \$ 0 | \$ 0 | \$ 164,536 |
| Fines, Licenses and Permits | 0 | 3,054 | 7,867 | 0 |
| Investment Earnings | 0 | 0 | 0 | 0 |
| Donations | 0 | 0 | 0 | 0 |
| All Other Revenue | 34,950 | 0 | 4 | 0 |
| Total Revenue | <u>34,950</u> | <u>3,054</u> | <u>7,871</u> | <u>164,536</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Security of Persons and Property | 94,028 | 2,506 | 0 | 0 |
| Transportation | 0 | 0 | 0 | 0 |
| General Government | 0 | 0 | 21,372 | 0 |
| Total Expenditures | <u>94,028</u> | <u>2,506</u> | <u>21,372</u> | <u>0</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (59,078) | 548 | (13,501) | 164,536 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 50,000 | 0 | 0 | 0 |
| Transfers Out | 0 | 0 | 0 | (164,536) |
| Total Other Financing Sources (Uses) | <u>50,000</u> | <u>0</u> | <u>0</u> | <u>(164,536)</u> |
| Net Change in Fund Balances | (9,078) | 548 | (13,501) | 0 |
| Fund Balance at Beginning of Year | 36,494 | 78,024 | 176,620 | 62,554 |
| Change in Inventory Reserve | 0 | 0 | 0 | 0 |
| Fund Balance End of Year | <u>\$ 27,416</u> | <u>\$ 78,572</u> | <u>\$ 163,119</u> | <u>\$ 62,554</u> |

CITY OF SPRINGBORO, OHIO

| South Tech Public Improvement TIF | Law Enforcement Trust | DARE Trust | COVID | Total Nonmajor Special Revenue Funds |
|--|-----------------------------|------------|----------|---|
| \$ 0 | \$ 0 | \$ 46,029 | \$ 0 | \$ 1,625,658 |
| 0 | 0 | 0 | 0 | 10,921 |
| 0 | 0 | 0 | 0 | 6,023 |
| 0 | 0 | 1,725 | 0 | 1,725 |
| 0 | 7,464 | 1,082 | 0 | 45,279 |
| 0 | 7,464 | 48,836 | 0 | 1,689,606 |
| 0 | 0 | 72,423 | 0 | 168,957 |
| 0 | 0 | 0 | 0 | 1,227,035 |
| 0 | 0 | 0 | 28,717 | 50,089 |
| 0 | 0 | 72,423 | 28,717 | 1,446,081 |
| 0 | 7,464 | (23,587) | (28,717) | 243,525 |
| 169,563 | 0 | 20,000 | 0 | 239,563 |
| (169,563) | 0 | 0 | 0 | (334,099) |
| 0 | 0 | 20,000 | 0 | (94,536) |
| 0 | 7,464 | (3,587) | (28,717) | 148,989 |
| 5,131 | 58,564 | 18,263 | 28,717 | 1,821,034 |
| 0 | 0 | 0 | 0 | 56,248 |
| \$ 5,131 | \$ 66,028 | \$ 14,676 | \$ 0 | \$ 2,026,271 |

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2021**

| | Construction | Permanent Improvement | Land Acquisition | Total Nonmajor Capital Projects Funds |
|--|---------------------|--------------------------|---------------------|---|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$ 2,743,429 | \$ 215,709 | \$ 1,724 | \$ 2,960,862 |
| Receivables: | | | | |
| Accounts | 0 | 3,000 | 0 | 3,000 |
| Assets Held for Resale | 123,229 | 0 | 2,312,473 | 2,435,702 |
| Total Assets | <u>\$ 2,866,658</u> | <u>\$ 218,709</u> | <u>\$ 2,314,197</u> | <u>\$ 5,399,564</u> |
| Liabilities: | | | | |
| Accounts Payable | \$ 441,249 | \$ 0 | \$ 0 | \$ 441,249 |
| Total Liabilities | <u>441,249</u> | <u>0</u> | <u>0</u> | <u>441,249</u> |
| Fund Balances: | | | | |
| Restricted | 2,425,409 | 218,709 | 2,314,197 | 4,958,315 |
| Total Fund Balances | <u>2,425,409</u> | <u>218,709</u> | <u>2,314,197</u> | <u>4,958,315</u> |
| Total Liabilities and Fund Balances | <u>\$ 2,866,658</u> | <u>\$ 218,709</u> | <u>\$ 2,314,197</u> | <u>\$ 5,399,564</u> |

CITY OF SPRINGBORO, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2021**

| | Construction | Permanent Improvement | Land Acquisition | Total Nonmajor Capital Projects Funds |
|--|---------------------|--------------------------|---------------------|---|
| Revenues: | | | | |
| Fines, Licenses and Permits | \$ 0 | \$ 47,379 | \$ 0 | \$ 47,379 |
| Special Assessments | 19,833 | 0 | 0 | 19,833 |
| All Other Revenue | 42,532 | 216,500 | 0 | 259,032 |
| Total Revenue | <u>62,365</u> | <u>263,879</u> | <u>0</u> | <u>326,244</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | 8,468 | 1,400 | 0 | 9,868 |
| Capital Outlay | 2,486,134 | 327,341 | 0 | 2,813,475 |
| Total Expenditures | <u>2,494,602</u> | <u>328,741</u> | <u>0</u> | <u>2,823,343</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (2,432,237) | (64,862) | 0 | (2,497,099) |
| Other Financing Sources (Uses): | | | | |
| General Obligation Notes Issued | 3,200,000 | 0 | 0 | 3,200,000 |
| Transfers In | 4,754,060 | 10,000 | 0 | 4,764,060 |
| Transfers Out | (3,633,500) | 0 | 0 | (3,633,500) |
| Total Other Financing Sources (Uses) | <u>4,320,560</u> | <u>10,000</u> | <u>0</u> | <u>4,330,560</u> |
| Net change in Fund Balances | 1,888,323 | (54,862) | 0 | 1,833,461 |
| Fund Balances at Beginning of Year | 537,086 | 273,571 | 2,314,197 | 3,124,854 |
| Fund Balances End of Year | <u>\$ 2,425,409</u> | <u>\$ 218,709</u> | <u>\$ 2,314,197</u> | <u>\$ 4,958,315</u> |

CITY OF SPRINGBORO, 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, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|---------------|---------------|---|
| Revenues: | | | | |
| Municipal Income Taxes | \$ 8,695,500 | \$ 10,500,000 | \$ 10,515,887 | \$ 15,887 |
| Property and Other Taxes | 779,102 | 799,102 | 784,133 | (14,969) |
| Intergovernmental Revenues | 220,400 | 375,000 | 380,374 | 5,374 |
| Fines, Licenses and Permits | 490,630 | 490,630 | 401,119 | (89,511) |
| Investment Earnings | 50,000 | 160,000 | 167,917 | 7,917 |
| Special Assessments | 37,162 | 37,162 | 36,897 | (265) |
| All Other Revenues | 285,500 | 2,285,500 | 2,134,461 | (151,039) |
| Total Revenues | 10,558,294 | 14,647,394 | 14,420,788 | (226,606) |
| Expenditures: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Personal Services | 3,480,454 | 3,440,341 | 3,367,798 | 72,543 |
| Materials and Supplies | 174,980 | 203,321 | 185,558 | 17,763 |
| Contractual Services | 215,082 | 186,511 | 162,844 | 23,667 |
| Total Police Department | 3,870,516 | 3,830,173 | 3,716,200 | 113,973 |
| Police Dispatcher: | | | | |
| Personal Services | 313,950 | 305,448 | 303,486 | 1,962 |
| Materials and Supplies | 4,000 | 2,500 | 1,779 | 721 |
| Contractual Services | 13,000 | 12,000 | 8,806 | 3,194 |
| Total Police Dispatcher | 330,950 | 319,948 | 314,071 | 5,877 |
| Street Lighting: | | | | |
| Contractual Services | 172,000 | 172,000 | 166,789 | 5,211 |
| Total Street Lighting | 172,000 | 172,000 | 166,789 | 5,211 |
| Civil Defense: | | | | |
| Contractual Services | 2,600 | 2,810 | 2,810 | 0 |
| Total Civil Defense | 2,600 | 2,810 | 2,810 | 0 |
| Prisoner Care: | | | | |
| Contractual Services | 5,000 | 5,000 | 2,852 | 2,148 |
| Total Prisoner Care | 5,000 | 5,000 | 2,852 | 2,148 |
| Total Security of Persons and Property | 4,381,066 | 4,329,931 | 4,202,722 | 127,209 |
| Public Health and Welfare: | | | | |
| Health Board: | | | | |
| Contractual Services | 16,750 | 16,750 | 16,384 | 366 |
| Total Public Health and Welfare | 16,750 | 16,750 | 16,384 | 366 |

(Continued)

CITY OF SPRINGBORO, 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, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|-------------------------------|--------------------|--------------|-----------|---|
| Leisure Time Activities: | | | | |
| Park Maintenance: | | | | |
| Personal Services | 586,500 | 634,922 | 628,927 | 5,995 |
| Contractual Services | 161,401 | 155,306 | 129,515 | 25,791 |
| Materials and Supplies | 227,776 | 235,279 | 188,582 | 46,697 |
| Total Park Maintenance | 975,677 | 1,025,507 | 947,024 | 78,483 |
| Library Services: | | | | |
| Contractual Services | 43,222 | 43,222 | 22,469 | 20,753 |
| Materials and Supplies | 1,000 | 1,000 | 347 | 653 |
| Total Library Services | 44,222 | 44,222 | 22,816 | 21,406 |
| Community Events: | | | | |
| Personal Services | 75,300 | 84,601 | 84,079 | 522 |
| Contractual Services | 198,937 | 196,205 | 158,543 | 37,662 |
| Materials and Supplies | 20,000 | 20,000 | 10,999 | 9,001 |
| Total Community Events | 294,237 | 300,806 | 253,621 | 47,185 |
| Total Leisure Time Activities | 1,314,136 | 1,370,535 | 1,223,461 | 147,074 |
| Community Environment: | | | | |
| Planning and Zoning: | | | | |
| Personal Services | 126,350 | 126,150 | 120,176 | 5,974 |
| Contractual Services | 145,408 | 144,355 | 141,036 | 3,319 |
| Materials and Supplies | 1,354 | 1,064 | 854 | 210 |
| Total Planning and Zoning | 273,112 | 271,569 | 262,066 | 9,503 |
| Engineering: | | | | |
| Personal Services | 130,050 | 130,000 | 121,875 | 8,125 |
| Contractual Services | 532,143 | 528,291 | 190,161 | 338,130 |
| Materials and Supplies | 10,500 | 10,500 | 4,724 | 5,776 |
| Total Engineering | 672,693 | 668,791 | 316,760 | 352,031 |
| Economic Development: | | | | |
| Personal Services | 69,800 | 70,487 | 60,384 | 10,103 |
| Contractual Services | 108,950 | 108,263 | 58,626 | 49,637 |
| Materials and Supplies | 500 | 500 | 0 | 500 |
| Total Economic Development | 179,250 | 179,250 | 119,010 | 60,240 |

(Continued)

CITY OF SPRINGBORO, 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, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|-------------------------------|--------------------|--------------|-----------|---|
| Building Inspection: | | | | |
| Personal Services | 385,100 | 385,250 | 372,920 | 12,330 |
| Contractual Services | 100,687 | 165,345 | 113,120 | 52,225 |
| Materials and Supplies | 9,500 | 9,500 | 5,623 | 3,877 |
| Total Building Inspection | 495,287 | 560,095 | 491,663 | 68,432 |
| Total Community Environment | 1,620,342 | 1,679,705 | 1,189,499 | 490,206 |
| General Government: | | | | |
| City Council: | | | | |
| Personal Services | 235,600 | 234,251 | 208,354 | 25,897 |
| Contractual Services | 107,208 | 104,820 | 84,319 | 20,501 |
| Materials and Supplies | 10,000 | 10,000 | 6,625 | 3,375 |
| Total City Council | 352,808 | 349,071 | 299,298 | 49,773 |
| City Manager: | | | | |
| Personal Services | 174,803 | 179,580 | 173,193 | 6,387 |
| Contractual Services | 84,446 | 85,160 | 84,450 | 710 |
| Materials and Supplies | 300 | 300 | 0 | 300 |
| Total City Manager | 259,549 | 265,040 | 257,643 | 7,397 |
| Assistant City Manager: | | | | |
| Personal Services | 114,263 | 98,579 | 90,154 | 8,425 |
| Contractual Services | 104,694 | 101,535 | 79,711 | 21,824 |
| Materials and Supplies | 1,000 | 1,000 | 300 | 700 |
| Total Assistant City Manager | 219,957 | 201,114 | 170,165 | 30,949 |
| Computer Administration: | | | | |
| Personal Services | 110,375 | 110,275 | 106,915 | 3,360 |
| Contractual Services | 263,378 | 301,562 | 260,107 | 41,455 |
| Materials and Supplies | 128,012 | 117,921 | 85,070 | 32,851 |
| Total Computer Administration | 501,765 | 529,758 | 452,092 | 77,666 |
| Finance Department: | | | | |
| Personal Services | 223,000 | 223,000 | 205,930 | 17,070 |
| Contractual Services | 92,362 | 91,995 | 64,902 | 27,093 |
| Materials and Supplies | 3,000 | 3,255 | 3,251 | 4 |
| Total Finance Department | 318,362 | 318,250 | 274,083 | 44,167 |
| Mayor's Court: | | | | |
| Personal Services | 120,125 | 120,125 | 104,509 | 15,616 |
| Contractual Services | 71,300 | 77,900 | 74,527 | 3,373 |
| Materials and Supplies | 500 | 500 | 14 | 486 |
| Total Mayor's Court | 191,925 | 198,525 | 179,050 | 19,475 |

