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City of Springboro, Ohio
Annual Comprehensive Financial Report
For Year Ended December 31, 2022

CITY OF SPRINGBORO, OHIO



CITY OF SPRINGBORO
320 West Central Avenue
Springboro, Ohio 45066
phone (937) 748-4343
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WARREN COUNTY, OHIO**

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CITY OF SPRINGBORO, OHIO



INTRODUCTORY SECTION





CITY OF SPRINGBORO
320 West Central Avenue • Springboro, Ohio 45066

phone (937) 748-4343

fax (937) 748-6859

June 23, 2023

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, 2022. 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-four years ago, a City thirty-one years ago and have earned the reputation as being the model suburban 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.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal* *For the Year Ended December 31, 2022

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, 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 community amenities, location, small town atmosphere and a low crime rate.

Springboro is an important center for manufacturing, technology, and service industries. Electric battery manufacturing, metal fabrication, fiber internet headquarters, electronics assembly, distribution and aerospace comprise a substantial portion of the economic base in this region. Advanced Engineering designs solutions for interiors of domestic and foreign vehicles. Thaler Machine designs and manufactures parts for the aerospace and defense industries. These are a couple of the dozens of companies in these sectors that contribute to Springboro's growing economic base.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2022***

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 720 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 Stoltz 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. New and unique businesses and amenities are added to the historic downtown on an annual basis.

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 2023 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. Recently announced expansion by Mayfield Brain and Spine to build a new state of the art neurosurgery facility in Springboro with construction estimated to be completed in Summer of 2024.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2022***

MAJOR INITIATIVES

For the Year (2022):

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 2022 work was completed on the municipal parking lot security upgrade project and initial design work began on the joint 73/75 Interchange upgrade project. 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 Clearcreek-Franklin Rd.

Park Improvements:

Improvements began in 2022 on the new Pump Track at Community Park. Routine upgrades and preventative maintenance occurred on all park facilities and equipment.

Water Capital Improvements:

The Tamarack Hills Water Main Replacement program and the Royal Oaks Water Main Replacement program continued in 2022, replacing 6" water mains with 8" water mains and will be done over several years.

Sewer Capital Improvements:

Work continued on the Waste Water Treatment Plant Pump Improvements. Improvements are anticipated to be completed over several years. Work also was completed 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 2022 to maintain quality standards. Additional projects were completed to improve the floodplain area and a new maintenance barn was constructed for storage.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2022***

For the Future (2023):

General Capital Improvements:

2023 budget of \$6,175,000 includes monies for I75 / SR 73 intersection aesthetics to improve the look, feel, land acquisition, irrigation upgrades, and Wright Station park area upgrades.

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 2023 budget includes funding for \$2,235,000 of street capital improvements in various areas including \$1,500,000 for street resurfacing; \$625,000 for Clearcreek-Franklin road upgrades; \$85,000 for completion of Hazel multi-use trail; and \$25,000 for the installation of various sidewalks.

Park Improvements:

The 2023 budget includes: \$300,000 for improvements to Clearcreek park for equipment storage; and \$1,400,000 for a new ADA compliant playground at North 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 2023 budget includes funding for \$800,000 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 2023 the budget includes and \$500,000 for the Advanced Drive generator replacement.

Storm Water Utility Capital Improvements:

The 2023 budget includes: \$75,000 to catch basin replacement program.

Golf Course Improvements:

Heatherwoode Golf Course improvements for 2023 include: \$75,000 for emergency repairs; and \$55,000 for new equipment.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal* *For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Letter of Transmittal For the Year Ended December 31, 2022

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, 2021. This was the thirty-third 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.



Christopher Pozzuto
City Manager



Jonathan Hudson
Finance Director

CITY OF SPRINGBORO, OHIO

List of Principal Officials For the Year Ended December 31, 2022

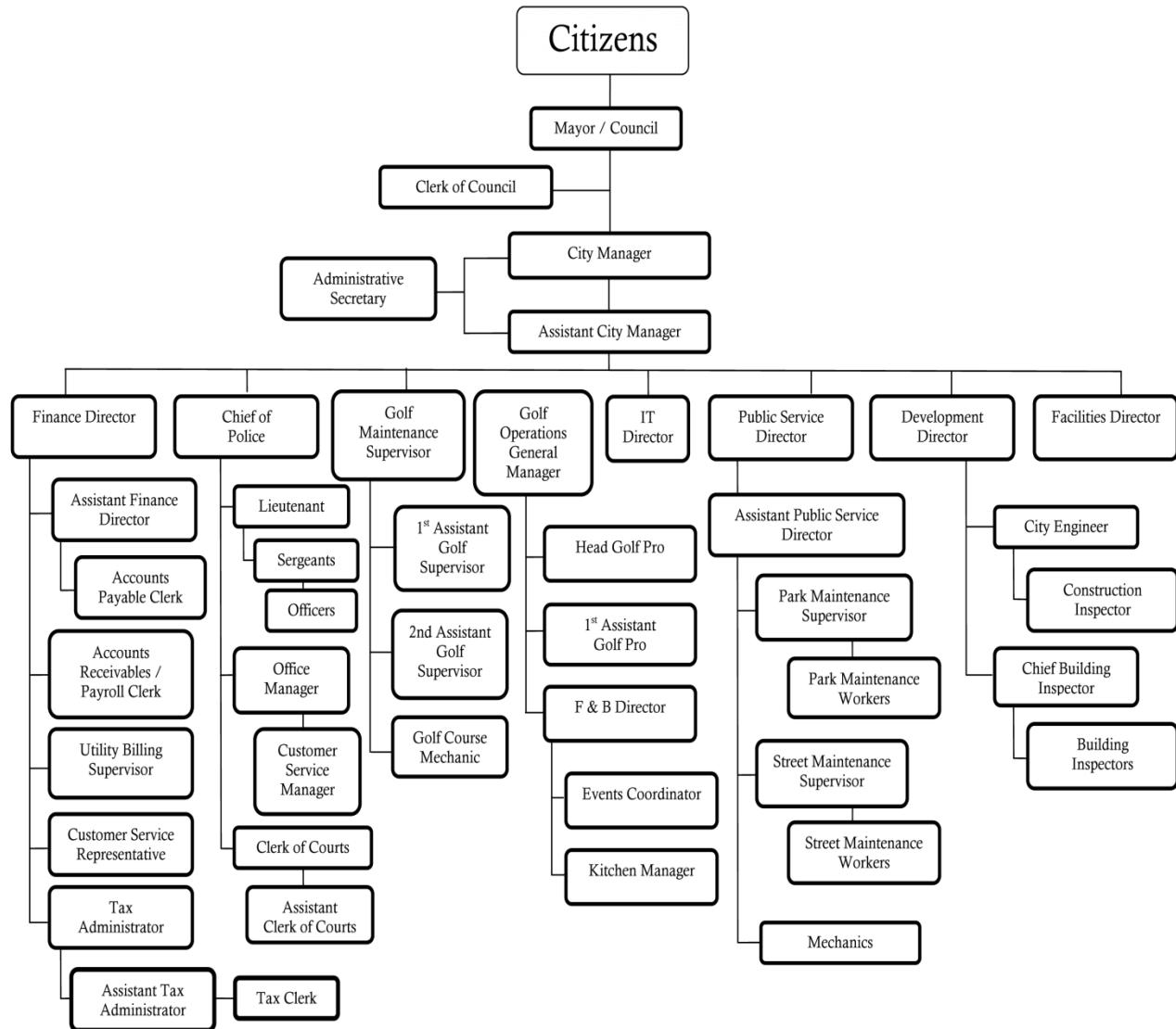
<i>Council</i>	<i>Title</i>	<i>Years of Service *</i>	<i>Term expires</i>
John Agenbroad	Mayor	27	December 2023
Janie Ridd	Council Member Ward 1	8	December 2025
Dale Brunner	Council Member Ward 2	7	December 2025
Jack Hanson	Council Member Ward 3	4	December 2025
Jim Chmiel	Council Member Ward 4	21	December 2025
Becky Iverson	Council Member at Large	11	December 2023
Steve Harding	Council Member at Large	7	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
Ben Goodin	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 OF SPRINGBORO, OHIO

City Organizational Chart For the Year Ended December 31, 2022



CITY OF SPRINGBORO, OHIO

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, 2021

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION



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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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, 2022, 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 American Rescue Plan 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.

City of Springboro
Warren County
Independent Auditor's Report

Supplementary information

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2023, 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, Shuman & Snow, Inc.
Newark, Ohio
June 23, 2023



CITY OF SPRINGBORO, OHIO

***Management's Discussion and Analysis* For the Year Ended December 31, 2022**

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, 2022. 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 2022 are as follows:

- In total, net position increased \$6.9 million. Net position of governmental activities increased \$5 million which represents a 6.4% increase from 2021. Net position of business-type activities increased \$1.9 million or 2 % from 2021.
- General revenues accounted for \$19.4 million in revenue or 52.8% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for 47.2% of total revenues of \$36.9 million.
- Total net position of governmental activities increased by \$5 million in total. Revenues increased by \$1.9 million and expenses and transfers increased \$771,640. Revenue collections continue to outpace expenses.
- The City had \$17.4 million in expenses related to governmental activities; \$3.8 million of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$20 million were adequate to provide for these programs.
- Among major funds, the general fund had \$14 million in revenues and other financing sources and \$15 million in expenditures and other financing uses. The general fund's fund balance decreased \$967,107.
- Net position for enterprise funds increased by \$1.9 million. Revenues were relatively flat compared to 2021 while expenses increased in the current year. Transfers from governmental activities and the surplus of revenues over expenses accounted for the increase in 2022.

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.

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2022

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, 2022

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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 2022 compared to 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$31,848,913	\$27,587,161	\$21,173,431	\$26,121,066	\$53,022,344	\$53,708,227
Net OPEB Asset	576,677	316,378	415,247	227,255	991,924	543,633
Capital assets, Net	77,238,569	77,337,977	81,090,650	81,385,392	158,329,219	158,723,369
Total assets	109,664,159	105,241,516	102,679,328	107,733,713	212,343,487	212,975,229
Deferred Outflows of Resources	3,760,165	2,850,653	646,075	975,758	4,406,240	3,826,411
Net Pension Liability	7,307,471	8,703,938	1,146,941	1,868,481	8,454,412	10,572,419
Net OPEB Liability	1,002,614	948,483	0	0	1,002,614	948,483
Long-term debt outstanding	12,542,543	8,948,374	1,442,820	8,306,006	13,985,363	17,254,380
Other liabilities	2,869,954	6,629,785	800,169	802,653	3,670,123	7,432,438
Total liabilities	23,722,582	25,230,580	3,389,930	10,977,140	27,112,512	36,207,720
Deferred Inflows of Resources	6,093,634	4,289,672	1,818,426	1,500,792	7,912,060	5,790,464
Net investment in capital assets	67,424,616	69,246,590	79,957,514	73,811,554	147,382,130	143,058,144
Restricted	15,615,015	13,723,168	0	530,296	15,615,015	14,253,464
Unrestricted	568,477	(4,397,841)	18,159,533	21,889,689	18,728,010	17,491,848
Total net position	<u><u>\$83,608,108</u></u>	<u><u>\$78,571,917</u></u>	<u><u>\$98,117,047</u></u>	<u><u>\$96,231,539</u></u>	<u><u>\$181,725,155</u></u>	<u><u>\$174,803,456</u></u>

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*.

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2022

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, 2022

Unaudited

Changes in Net Position – The following table shows the changes in net position for 2022 compared to 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,118,656	\$915,991	\$13,417,453	\$12,643,379	\$14,536,109	\$13,559,370
Operating Grants and Contributions	1,635,228	1,659,123	0	0	1,635,228	1,659,123
Capital Grants and Contributions	1,074,519	1,500,000	178,496	516,341	1,253,015	2,016,341
Total Program Revenues	3,828,403	4,075,114	13,595,949	13,159,720	17,424,352	17,234,834
General revenues:						
Income Taxes	16,951,501	15,367,154	0	0	16,951,501	15,367,154
Property Taxes	844,456	761,596	0	0	844,456	761,596
Other Local Taxes	57,879	44,769	0	0	57,879	44,769
Payment in Lieu of Taxes	680,554	545,750	0	0	680,554	545,750
Intergovernmental, unrestricted	407,186	397,993	0	0	407,186	397,993
Investment Earnings	(12,545)	132,036	(582,262)	(176,241)	(594,807)	(44,205)
Miscellaneous	1,133,643	686,357	0	0	1,133,643	686,357
Total General Revenues	20,062,674	17,935,655	(582,262)	(176,241)	19,480,412	17,759,414
Total Revenues	23,891,077	22,010,769	13,013,687	12,983,479	36,904,764	34,994,248
Program Expenses						
Security of Persons and Property	4,987,976	4,808,868	0	0	4,987,976	4,808,868
Public Health and Welfare Services	15,972	16,384	0	0	15,972	16,384
Leisure Time Activities	1,831,587	1,401,601	0	0	1,831,587	1,401,601
Community Environment	1,031,626	739,420	0	0	1,031,626	739,420
Transportation	3,217,157	3,624,939	0	0	3,217,157	3,624,939
General Government	5,813,511	6,434,048	0	0	5,813,511	6,434,048
Interest and Fiscal Charges	482,217	335,455	0	0	482,217	335,455
Golf Course	0	0	3,232,788	2,402,783	3,232,788	2,402,783
Water	0	0	3,998,676	3,330,446	3,998,676	3,330,446
Sewer	0	0	3,584,574	3,166,101	3,584,574	3,166,101
Trash	0	0	1,355,615	1,266,452	1,355,615	1,266,452
Storm Water	0	0	431,366	362,232	431,366	362,232
Total Expenses	17,380,046	17,360,715	12,603,019	10,528,014	29,983,065	27,888,729
Change in Net Position before transfers	6,511,031	4,650,054	410,668	2,455,465	6,921,699	7,105,519
Transfers	(1,474,840)	(722,531)	1,474,840	722,531	0	0
Total Change in Net Position	5,036,191	3,927,523	1,885,508	3,177,996	6,921,699	7,105,519
Beginning Net Position	78,571,917	74,644,394	96,231,539	93,053,543	174,803,456	167,697,937
Ending Net Position	\$83,608,108	\$78,571,917	\$98,117,047	\$96,231,539	\$181,725,155	\$174,803,456

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2022

Unaudited

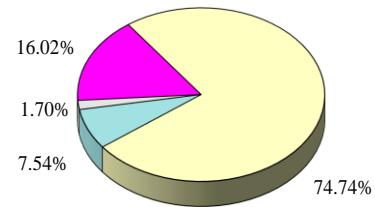
Governmental Activities

Net position of the City's governmental activities increased by \$5 million. Revenues increased by \$1.9 million in 2022 compared to 2021 and expenses and transfers increased by \$771,640. Leisure time activities accounted for the majority of the increase in expenses in 2022.

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 71% respectively of revenues for governmental activities for the City in 2022. The City's reliance upon tax revenues is demonstrated by the following graph indicating 74.74% of total revenues from general tax revenues:

Revenue Sources	2022	Percent of Total
Intergovernmental, unrestricted	\$407,186	1.70%
Program Revenues	3,828,403	16.02%
General Tax Revenues	17,853,836	74.74%
General Other	1,801,652	7.54%
Total Revenue	<u>\$23,891,077</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business-type activities increased by \$1.9 million. This increase was the result of revenues outpacing expenses as the City waits for long-term capital projects in these activities to commence in coming years.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$24,453,540, which is a increase from last year's balance of \$16,613,132. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2022 and 2021:

	Fund Balance December 31, 2022	Fund Balance December 31, 2021	Increase (Decrease)
General	\$10,167,896	\$11,135,003	(\$967,107)
Austin Center Municipal Public TIF	(1,808,402)	(2,250,474)	442,072
Debt Service	623,039	563,220	59,819
Construction	4,599,433	2,425,409	2,174,024
Income Tax Capital			
Improvement (Capital Project)	5,847,283	4,434,614	1,412,669
Other Governmental	5,024,291	305,360	4,718,931
Total	<u>\$24,453,540</u>	<u>\$16,613,132</u>	<u>\$7,840,408</u>

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2022

Unaudited

General Fund – The City's General Fund balance decrease is due predominately to increased transfers out in 2022. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2022 Revenues	2021 Revenues	Increase (Decrease)
Municipal Income Taxes	\$11,164,265	\$10,403,005	\$761,260
Property and Other Taxes	904,397	784,133	120,264
Intergovernmental Revenue	390,305	385,790	4,515
Fines, Licenses and Permits	341,347	396,760	(55,413)
Investment Earnings	(63,705)	98,935	(162,640)
Special Assessments	38,642	36,897	1,745
All Other Revenue	<u>1,095,001</u>	<u>2,127,916</u>	<u>(1,032,915)</u>
Total	<u>\$13,870,252</u>	<u>\$14,233,436</u>	<u>(\$363,184)</u>

General Fund revenues decreased compared with revenues in 2021. The majority of the decrease is attributed to a one-time reimbursement receipt (All Other Revenue) in 2021.

	2022 Expenditures	2021 Expenditures	Increase (Decrease)
Security of Persons and Property	\$4,564,255	\$4,194,540	\$369,715
Public Health and Welfare Services	15,972	16,384	(412)
Leisure Time Activities	1,364,368	1,191,728	172,640
Community Environment	1,165,580	1,056,940	108,640
General Government	5,977,350	5,378,283	599,067
Capital Outlay	0	3,485,000	(3,485,000)
Debt Service:			
Principal Retirement	0	595,000	(595,000)
Interest and Fiscal Charges	30,408	90,240	(59,832)
Total	<u>\$13,117,933</u>	<u>\$16,008,115</u>	<u>(\$2,890,182)</u>

General Fund expenditures decreased by \$2.9 million or 18.1% under 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.

CITY OF SPRINGBORO, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2022

Unaudited

Debt Service Fund – The Debt Service Fund balance increased this year by \$59,819. 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.

Construction Fund – The fund balance increased \$2.2 million due to the issuance of a bond to fund construction projects and a \$1 million contribution to assist with the payoff of the City's fiber optic lease obligation.

Income Tax Capital Improvement Fund - The fund balance increased \$1.4 million to a balance of \$5.8 million. Income tax collections outpaced transfers out this year. Transfers vary year to year depending on the capital projects slated for that year and savings for future year projects.

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 2022 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$12.2 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 2022 the City had \$158,329,219 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$77,238,569 was related to governmental activities and \$81,090,650 to the business-type activities. The following table shows 2022 and 2021 balances:

	Governmental Activities		Changes
	2022	2021	
Land	\$27,527,140	\$26,546,235	\$980,905
Construction in Progress	744,660	2,572,030	(1,827,370)
Total Non-Depreciable Capital Assets	28,271,800	29,118,265	(846,465)
Improvements	10,996,329	11,006,274	(9,945)
Infrastructure	58,083,753	57,028,794	1,054,959
Buildings	18,125,107	18,852,467	(727,360)
Machinery and Equipment	11,174,304	7,915,334	3,258,970
Less: Accumulated Depreciation	(49,412,724)	(46,583,157)	(2,829,567)
Total Depreciable Capital Assets, Net	48,966,769	48,219,712	747,057
Totals	\$77,238,569	\$77,337,977	(\$99,408)

CITY OF SPRINGBORO, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2022**

Unaudited

	Business-Type Activities		Changes
	2022	2021	
Land	\$8,685,240	\$8,685,240	\$0
Construction in Progress	503,459	133,913	369,546
Total Non-Depreciable Capital Assets	9,188,699	8,819,153	369,546
Buildings	5,397,868	4,469,177	928,691
Land Improvements	2,116,227	2,116,227	0
Infrastructure	95,685,781	95,625,961	59,820
Machinery and Equipment	7,558,752	6,855,310	703,442
Less: Accumulated Depreciation	(38,856,677)	(36,500,436)	(2,356,241)
Total Depreciable Capital Assets, Net	71,901,951	72,566,239	(664,288)
Totals	\$81,090,650	\$81,385,392	(\$294,742)

The primary increases occurred in infrastructure and machinery and equipment in the governmental activities. The largest changes in the business-type activities capital assets (other than accumulated depreciation) occurred primarily in buildings. 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, 2022, 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, 2022, the City had \$12.5 million in bonds outstanding, \$2.4 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2022 and 2021:

	2022	2021
Governmental Activities:		
Special Assessment Bonds	\$142,472	\$279,946
General Obligation Bonds	7,440,822	1,666,561
Special Obligation Bonds	3,991,966	0
General Obligation Notes	0	3,200,000
Compensated Absences	967,283	911,867
Capital Lease	0	2,890,000
Total Governmental Activities	<u>12,542,543</u>	<u>8,948,374</u>
Business-Type Activities:		
General Obligation Bonds	942,321	1,864,639
Mortgage Revenue Bonds	0	6,208,422
Compensated Absences	248,325	232,945
Capital Lease	252,174	0
Total Business-Type Activities	<u>1,442,820</u>	<u>8,306,006</u>
Totals	<u><u>\$13,985,363</u></u>	<u><u>\$17,254,380</u></u>

CITY OF SPRINGBORO, OHIO

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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, 2022, 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 2022 was consistent with its conservative budgeting practice. 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, industrial, and commercial base. Income tax revenue has continued to increase annually. The 2022 expenditures were increased from 2021 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 future years 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 937-748-4351 or writing to City of Springboro Finance Department, 320 West Central Avenue, Springboro, Ohio 45066.

