

# **CITY OF GREENVILLE**

**DARKE COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2023**





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Columbus, Ohio 43215  
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Members of Council  
City of Greenville  
100 Public Square  
Greenville, Ohio 45331

We have reviewed the *Independent Auditor's Report* of the City of Greenville, Darke County, prepared by Julian & Grube, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

September 23, 2024

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

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## Independent Auditor's Report

City of Greenville  
Darke County  
100 Public Square  
Greenville, OH 45331

To the Members of the City Council and Mayor:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, Darke County, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Greenville's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Greenville 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 of Greenville'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Greenville'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 of Greenville'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 assets and liabilities and pension and other post-employment benefit contributions, listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Greenville's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2024 on our consideration of the City of Greenville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Greenville'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 of Greenville's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
July 29, 2024

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

The management discussion and analysis of the City of Greenville's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance. As stated in Note 2 to the basic financial statements, the financial information contained in this report is presented in conformity with accounting principles generally accepted in the United States of America (GAAP). GAAP-basis financial information will differ from cash basis information as maintained by the City during the year.

**Financial Highlights**

Key financial highlights for 2023 are as follows:

- The total net position of the City increased \$5,864,870. Net position of the governmental activities increased \$1,456,334 or 7.07% from 2022, and net position of the business-type activities increased \$4,408,536 or 11.75% from 2022.
- General revenues accounted for \$12,777,027 of total governmental activities revenue or 76.81% of total governmental activities revenue. Program specific revenues accounted for \$3,857,442 or 23.19% of total governmental activities revenue of \$16,634,469.
- The City had \$15,130,235 in expenses related to governmental activities; program specific charges for services, grants and contributions offset \$3,857,442 of these expenses. The remaining expenses of the governmental activities were funded by general revenues of \$12,777,027, which primarily consist of property taxes, income taxes, permissive motor vehicle license taxes, and unrestricted grants and entitlements.
- The general fund had revenues of \$13,502,142 in 2023. This represents an increase of \$1,199,863 from 2022. The expenditures and other financing uses of the general fund, which totaled \$12,314,415 in 2023, an increase of \$1,623,513 from 2022. The net increase in fund balance for the general fund was \$1,187,727 or 14.62%.
- The capital improvement plan fund, a major fund, had revenues and other financing sources of \$3,495,631 in 2023. The expenditures of the capital improvement fund totaled \$3,193,867 in 2023. The net increase in fund balance for the capital improvement plan fund was \$301,764 or 11.94%.
- Net position for the business-type activities, which are composed of the water, sewer, special park, swimming pool, storm water, and parking meter enterprise funds, increased in 2023 by \$4,408,536.
- In the general fund, original budgeted revenue of \$10,805,750 were increased by \$663,355 for the final budgeted revenues and other financing sources of \$11,469,105. Actual budgetary-basis revenues and other financing sources of \$13,989,556 were \$2,520,451 higher than final budgeted revenues and other financing sources. Original budgeted expenditures and other financing uses of \$11,254,982 were increased by \$3,799,313 for the final budgeted expenditures and other financing uses of \$15,054,295. Actual expenditures and other financing uses of \$12,905,842 were \$2,148,453 lower than the final budget expenditures and other financing uses.

**Using this Annual Financial Report**

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For the governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**Reporting the City as a Whole**

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

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses of the City using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting includes all of the current year's revenues and expenses, regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

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

*Business-Type activities* - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of goods or services provided. The City's water, sewer, special park, swimming pool, storm water, and parking operations are reported here.

**Reporting the City's Most Significant Funds**

***Fund Financial Statements***

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the City's most significant funds.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

***Governmental Funds***

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are provided of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances to the net position of the governmental activities and the change in net position of the governmental activities, respectively, for comparative purposes.

The City maintains a variety of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund and the capital improvement plan fund. Information for these major funds are presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation.

***Proprietary Funds***

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, special park, swimming pool, storm water, and parking functions. The City's major enterprise funds are the water, sewer, and storm water funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension and net OPEB liabilities/assets.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. The table below provides a summary of the City's net position for 2023 compared to 2022. Amounts in the 2022 columns in the table below have been restated to include the SBITA payable and the intangible right to use subscription assets from the implementation of GASB Statement No. 96 (see Note 3 for detail).