(Continued)

CITY OF SPRINGBORO, 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, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------|--------------|---|
| Income Tax: | | | | |
| Personal Services | 213,950 | 213,950 | 203,963 | 9,987 |
| Contractual Services | 876,499 | 1,105,497 | 1,030,123 | 75,374 |
| Materials and Supplies | 1,500 | 1,500 | 1,364 | 136 |
| Total Income Tax | 1,091,949 | 1,320,947 | 1,235,450 | 85,497 |
| Legal Administration: | | | | |
| Contractual Services | 104,484 | 22,479 | 24,721 | (2,242) |
| Total Legal Administration | 104,484 | 22,479 | 24,721 | (2,242) |
| Volunteer Services: | | | | |
| Contractual Services | 2,500 | 2,500 | 0 | 2,500 |
| Total Volunteer Services | 2,500 | 2,500 | 0 | 2,500 |
| Building and Land: | | | | |
| Personal Services | 1,153,903 | 1,150,201 | 1,096,735 | 53,466 |
| Contractual Services | 1,593,710 | 3,520,739 | 2,404,312 | 1,116,427 |
| Materials and Supplies | 133,189 | 145,545 | 122,471 | 23,074 |
| Total Building and Land | 2,880,802 | 4,816,485 | 3,623,518 | 1,192,967 |
| Miscellaneous: | | | | |
| Contractual Services | 90,732 | 96,643 | 78,649 | 17,994 |
| Materials and Supplies | 10,200 | 10,200 | 5,711 | 4,489 |
| Total Miscellaneous | 100,932 | 106,843 | 84,360 | 22,483 |
| Total General Government | 6,025,033 | 8,131,012 | 6,600,380 | 1,530,632 |
| Total Expenditures | 13,357,327 | 15,527,933 | 13,232,446 | 2,295,487 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,799,033) | (880,539) | 1,188,342 | 2,068,881 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 117,835 | 166,630 | 164,536 | (2,094) |
| Transfers Out | (3,060,813) | (2,139,563) | (1,146,574) | 992,989 |
| Advances In | 0 | 110,078 | 110,078 | 0 |
| Advances Out | 0 | (2,576,334) | (1,250,000) | 1,326,334 |
| Total Other Financing Sources (Uses) | (2,942,978) | (4,439,189) | (2,121,960) | 2,317,229 |
| Net Change in Fund Balance | (5,742,011) | (5,319,728) | (933,618) | 4,386,110 |
| Fund Balance at Beginning of Year | 8,418,975 | 8,418,975 | 8,418,975 | 0 |
| Prior Year Encumbrances | 981,914 | 981,914 | 981,914 | 0 |
| Fund Balance at End of Year | \$ 3,658,878 | \$ 4,081,161 | \$ 8,467,271 | \$ 4,386,110 |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Funds – Austin Center Municipal Public Improvement TIF
Fund
For the Year Ended December 31, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|------------------|------------------|---|
| Revenues: | | | | |
| Payment in Lieu of Taxes | \$ 540,000 | \$ 540,000 | \$ 545,750 | \$ 5,750 |
| All Other Revenues | 0 | 10,000 | 8,208 | (1,792) |
| Total Revenues | 540,000 | 550,000 | 553,958 | 3,958 |
| Expenditures: | | | | |
| General Government: | | | | |
| Contractual Services | 17,000 | 222,750 | 220,727 | 2,023 |
| Total Expenditures | 17,000 | 222,750 | 220,727 | 2,023 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 523,000 | 327,250 | 333,231 | 5,981 |
| Other Financing Sources (Uses): | | | | |
| Transfers Out | (500,000) | (3,179,037) | (3,174,192) | 4,845 |
| Advances In | 0 | 2,500,000 | 2,500,000 | 0 |
| Advances Out | 0 | (220,156) | (220,156) | 0 |
| Total Other Financing Sources (Uses) | (500,000) | (899,193) | (894,348) | 4,845 |
| Net Change in Fund Balance | 23,000 | (571,943) | (561,117) | 10,826 |
| Fund Balance at Beginning of Year | 644,643 | 644,643 | 644,643 | 0 |
| Fund Balance at End of Year | <u>\$ 667,643</u> | <u>\$ 72,700</u> | <u>\$ 83,526</u> | <u>\$ 10,826</u> |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Funds – Urban Redevelopment TIF Fund
For the Year Ended December 31, 2021***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------|-------------|---|
| Revenues: | | | | |
| All Other Revenues | \$ 120,000 | \$ 120,000 | \$ 62,729 | \$ (57,271) |
| Total Revenues | 120,000 | 120,000 | 62,729 | (57,271) |
| Expenditures: | | | | |
| General Government: | | | | |
| Materials and Supplies | 0 | 3,000 | 541 | 2,459 |
| Contractual Services | 16,900 | 39,262 | 39,258 | 4 |
| Capital Outlay | 1,000,000 | 967,200 | 3,000 | 964,200 |
| Total Expenditures | 1,016,900 | 1,009,462 | 42,799 | 966,663 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (896,900) | (889,462) | 19,930 | 909,392 |
| Other Financing Sources (Uses): | | | | |
| General Obligation Notes Issued | 4,500,000 | 4,500,000 | 4,500,000 | 0 |
| Transfers In | 1,000,000 | 1,000,000 | 0 | (1,000,000) |
| Transfers Out | (4,544,875) | (4,544,875) | (4,544,875) | 0 |
| Total Other Financing Sources (Uses) | 955,125 | 955,125 | (44,875) | (1,000,000) |
| Net Change in Fund Balance | 58,225 | 65,663 | (24,945) | (90,608) |
| Fund Balance at Beginning of Year | 257,589 | 257,589 | 257,589 | 0 |
| Prior Year Encumbrances | 16,900 | 16,900 | 16,900 | 0 |
| Fund Balance at End of Year | \$ 332,714 | \$ 340,152 | \$ 249,544 | \$ (90,608) |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund – Debt Service Fund
For the Year Ended December 31, 2021***

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|---|
| Revenues: | | | |
| Special Assessments | \$ 260,066 | \$ 235,776 | \$ (24,290) |
| Total Revenues | <u>260,066</u> | <u>235,776</u> | <u>(24,290)</u> |
| Expenditures: | | | |
| General Government: | | | |
| Contractual Services | 118,603 | 78,945 | 39,658 |
| Total General Government | <u>118,603</u> | <u>78,945</u> | <u>39,658</u> |
| Debt Service: | | | |
| Principal Retirement | 10,245,518 | 10,245,518 | 0 |
| Interest and Fiscal Charges | 1,258,061 | 1,258,061 | 0 |
| Total Expenditures | <u>11,622,182</u> | <u>11,582,524</u> | <u>39,658</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (11,362,116) | (11,346,748) | 15,368 |
| Other Financing Sources (Uses): | | | |
| Premium on Sale of General Obligation Notes | 0 | 41,524 | 41,524 |
| Transfers In | 11,522,130 | 11,522,130 | 0 |
| Total Other Financing Sources (Uses) | <u>11,522,130</u> | <u>11,563,654</u> | <u>41,524</u> |
| Net Change in Fund Balance | 160,014 | 216,906 | 56,892 |
| Fund Balance at Beginning of Year | 346,314 | 346,314 | 0 |
| Fund Balance at End of Year | <u>\$ 506,328</u> | <u>\$ 563,220</u> | <u>\$ 56,892</u> |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund – Income Tax Capital Improvement Fund
For the Year Ended December 31, 2021***

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|---------------------|---|
| Revenues: | | | |
| Municipal Income Taxes | \$ 5,389,922 | \$ 5,274,912 | \$ (115,010) |
| All Other Revenues | 0 | 21,544 | 21,544 |
| Total Revenues | <u>5,389,922</u> | <u>5,296,456</u> | <u>(93,466)</u> |
| Expenditures: | | | |
| Total Expenditures | <u>0</u> | <u>0</u> | <u>0</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 5,389,922 | 5,296,456 | (93,466) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 82,900 | 0 | (82,900) |
| Transfers Out | (6,448,480) | (4,579,580) | 1,868,900 |
| Advances In | 110,078 | 110,078 | 0 |
| Advances Out | (1,500,000) | (1,250,000) | 250,000 |
| Total Other Financing Sources (Uses) | <u>(7,755,502)</u> | <u>(5,719,502)</u> | <u>2,036,000</u> |
| Net Change in Fund Balance | (2,365,580) | (423,046) | 1,942,534 |
| Fund Balance at Beginning of Year | <u>3,230,025</u> | <u>3,230,025</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 864,445</u> | <u>\$ 2,806,979</u> | <u>\$ 1,942,534</u> |

CITY OF SPRINGBORO, 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, 2021***

STREET MAINTENANCE AND REPAIR FUND

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------------|---|
| Revenues: | | | |
| Intergovernmental Revenues | \$ 1,194,500 | \$ 1,073,763 | \$ (120,737) |
| Investment Earnings | 4,500 | 2,869 | (1,631) |
| All Other Revenues | 1,000 | 1,805 | 805 |
| Total Revenues | <u>1,200,000</u> | <u>1,078,437</u> | <u>(121,563)</u> |
| Expenditures: | | | |
| Transportation: | | | |
| Personal Services | 939,414 | 682,642 | 256,772 |
| Materials and Supplies | 519,217 | 448,061 | 71,156 |
| Contractual Services | 266,776 | 244,330 | 22,446 |
| Total Expenditures | <u>1,725,407</u> | <u>1,375,033</u> | <u>350,374</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (525,407) | (296,596) | 228,811 |
| Fund Balance at Beginning of Year | 479,333 | 479,333 | 0 |
| Prior Year Encumbrances | 116,939 | 116,939 | 0 |
| Fund Balance at End of Year | <u>\$ 70,865</u> | <u>\$ 299,676</u> | <u>\$ 228,811</u> |

CITY OF SPRINGBORO, 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, 2021***

| | STATE HIGHWAY FUND | | |
|--|--------------------|------------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Intergovernmental Revenues | \$ 76,300 | \$ 87,061 | \$ 10,761 |
| Investment Earnings | 2,300 | 1,170 | (1,130) |
| Total Revenues | 78,600 | 88,231 | 9,631 |
| Expenditures: | | | |
| Transportation: | | | |
| Contractual Services | 28,000 | 25,799 | 2,201 |
| Capital Outlay | 83,337 | 33,337 | 50,000 |
| Total Expenditures | 111,337 | 59,136 | 52,201 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (32,737) | 29,095 | 61,832 |
| Fund Balance at Beginning of Year | 170,342 | 170,342 | 0 |
| Prior Year Encumbrances | 33,457 | 33,457 | 0 |
| Fund Balance at End of Year | \$ 171,062 | \$ 232,894 | \$ 61,832 |

CITY OF SPRINGBORO, 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, 2021***

| PERMISSIVE USE TAX FUND | | | |
|--|--------------|----------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Intergovernmental Revenues | \$ 200,000 | \$ 0 | \$ (200,000) |
| Investment Earnings | 40 | 22 | (18) |
| Total Revenues | 200,040 | 22 | (200,018) |
| Expenditures: | | | |
| Total Expenditures | 0 | 0 | 0 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 200,040 | 22 | (200,018) |
| Other Financing Sources (Uses): | | | |
| Transfers Out | (75,000) | 0 | 75,000 |
| Total Other Financing Sources (Uses) | (75,000) | 0 | 75,000 |
| Net Change in Fund Balance | 125,040 | 22 | (125,018) |
| Fund Balance at Beginning of Year | 4,122 | 4,122 | 0 |
| Fund Balance at End of Year | \$ 129,162 | \$ 4,144 | \$ (125,018) |

CITY OF SPRINGBORO, 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, 2021***