CITY OF SPRINGBORO, OHIO



CITY OF SPRINGBORO, OHIO

Statement of Net Position
December 31, 2022

	Governmental Activities	Business-Type Activities	Total	Component Unit
				Community Improvement Corporation of Springboro
Assets:				
Equity in Pooled Cash and Investments	\$ 22,751,814	\$ 19,396,094	\$ 42,147,908	\$ 32,051
Receivables:				
Taxes	1,416,183	0	1,416,183	0
Accounts	20,185	1,486,551	1,506,736	0
Intergovernmental	923,031	14,982	938,013	0
Income Taxes	2,923,984	0	2,923,984	0
Special Assessments	855,449	0	855,449	0
Inventory of Supplies at Cost	216,186	24,463	240,649	0
Inventory Held for Resale	0	97,436	97,436	0
Prepaid Items	306,379	153,382	459,761	0
Restricted Assets:				
Cash and Cash Equivalents	0	523	523	0
Assets Held for Resale	2,435,702	0	2,435,702	0
Net OPEB Asset	576,677	415,247	991,924	
Non-Depreciable Capital Assets	28,271,800	9,188,699	37,460,499	0
Depreciable Capital Assets, Net	48,966,769	71,901,951	120,868,720	0
Total Assets	109,664,159	102,679,328	212,343,487	32,051
Deferred Outflows of Resources:				
Deferred Charge on Debt Refunding	20,155	61,359	81,514	0
Pension	3,154,066	573,343	3,727,409	0
OPEB	585,944	11,373	597,317	0
Total Deferred Outflows of Resources	3,760,165	646,075	4,406,240	0
Liabilities:				
Accounts Payable	212,267	526,005	738,272	0
Accrued Wages and Benefits	364,853	133,598	498,451	0
Intergovernmental Payable	257,672	116,637	374,309	0
Refundable Deposits	0	523	523	0
Unearned Revenue	1,990,959	0	1,990,959	
Accrued Interest Payable	44,203	23,406	67,609	0
Long Term Liabilities:				
Due within one year	1,492,702	1,091,306	2,584,008	0
Due in More Than One Year:				
Net Pension Liability	7,307,471	1,146,941	8,454,412	0
Net OPEB Liability	1,002,614	0	1,002,614	0
Other Amounts Due in More Than One Year	11,049,841	351,514	11,401,355	0
Total Liabilities	23,722,582	3,389,930	27,112,512	0

(Continued)

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	1,395,000	0	1,395,000	0
Pension	3,739,406	1,389,393	5,128,799	0
OPEB	959,228	429,033	1,388,261	0
Total Deferred Inflows of Resources	6,093,634	1,818,426	7,912,060	0
Net Position:				
Net Investment in Capital Assets	67,424,616	79,957,514	147,382,130	0
Restricted For:				
Capital Projects	12,045,237	0	12,045,237	0
Debt Service	1,434,285	0	1,434,285	0
Security of Persons	164,414	0	164,414	0
Transportation	1,971,079	0	1,971,079	0
Unrestricted	568,477	18,159,533	18,728,010	32,051
Total Net Position	\$ 83,608,108	\$ 98,117,047	\$ 181,725,155	\$ 32,051

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Statement of Activities
For the Year Ended December 31, 2022

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 4,987,976	\$ 61,236	\$ 52,098	\$ 0
Public Health and Welfare Services	15,972	0	0	0
Leisure Time Activities	1,831,587	233,584	0	0
Community Environment	1,031,626	128,866	0	0
Transportation	3,217,157	371,350	1,580,538	0
General Government	5,813,511	323,620	2,592	1,074,519
Interest and Fiscal Charges	482,217	0	0	0
Total Governmental Activities	17,380,046	1,118,656	1,635,228	1,074,519
Business-Type Activities:				
Golf Course	3,232,788	2,556,125	0	0
Water	3,998,676	4,762,887	0	76,301
Sewer	3,584,574	4,548,641	0	102,195
Trash	1,355,615	1,262,667	0	0
Storm Water	431,366	287,133	0	0
Total Business-Type Activities	12,603,019	13,417,453	0	178,496
Totals	\$ 29,983,065	\$ 14,536,109	\$ 1,635,228	\$ 1,253,015
Component Unit:				
Community Improvement	\$ 109,414	\$ 0	\$ 125,000	\$ 0
Corporation of Springboro				
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
\$ (4,874,642)	\$ 0	\$ (4,874,642)		
(15,972)	0	(15,972)		
(1,598,003)	0	(1,598,003)		
(902,760)	0	(902,760)		
(1,265,269)	0	(1,265,269)		
(4,412,780)	0	(4,412,780)		
(482,217)	0	(482,217)		
<u>(13,551,643)</u>	<u>0</u>	<u>(13,551,643)</u>		
0	(676,663)	(676,663)		
0	840,512	840,512		
0	1,066,262	1,066,262		
0	(92,948)	(92,948)		
0	(144,233)	(144,233)		
<u>0</u>	<u>992,930</u>	<u>992,930</u>		
<u>(13,551,643)</u>	<u>992,930</u>	<u>(12,558,713)</u>		
			\$ 15,586	
16,951,501	0	16,951,501	0	
844,456	0	844,456	0	
57,879	0	57,879	0	
680,554	0	680,554	0	
407,186	0	407,186	0	
(12,545)	(582,262)	(594,807)	5	
1,133,643	0	1,133,643	0	
<u>(1,474,840)</u>	<u>1,474,840</u>	<u>0</u>	<u>0</u>	
<u>18,587,834</u>	<u>892,578</u>	<u>19,480,412</u>	<u>5</u>	
5,036,191	1,885,508	6,921,699	15,591	
<u>78,571,917</u>	<u>96,231,539</u>	<u>174,803,456</u>	<u>16,460</u>	
<u>\$ 83,608,108</u>	<u>\$ 98,117,047</u>	<u>\$ 181,725,155</u>	<u>\$ 32,051</u>	

CITY OF SPRINGBORO, OHIO

Balance Sheet
Governmental Funds
December 31, 2022

	General	Improvement TIF	American Rescue Plan	Debt Service
Assets:				
Equity in Pooled Cash and Investments	\$ 8,569,865	\$ 336,598	\$ 1,990,959	\$ 623,039
Receivables:				
Taxes	866,183	550,000	0	0
Accounts	20,185	0	0	0
Intergovernmental	201,983	0	0	0
Income Taxes	1,949,323	0	0	0
Special Assessments	0	0	0	855,449
Advances to Other Funds	1,072,500	0	0	0
Inventory of Supplies, at Cost	48,804	0	0	0
Prepaid Items	269,045	0	0	0
Assets Held for Resale	0	0	0	0
Total Assets	\$ 12,997,888	\$ 886,598	\$ 1,990,959	\$ 1,478,488
Liabilities:				
Accounts Payable	\$ 138,512	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	314,043	0	0	0
Intergovernmental Payable	242,278	0	0	0
Advances from Other Funds	0	2,145,000	0	0
Unearned Revenue	0	0	1,990,959	0
Total Liabilities	694,833	2,145,000	1,990,959	0
Deferred Inflows of Resources:				
Property Tax Levy for Next Fiscal Year	845,000	550,000	0	0
Unavailable Amounts	1,290,159	0	0	855,449
Total Deferred Inflows of Resources	2,135,159	550,000	0	855,449
Fund Balances:				
Nonspendable	317,849	0	0	0
Restricted	0	0	0	623,039
Assigned	2,249,672	0	0	0
Unassigned	7,600,375	(1,808,402)	0	0
Total Fund Balances	10,167,896	(1,808,402)	0	623,039
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,997,888	\$ 886,598	\$ 1,990,959	\$ 1,478,488

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

	Construction	Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$	4,484,581	\$ 4,360,528	\$ 2,386,244	\$ 22,751,814
	0	0	0	1,416,183
	0	0	0	20,185
	0	0	721,048	923,031
	0	974,661	0	2,923,984
	0	0	0	855,449
	0	1,072,500	0	2,145,000
	0	0	167,382	216,186
	0	0	37,334	306,379
123,229		0	2,312,473	2,435,702
\$	<u>4,607,810</u>	<u>\$ 6,407,689</u>	<u>\$ 5,624,481</u>	<u>\$ 33,993,913</u>
\$	8,377	\$ 0	\$ 65,378	\$ 212,267
	0	0	50,810	364,853
	0	0	15,394	257,672
	0	0	0	2,145,000
	0	0	0	1,990,959
8,377		0	131,582	4,970,751
	0	0	0	1,395,000
	0	560,406	468,608	3,174,622
0		<u>560,406</u>	<u>468,608</u>	<u>4,569,622</u>
	0	0	204,716	522,565
4,599,433		5,847,283	4,819,575	15,889,330
	0	0	0	2,249,672
	0	0	0	5,791,973
4,599,433		5,847,283	5,024,291	24,453,540
\$	<u>4,607,810</u>	<u>\$ 6,407,689</u>	<u>\$ 5,624,481</u>	<u>\$ 33,993,913</u>

CITY OF SPRINGBORO, OHIO

**Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2022**

Total Governmental Fund Balances \$ 24,453,540

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. 77,238,569

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	1,681,218
Property Taxes Receivable - accrual basis	21,183
Special Assessments Receivable - accrual basis	855,449
Grants Receivable - accrual basis	616,772
Total	3,174,622

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	576,677
Deferred Outflows - Pension	3,154,066
Deferred Outflows - OPEB	585,944
Deferred Inflows - Pension	(3,739,406)
Deferred Inflows - OPEB	(959,228)
Net Pension Liability	(7,307,471)
Net OPEB Liability	(1,002,614)
Total	(8,692,032)

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	(1,492,702)
Amounts Due in More Than One Year	(11,049,841)
Accrued Interest on Long-Term Debt	(44,203)
Deferred Charge on Debt Refunding	20,155
Total	(12,566,591)

Net Position of Governmental Activities \$ 83,608,108

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO



CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022**

	General	TIF	Improvement	Austin Center Municipal Public	Debt Service	Construction
Revenues:						
Municipal Income Tax	\$ 11,164,265	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Taxes	904,397	0	680,554	0	0	0
Payment in Lieu of Taxes	0	680,554	0	0	0	0
Intergovernmental Revenues	390,305	0	0	0	0	0
Fines, Licenses and Permits	341,347	0	0	0	0	0
Investment Earnings	(63,705)	0	0	0	0	0
Special Assessments	38,642	0	231,883		16,839	
Donations	0	0	0		0	
All Other Revenue	1,095,001	0	0		1,366,284	
Total Revenue	13,870,252	680,554	231,883		1,383,123	
Expenditures:						
Current:						
Security of Persons and Property	4,564,255	0	0	0	0	0
Public Health and Welfare Services	15,972	0	0	0	0	0
Leisure Time Activities	1,364,368	0	0	0	0	0
Community Environment	1,165,580	0	0	0	0	0
Transportation	0	0	0	0	0	0
General Government	5,977,350	150,147	77,472		0	
Capital Outlay	0	0	0		2,653,219	
Debt Service:						
Principal Retirement	0	0	4,140,000		2,890,000	
Interest and Fiscal Charges	30,408	88,335	321,143		44,767	
Total Expenditures	13,117,933	238,482	4,538,615		5,587,986	
Excess (Deficiency) of Revenues Over Expenditures	752,319	442,072	(4,306,732)		(4,204,863)	
Other Financing Sources (Uses):						
Bonds Issued	0	0	0		6,000,000	
Premium on Debt Issued	0	0	622,326		0	
Transfers In	164,536	277,335	3,744,225		4,487,900	
Transfers Out	(1,883,962)	(277,335)	0		(4,109,013)	
Total Other Financing Sources (Uses)	(1,719,426)	0	4,366,551		6,378,887	
Net Change in Fund Balances	(967,107)	442,072	59,819		2,174,024	
Fund Balances (Deficits) at Beginning of Year	11,135,003	(2,250,474)	563,220		2,425,409	
Fund Balances (Deficits) End of Year	\$ 10,167,896	\$ (1,808,402)	\$ 623,039		\$ 4,599,433	

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 5,581,241	\$ 0	\$ 16,745,506
0	0	904,397
0	0	680,554
0	1,624,061	2,014,366
0	39,378	380,725
44,168	6,992	(12,545)
0	0	287,364
0	2,382	2,382
0	370,196	2,831,481
<u>5,625,409</u>	<u>2,043,009</u>	<u>23,834,230</u>
0	225,612	4,789,867
0	0	15,972
0	0	1,364,368
0	0	1,165,580
0	1,325,930	1,325,930
0	19,215	6,224,184
0	62,223	2,715,442
0	0	7,030,000
0	25,312	509,965
<u>0</u>	<u>1,658,292</u>	<u>25,141,308</u>
5,625,409	384,717	(1,307,078)
0	4,000,000	10,000,000
0	0	622,326
0	867,712	9,541,708
(4,212,740)	(533,498)	(11,016,548)
<u>(4,212,740)</u>	<u>4,334,214</u>	<u>9,147,486</u>
1,412,669	4,718,931	7,840,408
4,434,614	305,360	16,613,132
<u>\$ 5,847,283</u>	<u>\$ 5,024,291</u>	<u>\$ 24,453,540</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, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 7,840,408
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Amounts reported for governmental activities in the statement of activities are different because

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

	122,715
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The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to change net position.

	(222,123)
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Revenues and transfers in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

	56,847
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

	950,532
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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.

	(92,194)
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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.

Bonds Issued	(10,000,000)
Premium on Bonds Issued	(622,326)
Principal Retirement	7,030,000
Total	(3,592,326)

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

	47,901
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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.

	(75,569)
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Change in Net Position of Governmental Activities

	<u>\$ 5,036,191</u>
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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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Tax	\$ 9,975,000	\$ 9,975,000	\$ 11,257,032	\$ 1,282,032
Property and Other Taxes	750,000	750,000	904,397	154,397
Intergovernmental Revenue	320,900	320,900	385,537	64,637
Fines, Licenses and Permits	504,300	504,300	338,060	(166,240)
Investment Earnings	175,000	175,000	199,191	24,191
Special Assessments	37,162	37,162	38,642	1,480
All Other Revenues	290,500	290,500	1,073,492	782,992
Total Revenues	12,052,862	12,052,862	14,196,351	2,143,489
Expenditures:				
Current:				
Security of Persons and Property	4,640,352	4,713,165	4,584,336	128,829
Public Health and Welfare Services	17,000	17,000	15,972	1,028
Leisure Time Activities	1,704,530	1,653,498	1,469,518	183,980
Community Environment	1,628,206	1,602,136	1,312,783	289,353
General Government	6,522,965	6,680,391	6,249,624	430,767
Total Expenditures	14,513,053	14,666,190	13,632,233	1,033,957
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(2,460,191)	(2,613,328)	564,118	3,177,446
Other Financing Sources (Uses):				
Transfers In	164,536	164,536	164,536	0
Transfers Out	(3,717,005)	(3,737,005)	(1,883,962)	1,853,043
Advances In	0	0	138,668	138,668
Total Other Financing Sources (Uses):	(3,552,469)	(3,572,469)	(1,580,758)	1,991,711
Net Change in Fund Balance	(6,012,660)	(6,185,797)	(1,016,640)	5,169,157
Fund Balance at Beginning of Year	8,467,271	8,467,271	8,467,271	0
Prior Year Encumbrances	821,504	821,504	821,504	0
Fund Balance at End of Year	\$ 3,276,115	\$ 3,102,978	\$ 8,272,135	\$ 5,169,157

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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payment in Lieu of Taxes	\$ 550,000	\$ 550,000	\$ 680,554	\$ 130,554
Total Revenues	<u>550,000</u>	<u>550,000</u>	<u>680,554</u>	<u>130,554</u>
Expenditures:				
Current:				
General Government	217,000	217,000	158,147	58,853
Total Expenditures	<u>217,000</u>	<u>217,000</u>	<u>158,147</u>	<u>58,853</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	333,000	333,000	522,407	189,407
Other Financing Sources (Uses):				
Transfers Out	(277,335)	(277,335)	(277,335)	0
Total Other Financing Sources (Uses):	<u>(277,335)</u>	<u>(277,335)</u>	<u>(277,335)</u>	<u>0</u>
Net Change in Fund Balance	55,665	55,665	245,072	189,407
Fund Balance at Beginning of Year	83,526	83,526	83,526	0
Fund Balance at End of Year	<u>\$ 139,191</u>	<u>\$ 139,191</u>	<u>\$ 328,598</u>	<u>\$ 189,407</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)
Special Revenue Fund – American Rescue Plan Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 0	\$ 0	\$ 999,438	\$ 999,438
Total Revenues	<u>0</u>	<u>0</u>	<u>999,438</u>	<u>999,438</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	999,438	999,438
Fund Balance at Beginning of Year	991,521	991,521	991,521	0
Fund Balance at End of Year	<u>\$ 991,521</u>	<u>\$ 991,521</u>	<u>\$ 1,990,959</u>	<u>\$ 999,438</u>

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2022**

		Business-Type Activities		
		Enterprise Funds		
		Golf Course	Water	Sewer
Assets:				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 670,941	\$ 9,582,274	\$ 8,596,125	
Receivables:				
Accounts	1	603,513		659,516
Intergovernmental	307	14,489		142
Inventory of Supplies at Cost	24,463	0		0
Inventory Held for Resale	97,436	0		0
Prepaid Items	16,742	70,384		55,090
<i>Total Current Assets</i>	<u>809,890</u>	<u>10,270,660</u>		<u>9,310,873</u>
<i>Non Current Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	0	523		0
Net OPEB Asset	190,877	108,894		73,657
Non-Depreciable Capital Assets	8,227,959	738,090		222,650
Depreciable Capital Assets, Net	3,693,685	30,868,747		28,999,854
<i>Total Noncurrent Assets</i>	<u>12,112,521</u>	<u>31,716,254</u>		<u>29,296,161</u>
Total Assets	<u>12,922,411</u>	<u>41,986,914</u>		<u>38,607,034</u>
Deferred Outflows of Resources:				
Deferred Charge on Debt Refunding	0	61,359		0
Pension	263,020	150,686		101,861
OPEB	4,807	3,249		2,142
Total Deferred Outflows of Resources	<u>267,827</u>	<u>215,294</u>		<u>104,003</u>

CITY OF SPRINGBORO, OHIO

<u>Trash</u>	<u>Storm Water</u>	<u>Total</u>
\$ 96,249	\$ 450,505	\$ 19,396,094
180,020	43,501	1,486,551
12	32	14,982
0	0	24,463
0	0	97,436
5,145	6,021	153,382
<u>281,426</u>	<u>500,059</u>	<u>21,172,908</u>