	<b>Net Position</b>					
	Governmental Activities	Business-Type Activities	(Restated)	(Restated)	2023 Total	(Restated)
			Governmental Activities	Business-Type Activities		2022 Total
	2023	2023	2022	2022	2023 Total	(Restated) 2022 Total
<u>Assets</u>						
Current and other assets	\$ 21,731,048	\$ 16,874,753	\$ 19,064,892	\$ 14,732,684	\$ 38,605,801	\$ 33,797,576
Capital assets, net	<u>20,958,815</u>	<u>28,126,482</u>	<u>20,861,265</u>	<u>25,088,376</u>	<u>49,085,297</u>	<u>45,949,641</u>
Total assets	<u>42,689,863</u>	<u>45,001,235</u>	<u>39,926,157</u>	<u>39,821,060</u>	<u>87,691,098</u>	<u>79,747,217</u>
<u>Deferred outflows of resources</u>						
Pension	5,519,623	1,074,758	3,184,325	450,466	6,594,381	3,634,791
OPEB	<u>956,228</u>	<u>157,256</u>	<u>870,754</u>	<u>32,385</u>	<u>1,113,484</u>	<u>903,139</u>
Total deferred outflows of resources	<u>6,475,851</u>	<u>1,232,014</u>	<u>4,055,079</u>	<u>482,851</u>	<u>7,707,865</u>	<u>4,537,930</u>
<u>Liabilities</u>						
Current liabilities	2,658,654	1,163,972	1,724,724	208,637	3,822,626	1,933,361
Long-term liabilities:						
Due within one year	871,041	134,021	874,949	99,405	1,005,062	974,354
Net pension liability	15,440,867	2,521,715	8,662,549	821,741	17,962,582	9,484,290
Net OPEB liability	925,866	52,017	1,305,785	-	977,883	1,305,785
Other long-term liabilities	<u>3,765,954</u>	<u>154,467</u>	<u>4,143,159</u>	<u>151,857</u>	<u>3,920,421</u>	<u>4,295,016</u>
Total liabilities	<u>23,662,382</u>	<u>4,026,192</u>	<u>16,711,166</u>	<u>1,281,640</u>	<u>27,688,574</u>	<u>17,992,806</u>
<u>Deferred inflows of resources</u>						
Property taxes	1,535,364	-	1,271,730	-	1,535,364	1,271,730
Leases	165,119	165,119	178,069	178,070	330,238	356,139
Pension	718,587	108,818	4,146,382	1,040,392	827,405	5,186,774
OPEB	<u>1,022,593</u>	<u>20,396</u>	<u>1,068,554</u>	<u>299,621</u>	<u>1,042,989</u>	<u>1,368,175</u>
Total deferred inflows of resources	<u>3,441,663</u>	<u>294,333</u>	<u>6,664,735</u>	<u>1,518,083</u>	<u>3,735,996</u>	<u>8,182,818</u>
<u>Net position</u>						
Net investment in capital assets	17,236,827	27,147,861	17,528,843	25,025,405	44,384,688	42,554,248
Restricted	1,488,510	13,325	1,424,689	-	1,501,835	1,424,689
Unrestricted (deficit)	<u>3,336,332</u>	<u>14,751,538</u>	<u>1,651,803</u>	<u>12,478,783</u>	<u>18,087,870</u>	<u>14,130,586</u>
Total net position	<u>\$ 22,061,669</u>	<u>\$ 41,912,724</u>	<u>\$ 20,605,335</u>	<u>\$ 37,504,188</u>	<u>\$ 63,974,393</u>	<u>\$ 58,109,523</u>

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

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2023, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$63,974,393. At year-end, net position was \$22,061,669 and \$41,912,724 for the governmental activities and the business-type activities, respectively.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 49.10% of total governmental assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, software, vehicles, intangible right to use assets and infrastructure. The City's net investment in capital assets at December 31, 2023, was \$17,236,827 and \$27,147,861 in the governmental activities and the business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets has been reduced by the related debt to acquire the assets, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$1,501,835, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$18,087,870.

The table below and on the following page shows the changes in net position for 2023 and 2022.