MOTOR VEHICLE LICENSE TAX FUND

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------|------------|---|
| Revenues: | | | |
| Intergovernmental Revenues | \$ 217,000 | \$ 237,537 | \$ 20,537 |
| Investment Earnings | 2,300 | 1,962 | (338) |
| Total Revenues | 219,300 | 239,499 | 20,199 |
| Expenditures: | | | |
| Total Expenditures | 0 | 0 | 0 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 219,300 | 239,499 | 20,199 |
| Other Financing Sources (Uses): | | | |
| Transfers Out | (200,000) | 0 | 200,000 |
| Total Other Financing Sources (Uses) | (200,000) | 0 | 200,000 |
| Net Change in Fund Balance | 19,300 | 239,499 | 220,199 |
| Fund Balance at Beginning of Year | 270,487 | 270,487 | 0 |
| Fund Balance at End of Year | \$ 289,787 | \$ 509,986 | \$ 220,199 |

CITY OF SPRINGBORO, 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, 2021***

| COPS GRANT FUND | | | |
|--|-----------------|-----------------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| All Other Revenues | \$ 75,000 | \$ 31,343 | \$ (43,657) |
| Total Revenues | <u>75,000</u> | <u>31,343</u> | <u>(43,657)</u> |
| Expenditures: | | | |
| Security of Persons and Property: | | | |
| Personal Services | 139,626 | 93,805 | 45,821 |
| Materials and Supplies | 500 | 0 | 500 |
| Contractual Services | <u>1,200</u> | <u>761</u> | <u>439</u> |
| Total Expenditures | <u>141,326</u> | <u>94,566</u> | <u>46,760</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (66,326) | (63,223) | 3,103 |
| Other Financing Sources (Uses): | | | |
| Transfers In | <u>50,000</u> | <u>50,000</u> | <u>0</u> |
| Total Other Financing Sources (Uses) | <u>50,000</u> | <u>50,000</u> | <u>0</u> |
| Net Change in Fund Balance | (16,326) | (13,223) | 3,103 |
| Fund Balance at Beginning of Year | <u>22,635</u> | <u>22,635</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 6,309</u> | <u>\$ 9,412</u> | <u>\$ 3,103</u> |

CITY OF SPRINGBORO, 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, 2021***

DRUG LAW ENFORCEMENT FUND

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|---|
| Revenues: | | | |
| Fines, Licenses and Permits | \$ 11,000 | \$ 3,054 | \$ (7,946) |
| Total Revenues | <u>11,000</u> | <u>3,054</u> | <u>(7,946)</u> |
| Expenditures: | | | |
| Security of Persons and Property: | | | |
| Contractual Services | 256 | 256 | 0 |
| Capital Outlay | <u>48,744</u> | <u>36,303</u> | <u>12,441</u> |
| Total Expenditures | <u>49,000</u> | <u>36,559</u> | <u>12,441</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (38,000) | (33,505) | 4,495 |
| Fund Balance at Beginning of Year | 74,708 | 74,708 | 0 |
| Prior Year Encumbrances | <u>3,316</u> | <u>3,316</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 40,024</u> | <u>\$ 44,519</u> | <u>\$ 4,495</u> |

CITY OF SPRINGBORO, 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, 2021***

MAYOR'S COURT IMPROVEMENT FUND

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------|------------|---|
| Revenues: | | | |
| Fines, Licenses and Permits | \$ 14,500 | \$ 8,057 | \$ (6,443) |
| All Other Revenues | 0 | 4 | 4 |
| Total Revenues | 14,500 | 8,061 | (6,439) |
| Expenditures: | | | |
| General Government: | | | |
| Personal Services | 11,350 | 11,060 | 290 |
| Materials and Supplies | 1,500 | 0 | 1,500 |
| Contractual Services | 5,300 | 3,390 | 1,910 |
| Capital Outlay | 22,450 | 7,926 | 14,524 |
| Total Expenditures | 40,600 | 22,376 | 18,224 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (26,100) | (14,315) | 11,785 |
| Fund Balance at Beginning of Year | 176,026 | 176,026 | 0 |
| Fund Balance at End of Year | \$ 149,926 | \$ 161,711 | \$ 11,785 |

CITY OF SPRINGBORO, 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, 2021***

| AUSTIN JEDD FUND | | | |
|--|--------------|------------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Intergovernmental Revenues | \$ 164,536 | \$ 164,536 | \$ 0 |
| Total Revenues | 164,536 | 164,536 | 0 |
| Expenditures: | | | |
| Total Expenditures | 0 | 0 | 0 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 164,536 | 164,536 | 0 |
| Other Financing Sources (Uses): | | | |
| Transfers Out | (164,536) | (164,536) | 0 |
| Total Other Financing Sources (Uses) | (164,536) | (164,536) | 0 |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance at Beginning of Year | 62,554 | 62,554 | 0 |
| Fund Balance at End of Year | \$ 62,554 | \$ 62,554 | \$ 0 |

CITY OF SPRINGBORO, 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, 2021***

AMERICAN RESCUE PLAN FUND

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------|------------|---|
| Revenues: | | | |
| Intergovernmental Revenues | \$ 991,521 | \$ 991,521 | \$ 0 |
| Total Revenues | 991,521 | 991,521 | 0 |
| Expenditures: | | | |
| General Government: | | | |
| Contractual Services | 991,521 | 0 | 991,521 |
| Total Expenditures | 991,521 | 0 | 991,521 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 0 | 991,521 | 991,521 |
| Fund Balance at Beginning of Year | 0 | 0 | 0 |
| Fund Balance at End of Year | \$ 0 | \$ 991,521 | \$ 991,521 |

CITY OF SPRINGBORO, 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, 2021***

| COVID FUND | | | |
|--|--------------|----------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Total Revenues | \$ 0 | \$ 0 | \$ 0 |
| Expenditures: | | | |
| General Government: | | | |
| Personal Services | 25,745 | 25,745 | 0 |
| Materials and Supplies | 8,563 | 8,563 | 0 |
| Total Expenditures | 34,308 | 34,308 | 0 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (34,308) | (34,308) | 0 |
| Fund Balance at Beginning of Year | 25,669 | 25,669 | 0 |
| Prior Year Encumbrances | 8,639 | 8,639 | 0 |
| Fund Balance at End of Year | \$ 0 | \$ 0 | \$ 0 |

CITY OF SPRINGBORO, 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, 2021***

| SOUTH TECH PUBLIC IMPROVEMENT TIF FUND | | | |
|--|--------------|-----------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| All Other Revenues | \$ 8,688 | \$ 0 | \$ (8,688) |
| Total Revenues | 8,688 | 0 | (8,688) |
| Expenditures: | | | |
| Total Expenditures | 0 | 0 | 0 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 8,688 | 0 | (8,688) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 169,563 | 169,563 | 0 |
| Transfers Out | (169,563) | (169,563) | 0 |
| Total Other Financing Sources (Uses) | 0 | 0 | 0 |
| Net Change in Fund Balance | 8,688 | 0 | (8,688) |
| Fund Balance at Beginning of Year | 5,131 | 5,131 | 0 |
| Fund Balance at End of Year | \$ 13,819 | \$ 5,131 | \$ (8,688) |

CITY OF SPRINGBORO, 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, 2021***

| LAW ENFORCEMENT TRUST FUND | | | |
|--|--------------|-----------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| All Other Revenues | \$ 5,000 | \$ 7,464 | \$ 2,464 |
| Total Revenues | 5,000 | 7,464 | 2,464 |
| Expenditures: | | | |
| Security of Persons and Property: | | | |
| Personal Services | 3,000 | 0 | 3,000 |
| Materials and Supplies | 5,000 | 0 | 5,000 |
| Contractual Services | 3,000 | 0 | 3,000 |
| Capital Outlay | 2,200 | 0 | 2,200 |
| Total Expenditures | 13,200 | 0 | 13,200 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (8,200) | 7,464 | 15,664 |
| Fund Balance at Beginning of Year | 58,564 | 58,564 | 0 |
| Fund Balance at End of Year | \$ 50,364 | \$ 66,028 | \$ 15,664 |

CITY OF SPRINGBORO, 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, 2021***

| DARE TRUST FUND | | | |
|--|---------------------|------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
| Revenues: | | | |
| Intergovernmental Revenues | \$ 60,000 | \$ 46,029 | \$ (13,971) |
| Donations | 1,000 | 1,785 | 785 |
| All Other Revenues | <u>4,000</u> | <u>1,082</u> | <u>(2,918)</u> |
| Total Revenues | <u>65,000</u> | <u>48,896</u> | <u>(16,104)</u> |
| Expenditures: | | | |
| Security of Persons and Property: | | | |
| Personal Services | 88,385 | 69,716 | 18,669 |
| Materials and Supplies | 11,380 | 5,452 | 5,928 |
| Contractual Services | <u>1,465</u> | <u>765</u> | <u>700</u> |
| Total Expenditures | <u>101,230</u> | <u>75,933</u> | <u>25,297</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (36,230) | (27,037) | 9,193 |
| Other Financing Sources (Uses): | | | |
| Transfers In | <u>20,000</u> | <u>20,000</u> | <u>0</u> |
| Total Other Financing Sources (Uses) | <u>20,000</u> | <u>20,000</u> | <u>0</u> |
| Net Change in Fund Balance | (16,230) | (7,037) | 9,193 |
| Fund Balance at Beginning of Year | 18,201 | 18,201 | 0 |
| Prior Year Encumbrances | <u>1,708</u> | <u>1,708</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 3,679</u> | <u>\$ 12,872</u> | <u>\$ 9,193</u> |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2021***

| CONSTRUCTION FUND | | | |
|--|--------------|--------------|---|
| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Intergovernmental Revenues | \$ 150,000 | \$ 0 | \$ (150,000) |
| Special Assessments | 5,000 | 19,833 | 14,833 |
| All Other Revenues | 10,000 | 42,532 | 32,532 |
| Total Revenues | 165,000 | 62,365 | (102,635) |
| Expenditures: | | | |
| General Government: | | | |
| Contractual Services | 8,532 | 8,532 | 0 |
| Total General Government | 8,532 | 8,532 | 0 |
| Capital Outlay | 3,859,120 | 3,771,287 | 87,833 |
| Total Expenditures | 3,867,652 | 3,779,819 | 87,833 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (3,702,652) | (3,717,454) | (14,802) |
| Other Financing Sources (Uses): | | | |
| General Obligation Bonds Issued | 3,000,000 | 3,200,000 | 200,000 |
| Transfers In | 3,899,060 | 4,754,060 | 855,000 |
| Transfers Out | (3,753,500) | (3,633,500) | 120,000 |
| Total Other Financing Sources (Uses) | 3,145,560 | 4,320,560 | 1,175,000 |
| Net Change in Fund Balance | (557,092) | 603,106 | 1,160,198 |
| Fund Balance at Beginning of Year | 113,566 | 113,566 | 0 |
| Prior Year Encumbrances | 913,802 | 913,802 | 0 |
| Fund Balance at End of Year | \$ 470,276 | \$ 1,630,474 | \$ 1,160,198 |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2021***

| PERMANENT IMPROVEMENT FUND | | | |
|--|---------------------|-------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
| Revenues: | | | |
| Property and Other Taxes | \$ 350,000 | \$ 0 | \$ (350,000) |
| Fines, Licenses and Permits | 15,000 | 47,379 | 32,379 |
| All Other Revenues | 231,429 | 313,500 | 82,071 |
| Total Revenues | <u>596,429</u> | <u>360,879</u> | <u>(235,550)</u> |
| Expenditures: | | | |
| General Government: | | | |
| Contractual Services | <u>1,400</u> | <u>1,400</u> | <u>0</u> |
| Total General Government | <u>1,400</u> | <u>1,400</u> | <u>0</u> |
| Capital Outlay | <u>353,600</u> | <u>352,341</u> | <u>1,259</u> |
| Total Expenditures | <u>355,000</u> | <u>353,741</u> | <u>1,259</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 241,429 | 7,138 | (234,291) |
| Other Financing Sources (Uses): | | | |
| Transfers In | <u>0</u> | <u>10,000</u> | <u>10,000</u> |
| Total Other Financing Sources (Uses) | <u>0</u> | <u>10,000</u> | <u>10,000</u> |
| Net Change in Fund Balance | 241,429 | 17,138 | (224,291) |
| Fund Balance at Beginning of Year | 171,221 | 171,221 | 0 |
| Prior Year Encumbrances | <u>2,350</u> | <u>2,350</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 415,000</u> | <u>\$ 190,709</u> | <u>\$ (224,291)</u> |

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2021***

| LAND ACQUISITION FUND | | | |
|--|-----------------|-----------------|---|
| | 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 | 1,724 | 1,724 | 0 |
| Fund Balance at End of Year | <u>\$ 1,724</u> | <u>\$ 1,724</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

Library Donation Fund

To account for donations that the City receives and then gives to the library.

Lytle Five Points JEDD Fund

To account for the collection and disbursement of JEDD income tax from the Lytle Five Points JEDD area, as required per the Lytle Five Points JEDD Agreement.

Mayor's Court Fund

To account for the collection and distribution of court fines and forfeitures.

Special Assessment Fund

To account for special assessments collected from property owners and remitted to various homeowners associations.