0	0	523
18,325	23,494	415,247
0	0	9,188,699
0	8,339,665	71,901,951
<u>18,325</u>	<u>8,363,159</u>	<u>81,506,420</u>
<u>299,751</u>	<u>8,863,218</u>	<u>102,679,328</u>

0	0	61,359
25,315	32,461	573,343
514	661	11,373
<u>25,829</u>	<u>33,122</u>	<u>646,075</u>

(Continued)

CITY OF SPRINGBORO, OHIO

Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
Liabilities:			
<i>Current Liabilities:</i>			
Accounts Payable	85,600	134,447	202,758
Accrued Wages and Benefits	55,572	38,165	25,215
Intergovernmental Payable	19,312	83,632	8,598
Refundable Deposits	0	523	0
Accrued Interest Payable	0	3,356	20,050
Compensated Absences Payable - Current	8,909	6,476	5,437
Capital Leases - Current	125,142	0	0
General Obligation Bonds - Current	0	942,321	0
Total Current Liabilities	294,535	1,208,920	262,058
<i>Noncurrent Liabilities:</i>			
Compensated Absences Payable	46,358	78,211	66,021
Capital Leases Payable	127,032	0	0
Net Pension Liability	527,213	300,772	203,447
Total Noncurrent Liabilities	700,603	378,983	269,468
Total Liabilities	995,138	1,587,903	531,526
Deferred Inflows of Resources:			
Pension	638,662	364,354	246,451
OPEB	197,214	112,508	76,103
Total Deferred Inflows of Resources	835,876	476,862	322,554
Net Position:			
Net Investment in Capital Assets	11,669,470	30,725,875	29,222,504
Restricted for:			
Unrestricted	(310,246)	9,411,568	8,634,453
Total Net Position	\$ 11,359,224	\$ 40,137,443	\$ 37,856,957

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Trash	Storm Water	Total
99,399	3,801	526,005
6,437	8,209	133,598
2,243	2,852	116,637
0	0	523
0	0	23,406
1,366	1,655	23,843
0	0	125,142
0	0	942,321
<hr/> <u>109,445</u>	<hr/> <u>16,517</u>	<hr/> <u>1,891,475</u>
 13,448	20,444	224,482
0	0	127,032
<hr/> <u>50,616</u>	<hr/> <u>64,893</u>	<hr/> <u>1,146,941</u>
<hr/> <u>64,064</u>	<hr/> <u>85,337</u>	<hr/> <u>1,498,455</u>
<hr/> <u>173,509</u>	<hr/> <u>101,854</u>	<hr/> <u>3,389,930</u>
 61,315	78,611	1,389,393
<hr/> <u>18,935</u>	<hr/> <u>24,273</u>	<hr/> <u>429,033</u>
<hr/> <u>80,250</u>	<hr/> <u>102,884</u>	<hr/> <u>1,818,426</u>
 0	8,339,665	79,957,514
 <hr/> <u>71,821</u>	<hr/> <u>351,937</u>	<hr/> <u>18,159,533</u>
<hr/> <u>\$ 71,821</u>	<hr/> <u>\$ 8,691,602</u>	<hr/> <u>\$ 98,117,047</u>

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
Operating Revenues:			
Charges for Services	\$ 2,171,913	\$ 4,732,503	\$ 4,413,847
Sales	342,142	0	0
Other Operating Revenue	42,070	30,384	134,794
Total Operating Revenues	2,556,125	4,762,887	4,548,641
Operating Expenses:			
Personal Services	1,466,224	678,990	448,598
Contractual Services	574,926	2,169,022	2,237,445
Materials and Supplies	713,823	208,790	45,193
Depreciation	473,028	869,512	819,956
Total Operating Expenses	3,228,001	3,926,314	3,551,192
Operating Income (Loss)	(671,876)	836,573	997,449
Nonoperating Revenue (Expenses):			
Investment Earnings	0	(310,656)	(271,606)
Interest and Fiscal Charges	(4,787)	(72,362)	(33,382)
Total Nonoperating Revenues (Expenses)	(4,787)	(383,018)	(304,988)
Income (Loss) Before Transfers and Contributions	(676,663)	453,555	692,461
Transfers In	1,550,000	0	0
Transfers Out	0	(87,580)	(87,580)
Capital Contributions - Tap in Fees	0	76,301	102,195
Change in Net Position	873,337	442,276	707,076
Net Position Beginning of Year	10,485,887	39,695,167	37,149,881
Net Position End of Year	\$ 11,359,224	\$ 40,137,443	\$ 37,856,957

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Trash	Storm Water	Total
\$ 1,262,306	\$ 286,986	\$ 12,867,555
0	0	342,142
361	147	207,756
<hr/>	<hr/>	<hr/>
1,262,667	287,133	13,417,453
117,772	145,862	2,857,446
1,209,882	79,131	6,270,406
27,961	2,485	998,252
0	203,888	2,366,384
<hr/>	<hr/>	<hr/>
1,355,615	431,366	12,492,488
(92,948)	(144,233)	924,965
0	0	(582,262)
0	0	(110,531)
<hr/>	<hr/>	<hr/>
0	0	(692,793)
(92,948)	(144,233)	232,172
100,000	0	1,650,000
0	0	(175,160)
<hr/>	<hr/>	<hr/>
0	0	178,496
7,052	(144,233)	1,885,508
64,769	8,835,835	96,231,539
<hr/>	<hr/>	<hr/>
\$ 71,821	\$ 8,691,602	\$ 98,117,047

CITY OF SPRINGBORO, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,171,913	\$4,756,769	\$4,417,037
Other Operating Receipts	384,124	30,300	134,716
Cash Payments for Goods and Services	(1,285,175)	(2,144,339)	(2,024,376)
Cash Payments to Employees	(1,681,708)	(918,680)	(600,689)
Net Cash Provided (Used) by Operating Activities	(410,846)	1,724,050	1,926,688
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	1,550,000	0	0
Transfers Out to Other Funds	0	(87,580)	(87,580)
Net Cash Provided (Used) by Noncapital Financing Activities	1,550,000	(87,580)	(87,580)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Cash Received from Tap-in Fees in Excess of Cost	0	76,301	102,195
Inception of Capital Lease	375,454	0	0
Principal Paid on Capital Lease	(123,280)	0	0
Acquisition and Construction of Assets	(1,816,489)	(401,291)	(137,691)
Principal Paid on General Obligation Bonds	0	(875,000)	0
Principal Paid on Mortgage Revenue Bonds	0	0	(5,745,000)
Interest Paid on All Debt	(4,787)	(59,962)	(120,299)
Net Cash Used by Capital and Related Financing Activities	(1,569,102)	(1,259,952)	(5,900,795)
<u>Cash Flows from Investing Activities:</u>			
Receipt of Interest	0	35,183	28,691
Change in Value of Investments	0	(345,839)	(300,297)
Net Cash Used by Investing Activities	0	(310,656)	(271,606)
Net Increase (Decrease) in Cash and Cash Equivalents	(429,948)	65,862	(4,333,293)
Cash and Cash Equivalents at Beginning of Year	1,100,889	9,516,935	12,929,418
Cash and Cash Equivalents at End of Year	<u>\$670,941</u>	<u>\$9,582,797</u>	<u>\$8,596,125</u>
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$670,941	\$9,582,274	\$8,596,125
Restricted Cash and Cash Equivalents	0	523	0
Cash and Cash Equivalents at End of Year	<u>\$670,941</u>	<u>\$9,582,797</u>	<u>\$8,596,125</u>

CITY OF SPRINGBORO, OHIO

Trash	Storm Water	Totals
\$1,261,601	\$287,993	\$12,895,313
364	134	549,638
(1,237,892)	(84,402)	(6,776,184)
(149,487)	(187,763)	(3,538,327)
<u>(125,414)</u>	<u>15,962</u>	<u>3,130,440</u>
100,000	0	1,650,000
0	0	(175,160)
<u>100,000</u>	<u>0</u>	<u>1,474,840</u>
0	0	178,496
0	0	375,454
0	0	(123,280)
0	(83,120)	(2,438,591)
0	0	(875,000)
0	0	(5,745,000)
<u>0</u>	<u>0</u>	<u>(185,048)</u>
0	(83,120)	(8,812,969)
0	0	63,874
0	0	(646,136)
<u>0</u>	<u>0</u>	<u>(582,262)</u>
(25,414)	(67,158)	(4,789,951)
121,663	517,663	24,186,568
<u>\$96,249</u>	<u>\$450,505</u>	<u>\$19,396,617</u>
\$96,249	\$450,505	\$19,396,094
0	0	523
<u>\$96,249</u>	<u>\$450,505</u>	<u>\$19,396,617</u>

(Continued)

CITY OF SPRINGBORO, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	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)	(\$671,876)	\$836,573	\$997,449
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	473,028	869,512	819,956
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(1)	26,119	3,190
(Increase) Decrease in Intergovernmental Receivable	(87)	(1,937)	(78)
Decrease in Inventory	8,389	0	0
Increase in Inventory Held for Resale	(26,010)	0	0
(Increase) Decrease in Prepaid Items	(5,829)	57,129	87,743
(Increase) in Net OPEB Asset	(94,815)	(43,987)	(30,836)
Increase in Deferred Outflows - Pension	(127,207)	(58,781)	(41,387)
Decrease in Deferred Outflows - OPEB	60,779	41,161	27,038
Increase (Decrease) in Accounts Payable	22,796	101,802	167,880
Increase in Accrued Wages and Benefits	6,945	5,428	2,781
Increase (Decrease) in Intergovernmental Payable	1,031	70,626	(1,233)
Increase in Compensated Absences	3,148	5,089	3,036
Increase in Deferred Inflows - Pension	297,772	134,022	94,500
(Decrease) in Deferred Inflows - OPEB	(96,297)	(85,810)	(54,730)
(Decrease) in Net Pension Liability	(262,612)	(232,896)	(148,621)
Total Adjustments	261,030	887,477	929,239
Net Cash Provided (Used) by Operating Activities	<u>(\$410,846)</u>	<u>\$1,724,050</u>	<u>\$1,926,688</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2022, the Golf Course and Sewer Funds had outstanding liabilities of \$51,693 and \$1,386 for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

<u>Trash</u>	<u>Storm Water</u>	<u>Totals</u>
(\$92,948)	(\$144,233)	\$924,965
0	203,888	2,366,384
(705)	1,007	29,610
3	(13)	(2,112)
0	0	8,389
0	0	(26,010)
(268)	(968)	137,807
(8,077)	(10,277)	(187,992)
(10,838)	(13,782)	(251,995)
6,477	8,359	143,814
255	(2,482)	290,251
309	440	15,903
(294)	(178)	69,952
1,742	2,365	15,380
24,949	31,712	582,955
(12,377)	(16,107)	(265,321)
(33,642)	(43,769)	(721,540)
<u>(32,466)</u>	<u>160,195</u>	<u>2,205,475</u>
<u>(\$125,414)</u>	<u>\$15,962</u>	<u>\$3,130,440</u>

CITY OF SPRINGBORO, OHIO

Statement of Net Position
Fiduciary Funds
December 31, 2022

	Custodial Funds
Assets:	
Equity in Pooled Cash and Investments	\$ 104,738
Receivables:	
Special Assessments	240,563
Total Assets	<u><u>\$ 345,301</u></u>
Liabilities:	
Due to Others	\$ 341,068
Undistributed Monies	4,233
Total Liabilities	<u><u>\$ 345,301</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, 2022

	Custodial Funds
Additions:	
Intergovernmental Revenues	\$ 82,578
Fines, Licenses and Permits	287,385
Special Assessments	120,448
Total Additions	<u>490,411</u>
Deductions:	
Other Distributions	<u>490,411</u>
Total Deductions	<u>490,411</u>
Change in Net Position	0
Net Position at Beginning of Year	0
Net Position at End of Year	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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:

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

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.

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.

Construction Fund – This fund is used 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.

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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:

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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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022 but which are not intended to finance 2022 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022.

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 2022, 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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
GAAP Basis (as reported)	(\$967,107)		\$442,072
Increase (Decrease):			
Accrued Revenues at December 31, 2022 received during 2023	(1,660,191)		0
Accrued Revenues at December 31, 2021 received during 2022	2,124,958		0
Accrued Expenditures at December 31, 2022 paid during 2023	694,833	2,145,000	
Accrued Expenditures at December 31, 2021 paid during 2022	(575,941)	(2,334,000)	
Change in Inventory	(7,574)		0
2021 Prepays for 2022	255,981		0
2022 Prepays for 2023	(269,045)		0
Outstanding Encumbrances	(612,554)	(8,000)	
Budget Basis	<u><u>(\$1,016,640)</u></u>	<u><u>\$245,072</u></u>	

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During 2022, 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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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
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:

Obligation	Fund
Special Assessment Bonds	Bond Retirement Fund
General Obligation Bonds	Bond Retirement Fund and Water Fund.
Special Obligation Bonds	Bond Retirement 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

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 \$1,072,500 (each) and the Austin Center Municipal Public Improvement TIF Fund has an advance from other funds balance of \$2,145,000. 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%.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022.

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 assets 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 assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows.

In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 2 – ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principle

For 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, “Leases,” Statement No. 91, “Conduit Debt Obligations,” Statement No. 92, “Omnibus 2020,” and Statement No. 93, “Replacement of Interbank Offered Rates.”

GASB Statement No. 87 establishes standards of accounting and financial reporting for leases. Statement 87 was evaluated for implementation by the City and was deemed immaterial to the financial statements as a whole. The City will continue to evaluate this Statement each year for future reporting.

GASB Statement No. 91 establishes a single method of reporting conduit debt obligations.

GASB Statement No. 92 establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases.

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

B. Compliance

The fund deficit at December 31, 2022 in the Austin Municipal Public Improvement TIF fund of \$1,808,402 arises 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.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

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	Austin Center				Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
	General	Municipal Public Improvement TIF	Debt Service	Construction			
Nonspendable:							
Prepaid Items	\$269,045	\$0	\$0	\$0	\$0	\$37,334	\$306,379
Supplies Inventory	48,804	0	0	0	0	167,382	216,186
Total Nonspendable	317,849	0	0	0	0	204,716	522,565
Restricted:							
Transportation Projects	0	0	0	0	0	1,278,077	1,278,077
Court Projects	0	0	0	0	0	159,859	159,859
Law Enforcement	0	0	0	0	0	165,896	165,896
TIF Projects	0	0	0	0	0	436,476	436,476
Debt Service	0	0	623,039	0	0	0	623,039
Capital Improvements	0	0	0	4,599,433	5,847,283	2,779,267	13,225,983
Total Restricted	0	0	623,039	4,599,433	5,847,283	4,819,575	15,889,330
Assigned:							
Projected budgetary deficit	1,660,963	0	0	0	0	0	1,660,963
Goods and Services	588,709	0	0	0	0	0	588,709
Total Assigned	2,249,672	0	0	0	0	0	2,249,672
Unassigned	7,600,375	(1,808,402)	0	0	0	0	5,791,973
Total Fund Balances	\$10,167,896	(\$1,808,402)	\$623,039	\$4,599,433	\$5,847,283	\$5,024,291	\$24,453,540

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 capital outlay exceeded depreciation in the current period:

Capital Outlay	\$3,866,399
Depreciation Expense	(3,743,684)
	\$122,715

Net effect of capital asset transactions:

Loss on Disposal of Capital Asset	\$222,123
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Governmental revenues not reported in the funds:

Increase in Delinquent Income Tax Revenue	\$205,995
Decrease in Delinquent Property Tax	(2,062)
Increase in Intergovernmental, unrestricted	28,048
Decrease in Special Assessment Revenue	(175,134)
	\$56,847

Contractually required contributions reported as deferred outflows:

Pension	\$936,470
OPEB	14,062
	\$950,532

Pension and OPEB expense:

Pension	(\$420,207)
OPEB	328,013
	(\$92,194)

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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).

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 \$19,031,263 and the bank balance was \$20,826,596. Federal depository insurance covered \$1,000,000 of the bank balance and \$19,826,596 was uninsured and collateralized with securities held in the Ohio Pooled Collateral System.

B. Investments

The City's investments at December 31, 2022 were as follows:

	Measurement	Credit	Concentration		Investment Maturities (in Years)			
			Amount	Rating	Hierarchy	Risk	less than 1	1-3
Negotiable C/D's	\$1,702,455	AAA	Level 2	7.33%		\$738,775	\$719,574	\$244,106
FHLB	6,089,741	AA+	Level 2	26.22%		0	5,349,024	740,717
FHLMC	981,305	AA+	Level 2	4.23%		0	485,027	496,278
FNMA	1,850,430	AA+	Level 2	7.97%		0	1,850,430	0
FFCB	4,238,584	AA+	Level 2	18.25%		1,937,817	2,300,767	0
FHLM	962,289	AA+	Level 2	4.14%		289,609	672,680	0
US Treasury Notes	7,397,102	A-1+	Level 2	31.86%		3,977,208	3,419,894	0
Total Investments	\$23,221,906			100.00%		\$6,943,409	\$14,797,396	\$1,481,101

Credit Rating – Standard and Poor's

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022 for real and public utility property taxes represents collections of 2021 taxes. Property tax payments received during 2022 for tangible personal property (other than public utility property) is for 2022 taxes.

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

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

Tangible personal property tax revenue received during 2022 (other than public utility property tax) represents the collection of 2022 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 2022 were levied after October 1, 2021, on the value as of December 31, 2021.

The full tax rate for all City operations for the year ended December 31, 2022, was \$1.11 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2022 property tax receipts were based are as follows: \$736,157,480 in real property assessed value and \$23,193,360 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 2022, 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022 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 2022 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 2022 was \$16,951,501.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2022 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, 2022

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2022:

Fund	Transfer In	Transfer Out
General Fund	\$164,536	\$1,883,962
Austin Center Municipal Public Improvement TIF Fund	277,335	277,335
Debt Service Fund	3,744,225	0
Construction Fund	4,487,900	4,109,013
Income Tax Capital Improvement Fund	0	4,212,740
Other Governmental Funds	867,712	533,498
Total Governmental Funds	<u>9,541,708</u>	<u>11,016,548</u>
Golf Course Fund	1,550,000	0
Water Fund	0	87,580
Sewer Fund	0	87,580
Trash Fund	100,000	0
Total Proprietary Funds	<u>1,650,000</u>	<u>175,160</u>
Totals	<u><u>\$11,191,708</u></u>	<u><u>\$11,191,708</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, 2022**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2022:

<i>Historical Cost:</i> Class	Balance at December 31,			Balance at December 31, 2022
	2021	Additions	Deletions	
<i>Non-depreciable Capital assets:</i>				
Land	\$26,546,235	\$1,062,315	(\$81,410)	\$27,527,140
Construction in Progress	2,572,030	627,176	(2,454,546)	744,660
Total Non-depreciable Capital assets	<u>29,118,265</u>	<u>1,689,491</u>	<u>(2,535,956)</u>	<u>28,271,800</u>
<i>Capital assets being depreciated:</i>				
Improvements	11,006,274	0	(9,945)	10,996,329
Infrastructure	57,028,794	1,054,959	0	58,083,753
Buildings	18,852,467	0	(727,360)	18,125,107
Machinery and Equipment	7,915,334	3,576,495	(317,525)	11,174,304
Total Depreciable Capital assets	<u>94,802,869</u>	<u>4,631,454</u>	<u>(1,054,830)</u>	<u>98,379,493</u>
Total Cost	<u>\$123,921,134</u>	<u>\$6,320,945</u>	<u>(\$3,590,786)</u>	<u>\$126,651,293</u>
<i>Accumulated Depreciation:</i>				
Class	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022
Improvements	(\$4,186,065)	(\$771,122)	\$6,216	(\$4,950,971)
Infrastructure	(33,307,955)	(1,892,908)	0	(35,200,863)
Buildings	(4,034,736)	(413,269)	590,376	(3,857,629)
Machinery and Equipment	(5,054,401)	(666,385)	317,525	(5,403,261)
Total Depreciation	<u>(\$46,583,157)</u>	<u>(\$3,743,684)</u> *	<u>\$914,117</u>	<u>(\$49,412,724)</u>
<i>Net Value:</i>	<u>\$77,337,977</u>			<u>\$77,238,569</u>

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$300,347
Leisure Time Activities	506,371
Community Environment	21,265
Transportation	2,345,562
General Government	<u>570,139</u>
Total Depreciation Expense	<u>\$3,743,684</u>

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2022:

<i>Historical Cost:</i>	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022
Class				
<i>Non-depreciable Capital assets:</i>				
Land	\$8,685,240	\$0	\$0	\$8,685,240
Construction in Progress	133,913	425,153	(55,607)	503,459
Total Non-depreciable Capital Assets	<u>8,819,153</u>	<u>425,153</u>	<u>(55,607)</u>	<u>9,188,699</u>
<i>Capital assets being depreciated:</i>				
Buildings	4,469,177	938,521	(9,830)	5,397,868
Land Improvements	2,116,227	0	0	2,116,227
Infrastructure	95,625,961	59,820	0	95,685,781
Machinery and Equipment	6,855,310	703,755	(313)	7,558,752
Total Depreciable Capital assets	<u>109,066,675</u>	<u>1,702,096</u>	<u>(10,143)</u>	<u>110,758,628</u>
Total Cost	<u>\$117,885,828</u>	<u>\$2,127,249</u>	<u>(\$65,750)</u>	<u>\$119,947,327</u>
<i>Accumulated Depreciation:</i>				
Class	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022
Buildings	(\$2,676,654)	(\$127,520)	\$9,830	(\$2,794,344)
Land Improvements	(1,686,034)	(64,051)	0	(1,750,085)
Infrastructure	(28,980,038)	(1,460,616)	0	(30,440,654)
Machinery and Equipment	(3,157,710)	(714,197)	313	(3,871,594)
Total Depreciation	<u>(\$36,500,436)</u>	<u>(\$2,366,384)</u>	<u>\$10,143</u>	<u>(\$38,856,677)</u>
<i>Net Value:</i>	<u>\$81,385,392</u>			<u>\$81,090,650</u>

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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%.