	<b>Change in Net Position</b>					
	Governmental	Business-type	Governmental	Business-type	2023	2022
	Activities 2023	Activities 2023	Activities 2022	Activities 2022	Total	Total
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$ 1,099,560	\$ 8,249,079	\$ 567,937	\$ 6,869,803	\$ 9,348,639	\$ 7,437,740
Operating grants and contributions	2,169,420	-	2,509,527	-	2,169,420	2,509,527
Capital grants and contributions	588,462	1,592,008	113,580	1,062,501	2,180,470	1,176,081
Total program revenues	<u>3,857,442</u>	<u>9,841,087</u>	<u>3,191,044</u>	<u>7,932,304</u>	<u>13,698,529</u>	<u>11,123,348</u>
General revenues:						
Property taxes	1,440,673	-	1,368,415	-	1,440,673	1,368,415
Income taxes	10,137,887	-	10,432,926	-	10,137,887	10,432,926
Permissive motor vehicle license tax	129,180	-	115,369	-	129,180	115,369
Unrestricted grants and entitlements	535,678	-	539,177	-	535,678	539,177
Investment earnings	261,445	380,494	70,001	136,961	641,939	206,962
Change in fair value of investments	147,131	192,179	(279,045)	(373,387)	339,310	(652,432)
Miscellaneous	125,033	17,978	240,862	6,752	143,011	247,614
Total general revenues	<u>12,777,027</u>	<u>590,651</u>	<u>12,487,705</u>	<u>(229,674)</u>	<u>13,367,678</u>	<u>12,258,031</u>
Total revenues	<u>16,634,469</u>	<u>10,431,738</u>	<u>15,678,749</u>	<u>7,702,630</u>	<u>27,066,207</u>	<u>23,381,379</u>

(Continued)



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**Change in Net Position (Continued)**

	Governmental Activities 2023	Business-type Activities 2023	Governmental Activities 2022	Business-type Activities 2022	2023 Total	2022 Total
<b>Expenses:</b>						
General government	\$ 2,819,643	\$ -	\$ 2,007,320	\$ -	\$ 2,819,643	\$ 2,007,320
Security of persons and property	7,458,225	-	6,035,696	-	7,458,225	6,035,696
Public health and welfare	6,423	-	193	-	6,423	193
Transportation	4,208,048	-	3,244,006	-	4,208,048	3,244,006
Community environment	1,945	-	9,245	-	1,945	9,245
Leisure time activity	353,071	-	275,726	-	353,071	275,726
Utility services	195,742	-	181,975	-	195,742	181,975
Interest and fiscal charges	87,138	-	47,589	-	87,138	47,589
Water	-	2,873,978	-	2,420,885	2,873,978	2,420,885
Sewer	-	2,429,290	-	1,925,461	2,429,290	1,925,461
Storm water	-	650,835	-	607,710	650,835	607,710
Parking meter	-	3,159	-	3,166	3,159	3,166
Special park	-	8,697	-	10,201	8,697	10,201
Swimming pool	-	105,143	-	75,698	105,143	75,698
<b>Total expenses</b>	<b>15,130,235</b>	<b>6,071,102</b>	<b>11,801,750</b>	<b>5,043,121</b>	<b>21,201,337</b>	<b>16,844,871</b>
Change in net position before transfers	1,504,234	4,360,636	3,876,999	2,659,509	5,864,870	6,536,508
Transfers	(47,900)	47,900	(10,000)	10,000	-	-
Change in net position	1,456,334	4,408,536	3,866,999	2,669,509	5,864,870	6,536,508
Net position at beginning of year	20,605,335	37,504,188	16,738,336	34,834,679	58,109,523	51,573,015
Net position at end of year	<u>\$ 22,061,669</u>	<u>\$ 41,912,724</u>	<u>\$ 20,605,335</u>	<u>\$ 37,504,188</u>	<u>\$ 63,974,393</u>	<u>\$ 58,109,523</u>

**Governmental Activities**

The net position of the governmental activities increased \$1,456,334 in 2023 from 2022 balance.

Overall, expenses of the governmental activities increased approximately \$3,328,485 or 28.20%. This increase is primarily the result of an increase in pension expense. This increase was the result of an increase in expenses incurred at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund due to a decrease in net investment income on investments compared to previous years.

Security of persons and property, which primarily supports the operations of the police and fire departments, accounted for \$7,458,225 of the total expenses of the City. These expenses were partially funded by \$86,179 in direct charges to recipients of City services and \$663,845 in operating grants and contributions.

Transportation expenses totaled \$4,208,048 and were partially funded by \$588,207 in direct charges to recipients of the City's services, \$1,477,208 in operating grants and contributions and \$504,537 in capital grants and contributions.