CITY OF SPRINGBORO, OHIO

**Statement Of Net Position
Fiduciary Funds
December 31, 2021**

| | Library Donation Fund | Lytle Five Points JEDD Fund | Mayor's Court Fund | Special Assessment Fund | Total Custodial Funds |
|---------------------------------------|--------------------------|--------------------------------|-----------------------|-------------------------------|--------------------------|
| Assets: | | | | | |
| Equity in Pooled Cash and Investments | \$ 5,463 | \$ 80,281 | \$ 6,366 | \$ 0 | \$ 92,110 |
| Receivables: | | | | | |
| Special Assessments | 0 | 0 | 0 | 361,011 | 361,011 |
| Total Assets | <u>\$ 5,463</u> | <u>\$ 80,281</u> | <u>\$ 6,366</u> | <u>\$ 361,011</u> | <u>\$ 453,121</u> |
| Liabilities: | | | | | |
| Due to Others | \$ 5,463 | \$ 80,281 | \$ 0 | \$ 361,011 | \$ 446,755 |
| Undistributed Monies | 0 | 0 | 6,366 | 0 | 6,366 |
| Total Liabilities | <u>\$ 5,463</u> | <u>\$ 80,281</u> | <u>\$ 6,366</u> | <u>\$ 361,011</u> | <u>\$ 453,121</u> |

CITY OF SPRINGBORO, OHIO

**Statement Of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2021**

| | Library Donation Fund | Lytle Five Points JEDD Fund | Mayor's Court Fund | Special Assessment Fund | Total Custodial Funds |
|-----------------------------------|--------------------------|--------------------------------|-----------------------|-------------------------------|--------------------------|
| Additions: | | | | | |
| Intergovernmental Revenues | \$ 0 | \$ 81,199 | \$ 0 | \$ 0 | \$ 81,199 |
| Fines, Licenses and Permits | 0 | 0 | 188,008 | 0 | 188,008 |
| Special Assessments | 0 | 0 | 0 | 121,823 | 121,823 |
| Donations | 13,142 | 0 | 0 | 0 | 13,142 |
| Total Additions | 13,142 | 81,199 | 188,008 | 121,823 | 404,172 |
| Deductions: | | | | | |
| Other Distributions | 13,142 | 81,199 | 188,008 | 121,823 | 404,172 |
| Total Deductions | 13,142 | 81,199 | 188,008 | 121,823 | 404,172 |
| Change in Net Position | 0 | 0 | 0 | 0 | 0 |
| Net Position at Beginning of Year | 0 | 0 | 0 | 0 | 0 |
| Net Position End of Year | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |



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 13 |
|-------------------------|------------|

These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

| | |
|-------------------------|-------------|
| Revenue Capacity | S 14 – S 17 |
|-------------------------|-------------|

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, the property tax and the income tax.

| | |
|----------------------|-------------|
| Debt Capacity | S 18 – S 27 |
|----------------------|-------------|

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 28 – S 31 |
|---|-------------|

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 32 – S 39 |
|------------------------------|-------------|

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 Springboro, Ohio

Net Position by Component Last Ten Years (accrual basis of accounting)

| | 2012 | 2013 | 2014 | 2015 |
|---|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities: | | | | |
| Net Investment in Capital Assets | \$39,980,429 | \$41,524,086 | \$43,618,251 | \$46,648,334 |
| Restricted | 10,047,132 | 10,672,787 | 10,366,896 | 14,312,206 |
| Unrestricted | 4,747,303 | 5,121,940 | 661,307 | (1,403,800) |
| Total Governmental Activities Net Position | <u>\$54,774,864</u> | <u>\$57,318,813</u> | <u>\$54,646,454</u> | <u>\$59,556,740</u> |
| Business-type Activities: | | | | |
| Net Investment in Capital Assets | \$50,576,992 | \$51,515,909 | \$54,601,283 | \$56,633,201 |
| Restricted | 2,416,605 | 2,371,790 | 2,386,606 | 2,398,893 |
| Unrestricted | 9,633,876 | 12,417,118 | 12,793,561 | 15,446,817 |
| Total Business-type Activities Net Position | <u>\$62,627,473</u> | <u>\$66,304,817</u> | <u>\$69,781,450</u> | <u>\$74,478,911</u> |
| Primary Government: | | | | |
| Net Investment in Capital Assets | \$90,557,421 | \$93,039,995 | \$98,219,534 | \$103,281,535 |
| Restricted | 12,463,737 | 13,044,577 | 12,753,502 | 16,711,099 |
| Unrestricted | 14,381,179 | 17,539,058 | 13,454,868 | 14,043,017 |
| Total Primary Government Net Position | <u>\$117,402,337</u> | <u>\$123,623,630</u> | <u>\$124,427,904</u> | <u>\$134,035,651</u> |

Source: Finance Director's Office

* Restated

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | * | | | | |
| \$47,661,162 | \$48,013,645 | \$54,582,898 | \$61,193,691 | \$65,852,121 | \$69,246,590 |
| 14,603,501 | 14,376,740 | 16,017,516 | 12,828,382 | 11,754,091 | 13,723,168 |
| (1,523,402) | (6,602,138) | (6,463,345) | (3,464,473) | (2,961,818) | (4,397,841) |
| <u>\$60,741,261</u> | <u>\$55,788,247</u> | <u>\$64,137,069</u> | <u>\$70,557,600</u> | <u>\$74,644,394</u> | <u>\$78,571,917</u> |
| | | | | | |
| \$62,763,659 | \$63,777,140 | \$66,408,488 | \$68,586,546 | \$73,298,682 | \$73,811,554 |
| 830,181 | 724,349 | 468,042 | 487,066 | 507,439 | 530,296 |
| 14,799,177 | 16,164,328 | 18,475,267 | 18,587,703 | 19,247,422 | 21,889,689 |
| <u>\$78,393,017</u> | <u>\$80,665,817</u> | <u>\$85,351,797</u> | <u>\$87,661,315</u> | <u>\$93,053,543</u> | <u>\$96,231,539</u> |
| | | | | | |
| \$110,424,821 | \$111,790,785 | \$120,991,386 | \$129,780,237 | \$139,150,803 | \$143,058,144 |
| 15,433,682 | 15,101,089 | 16,485,558 | 13,315,448 | 12,261,530 | 14,253,464 |
| 13,275,775 | 9,562,190 | 12,011,922 | 15,123,230 | 16,285,604 | 17,491,848 |
| <u>\$139,134,278</u> | <u>\$136,454,064</u> | <u>\$149,488,866</u> | <u>\$158,218,915</u> | <u>\$167,697,937</u> | <u>\$174,803,456</u> |

City of Springboro, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

| | 2012 | 2013 | 2014 |
|---|---------------------|---------------------|---------------------|
| Expenses | | | |
| Governmental Activities: | | | |
| Security of Persons and Property | \$3,632,041 | \$2,954,087 | \$3,377,387 |
| Public Health and Welfare Services | 14,723 | 14,651 | 16,704 |
| Leisure Time Activities | 742,999 | 694,736 | 769,354 |
| Community Environment | 686,964 | 666,822 | 682,355 |
| Transportation | 2,439,903 | 3,798,401 | 3,159,853 |
| General Government | 4,760,638 | 3,685,441 | 3,815,946 |
| Interest and Fiscal Charges | 617,827 | 542,335 | 484,875 |
| <i>Total Governmental Activities Expenses</i> | <u>12,895,095</u> | <u>12,356,473</u> | <u>12,306,474</u> |
| Business-type Activities: | | | |
| Golf Course | 2,671,202 | 2,237,071 | 2,368,968 |
| Water | 3,670,617 | 3,140,275 | 3,037,234 |
| Sewer | 2,921,396 | 2,920,507 | 2,971,336 |
| Trash | 964,704 | 1,012,007 | 1,168,721 |
| Storm Water | 502,364 | 284,940 | 317,896 |
| <i>Total Business-type Activities Expenses</i> | <u>10,730,283</u> | <u>9,594,800</u> | <u>9,864,155</u> |
| <i>Total Primary Government Expenses</i> | <u>\$23,625,378</u> | <u>\$21,951,273</u> | <u>\$22,170,629</u> |
| Program Revenues | | | |
| Governmental Activities: | | | |
| Charges for Services and Sales | | | |
| Security of Persons and Property | \$16,979 | \$19,027 | \$18,976 |
| Leisure Time Activities | 293,221 | 138,999 | 160,027 |
| Community Environment | 200,293 | 210,534 | 269,250 |
| Transportation | 291,661 | 344,208 | 422,147 |
| General Government | 271,683 | 252,163 | 236,608 |
| Operating Grants and Contributions | 726,537 | 1,181,004 | 979,678 |
| Capital Grants and Contributions | 35,347 | 355,511 | 108,708 |
| <i>Total Governmental Activities Program Revenues</i> | <u>1,835,721</u> | <u>2,501,446</u> | <u>2,195,394</u> |

City of Springboro, Ohio

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$3,333,613 | \$3,726,152 | \$3,875,186 | \$4,360,669 | \$1,220,689 | \$4,239,484 | \$4,808,868 |
| 16,677 | 16,685 | 16,480 | 16,460 | 16,532 | 16,618 | 16,384 |
| 735,563 | 828,342 | 930,498 | 915,240 | 1,427,099 | 1,331,660 | 1,401,601 |
| 738,231 | 1,665,239 | 894,046 | 926,636 | 1,292,447 | 1,095,542 | 739,420 |
| 2,680,481 | 3,501,098 | 5,708,785 | 2,691,945 | 3,502,736 | 3,540,567 | 3,624,939 |
| 3,871,054 | 4,222,777 | 4,496,267 | 4,197,195 | 5,420,982 | 6,587,249 | 6,434,048 |
| 433,760 | 432,103 | 338,394 | 402,182 | 471,279 | 329,496 | 335,455 |
| <u>11,809,379</u> | <u>14,392,396</u> | <u>16,259,656</u> | <u>13,510,327</u> | <u>13,351,764</u> | <u>17,140,616</u> | <u>17,360,715</u> |
| 2,275,754 | 2,970,701 | 2,744,386 | 2,260,020 | 3,000,185 | 2,986,882 | 2,402,783 |
| 3,078,773 | 3,242,720 | 3,634,171 | 3,294,517 | 4,234,747 | 2,751,493 | 3,330,446 |
| 3,010,001 | 2,992,339 | 3,139,008 | 2,934,574 | 3,476,853 | 3,149,313 | 3,166,101 |
| 1,103,164 | 1,153,549 | 1,174,847 | 1,396,694 | 1,269,780 | 1,289,600 | 1,266,452 |
| 336,791 | 333,538 | 407,877 | 850,463 | 832,778 | 462,507 | 362,232 |
| <u>9,804,483</u> | <u>10,692,847</u> | <u>11,100,289</u> | <u>10,736,268</u> | <u>12,814,343</u> | <u>10,639,795</u> | <u>10,528,014</u> |
| <u>\$21,613,862</u> | <u>\$25,085,243</u> | <u>\$27,359,945</u> | <u>\$24,246,595</u> | <u>\$26,166,107</u> | <u>\$27,780,411</u> | <u>\$27,888,729</u> |
| \$69,982 | \$36,202 | \$87,773 | \$101,048 | \$67,387 | \$55,152 | \$48,275 |
| 117,480 | 140,250 | 109,780 | 307,722 | 295,173 | 326,088 | 263,879 |
| 314,172 | 449,613 | 331,005 | 358,358 | 354,036 | 317,415 | 260,816 |
| 285,917 | 175,042 | 136,981 | 276,265 | 195,080 | 430,063 | 128,470 |
| 217,723 | 218,199 | 242,596 | 227,191 | 433,065 | 277,462 | 214,551 |
| 1,017,011 | 1,072,047 | 1,209,464 | 1,407,169 | 1,529,386 | 2,808,730 | 1,659,123 |
| 857,004 | 59,071 | 79,145 | 3,495,542 | 118,986 | 100,694 | 1,500,000 |
| <u>2,879,289</u> | <u>2,150,424</u> | <u>2,196,744</u> | <u>6,173,295</u> | <u>2,993,113</u> | <u>4,315,604</u> | <u>4,075,114</u> |

(continued)