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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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>	<u>Law Enforcement</u>
2022 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	*
2022 Actual Contribution Rates		
Employer:		
Pension	14.0 %	18.1 %
Post-employment Health Care Benefits	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>13.0 %</u>

* This rate is determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$691,666 for 2022.

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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

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

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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>
2022 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2022 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 \$534,355 for 2022.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,739,759	\$5,714,653	\$8,454,412
Proportion of the Net Pension Liability-2022	0.031490%	0.091472%	
Proportion of the Net Pension Liability-2021	0.030185%	0.089520%	
Percentage Change	<u>0.0013050%</u>	<u>0.001952%</u>	
Pension Expense	(\$250,075)	\$569,253	\$319,178

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2022, 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	\$342,604	\$1,044,393	\$1,386,997
Differences between expected and actual experience	139,660	164,778	304,438
Change in proportionate share	195,697	614,256	809,953
City contributions subsequent to the measurement date	691,666	534,355	1,226,021
Total Deferred Outflows of Resources	\$1,369,627	\$2,357,782	\$3,727,409
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$3,258,837	\$1,498,297	\$4,757,134
Differences between expected and actual experience	60,090	297,082	357,172
Change in proportionate share	0	14,493	14,493
Total Deferred Inflows of Resources	\$3,318,927	\$1,809,872	\$5,128,799

\$1,226,021 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2023	(\$281,642)	\$165,772	(\$115,870)
2024	(1,074,628)	(218,512)	(1,293,140)
2025	(766,287)	(15,079)	(781,366)
2026	(518,409)	(47,312)	(565,721)
2027	0	128,686	128,686
Total	(\$2,640,966)	\$13,555	(\$2,627,411)

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2021 and December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2021
Wage Inflation	2.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	2.75 to 10.75 percent including wage inflation 3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2022. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2020
Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3.25 to 10.75 percent including wage inflation 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

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

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

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$7,223,491	\$2,739,759	(\$991,305)

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by 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, 2021, compared with January 1, 2020, are presented below.

	<u>January 1, 2021</u>	<u>January 1, 2020</u>
Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 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	2.2 percent simple

For the January 1, 2021 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.

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

For the January 1, 2021 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in 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, 2021 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	<u><u>125.00 %</u></u>	

* levered 2.5x

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2021, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2020 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 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$8,474,752	\$5,714,653	\$3,416,174

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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

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

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

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

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

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

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

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

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

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

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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 2022, 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.

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 2022. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 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 2022.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75. OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022, 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 \$14,062 for 2022.

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, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportionate Share of the Net OPEB Liability (Asset)	(\$991,924)	\$1,002,614	\$10,690
Proportion of the Net OPEB Liability (Asset)-2022	0.031669%	0.091472%	
Proportion of the Net OPEB Liability (Asset)-2021	0.030514%	0.089520%	
Percentage Change	0.0011550%	0.001952%	
OPEB Expense	(\$740,876)	\$103,364	(\$637,512)

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$443,787	\$443,787
Differences between expected and actual experience	0	45,610	45,610
Change in proportionate share	27,203	66,655	93,858
City contributions subsequent to the measurement date	0	14,062	14,062
Total Deferred Outflows of Resources	<u>\$27,203</u>	<u>\$570,114</u>	<u>\$597,317</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$472,882	\$90,571	\$563,453
Differences between expected and actual experience	150,458	132,511	282,969
Changes in assumptions	401,518	116,447	517,965
Change in proportionate share	0	23,874	23,874
Total Deferred Inflows of Resources	<u>\$1,024,858</u>	<u>\$363,403</u>	<u>\$1,388,261</u>

\$14,062 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 2023. 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
2023	(\$606,616)	\$44,206	(\$562,410)
2024	(219,802)	30,758	(189,044)
2025	(103,321)	35,893	(67,428)
2026	(67,916)	21,508	(46,408)
2027	0	32,339	32,339
2028	0	20,118	20,118
2029	0	7,827	7,827
Total	<u>(\$997,655)</u>	<u>\$192,649</u>	<u>(\$805,006)</u>

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	1.84 percent
Prior measurement date	2.00 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2034
Prior measurement date	8.5 percent initial, 3.5 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age Normal

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

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

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00 %	3.45 %

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) 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 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index").

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2121. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City's Proportionate Share of the Net OPEB 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:

	Current		
	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB liability (asset)	(\$583,343)	(\$991,924)	(\$1,331,048)

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 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is 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.

	Current Health Care Cost Trend Rate Assumption		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$1,002,641)	(\$991,924)	(\$979,205)

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing 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, 2021, with actuarial liabilities rolled forward to December 31, 2021	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 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	2.84 percent	2.96 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

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

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

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

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in 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, 2021, are summarized below:

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 11 - DEFINED BENEFIT OPEB PLANS (Continued)

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	<u>125.00 %</u>	

* levered 2.5x

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 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 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 7.50 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 2.05 percent at December 31, 2021 and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.50 percent, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2.84 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 (1.84 percent), or one percentage point higher (3.84 percent) than the current rate.

	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$1,260,308	\$1,002,614	\$790,789

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022, the City's accumulated, unpaid compensated absences amounted to \$1,215,608, of which \$967,283 is recorded as a liability of the Governmental Activities and \$248,325 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, 2022 were as follows:

		Balance December 31, 2021			Balance December 31, 2022	Amount Due Within One Year
		Issued	(Retired)			
Business Type-Activities:						
General Obligation Bonds:						
2.00 - 5.00% Water Refunding Bond	2017	\$1,770,000	\$0	(\$875,000)	\$895,000	\$895,000
Premium on Refunding Bond	2017	94,639	0	(47,318)	47,321	47,321
Total General Obligation Bonds		1,864,639	0	(922,318)	942,321	942,321
Mortgage Revenue Bonds:						
2.00 -5.00% Sewer Refunding - 2004 Issue	2012	5,745,000	0	(5,745,000)	0	0
2.00 -5.00% Premium on Sewer Funding - 2004	2012	463,422	0	(463,422)	0	0
Total Mortgage Revenue Bonds		6,208,422	0	(6,208,422)	0	0
Compensated Absences Payable		232,945	248,325	(232,945)	248,325	23,843
Lease Payable		0	375,454	(123,280)	252,174	125,142
Total Business-Type Activity Long-Term Liabilities		\$8,306,006	\$623,779	(\$7,486,965)	\$1,442,820	\$1,091,306

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

		Balance December 31, 2021	Issued	(Retired)	Balance December 31, 2022	Amount Due Within One Year
Governmental Activities:						
Special Assessment Bonds:						
2.000 - 5.000% Various Purpose Refunding	2017	\$265,000	\$0	(\$130,000)	\$135,000	\$135,000
Premium on Refunding	2017	14,946	0	(7,474)	7,472	7,472
Total Special Assessment Bonds (with Governmental Commitment)		279,946	0	(137,474)	142,472	142,472
Unvoted General Obligation Bonds:						
5.00% Various Purpose	2022	0	6,000,000	(180,000)	5,820,000	455,000
2.000 - 5.000% Municipal Building Refunding	2017	825,000	0	(410,000)	415,000	415,000
2.000 - 5.000% Street Improvement Bonds	2017	760,000	0	(145,000)	615,000	150,000
Premium on Bonds		81,561	552,968	(43,707)	590,822	57,797
Total General Obligation Bonds		1,666,561	6,552,968	(778,707)	7,440,822	1,077,797
Special Obligation Bond:						
4.625 - 5.000% Performing Arts Center	2022	0	4,000,000	(75,000)	3,925,000	200,000
Premium on Bonds		0	69,358	(2,392)	66,966	4,784
Total Special Obligation Bonds		0	4,069,358	(77,392)	3,991,966	204,784
Capital Lease Payable		2,890,000	0	(2,890,000)	0	0
General Obligation Note Payable		3,200,000	0	(3,200,000)	0	0
Compensated Absences Payable		911,867	967,283	(911,867)	967,283	67,649
Total Governmental Activity Long-Term Liabilities		\$8,948,374	\$11,589,609	(\$7,995,440)	\$12,542,543	\$1,492,702

The principal amount of the City's special assessment bonds outstanding at December 31, 2022, \$135,000, 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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, 2022, follow:

Years	General Obligation Bonds			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$1,020,000	\$330,375	\$895,000	\$40,275
2024	360,000	282,200	0	0
2025	360,000	267,300	0	0
2026	360,000	252,500	0	0
2027	220,000	237,500	0	0
2028-2032	1,280,000	1,010,750	0	0
2033-2037	1,630,000	657,500	0	0
2038-2041	1,620,000	207,500	0	0
Totals	<u>\$6,850,000</u>	<u>\$3,245,625</u>	<u>\$895,000</u>	<u>\$40,275</u>

Years	Special Assessment Bonds		Special Obligation Bonds	
	Principal	Interest	Principal	Interest
	\$135,000	\$6,075	\$200,000	\$193,981
2023	\$135,000	\$6,075	\$200,000	\$193,981
2024	0	0	210,000	183,981
2025	0	0	220,000	173,481
2026	0	0	235,000	162,481
2027	0	0	245,000	150,731
2028-2032	0	0	1,415,000	558,762
2033-2037	0	0	1,400,000	179,250
Totals	<u>\$135,000</u>	<u>\$6,075</u>	<u>\$3,925,000</u>	<u>\$1,602,667</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, 2022, \$230,000 of bonds outstanding are considered defeased.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 \$960,000 at December 31, 2022, 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 \$4,985,000 at December 31, 2022, 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, 2022 were as follows:

	Balance December 31, 2021	Issued	(Retired)	Balance December 31, 2022
Special Revenue Fund:				
Urban Redevelopment TIF Fund:				
0.75% Performing Arts Center	\$4,500,000	\$0	(\$4,500,000)	\$0

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022 the City contracted with several different insurance providers for various insurance coverages, as follows:

Type of Coverage	Liability Limits	Deductible
Property	\$97,721,205	\$5,000
Crime	1,000,000	75,000
Inland Marine	5,171,311	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
Cyber Liability	1,000,000	15,000

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 2022, 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 16 - CONTRACTUAL COMMITMENTS

As of December 31, 2022, the City had the following significant contractual commitments:

Project	Remaining Contractual Commitment
Hazel Woods Multi-Use Trail	\$331,665
Pumping Station Project	299,719
Heatherwoode Flood Project	246,686
Total	<u><u>\$878,070</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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CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

During 2022, 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 2022 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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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 2022 (\$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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

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.

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 20 – SIGNIFICANT ENCUMBRANCES

At December 31, 2022 the City had the following significant cash-basis encumbrances outstanding:

Fund	Total Encumbrances	Significant Encumbrances	Explanation
Major Funds:			
General	\$ 612,558	\$67,200 70,500	Park Storae Facility ADA Transition Plan
Golf Course	532,745	273,394	Floodway Improvements
Water	2,929,141	935,184 606,918 765,000	Water Debt Water Facility Upgrades Water Main Replacement
Sewer	2,169,858	1,060,479 658,366	Sewer Facility Repairs Treatment Plant Blower
All Nonmajor Funds	1,717,696	667,482	Multi-Use Trail Projects

NOTE 21 – TAX ABATEMENT DISCLOSURES

As of December 31, 2022, 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, 2022

NOTE 21 – 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, 2022:

<u>Tax Abatement Program</u>	<u>Total Amount of Taxes Abated for the Year 2022 (In Actual Dollars)</u>
Community Reinvestment Act (CRA)	
Commercial	\$124,865
Industrial	364,224
	<hr/>
	\$489,089

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 2022:

<u>Springboro City School District</u>		
Commercial	90% of 1/3 Municipal Income Tax Revenue	\$71,753
<u>Franklin City School District</u>		
Industrial	90% of 1/3 Municipal Income Tax Revenue	\$44,566
<u>Miamisburg City School District</u>		
Commercial	50% of Municipal Income Tax Revenue	\$13,239
<u>Warren County Career Center</u>		
Commercial	10% of Municipal Income Tax Revenue	\$4,952
Industrial	10% of Municipal Income Tax Revenue	7,973
		<hr/>
		\$12,925

CITY OF SPRINGBORO, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2022

NOTE 22 – 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 2022, 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, 2022.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 23 –LEASE PAYABLE

The City is party to one lease. The lease is for the usage of a fleet of carts for the Golf Course. The cost of the equipment obtained under this lease is valued at \$375,454. At December 31, 2022 the equipment is capitalized as machinery and equipment 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, 2022:

Year Ending December 31,	Capital Lease
2023	\$128,066
2024	128,066
Minimum Lease Payments	256,132
Less amount representing interest at the at the City's incremental borrow rate	(3,958)
Present value of minimum lease payments	<u><u>\$252,174</u></u>

***R**EQUIRED **S**UPPLEMENTARY **I**NFORMATION*

CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

Fiscal Year	2013	2014	2015	2016
City's proportion of the net pension liability	0.022048%	0.022048%	0.025022%	0.026454%
City's proportionate share of the net pension liability	\$2,599,172	\$2,659,236	\$4,334,157	\$6,007,271
City's covered payroll	\$2,938,923	\$2,762,517	\$3,128,433	\$3,576,317
City's proportionate share of the net pension liability as a percentage of its covered payroll	88.44%	96.26%	138.54%	167.97%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

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

Ohio Police and Fire Pension Fund

Fiscal Year	2013	2014	2015	2016
City's proportion of the net pension liability	0.077251%	0.077251%	0.076945%	0.077502%
City's proportionate share of the net pension liability	\$3,762,361	\$4,001,919	\$4,949,952	\$4,908,909
City's covered payroll	\$1,629,956	\$1,703,247	\$1,732,632	\$1,702,937
City's proportionate share of the net pension liability as a percentage of its covered payroll	230.83%	234.96%	285.69%	288.26%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

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

2017	2018	2019	2020	2021
0.026347%	0.028445%	0.029447%	0.030185%	0.031490%
\$4,133,386	\$7,790,509	\$5,820,399	\$4,469,739	\$2,739,759
\$3,374,031	\$3,677,686	\$3,916,571	\$4,276,229	\$4,423,779
122.51%	211.83%	148.61%	104.53%	61.93%
84.66%	74.70%	82.17%	86.88%	92.62%
2017	2018	2019	2020	2021
0.077363%	0.076406%	0.081785%	0.089520%	0.091472%
\$4,748,116	\$6,236,748	\$5,509,441	\$6,102,680	\$5,714,653
\$1,958,784	\$1,987,232	\$2,208,416	\$2,511,126	\$2,673,958
242.40%	313.84%	249.47%	243.03%	213.72%
70.91%	63.07%	69.89%	70.65%	75.03%

CITY OF SPRINGBORO, OHIO

Schedule of City Pension Contributions Last Ten Years

Ohio Public Employees Retirement System

Fiscal Year	2013	2014	2015	2016
Contractually required contribution	\$382,060	\$331,502	\$375,412	\$429,158
Contributions in relation to the contractually required contribution	<u>382,060</u>	<u>331,502</u>	<u>375,412</u>	<u>429,158</u>
Contribution deficiency (excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's covered payroll	\$2,938,923	\$2,762,517	\$3,128,433	\$3,576,317
Contributions as a percentage of covered payroll	13.00%	12.00%	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	2016
Contractually required contribution	\$259,652	\$323,617	\$329,200	\$323,558
Contributions in relation to the contractually required contribution	<u>259,652</u>	<u>323,617</u>	<u>329,200</u>	<u>323,558</u>
Contribution deficiency (excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's covered payroll	\$1,629,956	\$1,703,247	\$1,732,632	\$1,702,937
Contributions as a percentage of covered payroll	15.93%	19.00%	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.

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

2017	2018	2019	2020	2021	2022
\$438,624	\$514,876	\$548,320	\$598,672	\$619,329	\$691,666
<u>438,624</u>	<u>514,876</u>	<u>548,320</u>	<u>598,672</u>	<u>619,329</u>	<u>691,666</u>
<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
\$3,374,031	\$3,677,686	\$3,916,571	\$4,276,229	\$4,423,779	\$4,940,471
13.00%	14.00%	14.00%	14.00%	14.00%	14.00%

2017	2018	2019	2020	2021	2022
\$372,169	\$377,574	\$419,599	\$477,114	\$508,052	\$534,355
<u>372,169</u>	<u>377,574</u>	<u>419,599</u>	<u>477,114</u>	<u>508,052</u>	<u>534,355</u>
<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
\$1,958,784	\$1,987,232	\$2,208,416	\$2,511,126	\$2,673,958	\$2,812,395
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 (Asset) Last Six 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>	<u>2021</u>
-------------	-------------	-------------

0.029683%	0.030514%	0.031669%
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\$4,099,993	(\$543,633)	(\$991,924)
-------------	-------------	-------------

\$3,916,571	\$4,276,229	\$4,423,779
-------------	-------------	-------------

104.68%	(12.71%)	(22.42%)
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47.80%	115.57%	128.23%
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<u>2019</u>	<u>2020</u>	<u>2021</u>
-------------	-------------	-------------

0.081785%	0.089520%	0.091472%
-----------	-----------	-----------

\$807,846	\$948,483	\$1,002,614
-----------	-----------	-------------

\$2,208,416	\$2,511,126	\$2,673,958
-------------	-------------	-------------

36.58%	37.77%	37.50%
--------	--------	--------

47.08%	45.42%	46.86%
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CITY OF SPRINGBORO, OHIO

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

Ohio Public Employees Retirement System

Year	2013	2014	2015	2016
Contractually required contribution	\$29,389	\$55,250	\$62,569	\$71,526
Contributions in relation to the contractually required contribution	<u>29,389</u>	<u>55,250</u>	<u>62,569</u>	<u>71,526</u>
Contribution deficiency (excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's covered payroll	\$2,938,923	\$2,762,517	\$3,128,433	\$3,576,317
Contributions as a percentage of covered payroll	1.00%	2.00%	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	2016
Contractually required contribution	\$58,870	\$8,516	\$8,663	\$8,515
Contributions in relation to the contractually required contribution	<u>58,870</u>	<u>8,516</u>	<u>8,663</u>	<u>8,515</u>
Contribution deficiency (excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's covered payroll	\$1,629,956	\$1,703,247	\$1,732,632	\$1,702,937
Contributions as a percentage of covered payroll	3.61%	0.50%	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.