General government expenses totaled \$2,819,643 and were partially funded by \$363,587 in direct charges to recipients of City services.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

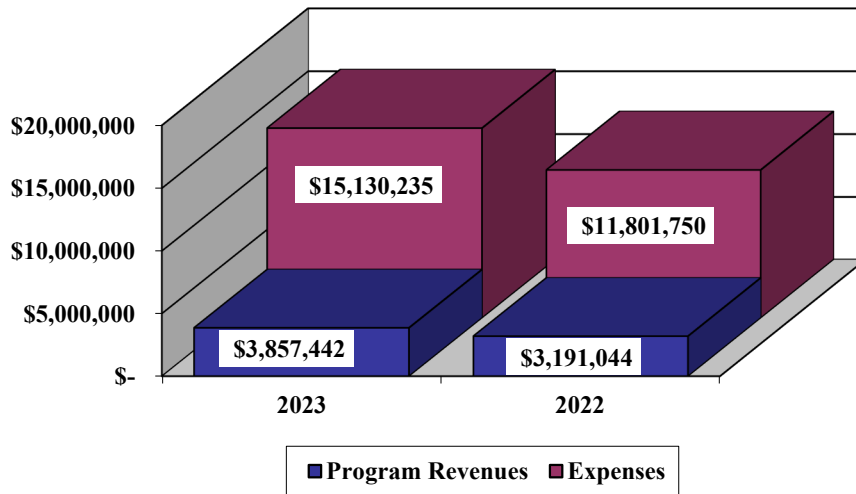
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

The State and federal governments contributed to the City a total of \$2,169,420 in operating grants and contributions and \$588,462 capital grants and contributions. Of the total operating grants and contributions of the governmental activities, \$1,477,208 were subsidized for transportation programs, \$663,845 were subsidized for security of persons and property programs and \$28,367 subsidized for leisure time activity programs during 2023. Capital grants and contributions funded the acquisition or construction of governmental activities assets to serve the operations of transportation programs in the amount of \$504,537 and leisure time activity programs in the amount of \$83,925.

General revenues of the governmental activities totaled \$12,777,027 and amounted to 76.81% of total governmental activities revenues. These revenues primarily consist of property, income tax and permissive motor vehicle license tax revenues of \$11,707,740. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including the City’s local government fund allocation, totaling \$535,678. The change in fair value of investments and investment earnings experienced a significant increase during 2023 as a result of the federal reserve increasing interest rates to combat inflation.

The statement of activities demonstrates how charges for services and grants to the City offset the costs of program services. The following figures show, for the governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. The City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities – Program Revenues vs. Total Expenses**



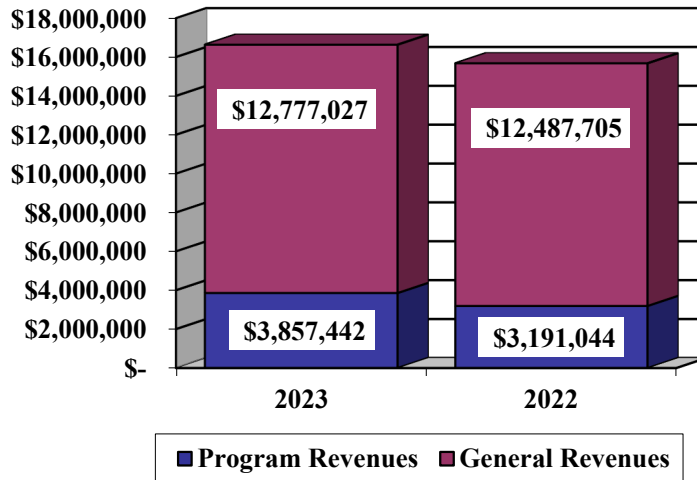
**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Governmental Activities</b>			
	2023		2022	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Program expenses:				
General government	\$ 2,819,643	\$ 2,456,056	\$ 2,007,320	\$ 1,696,847
Security of persons and property	7,458,225	6,708,201	6,035,696	5,291,412
Public health and welfare	6,423	6,423	193	43
Transportation	4,208,048	1,638,096	3,244,006	1,214,623
Community environment	1,945	(33,609)	9,245	(14,825)
Leisure time activity	353,071	214,746	275,726	193,042
Utility services	195,742	195,742	181,975	181,975
Interest and fiscal charges	87,138	87,138	47,589	47,589
<b>Total</b>	<b>\$ 15,130,235</b>	<b>\$ 11,272,793</b>	<b>\$ 11,801,750</b>	<b>\$ 8,610,706</b>

The dependence upon general revenues for governmental activities is apparent, as 74.51% of expenses are supported through taxes and other general revenues.