City of Springboro, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

| | 2012 | 2013 | 2014 |
|---|-----------------------------|-----------------------------|-----------------------------|
| Business-type Activities: | | | |
| Charges for Services | | | |
| Golf Course | 1,974,536 | 1,621,898 | 1,713,411 |
| Water | 4,892,729 | 4,475,509 | 4,630,118 |
| Sewer | 3,847,960 | 3,963,098 | 4,146,437 |
| Trash | 931,295 | 1,030,615 | 1,069,469 |
| Storm Water | 190,946 | 264,150 | 269,083 |
| Capital Grants and Contributions | 694,590 | 794,448 | 1,060,632 |
| <i>Total Business-type Activities Program Revenues</i> | <u>12,532,056</u> | <u>12,149,718</u> | <u>12,889,150</u> |
| <i>Total Primary Government Program Revenues</i> | <u>14,367,777</u> | <u>14,651,164</u> | <u>15,084,544</u> |
| Net (Expense)/Revenue | | | |
| Governmental Activities | (11,059,374) | (9,855,027) | (10,111,080) |
| Business-type Activities | 1,801,773 | 2,554,918 | 3,024,995 |
| <i>Total Primary Government Net (Expense)/Revenue</i> | <u><u>(\$9,257,601)</u></u> | <u><u>(\$7,300,109)</u></u> | <u><u>(\$7,086,085)</u></u> |
| General Revenues and Other Changes in Net Position | | | |
| Governmental Activities: | | | |
| Income Taxes | \$11,234,399 | \$11,755,014 | \$11,925,126 |
| Property Taxes | 624,866 | 828,996 | 870,963 |
| Other Local Taxes | 57,355 | 70,427 | 69,690 |
| Payment in Lieu of Taxes | 111,074 | 147,717 | 96,645 |
| Intergovernmental, unrestricted | 426,267 | 441,753 | 253,287 |
| Investment Earnings | 58,757 | 67,201 | 77,679 |
| Miscellaneous | 233,235 | 195,995 | 258,713 |
| Gain (Loss) on Sale of Assets Held for Resale | 65,954 | 0 | 2,305 |
| Transfers | (942,176) | (1,108,127) | (1,263,069) |
| <i>Total Governmental Activities</i> | <u>11,869,731</u> | <u>12,398,976</u> | <u>12,291,339</u> |
| Business-type Activities: | | | |
| Investment Earnings | 27,245 | 14,299 | 42,366 |
| Transfers | 942,176 | 1,108,127 | 1,263,069 |
| <i>Total Business-type Activities</i> | <u>969,421</u> | <u>1,122,426</u> | <u>1,305,435</u> |
| <i>Total Primary Government</i> | <u><u>\$12,839,152</u></u> | <u><u>\$13,521,402</u></u> | <u><u>\$13,596,774</u></u> |
| Change in Net Position | | | |
| Governmental Activities | \$810,357 | \$2,543,949 | \$2,180,259 |
| Business-type Activities | 2,771,194 | 3,677,344 | 4,330,430 |
| <i>Total Primary Government Change in Net Position</i> | <u><u>\$3,581,551</u></u> | <u><u>\$6,221,293</u></u> | <u><u>\$6,510,689</u></u> |

Source: Finance Director's Office

City of Springboro, Ohio

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------|---------------|----------------|---------------|---------------|---------------|----------------|
| 1,688,183 | 1,828,392 | 1,897,763 | 1,981,923 | 2,029,644 | 2,091,327 | 2,475,175 |
| 4,589,298 | 4,768,013 | 4,731,894 | 4,832,675 | 5,063,956 | 5,124,544 | 4,547,870 |
| 4,247,656 | 4,337,885 | 4,430,069 | 4,535,924 | 4,534,193 | 4,529,296 | 4,210,228 |
| 1,108,436 | 1,143,061 | 1,177,890 | 1,212,273 | 1,217,038 | 1,223,384 | 1,144,641 |
| 272,996 | 275,873 | 279,642 | 283,565 | 285,901 | 289,509 | 265,465 |
| 1,502,175 | 1,247,132 | 909,511 | 1,230,151 | 919,427 | 1,249,691 | 516,341 |
| 13,408,744 | 13,600,356 | 13,426,769 | 14,076,511 | 14,050,159 | 14,507,751 | 13,159,720 |
| 16,288,033 | 15,750,780 | 15,623,513 | 20,249,806 | 17,043,272 | 18,823,355 | 17,234,834 |
| (8,930,090) | (12,241,972) | (14,062,912) | (7,337,032) | (10,358,651) | (12,825,012) | (13,285,601) |
| 3,604,261 | 2,907,509 | 2,326,480 | 3,340,243 | 1,235,816 | 3,867,956 | 2,631,706 |
| (\$5,325,829) | (\$9,334,463) | (\$11,736,432) | (\$3,996,789) | (\$9,122,835) | (\$8,957,056) | (\$10,653,895) |
| \$13,274,634 | \$12,476,441 | \$13,272,536 | \$13,899,458 | \$14,297,708 | \$15,032,782 | \$15,367,154 |
| 768,398 | 856,208 | 871,019 | 745,854 | 1,018,540 | 693,921 | 761,596 |
| 73,476 | 83,300 | 78,581 | 71,793 | 78,623 | 34,968 | 44,769 |
| 103,114 | 264,735 | 175,264 | 536,457 | 564,331 | 604,025 | 545,750 |
| 259,602 | 244,861 | 289,115 | 1,024,272 | 330,020 | 301,577 | 397,993 |
| 77,545 | 104,955 | 109,278 | 252,894 | 649,776 | 394,130 | 132,036 |
| 332,784 | 356,905 | 508,430 | 317,333 | 578,377 | 1,219,079 | 686,357 |
| 0 | 0 | 66,152 | 0 | 0 | 0 | 0 |
| (1,049,177) | (960,912) | (1,010,454) | (1,162,207) | (738,193) | (1,368,676) | (722,531) |
| 13,840,376 | 13,426,493 | 14,359,921 | 15,685,854 | 16,779,182 | 16,911,806 | 17,213,124 |
| 44,023 | 45,685 | 63,530 | 183,530 | 335,509 | 155,596 | (176,241) |
| 1,049,177 | 960,912 | 1,010,454 | 1,162,207 | 738,193 | 1,368,676 | 722,531 |
| 1,093,200 | 1,006,597 | 1,073,984 | 1,345,737 | 1,073,702 | 1,524,272 | 546,290 |
| \$14,933,576 | \$14,433,090 | \$15,433,905 | \$17,031,591 | \$17,852,884 | \$18,436,078 | \$17,759,414 |
| \$4,910,286 | \$1,184,521 | \$297,009 | \$8,348,822 | \$6,420,531 | \$4,086,794 | \$3,927,523 |
| 4,697,461 | 3,914,106 | 3,400,464 | 4,685,980 | 2,309,518 | 5,392,228 | 3,177,996 |
| \$9,607,747 | \$5,098,627 | \$3,697,473 | \$13,034,802 | \$8,730,049 | \$9,479,022 | \$7,105,519 |

City of Springboro, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

| | 2012 | 2013 | 2014 | 2015 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| General Fund | | | | |
| Nonspendable | \$141,708 | \$193,739 | \$218,291 | \$241,847 |
| Assigned | 328,242 | 1,007,606 | 1,402,360 | 749,159 |
| Unassigned | 7,524,414 | 6,746,464 | 7,031,255 | 5,399,772 |
| <i>Total General Fund</i> | <u>7,994,364</u> | <u>7,947,809</u> | <u>8,651,906</u> | <u>6,390,778</u> |
| All Other Governmental Funds | | | | |
| Nonspendable | \$115,026 | \$105,942 | \$107,944 | \$136,487 |
| Restricted | 6,947,280 | 7,797,447 | 7,861,782 | 11,867,883 |
| Unassigned | (1,012,535) | (1,275,608) | 0 | 0 |
| Total All Other Governmental Funds | <u>6,049,771</u> | <u>6,627,781</u> | <u>7,969,726</u> | <u>12,004,370</u> |
| <i>Total Governmental Funds</i> | <u><u>\$14,044,135</u></u> | <u><u>\$14,575,590</u></u> | <u><u>\$16,621,632</u></u> | <u><u>\$18,395,148</u></u> |

Source: Finance Director's Office

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$302,572 | \$275,099 | \$303,055 | \$286,819 | \$303,791 | \$297,211 |
| 1,766,114 | 1,438,163 | 1,661,535 | 2,556,105 | 4,662,546 | 4,859,576 |
| 4,966,533 | 6,419,752 | 6,929,507 | 6,513,601 | 5,440,761 | 5,978,216 |
| 7,035,219 | 8,133,014 | 8,894,097 | 9,356,525 | 10,407,098 | 11,135,003 |
| | | | | | |
| \$144,919 | \$154,834 | \$248,659 | \$177,032 | \$125,886 | \$183,043 |
| 12,553,690 | 12,237,148 | 13,987,435 | 10,335,348 | 9,558,064 | 11,799,484 |
| 0 | 0 | (10,501) | (4,499,945) | (4,237,466) | (6,504,398) |
| 12,698,609 | 12,391,982 | 14,225,593 | 6,012,435 | 5,446,484 | 5,478,129 |
| \$19,733,828 | \$20,524,996 | \$23,119,690 | \$15,368,960 | \$15,853,582 | \$16,613,132 |

City of Springboro, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

| | 2012 | 2013 | 2014 | 2015 |
|--|-------------------|-------------------|-------------------|-------------------|
| Revenues: | | | | |
| Municipal Income Taxes | \$11,029,649 | \$11,576,805 | \$11,627,659 | \$13,067,114 |
| Property Tax | 686,985 | 903,357 | 951,075 | 843,022 |
| Payment in Lieu of Taxes | 111,074 | 147,717 | 96,645 | 103,114 |
| Intergovernmental Revenues | 2,031,769 | 1,944,528 | 1,348,059 | 1,298,239 |
| Fines, Licenses and Permits | 540,093 | 540,991 | 573,421 | 657,868 |
| Investment Earnings | 122,346 | 67,201 | 77,679 | 77,545 |
| Special Assessments | 407,512 | 370,615 | 400,731 | 255,278 |
| Donations | 965 | 1,020 | 800 | 6,825 |
| All Other Revenue | 721,702 | 549,190 | 681,417 | 640,878 |
| Total Revenue | 15,652,095 | 16,101,424 | 15,757,486 | 16,949,883 |
| Expenditures: | | | | |
| Current: | | | | |
| Security of Persons and Property | 2,935,104 | 2,888,617 | 3,042,822 | 3,054,604 |
| Public Health and Welfare Services | 14,723 | 14,651 | 16,704 | 16,677 |
| Leisure Time Activities | 565,858 | 581,460 | 589,217 | 580,393 |
| Community Environment | 587,997 | 631,873 | 644,956 | 719,559 |
| Transportation | 798,160 | 975,291 | 1,368,605 | 925,913 |
| General Government | 4,026,518 | 3,429,879 | 3,546,195 | 3,667,354 |
| Capital Outlay | 4,975,287 | 4,222,106 | 3,044,966 | 3,639,098 |
| Debt Service: | | | | |
| Principal Retirement | 1,375,000 | 1,150,000 | 1,190,000 | 2,590,000 |
| Interest and Fiscal Charges | 618,544 | 567,797 | 499,621 | 458,607 |
| Total Expenditures | 15,897,191 | 14,461,674 | 13,943,086 | 15,652,205 |
| Excess (Deficiency) of Revenues Over Expenditures | (245,096) | 1,639,750 | 1,814,400 | 1,297,678 |

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$13,082,097 | \$13,380,200 | \$13,762,046 | \$13,898,865 | \$14,742,790 | \$15,621,472 |
| 938,153 | 948,201 | 823,329 | 783,337 | 1,049,244 | 784,133 |
| 264,735 | 175,264 | 536,457 | 564,331 | 604,025 | 545,750 |
| 1,304,187 | 1,487,662 | 5,688,056 | 1,689,806 | 3,133,261 | 2,011,448 |
| 764,413 | 670,335 | 678,855 | 683,531 | 612,485 | 455,060 |
| 104,955 | 109,278 | 252,894 | 649,776 | 394,130 | 132,036 |
| 249,288 | 259,067 | 195,691 | 229,953 | 204,051 | 292,506 |
| 1,200 | 1,200 | 1,785 | 955 | 1,555 | 1,725 |
| 575,623 | 711,010 | 871,424 | 1,183,514 | 1,991,130 | 2,524,507 |
| 17,284,651 | 17,742,217 | 22,810,537 | 19,684,068 | 22,732,671 | 22,368,637 |
| 3,165,959 | 3,310,877 | 3,605,984 | 3,848,741 | 3,470,588 | 4,363,497 |
| 16,685 | 16,480 | 16,460 | 16,532 | 16,618 | 16,384 |
| 642,794 | 636,392 | 688,336 | 914,916 | 906,155 | 1,191,728 |
| 1,642,089 | 783,064 | 830,915 | 1,094,412 | 938,584 | 1,056,940 |
| 906,513 | 913,025 | 1,026,760 | 1,140,490 | 1,164,245 | 1,227,035 |
| 3,814,706 | 3,999,710 | 4,216,438 | 9,266,457 | 5,979,262 | 5,774,728 |
| 9,116,981 | 4,952,458 | 7,047,055 | 8,009,888 | 5,320,093 | 6,298,475 |
| 2,630,000 | 8,535,000 | 7,310,000 | 6,890,000 | 5,810,000 | 7,300,000 |
| 367,933 | 400,109 | 378,298 | 522,422 | 419,668 | 398,639 |
| 22,303,660 | 23,547,115 | 25,120,246 | 31,703,858 | 24,025,213 | 27,627,426 |
| (5,019,009) | (5,804,898) | (2,309,709) | (12,019,790) | (1,292,542) | (5,258,789) |