See accompanying notes to the required supplementary information

CITY OF SPRINGBORO, OHIO

2017	2018	2019	2020	2021	2022
\$33,740	\$0	\$0	\$0	\$0	\$0
33,740	0	0	0	0	0
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,374,031	\$3,677,686	\$3,916,571	\$4,276,229	\$4,423,779	\$4,940,471
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2017	2018	2019	2020	2021	2022
\$9,794	\$9,936	\$11,042	\$12,556	\$13,370	\$14,062
9,794	9,936	11,042	12,556	13,370	14,062
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,958,784	\$1,987,232	\$2,208,416	\$2,511,126	\$2,673,958	\$2,812,395
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

CITY OF SPRINGBORO, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2022

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2022.

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.

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

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

CITY OF SPRINGBORO, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2022

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2022.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

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

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

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

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

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

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CITY OF SPRINGBORO, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2022

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.

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

Changes in assumptions:

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

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

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

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

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

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

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

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

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

CITY OF SPRINGBORO, OHIO

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2022***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

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

2020 - 2022: There were no changes in benefit terms.

Changes in assumptions:

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

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

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

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

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

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

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

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

- The single discount rate changed from 2.96% to 2.84%.

CITY OF SPRINGBORO, OHIO



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

CITY OF SPRINGBORO, OHIO

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.

One Ohio Opioid Fund

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

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.

(Continued)

CITY OF SPRINGBORO, OHIO

Nonmajor Governmental Funds

Special Revenue Funds (continued)

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.

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.

Urban Redevelopment TIF Fund

This fund is used to account for tax increment financing activities associated with redevelopment throughout the City.

(Continued)

CITY OF SPRINGBORO, OHIO

Nonmajor Governmental Funds

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.

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, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 1,919,450	\$ 466,794	\$ 2,386,244
Receivables:			
Intergovernmental	721,048	0	721,048
Inventory of Supplies, at Cost	167,382	0	167,382
Prepaid Items	37,334	0	37,334
Assets Held for Resale	0	2,312,473	2,312,473
Total Assets	\$ 2,845,214	\$ 2,779,267	\$ 5,624,481
Liabilities:			
Accounts Payable	\$ 65,378	\$ 0	\$ 65,378
Accrued Wages and Benefits Payable	50,810	0	50,810
Intergovernmental Payable	15,394	0	15,394
Total Liabilities	131,582	0	131,582
Deferred Inflows of Resources:			
Unavailable Amounts	468,608	0	468,608
Total Deferred Inflows of Resources	468,608	0	468,608
Fund Balances:			
Nonspendable	204,716	0	204,716
Restricted	2,040,308	2,779,267	4,819,575
Total Fund Balances	2,245,024	2,779,267	5,024,291
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,845,214	\$ 2,779,267	\$ 5,624,481

CITY OF SPRINGBORO, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental Revenues	\$ 1,624,061	\$ 0	\$ 1,624,061
Fines, Licenses and Permits	30,088	9,290	39,378
Investment Earnings	6,992	0	6,992
Donations	2,382	0	2,382
All Other Revenue	145,902	224,294	370,196
Total Revenue	1,809,425	233,584	2,043,009
Expenditures:			
Current:			
Security of Persons and Property	225,612	0	225,612
Transportation	1,325,930	0	1,325,930
General Government	19,215	0	19,215
Capital Outlay	0	62,223	62,223
Debt Service:			
Interest and Fiscal Charges	25,312	0	25,312
Total Expenditures	1,596,069	62,223	1,658,292
Excess (Deficiency) of Revenues Over Expenditures	213,356	171,361	384,717
Other Financing Sources (Uses):			
Bonds Issued	4,000,000	0	4,000,000
Transfers In	792,712	75,000	867,712
Transfers Out	(533,498)	0	(533,498)
Total Other Financing Sources (Uses)	4,259,214	75,000	4,334,214
Net Change in Fund Balances	4,472,570	246,361	4,718,931
Fund Balances at Beginning of Year	(2,227,546)	2,532,906	305,360
Fund Balances End of Year	\$ 2,245,024	\$ 2,779,267	\$ 5,024,291

CITY OF SPRINGBORO, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Street Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax
Assets:				
Equity in Pooled Cash and Investments	\$ 320,554	\$ 296,924	\$ 4,166	\$ 551,503
Receivables:				
Intergovernmental	515,111	41,757	0	146,157
Inventory of Supplies, at Cost	167,382	0	0	0
Prepaid Items	35,643	0	0	0
Total Assets	\$ 1,038,690	\$ 338,681	\$ 4,166	\$ 697,660
Liabilities:				
Accounts Payable	\$ 64,440	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	50,810	0	0	0
Intergovernmental Payable	14,237	0	0	0
Total Liabilities	129,487	0	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	343,332	27,838	0	97,438
Total Deferred Inflows of Resources	343,332	27,838	0	97,438
Fund Balances:				
Nonspendable	203,025	0	0	0
Restricted	362,846	310,843	4,166	600,222
Total Fund Balances	565,871	310,843	4,166	600,222
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,038,690	\$ 338,681	\$ 4,166	\$ 697,660

(Continued)

CITY OF SPRINGBORO, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	COPS Grant	One Ohio Opioid	Drug Law Enforcement	Mayor's Court Improvement
Assets:				
Equity in Pooled Cash and Investments	\$ 14,977	\$ 2,592	\$ 48,676	\$ 160,057
Receivables:				
Intergovernmental	16,514	0	0	3
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	1,110	0	0	581
Total Assets	\$ 32,601	\$ 2,592	\$ 48,676	\$ 160,641
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	109	0	0	201
Total Liabilities	109	0	0	201
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances:				
Nonspendable	1,110	0	0	581
Restricted	31,382	2,592	48,676	159,859
Total Fund Balances	32,492	2,592	48,676	160,440
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 32,601	\$ 2,592	\$ 48,676	\$ 160,641

CITY OF SPRINGBORO, OHIO

Austin JEDD	South Tech Public Improvement TIF	Law Enforcement Trust	DARE Trust	Urban Redevelopment TIF	Total Nonmajor Special Revenue Funds
\$ 83,121	\$ 5,131	\$ 72,064	\$ 11,461	\$ 348,224	\$ 1,919,450
0	0	0	1,506	0	721,048
0	0	0	0	0	167,382
0	0	0	0	0	37,334
\$ 83,121	\$ 5,131	\$ 72,064	\$ 12,967	\$ 348,224	\$ 2,845,214
\$ 0	\$ 0	\$ 0	\$ 938	\$ 0	\$ 65,378
0	0	0	0	0	50,810
0	0	0	847	0	15,394
0	0	0	1,785	0	131,582
0	0	0	0	0	468,608
0	0	0	0	0	468,608
0	0	0	0	0	204,716
83,121	5,131	72,064	11,182	348,224	2,040,308
83,121	5,131	72,064	11,182	348,224	2,245,024
\$ 83,121	\$ 5,131	\$ 72,064	\$ 12,967	\$ 348,224	\$ 2,845,214

CITY OF SPRINGBORO, OHIO

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

	Street Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax
Revenues:				
Intergovernmental Revenues	\$ 1,050,594	\$ 85,184	\$ 0	\$ 248,490
Fines, Licenses and Permits	0	0	0	0
Investment Earnings	2,230	1,454	22	3,286
Donations	0	0	0	0
All Other Revenue	6,997	0	0	0
Total Revenue	1,059,821	86,638	22	251,776
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	1,289,549	36,381	0	0
General Government	0	0	0	0
Debt Service:				
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	1,289,549	36,381	0	0
Excess (Deficiency) of Revenues Over Expenditures	(229,728)	50,257	22	251,776
Other Financing Sources (Uses):				
Bonds Issued	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	0	0	0	(200,000)
Total Other Financing Sources (Uses)	0	0	0	(200,000)
Net Change in Fund Balances	(229,728)	50,257	22	51,776
Fund Balance at Beginning of Year	795,599	260,586	4,144	548,446
Fund Balance End of Year	\$ 565,871	\$ 310,843	\$ 4,166	\$ 600,222

CITY OF SPRINGBORO, OHIO

COPS Grant	One Ohio Opioid	Drug Law Enforcement	Mayor's Court Improvement	Austin JEDD	South Tech Public Improvement TIF
\$ 0	\$ 2,592	\$ 0	\$ 0	\$ 185,103	\$ 0
0	0	15,688	14,400	0	0
0	0	0	0	0	0
0	0	0	0	0	0
35,624	0	0	15	0	0
<u>35,624</u>	<u>2,592</u>	<u>15,688</u>	<u>14,415</u>	<u>185,103</u>	<u>0</u>
80,548	0	45,584	0	0	0
0	0	0	0	0	0
0	0	0	17,094	0	0
0	0	0	0	0	0
<u>80,548</u>	<u>0</u>	<u>45,584</u>	<u>17,094</u>	<u>0</u>	<u>0</u>
(44,924)	2,592	(29,896)	(2,679)	185,103	0
0	0	0	0	0	0
50,000	0	0	0	0	168,962
0	0	0	0	(164,536)	(168,962)
<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(164,536)</u>	<u>0</u>
5,076	2,592	(29,896)	(2,679)	20,567	0
27,416	0	78,572	163,119	62,554	5,131
<u>\$ 32,492</u>	<u>\$ 2,592</u>	<u>\$ 48,676</u>	<u>\$ 160,440</u>	<u>\$ 83,121</u>	<u>\$ 5,131</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, 2022

	Law Enforcement Trust	DARE Trust	Urban Redevelopment TIF	Total Nonmajor Special Revenue Funds
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 52,098	\$ 0	\$ 1,624,061
Fines, Licenses and Permits	0	0	0	30,088
Investment Earnings	0	0	0	6,992
Donations	0	2,382	0	2,382
All Other Revenue	6,036	1,506	95,724	145,902
Total Revenue	6,036	55,986	95,724	1,809,425
Expenditures:				
Current:				
Security of Persons and Property	0	99,480	0	225,612
Transportation	0	0	0	1,325,930
General Government	0	0	2,121	19,215
Debt Service:				
Interest and Fiscal Charges	0	0	25,312	25,312
Total Expenditures	0	99,480	27,433	1,596,069
Excess (Deficiency) of Revenues Over Expenditures	6,036	(43,494)	68,291	213,356
Other Financing Sources (Uses):				
Bonds Issued	0	0	4,000,000	4,000,000
Transfers In	0	40,000	533,750	792,712
Transfers Out	0	0	0	(533,498)
Total Other Financing Sources (Uses)	0	40,000	4,533,750	4,259,214
Net Change in Fund Balances	6,036	(3,494)	4,602,041	4,472,570
Fund Balance at Beginning of Year	66,028	14,676	(4,253,817)	(2,227,546)
Fund Balance End of Year	\$ 72,064	\$ 11,182	\$ 348,224	\$ 2,245,024

CITY OF SPRINGBORO, OHIO



CITY OF SPRINGBORO, OHIO

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022

	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 465,070	\$ 1,724	\$ 466,794
Assets Held for Resale	0	2,312,473	2,312,473
Total Assets	\$ 465,070	\$ 2,314,197	\$ 2,779,267
Liabilities:			
Total Liabilities	\$ 0	\$ 0	\$ 0
Fund Balances:			
Restricted	465,070	2,314,197	2,779,267
Total Fund Balances	465,070	2,314,197	2,779,267
Total Liabilities and Fund Balances	\$ 465,070	\$ 2,314,197	\$ 2,779,267

CITY OF SPRINGBORO, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022

	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
Revenues:			
Fines, Licenses and Permits	\$ 9,290	\$ 0	\$ 9,290
All Other Revenue	224,294	0	224,294
Total Revenue	233,584	0	233,584
Expenditures:			
Capital Outlay	62,223	0	62,223
Total Expenditures	62,223	0	62,223
Excess (Deficiency) of Revenues			
Over Expenditures	171,361	0	171,361
Other Financing Sources (Uses):			
Transfers In	75,000	0	75,000
Total Other Financing Sources (Uses)	75,000	0	75,000
Net change in Fund Balances	246,361	0	246,361
Fund Balances at Beginning of Year	218,709	2,314,197	2,532,906
Fund Balances End of Year	\$ 465,070	\$ 2,314,197	\$ 2,779,267

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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 9,975,000	\$ 9,975,000	\$ 11,257,032	\$ 1,282,032
Property and Other Taxes	750,000	750,000	904,397	154,397
Intergovernmental Revenues	320,900	320,900	385,537	64,637
Fines, Licenses and Permits	504,300	504,300	338,060	(166,240)
Investment Earnings	175,000	175,000	199,191	24,191
Special Assessments	37,162	37,162	38,642	1,480
All Other Revenues	290,500	290,500	1,073,492	782,992
Total Revenues	<u>12,052,862</u>	<u>12,052,862</u>	<u>14,196,351</u>	<u>2,143,489</u>
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	3,641,766	3,668,393	3,613,858	54,535
Materials and Supplies	177,642	189,106	176,558	12,548
Contractual Services	298,606	291,291	242,618	48,673
Total Police Department	<u>4,118,014</u>	<u>4,148,790</u>	<u>4,033,034</u>	<u>115,756</u>
Police Dispatcher:				
Personal Services	317,700	346,287	344,031	2,256
Materials and Supplies	4,000	4,000	2,791	1,209
Contractual Services	18,038	17,512	8,782	8,730
Total Police Dispatcher	<u>339,738</u>	<u>367,799</u>	<u>355,604</u>	<u>12,195</u>
Street Lighting:				
Contractual Services	175,000	188,576	188,260	316
Total Street Lighting	<u>175,000</u>	<u>188,576</u>	<u>188,260</u>	<u>316</u>
Civil Defense:				
Contractual Services	2,600	3,000	2,859	141
Total Civil Defense	<u>2,600</u>	<u>3,000</u>	<u>2,859</u>	<u>141</u>
Prisoner Care:				
Contractual Services	5,000	5,000	4,579	421
Total Prisoner Care	<u>5,000</u>	<u>5,000</u>	<u>4,579</u>	<u>421</u>
Total Security of Persons and Property	<u>4,640,352</u>	<u>4,713,165</u>	<u>4,584,336</u>	<u>128,829</u>
Public Health and Welfare:				
Health Board:				
Contractual Services	17,000	17,000	15,972	1,028
Total Public Health and Welfare	<u>17,000</u>	<u>17,000</u>	<u>15,972</u>	<u>1,028</u>

(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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities:				
Park Maintenance:				
Personal Services	820,000	773,129	755,683	17,446
Contractual Services	191,599	199,789	177,660	22,129
Materials and Supplies	329,889	306,785	186,234	120,551
Total Park Maintenance	1,341,488	1,279,703	1,119,577	160,126
Library Services:				
Contractual Services	31,386	26,734	10,928	15,806
Materials and Supplies	1,000	1,000	450	550
Total Library Services	32,386	27,734	11,378	16,356
Community Events:				
Personal Services	104,500	118,808	113,073	5,735
Contractual Services	216,156	207,489	206,088	1,401
Materials and Supplies	10,000	19,764	19,402	362
Total Community Events	330,656	346,061	338,563	7,498
Total Leisure Time Activities	1,704,530	1,653,498	1,469,518	183,980
Community Environment:				
Planning and Zoning:				
Personal Services	163,500	137,000	124,303	12,697
Contractual Services	78,829	81,329	79,517	1,812
Materials and Supplies	1,000	1,000	620	380
Total Planning and Zoning	243,329	219,329	204,440	14,889
Engineering:				
Personal Services	135,000	135,200	128,352	6,848
Contractual Services	535,811	533,337	423,180	110,157
Materials and Supplies	10,760	10,760	6,475	4,285
Total Engineering	681,571	679,297	558,007	121,290
Economic Development:				
Personal Services	71,800	73,335	68,627	4,708
Contractual Services	113,971	112,940	43,988	68,952
Materials and Supplies	500	200	0	200
Total Economic Development	186,271	186,475	112,615	73,860
Building Inspection:				
Personal Services	398,800	398,500	388,860	9,640
Contractual Services	108,735	108,735	41,648	67,087
Materials and Supplies	9,500	9,800	7,213	2,587
Total Building Inspection	517,035	517,035	437,721	79,314
Total Community Environment	1,628,206	1,602,136	1,312,783	289,353

(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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
City Council:				
Personal Services	240,100	231,011	220,576	10,435
Contractual Services	117,397	116,963	100,942	16,021
Materials and Supplies	13,297	13,297	10,504	2,793
Total City Council	370,794	361,271	332,022	29,249
City Manager:				
Personal Services	184,250	180,264	167,422	12,842
Contractual Services	93,129	79,990	65,933	14,057
Materials and Supplies	300	430	425	5
Total City Manager	277,679	260,684	233,780	26,904
Assistant City Manager:				
Personal Services	116,950	99,328	94,316	5,012
Contractual Services	129,694	104,685	94,460	10,225
Materials and Supplies	1,300	1,300	491	809
Total Assistant City Manager	247,944	205,313	189,267	16,046
Computer Administration:				
Personal Services	114,150	114,150	111,198	2,952
Contractual Services	290,816	331,498	316,359	15,139
Materials and Supplies	128,508	123,508	85,996	37,512
Total Computer Adminstration	533,474	569,156	513,553	55,603
Finance Department:				
Personal Services	218,500	218,500	210,524	7,976
Contractual Services	105,500	75,629	67,682	7,947
Materials and Supplies	3,000	3,000	731	2,269
Total Finance Department	327,000	297,129	278,937	18,192
Mayor's Court:				
Personal Services	135,300	135,300	126,875	8,425
Contractual Services	74,300	78,900	75,476	3,424
Materials and Supplies	500	500	438	62
Total Mayor's Court	210,100	214,700	202,789	11,911

(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, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Income Tax:				
Personal Services	278,150	317,703	317,569	134
Contractual Services	989,672	1,105,485	1,105,466	19
Materials and Supplies	1,500	909	909	0
Total Income Tax	1,269,322	1,424,097	1,423,944	153
Legal Administration:				
Contractual Services	97,575	68,906	64,456	4,450
Total Legal Administration	97,575	68,906	64,456	4,450
Volunteer Services:				
Contractual Services	5,000	3,594	3,162	432
Total Volunteer Services	5,000	3,594	3,162	432
Building and Land:				
Personal Services	1,278,954	1,279,454	1,221,729	57,725
Contractual Services	1,623,950	1,706,140	1,576,596	129,544
Materials and Supplies	146,474	155,248	128,852	26,396
Total Building and Land	3,049,378	3,140,842	2,927,177	213,665
Miscellaneous:				
Contractual Services	124,499	124,299	70,729	53,570
Materials and Supplies	10,200	10,400	9,808	592
Total Miscellaneous	134,699	134,699	80,537	54,162
Total General Government	6,522,965	6,680,391	6,249,624	430,767
Total Expenditures	14,513,053	14,666,190	13,632,233	1,033,957
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,460,191)	(2,613,328)	564,118	3,177,446
Other Financing Sources (Uses):				
Transfers In	164,536	164,536	164,536	0
Transfers Out	(3,717,005)	(3,737,005)	(1,883,962)	1,853,043
Advances In	0	0	138,668	138,668
Total Other Financing Sources (Uses)	(3,552,469)	(3,572,469)	(1,580,758)	1,991,711
Net Change in Fund Balance	(6,012,660)	(6,185,797)	(1,016,640)	5,169,157
Fund Balance at Beginning of Year	8,467,271	8,467,271	8,467,271	0
Prior Year Encumbrances	821,504	821,504	821,504	0
Fund Balance at End of Year	<u>\$ 3,276,115</u>	<u>\$ 3,102,978</u>	<u>\$ 8,272,135</u>	<u>\$ 5,169,157</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 – Austin Center Municipal Public Improvement TIF
Fund
For the Year Ended December 31, 2022***