**Governmental Activities – General and Program Revenues**



**Business-Type Activities**

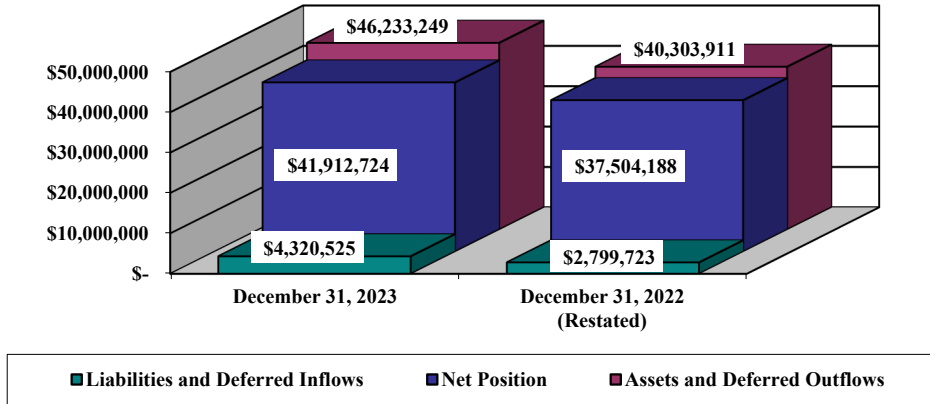
Business-type activities include the water, sewer, storm water, special park, swimming pool and parking meter enterprise funds. These programs had program revenues of \$9,841,087, general revenues of \$590,651, transfers of \$47,900 and recognized expenses of \$6,071,102 during 2023. The graph below illustrates the assets and deferred outflows, liabilities and deferred inflows, and net position of the City’s business-type activities at December 31, 2023 and December 31, 2022.

Amounts in the 2022 columns in the table below have been restated to include the SBITA payable and the intangible right to use subscription assets from the implementation of GASB Statement No. 96 (see Note 3 for detail).

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**Net Position in Business – Type Activities**



**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

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

The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2023 for all major and nonmajor governmental funds.

	Fund Balances <u>12/31/23</u>	Fund Balances <u>12/31/22</u>	Increase (Decrease)
Major fund:			
General	\$ 9,311,877	\$ 8,124,150	\$ 1,187,727
Capital improvement plan fund	2,828,118	2,526,354	301,764
Nonmajor governmental funds	<u>1,971,486</u>	<u>1,691,870</u>	<u>279,616</u>
Total	<u>\$ 14,111,481</u>	<u>\$ 12,342,374</u>	<u>\$ 1,769,107</u>

**General Fund**

The City's general fund balance increased \$1,187,727 during 2023. The table that follows assists in illustrating the revenues of the general fund.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>Revenues</u>	2023 Amount	2022 Amount	Percentage Change
Municipal income taxes	\$ 10,659,009	\$ 9,734,614	9.50 %
Property and other taxes	1,276,426	1,223,576	4.32 %
Charges for services	212,111	236,053	(10.14) %
Licenses and permits	182,877	111,094	64.61 %
Fines and forfeitures	63,643	66,791	(4.71) %
Intergovernmental	525,866	782,984	(32.84) %
Special assessments	66,770	65,025	2.68 %
Investment income & change in fair value of investments	363,854	(210,623)	272.75 %
Donations	15,735	73,516	(78.60) %
Other	135,851	219,249	(38.04) %
<b>Total</b>	<u>\$ 13,502,142</u>	<u>\$ 12,302,279</u>	<u>9.75 %</u>

During 2023, the City's general fund revenues increased \$1,199,863 or 9.75%. Charges for services decreased due to the City performing more services in 2022 than in 2023. Investment income and change in fair value of investments experienced a significant increase during 2023 as a result of the federal reserve increasing interest rates to combat inflation. All other revenue line items remained consistent with the prior year.

The table that follows assists in illustrating the expenditures of the general fund.