(Continued)

City of Springboro, Ohio

Changes in Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

| | 2012 | 2013 | 2014 | 2015 |
|--|----------------------|--------------------|--------------------|--------------------|
| Other Financing Sources (Uses): | | | | |
| Gain (Loss) on Sale of Assets Held for Resale | 65,954 | 0 | 2,305 | 0 |
| Issuance of General Obligation Notes | 0 | 0 | 1,500,000 | 1,500,000 |
| Inception of Capital Lease | 0 | 0 | 0 | 0 |
| Issuance of General Obligation Bonds | 0 | 0 | 0 | 0 |
| Refunding General Obligation Bonds | 0 | 0 | 0 | 0 |
| Premium on General Obligation Bonds | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Transfers In | 8,258,341 | 6,659,391 | 5,798,965 | 9,256,027 |
| Transfers Out | (9,200,517) | (7,767,518) | (7,062,034) | (10,305,204) |
| Total Other Financing Sources (Uses) | (876,222) | (1,108,127) | 239,236 | 450,823 |
| Net Change in Fund Balance | (\$1,121,318) | \$531,623 | \$2,053,636 | \$1,748,501 |
| Debt Service as a Percentage of Noncapital Expenditures | 16.33% | 14.85% | 15.25% | 25.38% |

Source: Finance Director's Office

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------|--------------|-------------|---------------|--------------|--------------|
| 0 | 66,152 | 0 | 0 | 0 | 0 |
| 7,300,000 | 6,050,000 | 6,050,000 | 5,000,000 | 3,200,000 | 3,200,000 |
| 0 | 0 | 0 | 0 | 0 | 3,485,000 |
| 0 | 1,370,000 | 0 | 0 | 0 | 0 |
| 0 | 2,835,000 | 0 | 0 | 0 | 0 |
| 0 | 281,517 | 0 | 0 | 0 | 0 |
| 0 | (2,995,367) | 0 | 0 | 0 | 0 |
| 4,756,696 | 9,783,918 | 8,007,462 | 5,558,208 | 9,454,886 | 12,145,414 |
| (5,717,608) | (10,794,372) | (9,169,669) | (6,296,401) | (10,823,562) | (12,867,945) |
| 6,339,088 | 6,596,848 | 4,887,793 | 4,261,807 | 1,831,324 | 5,962,469 |
| \$1,320,079 | \$791,950 | \$2,578,084 | (\$7,757,983) | \$538,782 | \$703,680 |
| 21.51% | 41.85% | 45.15% | 38.51% | 34.45% | 33.85% |

City of Springboro, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

| Tax year | 2012 | 2013 | 2014 | 2015 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| Income Tax Rate | 1.50% | 1.50% | 1.50% | 1.50% |
| Estimated Personal Income | \$736,575,600 | \$783,695,333 | \$785,480,333 | \$871,974,733 |
| Total Tax Collected | \$11,048,634 | \$11,755,430 | \$11,782,205 | \$13,079,621 |
| Income Tax Receipts | | | | |
| Withholding | 6,806,365 | 7,193,224 | 7,230,191 | 7,823,634 |
| Percentage | 61% | 60% | 61% | 60% |
| Corporate | 1,180,319 | 1,336,470 | 1,297,990 | 1,667,142 |
| Percentage | 11% | 11% | 11% | 13% |
| Individuals | 3,061,950 | 3,225,736 | 3,254,024 | 3,588,845 |
| Percentage | 28% | 27% | 28% | 27% |
| Income Tax by Business Type | | | | |
| Industrial | \$1,554,758 | \$1,584,384 | \$1,650,806 | \$1,338,009 |
| Education/Government | 471,988 | 474,856 | 473,461 | 503,690 |
| Service | 1,106,856 | 1,069,197 | 1,021,450 | 1,042,193 |
| Retail | 506,473 | 509,623 | 541,549 | 577,193 |
| Medical | 711,101 | 835,690 | 859,599 | 892,091 |
| Construction | 60,934 | 71,349 | 132,315 | 143,715 |
| Financial | 68,846 | 78,547 | 78,268 | 84,375 |
| Restaurants | 212,341 | 243,657 | 280,816 | 288,359 |
| Miscellaneous | 52,443 | 66,008 | 86,090 | 90,104 |
| Total Tax | <u>\$4,745,740</u> | <u>\$4,933,310</u> | <u>\$5,124,354</u> | <u>\$4,959,729</u> |

Source: City Income Tax Department

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% |
| \$889,483,000 | \$896,913,411 | \$930,904,133 | \$944,607,400 | \$954,398,400 | \$1,045,620,200 |
| \$13,342,245 | \$13,453,701 | \$13,963,562 | \$14,169,111 | \$14,315,976 | \$15,684,303 |
| 8,190,693 | 8,524,849 | 9,164,882 | 9,406,135 | 9,563,177 | 10,267,481 |
| 61% | 63% | 65% | 66% | 67% | 66% |
| 1,492,084 | 1,586,724 | 1,327,274 | 1,375,277 | 1,586,541 | 2,075,582 |
| 11% | 12% | 10% | 10% | 11% | 13% |
| 3,659,468 | 3,342,128 | 3,471,406 | 3,387,699 | 3,166,258 | 3,341,240 |
| 27% | 25% | 25% | 24% | 22% | 21% |
| \$1,808,422 | \$1,598,410 | \$1,572,631 | \$1,241,969 | \$1,201,218 | \$1,703,567 |
| 567,521 | 594,880 | 627,300 | 655,080 | 561,264 | 682,151 |
| 1,185,310 | 1,726,385 | 1,790,579 | 1,478,569 | 1,590,405 | 2,119,059 |
| 594,789 | 482,570 | 433,672 | 404,698 | 412,340 | 295,619 |
| 952,579 | 1,026,144 | 836,998 | 1,110,468 | 913,034 | 1,112,340 |
| 209,099 | 282,007 | 253,745 | 281,868 | 245,181 | 290,520 |
| 88,990 | 100,869 | 97,217 | 94,947 | 91,693 | 118,661 |
| 299,355 | 260,038 | 360,140 | 259,174 | 210,970 | 295,619 |
| 85,586 | 94,000 | 88,471 | 52,220 | 47,561 | 27,846 |
| <u>\$5,791,651</u> | <u>\$6,165,302</u> | <u>\$6,060,753</u> | <u>\$5,578,992</u> | <u>\$5,273,666</u> | <u>\$6,645,382</u> |



City of Springboro

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2021

| Income Level | Number of Filers | Percent of Total | Local Taxable Income | Percent of Income |
|-----------------|---------------------|---------------------|----------------------------|----------------------|
| \$0 - \$19,999 | 4,958 | 33.40% | 3,451,017 | 0.27% |
| 20,000 - 49,999 | 1,874 | 12.62% | 64,708,371 | 5.08% |
| 50,000 - 74,999 | 1,490 | 10.04% | 93,011,852 | 7.31% |
| 75,000 - 99,999 | 1,328 | 8.95% | 115,732,245 | 9.09% |
| Over 100,000 | 5,194 | 34.99% | 995,727,969 | 78.25% |
| Total | 14,844 | 100.00% | \$1,272,631,454 | 100.00% |

Local Taxes Paid by Residents

Taxes Paid to Springboro

Tax Dollars

9,148,407

Taxes Credited to Other Municipalities

3,012,263

\$12,160,670

Calendar Year 2012

| Income Level | Number of Filers | Percent of Total | Local Taxable Income | Percent of Income |
|-----------------|---------------------|---------------------|----------------------------|----------------------|
| \$0 - \$19,999 | 3,728 | 43.95% | \$13,641,047 | 2.61% |
| 20,000 - 49,999 | 1,104 | 13.02% | 38,098,712 | 7.30% |
| 50,000 - 74,999 | 825 | 9.73% | 51,491,708 | 9.86% |
| 75,000 - 99,999 | 769 | 9.07% | 67,169,407 | 12.86% |
| Over 100,000 | 2,055 | 24.23% | 351,766,843 | 67.37% |
| Total | 8,481 | 100.00% | \$522,167,716 | 100.00% |

Local Taxes Paid by Residents

Taxes Paid to Springboro

Tax Dollars

\$5,061,746

Taxes Credited to Other Municipalities

2,599,182

\$7,660,928

Source: City Income Tax Department

City of Springboro, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

| | 2012 | 2013 | 2014 | 2015 |
|--|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities ⁽¹⁾ | | | | |
| Special Assessment Bonds Payable | \$1,705,000 | \$1,445,000 | \$1,170,000 | \$1,035,000 |
| Unvoted General Obligation Bonds Payable | 11,153,477 | 10,242,506 | 9,306,535 | 8,330,564 |
| General Obligation Notes Payable | 0 | 0 | 1,500,000 | 1,500,000 |
| Capital Leases | 0 | 0 | 0 | 0 |
| Business-type Activities ⁽¹⁾ | | | | |
| Mortgage Revenue Bonds Payable | \$19,042,376 | \$17,830,566 | \$16,578,756 | \$15,291,946 |
| General Obligation Bonds Payable | 11,043,330 | 10,179,845 | 9,296,360 | 8,382,875 |
| Capital Leases | 96,063 | 0 | 0 | 0 |
| Total Primary Government | <u>\$43,040,246</u> | <u>\$39,697,917</u> | <u>\$37,851,651</u> | <u>\$34,540,385</u> |
| Population ⁽²⁾ | | | | |
| City of Springboro | 17,409 | 17,409 | 17,409 | 17,409 |
| Outstanding Debt Per Capita | \$2,472 | \$2,280 | \$2,174 | \$1,984 |
| Income ⁽³⁾ | | | | |
| Personal (in thousands) | 819,633 | 835,667 | 870,537 | 904,311 |
| Percentage of Personal Income | 5.25% | 4.75% | 4.35% | 3.82% |

Sources:

(1) Source: Finance Director'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 Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$895,000 | \$794,842 | \$672,368 | \$544,894 | \$412,420 | \$279,946 |
| 7,319,597 | 7,727,538 | 6,541,410 | 5,790,617 | 5,076,089 | 1,666,561 |
| 7,300,000 | 6,050,000 | 6,050,000 | 5,000,000 | 3,200,000 | 3,200,000 |
| 0 | 0 | 0 | 0 | 0 | 2,890,000 |
| \$10,989,602 | \$9,907,366 | \$8,800,130 | \$7,972,894 | \$7,110,658 | \$6,208,422 |
| 7,439,390 | 6,598,911 | 5,551,593 | 4,459,275 | 2,751,957 | 1,864,639 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$33,943,589</u> | <u>\$31,078,657</u> | <u>\$27,615,501</u> | <u>\$23,767,680</u> | <u>\$18,551,124</u> | <u>\$16,109,568</u> |
| 17,409 | 17,409 | 17,409 | 17,409 | 17,409 | 19,062 |
| \$1,950 | \$1,785 | \$1,586 | \$1,365 | \$1,066 | \$845 |
| 956,468 | 998,859 | 1,041,163 | 1,094,956 | 1,146,470 | 1,255,328 |
| 3.55% | 3.11% | 2.65% | 2.17% | 1.62% | 1.28% |

City of Springboro, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

| Year | 2012 | 2013 | 2014 | 2015 |
|---|---------------|---------------|---------------|---------------|
| Population ⁽¹⁾ | 17,409 | 17,409 | 17,409 | 17,409 |
| Assessed Value ⁽²⁾ | \$450,215,740 | \$453,795,120 | \$487,025,000 | \$522,384,960 |
| General Bonded Debt ⁽³⁾ | | | | |
| General Obligation Bonds | \$22,196,807 | \$20,422,351 | \$18,602,895 | \$16,713,439 |
| Resources Available to Pay Principal ⁽⁴⁾ | \$165,952 | \$149,414 | \$140,602 | \$156,654 |
| Net General Bonded Debt | \$22,030,855 | \$20,272,937 | \$18,462,293 | \$16,556,785 |
| Ratio of Net Bonded Debt to Estimated Actual Value | 4.89% | 4.47% | 3.79% | 3.17% |
| Net Bonded Debt per Capita | \$1,265.49 | \$1,164.51 | \$1,060.50 | \$951.05 |

Source:

- (1) U.S. Bureau of Census of Population
- (2) Warren County Auditor
- (3) Includes all general obligation bonded debt
- (4) Includes only Debt Service funds available for general obligation bonded debt.