			Variance with Final Budget
			Positive (Negative)
	Final Budget	Actual	
Revenues:			
Payment in Lieu of Taxes	\$ 550,000	\$ 680,554	\$ 130,554
Total Revenues	<u>550,000</u>	<u>680,554</u>	<u>130,554</u>
Expenditures:			
General Government:			
Contractual Services	217,000	158,147	58,853
Total Expenditures	<u>217,000</u>	<u>158,147</u>	<u>58,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	333,000	522,407	189,407
Other Financing Sources (Uses):			
Transfers Out	(277,335)	(277,335)	0
Total Other Financing Sources (Uses)	<u>(277,335)</u>	<u>(277,335)</u>	<u>0</u>
Net Change in Fund Balance	55,665	245,072	189,407
Fund Balance at Beginning of Year	83,526	83,526	0
Fund Balance at End of Year	<u>\$ 139,191</u>	<u>\$ 328,598</u>	<u>\$ 189,407</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 – American Rescue Plan Fund
For the Year Ended December 31, 2022***

				Variance with Final Budget Positive (Negative)
	Final Budget	Actual		
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 999,438	\$ 999,438	
Total Revenues	0	999,438	999,438	
Expenditures:				
Total Expenditures	0	0	0	
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	999,438	999,438	
Fund Balance at Beginning of Year	991,521	991,521	0	
Fund Balance at End of Year	\$ 991,521	\$ 1,990,959	\$ 999,438	

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Debt Service Fund – Debt Service Fund
For the Year Ended December 31, 2022***

			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Special Assessments	\$ 282,196	\$ 231,883	\$ (50,313)
Total Revenues	<u>282,196</u>	<u>231,883</u>	<u>(50,313)</u>
Expenditures:			
General Government:			
Contractual Services	203,000	77,472	125,528
Total General Government	<u>203,000</u>	<u>77,472</u>	<u>125,528</u>
Debt Service:			
Principal Retirement	9,591,654	8,829,000	762,654
Interest and Fiscal Charges	443,228	443,228	0
Total Expenditures	<u>10,237,882</u>	<u>9,349,700</u>	<u>888,182</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(9,955,686)	(9,117,817)	837,869
Other Financing Sources (Uses):			
Premium on Sale of Bonds	0	622,326	622,326
Transfers In	<u>10,000,000</u>	<u>8,555,310</u>	<u>(1,444,690)</u>
Total Other Financing Sources (Uses)	<u>10,000,000</u>	<u>9,177,636</u>	<u>(822,364)</u>
Net Change in Fund Balance	44,314	59,819	15,505
Fund Balance at Beginning of Year	563,220	563,220	0
Fund Balance at End of Year	<u>\$ 607,534</u>	<u>\$ 623,039</u>	<u>\$ 15,505</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Funds – Construction Fund
For the Year Ended December 31, 2022***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 150,000	\$ 0	\$ (150,000)
Special Assessments	5,000	16,839	11,839
All Other Revenues	10,000	290,765	280,765
Total Revenues	<u>165,000</u>	<u>307,604</u>	<u>142,604</u>
Expenditures:			
Capital Outlay	6,093,207	5,971,287	121,920
Total Expenditures	<u>6,093,207</u>	<u>5,971,287</u>	<u>121,920</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,928,207)	(5,663,683)	264,524
Other Financing Sources (Uses):			
Bonds Issued	6,001,000	6,001,000	0
Transfers In	3,055,765	4,487,900	1,432,135
Transfers Out	(4,109,013)	(4,109,013)	0
Total Other Financing Sources (Uses)	<u>4,947,752</u>	<u>6,379,887</u>	<u>1,432,135</u>
Net Change in Fund Balance	(980,455)	716,204	1,696,659
Fund Balance at Beginning of Year	1,630,474	1,630,474	0
Prior Year Encumbrances	1,112,955	1,112,955	0
Fund Balance at End of Year	<u>\$ 1,762,974</u>	<u>\$ 3,459,633</u>	<u>\$ 1,696,659</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Funds – Income Tax Capital Improvement Fund
For the Year Ended December 31, 2022***

			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Municipal Income Taxes	\$ 4,987,500	\$ 5,627,621	\$ 640,121
All Other Revenues	4,900,000	0	(4,900,000)
Total Revenues	<u>9,887,500</u>	<u>5,627,621</u>	<u>(4,259,879)</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,887,500	5,627,621	(4,259,879)
Other Financing Sources (Uses):			
Transfers Out	(6,462,740)	(4,212,740)	2,250,000
Advances In	0	138,668	138,668
Total Other Financing Sources (Uses)	<u>(6,462,740)</u>	<u>(4,074,072)</u>	<u>2,388,668</u>
Net Change in Fund Balance	3,424,760	1,553,549	(1,871,211)
Fund Balance at Beginning of Year	2,806,979	2,806,979	0
Fund Balance at End of Year	<u>\$ 6,231,739</u>	<u>\$ 4,360,528</u>	<u>\$ (1,871,211)</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, 2022***

STREET MAINTENANCE AND REPAIR FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 1,394,500	\$ 1,054,918	\$ (339,582)
Investment Earnings	4,500	2,230	(2,270)
All Other Revenues	1,000	6,964	5,964
Total Revenues	<u>1,400,000</u>	<u>1,064,112</u>	<u>(335,888)</u>
Expenditures:			
Transportation:			
Personal Services	1,027,270	748,052	279,218
Materials and Supplies	532,895	434,092	98,803
Contractual Services	316,791	237,433	79,358
Total Expenditures	<u>1,876,956</u>	<u>1,419,577</u>	<u>457,379</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(476,956)	(355,465)	121,491
Fund Balance at Beginning of Year	299,676	299,676	0
Prior Year Encumbrances	209,456	209,456	0
Fund Balance at End of Year	<u>\$ 32,176</u>	<u>\$ 153,667</u>	<u>\$ 121,491</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, 2022***

STATE HIGHWAY FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 76,300	\$ 85,535	\$ 9,235
Investment Earnings	2,300	1,454	(846)
Total Revenues	<u>78,600</u>	<u>86,989</u>	<u>8,389</u>
Expenditures:			
Transportation:			
Contractual Services	50,000	40,047	9,953
Capital Outlay	43,388	15,388	28,000
Total Expenditures	<u>93,388</u>	<u>55,435</u>	<u>37,953</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(14,788)	31,554	46,342
Fund Balance at Beginning of Year	232,894	232,894	0
Prior Year Encumbrances	15,388	15,388	0
Fund Balance at End of Year	<u>\$ 233,494</u>	<u>\$ 279,836</u>	<u>\$ 46,342</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, 2022***

PERMISSIVE USE TAX FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 75,000	\$ 0	\$ (75,000)
Investment Earnings	40	22	(18)
Total Revenues	<u>75,040</u>	<u>22</u>	<u>(75,018)</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,040	22	(75,018)
Other Financing Sources (Uses):			
Transfers Out	(75,000)	0	75,000
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>0</u>	<u>75,000</u>
Net Change in Fund Balance	40	22	(18)
Fund Balance at Beginning of Year	4,144	4,144	0
Fund Balance at End of Year	<u>\$ 4,184</u>	<u>\$ 4,166</u>	<u>\$ (18)</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, 2022***

MOTOR VEHICLE LICENSE TAX FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 217,000	\$ 238,231	\$ 21,231
Investment Earnings	2,300	3,286	986
Total Revenues	<u>219,300</u>	<u>241,517</u>	<u>22,217</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	219,300	241,517	22,217
Other Financing Sources (Uses):			
Transfers Out	(200,000)	(200,000)	0
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Net Change in Fund Balance	19,300	41,517	22,217
Fund Balance at Beginning of Year	509,986	509,986	0
Fund Balance at End of Year	<u>\$ 529,286</u>	<u>\$ 551,503</u>	<u>\$ 22,217</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, 2022***

COPS GRANT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 85,000	\$ 36,619	\$ (48,381)
Total Revenues	<u>85,000</u>	<u>36,619</u>	<u>(48,381)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	140,400	80,191	60,209
Materials and Supplies	500	0	500
Contractual Services	1,200	863	337
Total Expenditures	<u>142,100</u>	<u>81,054</u>	<u>61,046</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(57,100)	(44,435)	12,665
Other Financing Sources (Uses):			
Transfers In	50,000	50,000	0
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Net Change in Fund Balance	(7,100)	5,565	12,665
Fund Balance at Beginning of Year	9,412	9,412	0
Fund Balance at End of Year	<u>\$ 2,312</u>	<u>\$ 14,977</u>	<u>\$ 12,665</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, 2022***

ONE OHIO OPIOID FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 2,592	\$ 2,592
Total Revenues	<u>0</u>	<u>2,592</u>	<u>2,592</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	0	2,592	2,592
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 2,592	\$ 2,592

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, 2022***

DRUG LAW ENFORCEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$ 11,000	\$ 15,688	\$ 4,688
Total Revenues	<u>11,000</u>	<u>15,688</u>	<u>4,688</u>
Expenditures:			
Security of Persons and Property:			
Contractual Services	2,426	2,426	0
Capital Outlay	<u>49,378</u>	<u>43,158</u>	<u>6,220</u>
Total Expenditures	<u>51,804</u>	<u>45,584</u>	<u>6,220</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(40,804)	(29,896)	10,908
Fund Balance at Beginning of Year	44,519	44,519	0
Prior Year Encumbrances	<u>34,053</u>	<u>34,053</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 37,768</u>	<u>\$ 48,676</u>	<u>\$ 10,908</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, 2022

MAYOR'S COURT IMPROVEMENT FUND

	Final Budget	Actual	Variance with Final Budget
	Final Budget	Actual	Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$ 14,500	\$ 14,140	\$ (360)
All Other Revenues	0	14	14
Total Revenues	<u>14,500</u>	<u>14,154</u>	<u>(346)</u>
Expenditures:			
General Government:			
Personal Services	14,050	13,183	867
Materials and Supplies	1,500	0	1,500
Contractual Services	5,300	3,455	1,845
Capital Outlay	8,376	926	7,450
Total Expenditures	<u>29,226</u>	<u>17,564</u>	<u>11,662</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,726)	(3,410)	11,316
Fund Balance at Beginning of Year	161,711	161,711	0
Prior Year Encumbrances	926	926	0
Fund Balance at End of Year	<u>\$ 147,911</u>	<u>\$ 159,227</u>	<u>\$ 11,316</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, 2022***

AUSTIN JEDD FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 164,536	\$ 185,103	\$ 20,567
Total Revenues	<u>164,536</u>	<u>185,103</u>	<u>20,567</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	164,536	185,103	20,567
Other Financing Sources (Uses):			
Transfers Out	(164,536)	(164,536)	0
Total Other Financing Sources (Uses)	<u>(164,536)</u>	<u>(164,536)</u>	<u>0</u>
Net Change in Fund Balance	0	20,567	20,567
Fund Balance at Beginning of Year	62,554	62,554	0
Fund Balance at End of Year	<u>\$ 62,554</u>	<u>\$ 83,121</u>	<u>\$ 20,567</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, 2022

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	<u>8,688</u>	<u>0</u>	<u>(8,688)</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	8,688	0	(8,688)
Other Financing Sources (Uses):			
Transfers In	170,000	168,962	(1,038)
Transfers Out	<u>(168,962)</u>	<u>(168,962)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>1,038</u>	<u>0</u>	<u>(1,038)</u>
Net Change in Fund Balance	9,726	0	(9,726)
Fund Balance at Beginning of Year	5,131	5,131	0
Fund Balance at End of Year	<u>\$ 14,857</u>	<u>\$ 5,131</u>	<u>\$ (9,726)</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, 2022***

LAW ENFORCEMENT TRUST FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 5,000	\$ 6,036	\$ 1,036
Total Revenues	<u>5,000</u>	<u>6,036</u>	<u>1,036</u>
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	<u>13,200</u>	<u>0</u>	<u>13,200</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(8,200)	6,036	14,236
Fund Balance at Beginning of Year	66,028	66,028	0
Fund Balance at End of Year	<u>\$ 57,828</u>	<u>\$ 72,064</u>	<u>\$ 14,236</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, 2022***

DARE TRUST FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 74,000	\$ 52,098	\$ (21,902)
Donations	1,000	2,432	1,432
Total Revenues	<u>75,000</u>	<u>54,530</u>	<u>(20,470)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	109,071	89,397	19,674
Materials and Supplies	10,262	7,617	2,645
Contractual Services	3,100	2,720	380
Total Expenditures	<u>122,433</u>	<u>99,734</u>	<u>22,699</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(47,433)	(45,204)	2,229
Other Financing Sources (Uses):			
Transfers In	40,000	40,000	0
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>0</u>
Net Change in Fund Balance	(7,433)	(5,204)	2,229
Fund Balance at Beginning of Year	12,872	12,872	0
Prior Year Encumbrances	1,734	1,734	0
Fund Balance at End of Year	<u>\$ 7,173</u>	<u>\$ 9,402</u>	<u>\$ 2,229</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, 2022***

URBAN REDEVELOPMENT TIF FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 90,000	\$ 95,724	\$ 5,724
Total Revenues	<u>90,000</u>	<u>95,724</u>	<u>5,724</u>
Expenditures:			
General Government:			
Contractual Services	4,024	3,588	436
Capital Outlay	25,000	0	25,000
Total Expenditures	<u>29,024</u>	<u>3,588</u>	<u>25,436</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	60,976	92,136	31,160
Other Financing Sources (Uses):			
Bonds Issued	4,500,000	4,000,000	(500,000)
Transfers Out	(4,533,750)	(4,000,000)	533,750
Total Other Financing Sources (Uses)	<u>(33,750)</u>	<u>0</u>	<u>33,750</u>
Net Change in Fund Balance	27,226	92,136	64,910
Fund Balance at Beginning of Year	249,544	249,544	0
Prior Year Encumbrances	4,970	4,970	0
Fund Balance at End of Year	<u>\$ 281,740</u>	<u>\$ 346,650</u>	<u>\$ 64,910</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, 2022***

PERMANENT IMPROVEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$ 15,000	\$ 9,290	\$ (5,710)
All Other Revenues	231,429	227,294	(4,135)
Total Revenues	<u>246,429</u>	<u>236,584</u>	<u>(9,845)</u>
Expenditures:			
Capital Outlay	495,000	495,000	0
Total Expenditures	<u>495,000</u>	<u>495,000</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(248,571)	(258,416)	(9,845)
Other Financing Sources (Uses):			
Transfers In	223,571	75,000	(148,571)
Total Other Financing Sources (Uses)	<u>223,571</u>	<u>75,000</u>	<u>(148,571)</u>
Net Change in Fund Balance	(25,000)	(183,416)	(158,416)
Fund Balance at Beginning of Year	190,709	190,709	0
Prior Year Encumbrances	25,000	25,000	0
Fund Balance at End of Year	<u>\$ 190,709</u>	<u>\$ 32,293</u>	<u>\$ (158,416)</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, 2022*

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>

CITY OF SPRINGBORO, OHIO



CITY OF SPRINGBORO, OHIO

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, 2022

	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	\$ 9,845	\$ 90,660	\$ 4,233	\$ 0	\$ 104,738
Receivables:					
Special Assessments	0	0	0	240,563	240,563
Total Assets	\$ 9,845	\$ 90,660	\$ 4,233	\$ 240,563	\$ 345,301
Liabilities:					
Due to Others	\$ 9,845	\$ 90,660	\$ 0	\$ 240,563	\$ 341,068
Undistributed Monies	0	0	4,233	0	4,233
Total Liabilities	\$ 9,845	\$ 90,660	\$ 4,233	\$ 240,563	\$ 345,301

CITY OF SPRINGBORO, OHIO

**Statement Of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2022**

	Lytle Five Points JEDD Fund	Mayor's Court Fund	Special Assessment Fund	Total Custodial Funds
Additions:				
Intergovernmental Revenues	\$ 82,578	\$ 0	\$ 0	\$ 82,578
Fines, Licenses and Permits	0	287,385	0	287,385
Special Assessments	0	0	120,448	120,448
Total Additions	<u>82,578</u>	<u>287,385</u>	<u>120,448</u>	<u>490,411</u>
Deductions:				
Other Distributions	<u>82,578</u>	<u>287,385</u>	<u>120,448</u>	<u>490,411</u>
Total Deductions	<u>82,578</u>	<u>287,385</u>	<u>120,448</u>	<u>490,411</u>
Change in Net Position	0	0	0	0
Net Position at Beginning of Year	0	0	0	0
Net Position End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SPRINGBORO, OHIO



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)*

	2013	2014	2015	2016
Governmental Activities:				
Net Investment in Capital Assets	\$41,524,086	\$43,618,251	\$46,648,334	\$47,661,162
Restricted	10,672,787	10,366,896	14,312,206	14,603,501
Unrestricted	5,121,940	661,307	(1,403,800)	(1,523,402)
Total Governmental Activities Net Position	\$57,318,813	\$54,646,454	\$59,556,740	\$60,741,261
Business-type Activities:				
Net Investment in Capital Assets	\$51,515,909	\$54,601,283	\$56,633,201	\$62,763,659
Restricted	2,371,790	2,386,606	2,398,893	830,181
Unrestricted	12,417,118	12,793,561	15,446,817	14,799,177
Total Business-type Activities Net Position	\$66,304,817	\$69,781,450	\$74,478,911	\$78,393,017
Primary Government:				
Net Investment in Capital Assets	\$93,039,995	\$98,219,534	\$103,281,535	\$110,424,821
Restricted	13,044,577	12,753,502	16,711,099	15,433,682
Unrestricted	17,539,058	13,454,868	14,043,017	13,275,775
Total Primary Government Net Position	\$123,623,630	\$124,427,904	\$134,035,651	\$139,134,278

Source: Finance Director's Office

* Restated

City of Springboro, Ohio

2017	2018	2019	2020	2021	2022
*					
\$48,013,645	\$54,582,898	\$61,193,691	\$65,852,121	\$69,246,590	\$67,424,616
14,376,740	16,017,516	12,828,382	11,754,091	13,723,168	15,615,015
(6,602,138)	(6,463,345)	(3,464,473)	(2,961,818)	(4,397,841)	568,477
<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>	<u>\$83,608,108</u>
\$63,777,140	\$66,408,488	\$68,586,546	\$73,298,682	\$73,811,554	\$79,957,514
724,349	468,042	487,066	507,439	530,296	0
16,164,328	18,475,267	18,587,703	19,247,422	21,889,689	18,159,533
<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>	<u>\$98,117,047</u>
\$111,790,785	\$120,991,386	\$129,780,237	\$139,150,803	\$143,058,144	\$147,382,130
15,101,089	16,485,558	13,315,448	12,261,530	14,253,464	15,615,015
9,562,190	12,011,922	15,123,230	16,285,604	17,491,848	18,728,010
<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>	<u>\$181,725,155</u>

City of Springboro, Ohio

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

	2013	2014	2015
Expenses			
Governmental Activities:			
Security of Persons and Property	\$2,954,087	\$3,377,387	\$3,333,613
Public Health and Welfare Services	14,651	16,704	16,677
Leisure Time Activities	694,736	769,354	735,563
Community Environment	666,822	682,355	738,231
Transportation	3,798,401	3,159,853	2,680,481
General Government	3,685,441	3,815,946	3,871,054
Interest and Fiscal Charges	542,335	484,875	433,760
<i>Total Governmental Activities Expenses</i>	<u>12,356,473</u>	<u>12,306,474</u>	<u>11,809,379</u>
Business-type Activities:			
Golf Course	2,237,071	2,368,968	2,275,754
Water	3,140,275	3,037,234	3,078,773
Sewer	2,920,507	2,971,336	3,010,001
Trash	1,012,007	1,168,721	1,103,164
Storm Water	284,940	317,896	336,791
<i>Total Business-type Activities Expenses</i>	<u>9,594,800</u>	<u>9,864,155</u>	<u>9,804,483</u>
<i>Total Primary Government Expenses</i>	<u><u>\$21,951,273</u></u>	<u><u>\$22,170,629</u></u>	<u><u>\$21,613,862</u></u>
Program Revenues			
Governmental Activities:			
Charges for Services and Sales			
Security of Persons and Property	\$19,027	\$18,976	\$69,982
Leisure Time Activities	138,999	160,027	117,480
Community Environment	210,534	269,250	314,172
Transportation	344,208	422,147	285,917
General Government	252,163	236,608	217,723
Operating Grants and Contributions	1,181,004	979,678	1,017,011
Capital Grants and Contributions	355,511	108,708	857,004
<i>Total Governmental Activities Program Revenues</i>	<u>2,501,446</u>	<u>2,195,394</u>	<u>2,879,289</u>