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 17,409 | 17,409 | 17,409 | 17,409 | 17,409 | 19,062 |
| \$534,920,670 | \$552,457,420 | \$626,320,880 | \$635,609,010 | \$659,622,710 | \$759,350,840 |
| \$14,758,987 | \$14,326,449 | \$12,093,003 | \$10,249,892 | \$7,828,046 | \$3,531,200 |
| \$225,749 | \$278,412 | \$1,124,828 | \$1,440,783 | \$346,314 | \$563,220 |
| \$14,533,238 | \$14,048,037 | \$10,968,175 | \$8,809,109 | \$7,481,732 | \$2,967,980 |
| 2.72% | 2.54% | 1.75% | 1.39% | 1.13% | 0.39% |
| \$834.81 | \$806.94 | \$630.03 | \$506.01 | \$429.76 | \$155.70 |



City of Springboro, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2021*

| Jurisdiction | Gross Debt Outstanding | Percentage Applicable to the City of Springboro | Amount Applicable to the City of Springboro |
|---------------------|-----------------------------------|--|--|
| Direct: | | | |
| City of Springboro | \$5,146,507 (1) | 100.00% | \$5,146,507 |
| Overlapping: | | | |
| Warren County | 36,614,132 | 8.01% | <u>2,932,792</u> |
| | | Subtotal | <u>2,932,792</u> |
| | | Total | <u><u>\$8,079,299</u></u> |

Source: Warren County Auditor's Office

(1) Includes all Governmental Activity long-term debt instruments.

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Springboro, Ohio

Debt Limitations Last Ten Years

| | 2012 | 2013 | 2014 | 2015 |
|--|---------------|---------------|---------------|---------------|
| Total Debt | | | | |
| Net Assessed Valuation | \$450,215,740 | \$453,795,120 | \$487,025,000 | \$522,384,960 |
| Legal Debt Limitation (%) ⁽¹⁾ | 10.50% | 10.50% | 10.50% | 10.50% |
| Legal Debt Limitation (\$) ⁽¹⁾ | 47,272,653 | 47,648,488 | 51,137,625 | 54,850,421 |
| City Debt Outstanding ⁽²⁾ | 11,153,477 | 10,242,506 | 9,306,535 | 8,330,564 |
| Less: Applicable Debt Service Fund Amounts | (165,952) | (149,414) | (140,602) | (156,654) |
| Net Indebtedness Subject to Limitation | 10,987,525 | 10,093,092 | 9,165,933 | 8,173,910 |
| Overall Legal Debt Margin | \$36,285,128 | \$37,555,396 | \$41,971,692 | \$46,676,511 |
| Unvoted Debt | | | | |
| Net Assessed Valuation | \$450,215,740 | \$453,795,120 | \$487,025,000 | \$522,384,960 |
| Legal Debt Limitation (%) ⁽¹⁾ | 5.50% | 5.50% | 5.50% | 5.50% |
| Legal Debt Limitation (\$) ⁽¹⁾ | 24,761,866 | 24,958,732 | 26,786,375 | 28,731,173 |
| City Debt Outstanding ⁽²⁾ | 11,153,477 | 10,242,506 | 9,306,535 | 8,330,564 |
| Less: Applicable Debt Service Fund Amounts | (165,952) | (149,414) | (140,602) | (156,654) |
| Net Indebtedness Subject to Limitation | 10,987,525 | 10,093,092 | 9,165,933 | 8,173,910 |
| Overall Legal Debt Margin | \$13,774,341 | \$14,865,640 | \$17,620,442 | \$20,557,263 |

(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: Finance Director's Office

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$534,920,670 | \$552,457,420 | \$626,320,880 | \$635,609,010 | \$659,622,710 | \$759,350,840 |
| 10.50% | 10.50% | 10.50% | 10.50% | 10.50% | 10.50% |
| 56,166,670 | 58,008,029 | 65,763,692 | 66,738,946 | 69,260,385 | 79,731,838 |
| 7,319,597 | 7,727,538 | 6,541,410 | 5,790,617 | 5,076,089 | 1,666,561 |
| (225,749) | (278,412) | (1,124,828) | (1,440,783) | (346,314) | (563,220) |
| 7,093,848 | 7,449,126 | 5,416,582 | 4,349,834 | 4,729,775 | 1,103,341 |
| \$49,072,822 | \$50,558,903 | \$60,347,110 | \$62,389,112 | \$64,530,610 | \$78,628,497 |
| \$534,920,670 | \$552,457,420 | \$626,320,880 | \$635,609,010 | \$659,622,710 | \$759,350,840 |
| 5.50% | 5.50% | 5.50% | 5.50% | 5.50% | 5.50% |
| 29,420,637 | 30,385,158 | 34,447,648 | 34,958,496 | 36,279,249 | 41,764,296 |
| 7,319,597 | 7,727,538 | 6,541,410 | 5,790,617 | 5,076,089 | 1,666,561 |
| (225,749) | (278,412) | (1,124,828) | (1,440,783) | (346,314) | (563,220) |
| 7,093,848 | 7,449,126 | 5,416,582 | 4,349,834 | 4,729,775 | 1,103,341 |
| \$22,326,789 | \$22,936,032 | \$29,031,066 | \$30,608,662 | \$31,549,474 | \$40,660,955 |

City of Springboro, Ohio

Pledged Revenue Coverage Last Ten Years

| | 2012 | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|-------------|
| Water System Bonds (1 a) | | | | |
| Gross Revenues (2) | \$4,902,949 | \$4,478,496 | \$4,649,905 | \$4,610,395 |
| Direct Operating Expenses (3) | 2,571,976 | 2,081,257 | 2,021,365 | 2,078,527 |
| Net Revenue Available for Debt Service | 2,330,973 | 2,397,239 | 2,628,540 | 2,531,868 |
| Annual Debt Service Requirement | 298,051 | 295,708 | 297,908 | 294,470 |
| Coverage | 7.82 | 8.11 | 8.82 | 8.60 |
| Sewer System Bonds (1 b) | | | | |
| Gross Revenues (2) | \$3,864,985 | \$3,964,822 | \$4,169,016 | \$4,270,582 |
| Direct Operating Expenses (3) | 1,849,513 | 1,695,235 | 1,764,117 | 1,796,455 |
| Net Revenue Available for Debt Service | 2,015,472 | 2,269,587 | 2,404,899 | 2,474,127 |
| Annual Debt Service Requirement | 1,328,452 | 1,507,344 | 1,510,100 | 1,511,038 |
| Coverage | 1.52 | 1.51 | 1.59 | 1.64 |
| Special Assessment Bonds (4) | | | | |
| Special Assessment Collections | \$407,512 | \$370,615 | \$400,731 | \$255,278 |
| Debt Service | | | | |
| Principal | 265,000 | 260,000 | 275,000 | 135,000 |
| Interest | 109,318 | 88,268 | 73,868 | 60,650 |
| Coverage | 1.09 | 1.06 | 1.15 | 1.30 |

(1) The Mortgage Revenue Bonds were issued as follows:

- (a) The Water system Mortgage Revenue Bonds were issued in 2004, in the amount of \$3,255,000
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2004, in the amount of \$18,310,000
Partially defeased in 2012.
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2011, in the amount of \$2,040,000.
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2012, in the amount of \$10,295,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) This includes several different Special Assessment Bond issues.

Source: City Finance Director's Office

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$4,788,553 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2,283,596 | 0 | 0 | 0 | 0 | 0 |
| 2,504,957 | 0 | 0 | 0 | 0 | 0 |
| 855,545 | 0 | 0 | 0 | 0 | 0 |
| 2.93 | N/A | N/A | N/A | N/A | N/A |
| \$4,363,030 | \$4,462,191 | \$4,629,646 | \$4,708,066 | \$4,620,487 | \$4,102,580 |
| 1,891,237 | 2,046,382 | 1,868,078 | 2,432,453 | 2,103,804 | 2,100,876 |
| 2,471,793 | 2,415,809 | 2,761,568 | 2,275,613 | 2,516,683 | 2,001,704 |
| 3,857,363 | 1,410,200 | 1,406,875 | 1,089,850 | 1,086,475 | 1,086,225 |
| 0.64 | 1.71 | 1.96 | 2.09 | 2.32 | 1.84 |
| \$249,288 | \$259,067 | \$195,691 | \$229,953 | \$204,051 | \$292,506 |
| 140,000 | 125,000 | 115,000 | 120,000 | 125,000 | 125,000 |
| 53,660 | 42,217 | 24,800 | 22,500 | 16,500 | 14,000 |
| 1.29 | 1.55 | 1.40 | 1.61 | 1.44 | 2.10 |

City of Springboro, Ohio

Demographic and Economic Statistics Last Ten Years

| Calendar Year | 2012 | 2013 | 2014 | 2015 |
|---|-----------|-----------|-----------|-----------|
| Population ⁽¹⁾ | | | | |
| City of Springboro (a) | 17,409 | 17,409 | 17,409 | 17,409 |
| Warren County | 212,693 | 212,693 | 212,693 | 212,693 |
| Income ^{(2) (a)} | | | | |
| Total Personal (in thousands) | 819,633 | 835,667 | 870,537 | 904,311 |
| County Per Capita | 47,081 | 48,002 | 50,005 | 51,945 |
| Unemployment Rate ⁽³⁾ | | | | |
| Federal | 8.1% | 7.4% | 5.4% | 5.0% |
| State | 7.2% | 7.4% | 4.7% | 4.6% |
| Warren County | 6.3% | 6.3% | 3.9% | 3.9% |
| Civilian Work Force Estimates ⁽³⁾ | | | | |
| State | 5,747,900 | 5,698,900 | 5,697,000 | 5,669,200 |
| Warren County | 109,100 | 110,200 | 110,500 | 110,100 |
| Employment Distribution by Occupation ⁽⁴⁾ | | | | |
| Industrial | 2,386 | 2,137 | 2,015 | 1,873 |
| Education/Government | 1,096 | 1,109 | 1,053 | 1,256 |
| Service | 2,317 | 2,174 | 2,125 | 2,124 |
| Retail | 1,409 | 1,615 | 1,771 | 1,506 |
| Medical | 1,534 | 1,741 | 1,773 | 1,861 |
| Construction | 212 | 190 | 222 | 397 |
| Financial | 170 | 172 | 153 | 162 |
| Restaurants | 1,917 | 2,384 | 2,375 | 2,480 |
| Miscellaneous | 339 | 356 | 350 | 397 |

Sources:

(1) US Bureau of Census of Population

(a) City of Springboro Community Development Department

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2020 for the presentation of 2020-21 statistics, the City is using the latest information available.

(a) Total Personal Income is a calculation based on the County's Per Capita Income, which is the only information available.

(3) State Department of Labor Statistics

(4) Source: City Income Tax Department

City of Springboro, Ohio

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 17,409 | 17,409 | 17,409 | 17,409 | 17,409 | 19,062 |
| 212,693 | 212,693 | 212,693 | 212,693 | 212,693 | 242,337 |
| 956,468 | 998,859 | 1,041,163 | 1,094,956 | 1,146,470 | 1,255,328 |
| 54,941 | 57,376 | 59,806 | 62,896 | 65,855 | 65,855 |
| 4.9% | 4.4% | 3.9% | 3.7% | 8.1% | 5.3% |
| 4.9% | 5.0% | 4.6% | 4.1% | 8.1% | 5.1% |
| 4.1% | 4.1% | 3.9% | 3.5% | 6.4% | 4.0% |
| 5,713,100 | 5,780,000 | 5,754,900 | 5,802,300 | 5,754,300 | 5,736,900 |
| 113,300 | 116,400 | 116,800 | 119,200 | 118,800 | 121,200 |
| 1,979 | 1,971 | 1,994 | 1,841 | 1,611 | 1,691 |
| 1,201 | 1,208 | 1,205 | 1,266 | 910 | 1,069 |
| 2,419 | 2,897 | 2,908 | 2,956 | 2,628 | 2,641 |
| 1,726 | 1,517 | 2,635 | 1,500 | 1,476 | 1,578 |
| 2,203 | 2,302 | 1,830 | 2,955 | 2,290 | 2,035 |
| 450 | 593 | 673 | 634 | 491 | 515 |
| 147 | 161 | 145 | 129 | 113 | 116 |
| 2,382 | 2,201 | 1,520 | 2,362 | 1,977 | 2,401 |
| 391 | 445 | 440 | 442 | 1,376 | 433 |