City of Springboro, Ohio

2016	2017	2018	2019	2020	2021	2022
\$3,726,152	\$3,875,186	\$4,360,669	\$1,220,689	\$4,239,484	\$4,808,868	\$4,987,976
16,685	16,480	16,460	16,532	16,618	16,384	15,972
828,342	930,498	915,240	1,427,099	1,331,660	1,401,601	1,831,587
1,665,239	894,046	926,636	1,292,447	1,095,542	739,420	1,031,626
3,501,098	5,708,785	2,691,945	3,502,736	3,540,567	3,624,939	3,217,157
4,222,777	4,496,267	4,197,195	5,420,982	6,587,249	6,434,048	5,813,511
432,103	338,394	402,182	471,279	329,496	335,455	482,217
<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>	<u>17,380,046</u>
2,970,701	2,744,386	2,260,020	3,000,185	2,986,882	2,402,783	3,232,788
3,242,720	3,634,171	3,294,517	4,234,747	2,751,493	3,330,446	3,998,676
2,992,339	3,139,008	2,934,574	3,476,853	3,149,313	3,166,101	3,584,574
1,153,549	1,174,847	1,396,694	1,269,780	1,289,600	1,266,452	1,355,615
333,538	407,877	850,463	832,778	462,507	362,232	431,366
<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>12,603,019</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>	<u>\$29,983,065</u>
\$36,202	\$87,773	\$101,048	\$67,387	\$55,152	\$48,275	\$61,236
140,250	109,780	307,722	295,173	326,088	263,879	233,584
449,613	331,005	358,358	354,036	317,415	260,816	128,866
175,042	136,981	276,265	195,080	430,063	128,470	371,350
218,199	242,596	227,191	433,065	277,462	214,551	323,620
1,072,047	1,209,464	1,407,169	1,529,386	2,808,730	1,659,123	1,635,228
59,071	79,145	3,495,542	118,986	100,694	1,500,000	1,074,519
<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>	<u>3,828,403</u>

(continued)

City of Springboro, Ohio

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

	2013	2014	2015
Business-type Activities:			
Charges for Services			
Golf Course	1,621,898	1,713,411	1,688,183
Water	4,475,509	4,630,118	4,589,298
Sewer	3,963,098	4,146,437	4,247,656
Trash	1,030,615	1,069,469	1,108,436
Storm Water	264,150	269,083	272,996
Capital Grants and Contributions	794,448	1,060,632	1,502,175
<i>Total Business-type Activities Program Revenues</i>	<u>12,149,718</u>	<u>12,889,150</u>	<u>13,408,744</u>
<i>Total Primary Government Program Revenues</i>	<u>14,651,164</u>	<u>15,084,544</u>	<u>16,288,033</u>
Net (Expense)/Revenue			
Governmental Activities	(9,855,027)	(10,111,080)	(8,930,090)
Business-type Activities	2,554,918	3,024,995	3,604,261
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$7,300,109)</u>	<u>(\$7,086,085)</u>	<u>(\$5,325,829)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Income Taxes	\$11,755,014	\$11,925,126	\$13,274,634
Property Taxes	828,996	870,963	768,398
Other Local Taxes	70,427	69,690	73,476
Payment in Lieu of Taxes	147,717	96,645	103,114
Intergovernmental, unrestricted	441,753	253,287	259,602
Investment Earnings	67,201	77,679	77,545
Miscellaneous	195,995	258,713	332,784
Gain (Loss) on Sale of Assets Held for Resale	0	2,305	0
Transfers	(1,108,127)	(1,263,069)	(1,049,177)
<i>Total Governmental Activities</i>	<u>12,398,976</u>	<u>12,291,339</u>	<u>13,840,376</u>
Business-type Activities:			
Investment Earnings	14,299	42,366	44,023
Transfers	1,108,127	1,263,069	1,049,177
<i>Total Business-type Activities</i>	<u>1,122,426</u>	<u>1,305,435</u>	<u>1,093,200</u>
<i>Total Primary Government</i>	<u>\$13,521,402</u>	<u>\$13,596,774</u>	<u>\$14,933,576</u>
Change in Net Position			
Governmental Activities	\$2,543,949	\$2,180,259	\$4,910,286
Business-type Activities	3,677,344	4,330,430	4,697,461
<i>Total Primary Government Change in Net Position</i>	<u>\$6,221,293</u>	<u>\$6,510,689</u>	<u>\$9,607,747</u>

Source: Finance Director's Office

City of Springboro, Ohio

2016	2017	2018	2019	2020	2021	2022
1,828,392	1,897,763	1,981,923	2,029,644	2,091,327	2,475,175	2,556,125
4,768,013	4,731,894	4,832,675	5,063,956	5,124,544	4,547,870	4,762,887
4,337,885	4,430,069	4,535,924	4,534,193	4,529,296	4,210,228	4,548,641
1,143,061	1,177,890	1,212,273	1,217,038	1,223,384	1,144,641	1,262,667
275,873	279,642	283,565	285,901	289,509	265,465	287,133
1,247,132	909,511	1,230,151	919,427	1,249,691	516,341	178,496
<u>13,600,356</u>	<u>13,426,769</u>	<u>14,076,511</u>	<u>14,050,159</u>	<u>14,507,751</u>	<u>13,159,720</u>	<u>13,595,949</u>
<u>15,750,780</u>	<u>15,623,513</u>	<u>20,249,806</u>	<u>17,043,272</u>	<u>18,823,355</u>	<u>17,234,834</u>	<u>17,424,352</u>
(12,241,972)	(14,062,912)	(7,337,032)	(10,358,651)	(12,825,012)	(13,285,601)	(13,551,643)
2,907,509	2,326,480	3,340,243	1,235,816	3,867,956	2,631,706	992,930
<u>(\$9,334,463)</u>	<u>(\$11,736,432)</u>	<u>(\$3,996,789)</u>	<u>(\$9,122,835)</u>	<u>(\$8,957,056)</u>	<u>(\$10,653,895)</u>	<u>(\$12,558,713)</u>
\$12,476,441	\$13,272,536	\$13,899,458	\$14,297,708	\$15,032,782	\$15,367,154	\$16,951,501
856,208	871,019	745,854	1,018,540	693,921	761,596	844,456
83,300	78,581	71,793	78,623	34,968	44,769	57,879
264,735	175,264	536,457	564,331	604,025	545,750	680,554
244,861	289,115	1,024,272	330,020	301,577	397,993	407,186
104,955	109,278	252,894	649,776	394,130	132,036	(12,545)
356,905	508,430	317,333	578,377	1,219,079	686,357	1,133,643
0	66,152	0	0	0	0	0
<u>(960,912)</u>	<u>(1,010,454)</u>	<u>(1,162,207)</u>	<u>(738,193)</u>	<u>(1,368,676)</u>	<u>(722,531)</u>	<u>(1,474,840)</u>
<u>13,426,493</u>	<u>14,359,921</u>	<u>15,685,854</u>	<u>16,779,182</u>	<u>16,911,806</u>	<u>17,213,124</u>	<u>18,587,834</u>
45,685	63,530	183,530	335,509	155,596	(176,241)	(582,262)
960,912	1,010,454	1,162,207	738,193	1,368,676	722,531	1,474,840
1,006,597	1,073,984	1,345,737	1,073,702	1,524,272	546,290	892,578
<u>\$14,433,090</u>	<u>\$15,433,905</u>	<u>\$17,031,591</u>	<u>\$17,852,884</u>	<u>\$18,436,078</u>	<u>\$17,759,414</u>	<u>\$19,480,412</u>
\$1,184,521	\$297,009	\$8,348,822	\$6,420,531	\$4,086,794	\$3,927,523	\$5,036,191
3,914,106	3,400,464	4,685,980	2,309,518	5,392,228	3,177,996	1,885,508
<u>\$5,098,627</u>	<u>\$3,697,473</u>	<u>\$13,034,802</u>	<u>\$8,730,049</u>	<u>\$9,479,022</u>	<u>\$7,105,519</u>	<u>\$6,921,699</u>

City of Springboro, Ohio

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

	2013	2014	2015	2016
General Fund				
Nonspendable	\$193,739	\$218,291	\$241,847	\$302,572
Assigned	1,007,606	1,402,360	749,159	1,766,114
Unassigned	<u>6,746,464</u>	<u>7,031,255</u>	<u>5,399,772</u>	<u>4,966,533</u>
<i>Total General Fund</i>	<u>7,947,809</u>	<u>8,651,906</u>	<u>6,390,778</u>	<u>7,035,219</u>
All Other Governmental Funds				
Nonspendable	\$105,942	\$107,944	\$136,487	\$144,919
Restricted	7,797,447	7,861,782	11,867,883	12,553,690
Unassigned	<u>(1,275,608)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total All Other Governmental Funds</i>	<u>6,627,781</u>	<u>7,969,726</u>	<u>12,004,370</u>	<u>12,698,609</u>
<i>Total Governmental Funds</i>	<u><u>\$14,575,590</u></u>	<u><u>\$16,621,632</u></u>	<u><u>\$18,395,148</u></u>	<u><u>\$19,733,828</u></u>

Source: Finance Director's Office

City of Springboro, Ohio

2017	2018	2019	2020	2021	2022
\$275,099	\$303,055	\$286,819	\$303,791	\$297,211	\$317,849
1,438,163	1,661,535	2,556,105	4,662,546	4,859,576	2,249,672
<u>6,419,752</u>	<u>6,929,507</u>	<u>6,513,601</u>	<u>5,440,761</u>	<u>5,978,216</u>	<u>7,600,375</u>
<u>8,133,014</u>	<u>8,894,097</u>	<u>9,356,525</u>	<u>10,407,098</u>	<u>11,135,003</u>	<u>10,167,896</u>
\$154,834	\$248,659	\$177,032	\$125,886	\$183,043	\$204,716
12,237,148	13,987,435	10,335,348	9,558,064	11,799,484	15,889,330
0	(10,501)	(4,499,945)	(4,237,466)	(6,504,398)	(1,808,402)
<u>12,391,982</u>	<u>14,225,593</u>	<u>6,012,435</u>	<u>5,446,484</u>	<u>5,478,129</u>	<u>14,285,644</u>
<u>\$20,524,996</u>	<u>\$23,119,690</u>	<u>\$15,368,960</u>	<u>\$15,853,582</u>	<u>\$16,613,132</u>	<u>\$24,453,540</u>

City of Springboro, Ohio

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

	2013	2014	2015	2016
Revenues:				
Municipal Income Taxes	\$11,576,805	\$11,627,659	\$13,067,114	\$13,082,097
Property Tax	903,357	951,075	843,022	938,153
Payment in Lieu of Taxes	147,717	96,645	103,114	264,735
Intergovernmental Revenues	1,944,528	1,348,059	1,298,239	1,304,187
Fines, Licenses and Permits	540,991	573,421	657,868	764,413
Investment Earnings	67,201	77,679	77,545	104,955
Special Assessments	370,615	400,731	255,278	249,288
Donations	1,020	800	6,825	1,200
All Other Revenue	549,190	681,417	640,878	575,623
Total Revenue	<u>16,101,424</u>	<u>15,757,486</u>	<u>16,949,883</u>	<u>17,284,651</u>
Expenditures:				
Current:				
Security of Persons and Property	2,888,617	3,042,822	3,054,604	3,165,959
Public Health and Welfare Services	14,651	16,704	16,677	16,685
Leisure Time Activities	581,460	589,217	580,393	642,794
Community Environment	631,873	644,956	719,559	1,642,089
Transportation	975,291	1,368,605	925,913	906,513
General Government	3,429,879	3,546,195	3,667,354	3,814,706
Capital Outlay	4,222,106	3,044,966	3,639,098	9,116,981
Debt Service:				
Principal Retirement	1,150,000	1,190,000	2,590,000	2,630,000
Interest and Fiscal Charges	567,797	499,621	458,607	367,933
Total Expenditures	<u>14,461,674</u>	<u>13,943,086</u>	<u>15,652,205</u>	<u>22,303,660</u>
Excess (Deficiency) of Revenues Over Expenditures	1,639,750	1,814,400	1,297,678	(5,019,009)

City of Springboro, Ohio

2017	2018	2019	2020	2021	2022
\$13,380,200	\$13,762,046	\$13,898,865	\$14,742,790	\$15,621,472	\$16,745,506
948,201	823,329	783,337	1,049,244	784,133	904,397
175,264	536,457	564,331	604,025	545,750	680,554
1,487,662	5,688,056	1,689,806	3,133,261	2,011,448	2,014,366
670,335	678,855	683,531	612,485	455,060	380,725
109,278	252,894	649,776	394,130	132,036	(12,545)
259,067	195,691	229,953	204,051	292,506	287,364
1,200	1,785	955	1,555	1,725	2,382
711,010	871,424	1,183,514	1,991,130	2,524,507	2,831,481
<u>17,742,217</u>	<u>22,810,537</u>	<u>19,684,068</u>	<u>22,732,671</u>	<u>22,368,637</u>	<u>23,834,230</u>
3,310,877	3,605,984	3,848,741	3,470,588	4,363,497	4,789,867
16,480	16,460	16,532	16,618	16,384	15,972
636,392	688,336	914,916	906,155	1,191,728	1,364,368
783,064	830,915	1,094,412	938,584	1,056,940	1,165,580
913,025	1,026,760	1,140,490	1,164,245	1,227,035	1,325,930
3,999,710	4,216,438	9,266,457	5,979,262	5,774,728	6,224,184
4,952,458	7,047,055	8,009,888	5,320,093	6,298,475	2,715,442
8,535,000	7,310,000	6,890,000	5,810,000	7,300,000	7,030,000
400,109	378,298	522,422	419,668	398,639	509,965
<u>23,547,115</u>	<u>25,120,246</u>	<u>31,703,858</u>	<u>24,025,213</u>	<u>27,627,426</u>	<u>25,141,308</u>
(5,804,898)	(2,309,709)	(12,019,790)	(1,292,542)	(5,258,789)	(1,307,078)

(Continued)

City of Springboro, Ohio

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Other Financing Sources (Uses):				
Gain (Loss) on Sale of Assets Held for Resale	0	2,305	0	0
Issuance of General Obligation Notes	0	1,500,000	1,500,000	7,300,000
Inception of Capital Lease	0	0	0	0
Issuance of Bonds	0	0	0	0
Refunding General Obligation Bonds	0	0	0	0
Premium on Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	6,659,391	5,798,965	9,256,027	4,756,696
Transfers Out	<u>(7,767,518)</u>	<u>(7,062,034)</u>	<u>(10,305,204)</u>	<u>(5,717,608)</u>
Total Other Financing Sources (Uses)	<u>(1,108,127)</u>	<u>239,236</u>	<u>450,823</u>	<u>6,339,088</u>
Net Change in Fund Balance	<u>\$531,623</u>	<u>\$2,053,636</u>	<u>\$1,748,501</u>	<u>\$1,320,079</u>
Debt Service as a Percentage of Noncapital Expenditures	14.85%	15.25%	25.38%	21.51%

Source: Finance Director's Office

City of Springboro, Ohio

2017	2018	2019	2020	2021	2022
66,152	0	0	0	0	0
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	10,000,000
2,835,000	0	0	0	0	0
281,517	0	0	0	0	622,326
(2,995,367)	0	0	0	0	0
9,783,918	8,007,462	5,558,208	9,454,886	12,145,414	9,541,708
(10,794,372)	(9,169,669)	(6,296,401)	(10,823,562)	(12,867,945)	(11,016,548)
<u>6,596,848</u>	<u>4,887,793</u>	<u>4,261,807</u>	<u>1,831,324</u>	<u>5,962,469</u>	<u>9,147,486</u>
<u>\$791,950</u>	<u>\$2,578,084</u>	<u>(\$7,757,983)</u>	<u>\$538,782</u>	<u>\$703,680</u>	<u>\$7,840,408</u>

41.85% 45.15% 38.51% 34.45% 33.85% 35.44%

City of Springboro, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2013	2014	2015	2016
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income	\$783,695,333	\$785,480,333	\$871,974,733	\$889,483,000
Total Tax Collected	\$11,755,430	\$11,782,205	\$13,079,621	\$13,342,245
Income Tax Receipts				
Withholding	7,193,224	7,230,191	7,823,634	8,190,693
Percentage	60%	61%	60%	61%
Corporate	1,336,470	1,297,990	1,667,142	1,492,084
Percentage	11%	11%	13%	11%
Individuals	3,225,736	3,254,024	3,588,845	3,659,468
Percentage	27%	28%	27%	27%
Income Tax by Business Type				
Industrial	\$1,584,384	\$1,650,806	\$1,338,009	\$1,808,422
Education/Government	474,856	473,461	503,690	567,521
Service	1,069,197	1,021,450	1,042,193	1,185,310
Retail	509,623	541,549	577,193	594,789
Medical	835,690	859,599	892,091	952,579
Construction	71,349	132,315	143,715	209,099
Financial	78,547	78,268	84,375	88,990
Restaurants	243,657	280,816	288,359	299,355
Miscellaneous	66,008	86,090	90,104	85,586
Total Tax	<u><u>\$4,933,310</u></u>	<u><u>\$5,124,354</u></u>	<u><u>\$4,959,729</u></u>	<u><u>\$5,791,651</u></u>

Source: City Income Tax Department

City of Springboro, Ohio

2017	2018	2019	2020	2021	2022
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$896,913,411	\$930,904,133	\$944,607,400	\$954,398,400	\$1,045,620,200	\$1,120,092,667
\$13,453,701	\$13,963,562	\$14,169,111	\$14,315,976	\$15,684,303	\$16,801,390
8,524,849	9,164,882	9,406,135	9,563,177	10,267,481	11,205,465
63%	65%	66%	67%	66%	67%
1,586,724	1,327,274	1,375,277	1,586,541	2,075,582	2,140,797
12%	10%	10%	11%	13%	13%
3,342,128	3,471,406	3,387,699	3,166,258	3,341,240	3,455,128
25%	25%	24%	22%	21%	20%
\$1,598,410	\$1,572,631	\$1,241,969	\$1,201,218	\$1,703,567	\$1,609,077
594,880	627,300	655,080	561,264	682,151	731,685
1,726,385	1,790,579	1,478,569	1,590,405	2,119,059	2,127,181
482,570	433,672	404,698	412,340	295,619	840,270
1,026,144	836,998	1,110,468	913,034	1,112,340	1,211,579
282,007	253,745	281,868	245,181	290,520	282,149
100,869	97,217	94,947	91,693	118,661	117,723
260,038	360,140	259,174	210,970	295,619	354,621
94,000	88,471	52,220	47,561	27,846	132,245
<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>	<u>\$7,406,530</u>

City of Springboro, Ohio



City of Springboro

Income Tax Statistics *Current Year and Nine Years Ago*

Calendar Year 2022

Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	3,886	28.23%	24,452,760	1.84%
20,000 - 49,999	1,906	13.85%	65,505,643	4.92%
50,000 - 74,999	1,422	10.33%	88,821,705	6.67%
75,000 - 99,999	1,226	8.91%	107,324,571	8.06%
Over 100,000	<u>5,324</u>	<u>38.68%</u>	<u>1,045,558,065</u>	<u>78.51%</u>
Total	<u>13,764</u>	<u>100.00%</u>	<u>\$1,331,662,744</u>	<u>100.00%</u>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Springboro	11,421,770
Taxes Credited to Other Municipalities	2,903,823
	<u>\$14,325,593</u>