City of Springboro

Principal Employers Current Year and Nine Years Ago

| Employer | Nature of Business | 2021 | | |
|----------------------------------|--------------------|---------------------|------|--------------------------------|
| | | Number of Employees | Rank | Percentage of Total Employment |
| Springboro Schools | Education | 887 | 1 | 6.47% |
| Dayton Children's Hospital | Medical | 740 | 2 | 5.40% |
| DLM Springboro LLC | Grocery Store | 400 | 3 | 2.92% |
| Kroger Limited Partnership | Retail | 341 | 4 | 2.49% |
| Hillspring | Nursing Home | 307 | 5 | 2.24% |
| Victory Wholesale | Industry | 264 | 6 | 1.93% |
| City of Springboro | Government | 232 | 7 | 1.69% |
| Dayton Metro | YMCA | 226 | 8 | 1.65% |
| Kelchner Inc | Construction | 223 | 9 | 1.63% |
| Alliance Physicians | Medical | 221 | 10 | 1.61% |
| Total | | 3,841 | | |
| Total Employment within the City | | 13,713 | | |

| Employer | Nature of Business | 2012 | | |
|---|--------------------|---------------------|------|--------------------------------|
| | | Number of Employees | Rank | Percentage of Total Employment |
| Springboro Community Schools | Education | 845 | 1 | 7.43% |
| DLM Springboro, LLC | Grocery Store | 324 | 2 | 2.85% |
| Gayston Corp | Industry | 316 | 3 | 2.78% |
| Sourcelink Ohio, LLC | Industry | 298 | 4 | 2.62% |
| Hillspring Rehabilitation Center | Nursing Home | 264 | 5 | 2.32% |
| Miami Valley Dinner Theatre | Dinner Theatre | 242 | 6 | 2.13% |
| Dayton Metro YMCA | YMCA Center | 232 | 7 | 2.04% |
| General Dynamics Armament and Technical Products | Industry | 197 | 8 | 1.73% |
| Kmart | Retail | 177 | 9 | 1.56% |
| Kelchner, Inc | Construction | 174 | 10 | 1.53% |
| Total | | 3,069 | | |
| Total Employment within the City | | 11,380 | | |

Source: City Income Tax Department

City of Springboro, Ohio

Full Time Equivalent Employees by Function Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------------------|--------------|--------------|--------------|---------------|---------------|
| Governmental Activities | | | | | |
| General Government | | | | | |
| Finance | 6.00 | 5.50 | 5.00 | 5.00 | 5.00 |
| Income Tax | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Mayor's Court | 1.50 | 2.00 | 2.00 | 2.00 | 2.00 |
| City Manager's Office | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Computer Administration | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Council/Clerk of Council | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Security of Persons and Property | | | | | |
| Police | 26.00 | 26.00 | 24.00 | 24.00 | 25.00 |
| Dispatch | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Transportation | | | | | |
| Street | 7.25 | 9.50 | 9.50 | 9.50 | 9.50 |
| Leisure Time Activities | | | | | |
| Parks and Recreation | 11.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Community Environment | | | | | |
| Economic Development | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Engineering | 3.50 | 2.50 | 2.00 | 2.00 | 2.00 |
| Building and Zoning | 2.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| Business-Type Activities | | | | | |
| Utilities | | | | | |
| Water | 5.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Sewer | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Trash | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Golf Operations | 0.00 | 0.00 | 0.00 | 26.75 | 26.75 |
| Golf Maintenance | 9.25 | 9.00 | 9.00 | 9.00 | 9.00 |
| <i>Total Employees</i> | <u>88.50</u> | <u>86.50</u> | <u>83.50</u> | <u>110.25</u> | <u>111.25</u> |

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

City of Springboro, Ohio

| <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------|---------------|---------------|---------------|---------------|
| 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| 3.00 | 3.00 | 3.00 | 3.50 | 3.50 |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| 25.00 | 26.00 | 27.00 | 28.00 | 28.00 |
| 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| 9.50 | 9.50 | 9.50 | 9.50 | 9.50 |
| 10.00 | 10.00 | 11.00 | 11.00 | 11.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 26.75 | 26.75 | 26.75 | 23.00 | 25.00 |
| 9.00 | 9.00 | 9.00 | 9.00 | 10.00 |
| <u>113.25</u> | <u>114.25</u> | <u>116.25</u> | <u>114.00</u> | <u>117.00</u> |

City of Springboro, Ohio

Operating Indicators by Function Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|--------|--------|--------|--------|--------|
| Governmental Activities | | | | | |
| General Government | | | | | |
| Court | | | | | |
| Number of Criminal Cases | 364 | 445 | 726 | 984 | 1,527 |
| Number of Traffic Cases | 1,729 | 1,631 | 1,386 | 1,326 | 1,269 |
| Number of Citations | 2,005 | 1,915 | 1,608 | 1,489 | 1,496 |
| Number of Offenses | 2,253 | 2,178 | 1,817 | 1,691 | 1,716 |
| Number of Open Cases | 704 | 771 | 1,068 | 1,489 | 2,239 |
| Licenses and Permits | | | | | |
| Number of Residential Building Permits | 67 | 95 | 65 | 67 | 61 |
| Number of Commercial Building Permits | 6 | 4 | 2 | 1 | 51 |
| Number of Residential Building Inspections | 2,226 | 2,650 | 2,369 | 2,265 | 1,714 |
| Number of Commercial Building Inspections | 747 | 579 | 455 | 904 | 1,360 |
| Security of Persons and Property | | | | | |
| Police | | | | | |
| Number of Calls for Service | 18,597 | 16,458 | 15,447 | 15,278 | 15,478 |
| Number of Criminal Arrests | 807 | 677 | 535 | 521 | 563 |
| Number of DUI Arrests | 105 | 129 | 85 | 88 | 122 |
| Number of Traffic Accidents | 250 | 265 | 296 | 262 | 243 |
| Transportation | | | | | |
| Street | | | | | |
| Number of Streets Resurfaced | 5 | 12 | 1 | 15 | 13 |
| Community Environment | | | | | |
| Number of New Jobs | 94 | 115 | 126 | 97 | 165 |
| Business-Type Activities | | | | | |
| Golf Course | | | | | |
| Number of Rounds | 37,522 | 31,308 | 30,033 | 33,040 | 33,436 |
| Water | | | | | |
| Number of Service Connections | 7,713 | 7,743 | 7,780 | 7,912 | 8,022 |
| Daily Average Consumption (MGD) | 2,420 | 2,525 | 2,400 | 2,450 | 2,250 |
| Peak Daily Consumption (MGD) | 4,450 | 4,520 | 4,570 | 4,580 | 4,600 |
| Sewer | | | | | |
| Number of Service Connections | 8,211 | 8,241 | 8,278 | 8,300 | 8,348 |
| Daily Average Sewage Treatment (MGD) | 2,120 | 2,350 | 2,600 | 2,750 | 2,720 |
| Trash | | | | | |
| Number of Customers Served | 5,743 | 5,822 | 5,931 | 6,015 | 6,118 |

Source: Finance Director's Office

City of Springboro, Ohio

| 2017 | 2018 | 2019 | 2020 | 2021 |
|--------|--------|--------|--------|--------|
| 962 | 1,490 | 290 | 135 | 112 |
| 1,192 | 892 | 1,379 | 1,200 | 720 |
| 1,644 | 1,051 | 1,486 | 1,154 | 802 |
| 2,404 | 2,563 | 1,877 | 1,368 | 986 |
| 2,099 | 2,321 | 2,001 | 1,282 | 1,163 |
| 70 | 54 | 56 | 70 | 16 |
| 35 | 45 | 53 | 35 | 39 |
| 2,175 | N/A | N/A | N/A | N/A |
| 1,284 | N/A | N/A | N/A | N/A |
| 16,244 | 15,918 | 18,368 | 15,838 | 1,770 |
| 743 | 533 | 449 | 334 | 406 |
| 160 | 103 | 96 | 102 | 108 |
| 214 | 229 | 219 | 173 | 211 |
| 13 | 14 | 15 | 6 | 21 |
| 217 | 212 | 221 | 142 | 210 |
| 33,752 | 32,150 | 33,762 | 40,496 | 38,146 |
| 8,100 | 8,185 | 8,195 | 8,225 | 8,249 |
| 2,200 | 2,200 | 2,250 | 2,145 | 2,200 |
| 4,500 | 4,400 | 4,550 | 4,400 | 4,500 |
| 8,478 | 8,564 | 8,586 | 8,616 | 8,640 |
| 2,600 | 2,700 | 2,720 | 2,525 | 2,500 |
| 6,193 | 6,398 | 6,260 | 6,674 | 6,936 |

City of Springboro, Ohio

Capital Asset Statistics by Function Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------------------|------|------|------|------|------|
| Governmental Activities | | | | | |
| General Government | | | | | |
| Public Land and Buildings | | | | | |
| Land (acres) | 594 | 594 | 592 | 599 | 600 |
| Buildings | 14 | 15 | 15 | 21 | 17 |
| Licensed Vehicles | 7 | 8 | 8 | 8 | 8 |
| Library | 1 | 1 | 1 | 1 | 1 |
| Security of Persons and Property | | | | | |
| Police | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 |
| Vehicles | 21 | 25 | 25 | 25 | 22 |
| Transportation | | | | | |
| Street | | | | | |
| Number of Paved Streets | 366 | 368 | 368 | 371 | 371 |
| Total Paved Miles | 91 | 91 | 91 | 85 | 85 |
| Street Lights | 118 | 118 | 118 | 118 | 118 |
| Signal Controlled Intersections | 17 | 17 | 18 | 16 | 16 |
| Licensed Vehicles | 18 | 16 | 17 | 17 | 17 |
| Leisure Time Activities | | | | | |
| Parks and Recreation | | | | | |
| Land (acres) | 387 | 495 | 495 | 495 | 495 |
| Buildings | 11 | 11 | 11 | 11 | 11 |
| Parks | 4 | 5 | 5 | 5 | 5 |
| Playgrounds | 4 | 5 | 5 | 5 | 5 |
| Tennis Courts | 4 | 4 | 4 | 4 | 4 |
| Baseball/Softball Diamonds | 10 | 10 | 10 | 10 | 10 |
| Basketball Courts | 2 | 2 | 2 | 2 | 2 |
| Soccer/Lacrosse/Football Fields | 8 | 8 | 8 | 8 | 8 |
| Licensed Vehicles | 4 | 4 | 4 | 4 | 3 |

City of Springboro, Ohio

| 2017 | 2018 | 2019 | 2020 | 2021 |
|------|------|------|------|------|
| 600 | 619 | 620 | 621 | 621 |
| 17 | 17 | 20 | 18 | 18 |
| 8 | 8 | 8 | 9 | 8 |
| 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 |
| 22 | 21 | 22 | 26 | 27 |
| 371 | 371 | 372 | 375 | 375 |
| 85 | 85 | 86 | 87 | 87 |
| 118 | 118 | 125 | 125 | 125 |
| 16 | 16 | 16 | 16 | 16 |
| 18 | 21 | 20 | 21 | 21 |
| 495 | 501 | 501 | 501 | 501 |
| 11 | 11 | 12 | 12 | 12 |
| 5 | 6 | 7 | 9 | 9 |
| 5 | 5 | 6 | 8 | 8 |
| 4 | 4 | 4 | 4 | 4 |
| 10 | 10 | 10 | 11 | 11 |
| 2 | 2 | 2 | 3 | 3 |
| 8 | 8 | 8 | 28 | 28 |
| 3 | 3 | 3 | 3 | 3 |

(Continued)

City of Springboro, Ohio

Capital Asset Statistics by Function Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|-----------|-----------|-----------|-----------|-----------|
| Business-Type Activities | | | | | |
| Golf Course / Clubhouse | | | | | |
| Land (acres) | 188 | 188 | 188 | 188 | 188 |
| Buildings | 11 | 11 | 11 | 11 | 11 |
| Golf Carts | 78 | 78 | 78 | 78 | 78 |
| Licensed Vehicles | 1 | 1 | 1 | 1 | 1 |
| Utilities | | | | | |
| Water | | | | | |
| Water Towers | 4 | 4 | 4 | 4 | 4 |
| Water Treatment Plant | 1 | 1 | 1 | 1 | 1 |
| Buildings | 3 | 3 | 3 | 3 | 3 |
| Licensed Vehicles | 12 | 12 | 9 | 9 | 9 |
| Pump Stations | 4 | 4 | 4 | 4 | 4 |
| Storage Capacity (thousands of gallons) | 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 |
| Sewer | | | | | |
| Sewage Treatment Plant | 1 | 1 | 1 | 1 | 1 |
| Buildings | 7 | 7 | 7 | 7 | 7 |
| Licensed Vehicles | 4 | 4 | 6 | 6 | 7 |
| Lift Stations | 8 | 8 | 8 | 8 | 8 |

Source: Finance Director's Office

City of Springboro, Ohio

| 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------|-----------|-----------|-----------|-----------|
| 188 | 188 | 188 | 188 | 188 |
| 11 | 11 | 11 | 11 | 11 |
| 78 | 78 | 78 | 78 | 78 |
| 1 | 1 | 1 | 2 | 2 |
| 4 | 4 | 4 | 4 | 4 |
| 1 | 1 | 1 | 1 | 1 |
| 3 | 3 | 3 | 3 | 3 |
| 9 | 8 | 8 | 8 | 8 |
| 4 | 4 | 4 | 4 | 4 |
| 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 |
| 1 | 1 | 1 | 1 | 1 |
| 7 | 7 | 7 | 7 | 7 |
| 7 | 8 | 9 | 9 | 9 |
| 8 | 8 | 8 | 8 | 8 |