Calendar Year 2013

Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	4,176	45.80%	\$14,949,522	2.74%
20,000 - 49,999	1,179	12.93%	39,951,036	7.32%
50,000 - 74,999	868	9.52%	54,073,044	9.91%
75,000 - 99,999	785	8.61%	68,302,001	12.52%
Over 100,000	<u>2,110</u>	<u>23.14%</u>	<u>368,176,747</u>	<u>67.51%</u>
Total	<u>9,118</u>	<u>100.00%</u>	<u>\$545,452,350</u>	<u>100.00%</u>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Springboro	\$3,225,736
Taxes Credited to Other Municipalities	1,826,856
	<u>\$5,052,592</u>

Source: City Income Tax Department

City of Springboro, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2013	2014	2015	2016
Governmental Activities (1)				
Special Assessment Bonds Payable	\$1,445,000	\$1,170,000	\$1,035,000	\$895,000
Unvoted General Obligation Bonds Payable	10,242,506	9,306,535	8,330,564	7,319,597
Special Obligation Bonds Payable	0	0	0	0
General Obligation Notes Payable	0	1,500,000	1,500,000	7,300,000
Capital Leases	0	0	0	0
Business-type Activities (1)				
Mortgage Revenue Bonds Payable	\$17,830,566	\$16,578,756	\$15,291,946	\$10,989,602
General Obligation Bonds Payable	10,179,845	9,296,360	8,382,875	7,439,390
Capital Leases	0	0	0	0
Total Primary Government	<u>\$39,697,917</u>	<u>\$37,851,651</u>	<u>\$34,540,385</u>	<u>\$33,943,589</u>
Population (2)				
City of Springboro	17,409	17,409	17,409	17,409
Outstanding Debt Per Capita	\$2,280	\$2,174	\$1,984	\$1,950
Income (3)				
Personal (in thousands)	835,667	870,537	904,311	956,468
Percentage of Personal Income	4.75%	4.35%	3.82%	3.55%

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

2017	2018	2019	2020	2021	2022
\$794,842	\$672,368	\$544,894	\$412,420	\$279,946	\$142,472
7,727,538	6,541,410	5,790,617	5,076,089	1,666,561	7,440,822
0	0	0	0	0	3,991,966
6,050,000	6,050,000	5,000,000	3,200,000	3,200,000	0
0	0	0	0	2,890,000	0
\$9,907,366	\$8,800,130	\$7,972,894	\$7,110,658	\$6,208,422	\$0
6,598,911	5,551,593	4,459,275	2,751,957	1,864,639	942,321
0	0	0	0	0	252,174
<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>	<u>\$12,769,755</u>
17,409	17,409	17,409	17,409	19,062	19,062
\$1,785	\$1,586	\$1,365	\$1,066	\$845	\$670
998,859	1,041,163	1,094,956	1,150,387	1,326,353	1,326,353
3.11%	2.65%	2.17%	1.61%	1.21%	0.96%

City of Springboro, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2013	2014	2015	2016
Population (1)	17,409	17,409	17,409	17,409
Assessed Value (2)	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
General Bonded Debt (3)				
General Obligation Bonds	\$20,422,351	\$18,602,895	\$16,713,439	\$14,758,987
Resources Available to Pay Principal (4)	\$149,414	\$140,602	\$156,654	\$225,749
Net General Bonded Debt	\$20,272,937	\$18,462,293	\$16,556,785	\$14,533,238
Ratio of Net Bonded Debt to Estimated Actual Value	4.47%	3.79%	3.17%	2.72%
Net Bonded Debt per Capita	\$1,164.51	\$1,060.50	\$951.05	\$834.81

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

2017	2018	2019	2020	2021	2022
17,409	17,409	17,409	17,409	19,062	19,062
\$552,457,420	\$626,320,880	\$635,609,010	\$659,622,710	\$759,350,840	\$769,286,570
\$14,326,449	\$12,093,003	\$10,249,892	\$7,828,046	\$3,531,200	\$8,383,143
\$278,412	\$1,124,828	\$1,440,783	\$346,314	\$563,220	\$623,039
\$14,048,037	\$10,968,175	\$8,809,109	\$7,481,732	\$2,967,980	\$7,760,104
2.54%	1.75%	1.39%	1.13%	0.39%	1.01%
\$806.94	\$630.03	\$506.01	\$429.76	\$155.70	\$407.10

City of Springboro, Ohio



City of Springboro, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2022*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to the City of Springboro	Amount Applicable to the City of Springboro
Direct:			
City of Springboro	\$11,575,260 (1)	100.00%	\$11,575,260
Overlapping:			
Warren County	14,358,026	8.01%	<u>1,150,078</u>
		Subtotal	<u>1,150,078</u>
		Total	<u><u>\$12,725,338</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*

	2013	2014	2015	2016
Total Debt				
Net Assessed Valuation	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$)(1)	47,648,488	51,137,625	54,850,421	56,166,670
City Debt Outstanding (2)	10,242,506	9,306,535	8,330,564	7,319,597
Less: Applicable Debt Service Fund Amounts	<u>(149,414)</u>	<u>(140,602)</u>	<u>(156,654)</u>	<u>(225,749)</u>
Net Indebtedness Subject to Limitation	<u>10,093,092</u>	<u>9,165,933</u>	<u>8,173,910</u>	<u>7,093,848</u>
Overall Legal Debt Margin	<u><u>\$37,555,396</u></u>	<u><u>\$41,971,692</u></u>	<u><u>\$46,676,511</u></u>	<u><u>\$49,072,822</u></u>
Unvoted Debt				
Net Assessed Valuation	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$)(1)	24,958,732	26,786,375	28,731,173	29,420,637
City Debt Outstanding (2)	10,242,506	9,306,535	8,330,564	7,319,597
Less: Applicable Debt Service Fund Amounts	<u>(149,414)</u>	<u>(140,602)</u>	<u>(156,654)</u>	<u>(225,749)</u>
Net Indebtedness Subject to Limitation	<u>10,093,092</u>	<u>9,165,933</u>	<u>8,173,910</u>	<u>7,093,848</u>
Overall Legal Debt Margin	<u><u>\$14,865,640</u></u>	<u><u>\$17,620,442</u></u>	<u><u>\$20,557,263</u></u>	<u><u>\$22,326,789</u></u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

City of Springboro, Ohio

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$552,457,420	\$626,320,880	\$635,609,010	\$659,622,710	\$759,350,840	\$769,286,570
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
58,008,029	65,763,692	66,738,946	69,260,385	79,731,838	80,775,090
7,727,538	6,541,410	5,790,617	5,076,089	1,666,561	7,440,822
(278,412)	(1,124,828)	(1,440,783)	(346,314)	(563,220)	(623,039)
<u>7,449,126</u>	<u>5,416,582</u>	<u>4,349,834</u>	<u>4,729,775</u>	<u>1,103,341</u>	<u>6,817,783</u>
<u>\$50,558,903</u>	<u>\$60,347,110</u>	<u>\$62,389,112</u>	<u>\$64,530,610</u>	<u>\$78,628,497</u>	<u>\$73,957,307</u>
\$552,457,420	\$626,320,880	\$635,609,010	\$659,622,710	\$759,350,840	\$769,286,570
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
30,385,158	34,447,648	34,958,496	36,279,249	41,764,296	42,310,761
7,727,538	6,541,410	5,790,617	5,076,089	1,666,561	7,440,822
(278,412)	(1,124,828)	(1,440,783)	(346,314)	(563,220)	(623,039)
<u>7,449,126</u>	<u>5,416,582</u>	<u>4,349,834</u>	<u>4,729,775</u>	<u>1,103,341</u>	<u>6,817,783</u>
<u>\$22,936,032</u>	<u>\$29,031,066</u>	<u>\$30,608,662</u>	<u>\$31,549,474</u>	<u>\$40,660,955</u>	<u>\$35,492,978</u>

City of Springboro, Ohio

Pledged Revenue Coverage Last Ten Years

	2013	2014	2015	2016
Water System Bonds (1 a)				
Gross Revenues (2)	\$4,478,496	\$4,649,905	\$4,610,395	\$4,788,553
Direct Operating Expenses (3)	2,081,257	2,021,365	2,078,527	2,283,596
Net Revenue Available for Debt Service	2,397,239	2,628,540	2,531,868	2,504,957
Annual Debt Service Requirement	295,708	297,908	294,470	855,545
Coverage	8.11	8.82	8.60	2.93
Sewer System Bonds (1 b)				
Gross Revenues (2)	\$3,964,822	\$4,169,016	\$4,270,582	\$4,363,030
Direct Operating Expenses (3)	1,695,235	1,764,117	1,796,455	1,891,237
Net Revenue Available for Debt Service	2,269,587	2,404,899	2,474,127	2,471,793
Annual Debt Service Requirement	1,507,344	1,510,100	1,511,038	3,857,363
Coverage	1.51	1.59	1.64	0.64
Special Assessment Bonds (4)				
Special Assessment Collections	\$370,615	\$400,731	\$255,278	\$249,288
Debt Service				
Principal	260,000	275,000	135,000	140,000
Interest	88,268	73,868	60,650	53,660
Coverage	1.06	1.15	1.30	1.29

(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

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
N/A	N/A	N/A	N/A	N/A	N/A
\$4,462,191	\$4,629,646	\$4,708,066	\$4,620,487	\$4,102,580	\$4,277,035
2,046,382	1,868,078	2,432,453	2,103,804	2,100,876	2,731,236
2,415,809	2,761,568	2,275,613	2,516,683	2,001,704	1,545,799
1,410,200	1,406,875	1,089,850	1,086,475	1,086,225	1,093,200
1.71	1.96	2.09	2.32	1.84	1.41
\$259,067	\$195,691	\$229,953	\$204,051	\$292,506	\$287,364
125,000	115,000	120,000	125,000	125,000	130,000
42,217	24,800	22,500	16,500	14,000	9,000
1.55	1.40	1.61	1.44	2.10	2.07

City of Springboro, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2013	2014	2015	2016
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)	835,667	870,537	904,311	956,468
County Per Capita	48,002	50,005	51,945	54,941
Unemployment Rate (3)				
Federal	7.4%	5.4%	5.0%	4.9%
State	7.4%	4.7%	4.6%	4.9%
Warren County	6.3%	3.9%	3.9%	4.1%
Civilian Work Force Estimates (3)				
State	5,698,900	5,697,000	5,669,200	5,713,100
Warren County	110,200	110,500	110,100	113,300
Employment Distribution by Occupation (4)				
Industrial	2,137	2,015	1,873	1,979
Education/Government	1,109	1,053	1,256	1,201
Service	2,174	2,125	2,124	2,419
Retail	1,615	1,771	1,506	1,726
Medical	1,741	1,773	1,861	2,203
Construction	190	222	397	450
Financial	172	153	162	147
Restaurants	2,384	2,375	2,480	2,382
Miscellaneous	356	350	397	391

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 2021
for the presentation of 2021-22 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

2017	2018	2019	2020	2021	2022
17,409	17,409	17,409	17,409	19,062	19,062
212,693	212,693	212,693	212,693	242,337	242,337
998,859	1,041,163	1,094,956	1,150,387	1,326,353	1,326,353
57,376	59,806	62,896	66,080	69,581	69,581
4.4%	3.9%	3.7%	8.1%	5.3%	3.6%
5.0%	4.6%	4.1%	8.1%	5.1%	4.0%
4.1%	3.9%	3.5%	6.4%	4.0%	3.3%
5,780,000	5,754,900	5,802,300	5,754,300	5,736,900	5,741,300
116,400	116,800	119,200	118,800	121,200	122,800
1,971	1,994	1,841	1,611	1,691	1,809
1,208	1,205	1,266	910	1,069	1,117
2,897	2,908	2,956	2,628	2,641	2,626
1,517	2,635	1,500	1,476	1,578	1,504
2,302	1,830	2,955	2,290	2,035	1,952
593	673	634	491	515	533
161	145	129	113	116	111
2,201	1,520	2,362	1,977	2,401	2,373
445	440	442	1,376	433	524

City of Springboro, Ohio



City of Springboro

Principal Employers *Current Year and Nine Years Ago*

Employer	Nature of Business	2022			Percentage of Total Employment
		Number of Employees	Rank		
Springboro Schools	Education	939	1		3.87%
Dayton Children's Hospital	Medical	743	2		3.06%
DLM Springboro LLC	Grocery Store	395	3		1.63%
Kroger Limited Partnership	Retail	359	4		1.48%
Dayton Metro	YMCA	314	5		1.29%
Hillspring	Nursing Home	281	6		1.16%
City of Springboro	Government	272	7		1.12%
Kelchner Inc	Construction	248	8		1.02%
LaComedia Enterprises Inc	Entertainment	245	9		1.01%
Victory Wholesale	Industry	221	10		0.91%
Total		4,017			
Total Employment within the City		24,283			
Employer	Nature of Business	2013			Percentage of Total Employment
		Number of Employees	Rank		
Springboro Community Schools	Education	874	1		7.36%
DLM Springboro, LLC	Grocery Store	331	2		2.79%
Hillspring Rehabilitation Center	Nursing Home	307	3		2.58%
Sourcelink Ohio, LLC	Industry	296	4		2.49%
Kroger Limited Partnership	Grocery Store	257	5		2.16%
Miami Valley Dinner Theatre	Dinner Theatre	222	6		1.87%
Dayton Metro YMCA	YMCA Center	220	7		1.85%
Kmart	Retail	181	8		1.52%
General Dynamics Armament	Industry	169	9		1.42%
Victory Wholesale Grocers	Industry	166	10		1.40%
Total		3,023			
Total Employment within the City		11,878			

Source: City Income Tax Department

City of Springboro, Ohio

Full Time Equivalent Employees by Function *Last Ten Years*

	2013	2014	2015	2016	2017
Governmental Activities					
General Government					
Finance	5.50	5.00	5.00	5.00	6.00
Income Tax	3.00	3.00	3.00	3.00	3.00
Mayor's Court	2.00	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	24.00	24.00	25.00	25.00
Dispatch	4.00	4.00	4.00	4.00	4.00
Transportation					
Street	9.50	9.50	9.50	9.50	9.50
Leisure Time Activities					
Parks and Recreation	10.00	10.00	10.00	10.00	10.00
Community Environment					
Engineering	2.50	2.00	2.00	2.00	2.00
Building and Zoning	3.50	3.50	3.50	3.50	4.50
Business-Type Activities					
Utilities					
Water	2.00	2.00	2.00	2.00	2.00
Sewer	1.00	1.00	1.00	1.00	1.00
Golf Operations	0.00	0.00	26.75	26.75	26.75
Golf Maintenance	9.00	9.00	9.00	9.00	9.00
<i>Total Employees</i>	86.50	83.50	110.25	111.25	113.25

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

2018	2019	2020	2021	2022
6.00	6.00	6.00	6.00	6.00
3.00	3.00	3.50	3.50	4.00
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
26.00	27.00	28.00	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	11.00	11.00	11.00	11.00
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
26.75	26.75	23.00	25.00	22.00
9.00	9.00	9.00	10.00	10.00
114.25	116.25	114.00	117.00	114.50

City of Springboro, Ohio

Operating Indicators by Function *Last Ten Years*

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities					
General Government					
Court					
Number of Criminal Cases	445	726	984	1,527	962
Number of Traffic Cases	1,631	1,386	1,326	1,269	1,192
Number of Citations	1,915	1,608	1,489	1,496	1,644
Number of Offenses	2,178	1,817	1,691	1,716	2,404
Number of Open Cases	771	1,068	1,489	2,239	2,099
Licenses and Permits					
Number of Residential Building Permits	95	65	67	61	70
Number of Commercial Building Permits	4	2	1	51	35
Number of Residential Building Inspections	2,650	2,369	2,265	1,714	2,175
Number of Commercial Building Inspections	579	455	904	1,360	1,284
Security of Persons and Property					
Police					
Number of Calls for Service	16,458	15,447	15,278	15,478	16,244
Number of Criminal Arrests	677	535	521	563	743
Number of DUI Arrests	129	85	88	122	160
Number of Traffic Accidents	265	296	262	243	214
Transportation					
Street					
Number of Streets Resurfaced	12	1	15	13	13
Community Environment					
Number of New Jobs	115	126	97	165	217
Business-Type Activities					
Golf Course					
Number of Rounds	31,308	30,033	33,040	33,436	33,752
Water					
Number of Service Connections	7,743	7,780	7,912	8,022	8,100
Daily Average Consumption (MGD)	2,525	2,400	2,450	2,250	2,200
Peak Daily Consumption (MGD)	4,520	4,570	4,580	4,600	4,500
Sewer					
Number of Service Connections	8,241	8,278	8,300	8,348	8,478
Daily Average Sewage Treatment (MGD)	2,350	2,600	2,750	2,720	2,600
Trash					
Number of Customers Served	5,822	5,931	6,015	6,118	6,193

Source: Finance Director's Office

City of Springboro, Ohio

2018	2019	2020	2021	2022
1,490	290	135	112	127
892	1,379	1,200	720	1,436
1,051	1,486	1,154	802	1,567
2,563	1,877	1,368	986	1,749
2,321	2,001	1,282	1,163	1,167
54	56	70	16	64
45	53	35	39	13
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
15,918	18,368	15,838	1,770	19,566
533	449	334	406	479
103	96	102	108	107
229	219	173	211	183
14	15	6	21	30
212	221	142	210	188
32,150	33,762	40,496	38,146	38,146
8,185	8,195	8,225	8,249	8,261
2,200	2,250	2,145	2,200	2,040
4,400	4,550	4,400	4,500	3,537
8,564	8,586	8,616	8,640	8,675
2,700	2,720	2,525	2,500	2,060
6,398	6,260	6,674	6,936	6,946

City of Springboro, Ohio

Capital Asset Statistics by Function *Last Ten Years*

	2013	2014	2015	2016	2017
Governmental Activities					
General Government					
Public Land and Buildings					
Land (acres)	594	592	599	600	600
Buildings	15	15	21	17	17
Licensed Vehicles	8	8	8	8	8
Library	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	25	25	25	22	22
Transportation					
Street					
Number of Paved Streets	368	368	371	371	371
Total Paved Miles	91	91	85	85	85
Street Lights	118	118	118	118	118
Signal Controlled Intersections	17	18	16	16	16
Licensed Vehicles	16	17	17	17	18
Leisure Time Activities					
Parks and Recreation					
Land (acres)	495	495	495	495	495
Buildings	11	11	11	11	11
Parks	5	5	5	5	5
Playgrounds	5	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	3	3

City of Springboro, Ohio

2018	2019	2020	2021	2022
619	620	621	621	621
17	20	18	18	18
8	8	9	8	9
1	1	1	1	0
1	1	1	1	1
21	22	26	27	24
371	372	375	375	375
85	86	87	87	87
118	125	125	125	125
16	16	16	16	16
21	20	21	21	24
501	501	501	501	501
11	12	12	12	12
6	7	9	9	9
5	6	8	8	8
4	4	4	4	4
10	10	11	11	11
2	2	3	3	3
8	8	28	28	28
3	3	3	3	2

(Continued)

City of Springboro, Ohio

Capital Asset Statistics by Function *Last Ten Years*

	2013	2014	2015	2016	2017
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	9	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	6	6	7	7
Lift Stations	8	8	8	8	8

Source: Finance Director's Office

City of Springboro, Ohio

2018	2019	2020	2021	2022
188	188	188	188	188
11	11	11	11	11
78	78	78	78	78
1	1	2	2	3
4	4	4	4	4
1	1	1	1	1
3	3	3	3	3
8	8	8	8	9
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
8	9	9	9	9
8	8	8	8	8

City of Springboro, Ohio