<u>Expenditures</u>	2023 Amount	2022 Amount	Percentage Change
General government	\$ 2,554,456	\$ 2,191,313	16.57 %
Security of persons and property	4,884,852	4,825,626	1.23 %
Public health and welfare	6,423	193	3,227.98 %
Transportation	96,826	93,046	4.06 %
Community environment	1,945	2,861	(32.02) %
Leisure time activity	264,652	232,185	13.98 %
Utility services	191,969	178,803	7.36 %
Capital outlay	194,088	217,466	(10.75) %
Debt service	49,683	43,454	14.33 %
<b>Total</b>	<u>\$ 8,244,894</u>	<u>\$ 7,784,947</u>	<u>5.91 %</u>

Total government expenses increased during 2023 by \$459,947 or 5.91% compared to 2022. All other expenditures remained consistent with prior year.

***Budgeting Highlights - General Fund***

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

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Budgetary information is presented for the general fund. In the general fund, original budgeted revenue of \$10,805,750 were increased by \$663,355 for the final budgeted revenues and other financing sources of \$11,469,105. Actual budgetary-basis revenues and other financing sources of \$13,989,556 were \$2,520,451 higher than final budgeted revenues and other financing sources. Original budgeted expenditures and other financing uses of \$11,254,982 were increased by \$3,799,313 for the final budgeted expenditures and other financing uses of \$15,054,295. Actual expenditures and other financing uses of \$12,905,842 were \$2,148,453 lower than the final budget expenditures and other financing uses.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers), whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements. Activity within the City's major enterprise funds is described below:

***Water Fund***

The water fund, a major proprietary fund, had operating revenues of \$3,823,906, operating expenses of \$2,861,045, and net operating income of \$962,861 in 2023. During 2012, the City was awarded a legal settlement resulting from a geological study of raw water availability that provided inaccurate information on which the City relied. These proceeds will be paid to the City in annual installments through 2034. The water fund also had nonoperating revenues of \$235,339 and nonoperating expenses of \$659 in 2023. In addition, the water fund received \$1,592,008 in capital contributions during 2023. The net position of the water fund increased \$2,789,549 or 18.21% from a balance of \$15,322,230 to \$18,111,779.

***Sewer Fund***

The sewer fund, a major proprietary fund, had operating revenues of \$3,778,952, operating expenses of \$2,420,860, and net operating income of \$1,358,092 in 2023. The sewer fund also had nonoperating revenues of \$337,334 and nonoperating expenses of \$812 in 2023. The net position of the sewer fund increased \$1,694,614 or 9.87% from a balance of \$17,164,185 to \$18,858,799.

***Storm Water Fund***

The storm water fund, a major proprietary fund, had operating revenues of \$599,385, operating expenses of \$646,410, and net operating loss of \$47,025 in 2023. The storm water fund also had nonoperating expenses of \$776. The net position of the storm water fund decreased \$47,801 or 0.99% from a balance of \$4,843,580 to \$4,795,779.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2023, the City had \$49,085,297 net of accumulated depreciation/amortization, invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, software, vehicles, intangible right to use assets and infrastructure. Of this total, \$20,958,815 is reported in the governmental activities and \$28,126,482 is reported in business-type activities. The following table shows balances at December 31, 2023 compared to 2022.

Amounts in the 2022 columns in the table below have been restated to include the intangible right to use subscription assets from the implementation of GASB Statement No. 96 (see Note 3 for detail).

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**Capital Assets at December 31, Net of Depreciation/Amortization**

	Governmental Activities		Business-Type Activities		Total	
	(Restated)		(Restated)		(Restated)	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,041,619	\$ 1,041,619	\$ 660,065	\$ 510,065	\$ 1,701,684	\$ 1,551,684
Construction in progress	112,486	91,664	3,392,013	1,027,003	3,504,499	1,118,667
Land improvements	673,888	684,216	13,587	14,531	687,475	698,747
Buildings and improvements	3,351,619	3,504,820	5,748,021	6,079,897	9,099,640	9,584,717
Furniture and equipment	1,351,070	1,376,623	2,479,613	2,577,018	3,830,683	3,953,641
Software	76,005	99,166	69,401	82,514	145,406	181,680
Vehicles	1,474,553	1,255,864	263,089	308,565	1,737,642	1,564,429
Intangible right to use:						
Subscription software	115,795	137,629	48,916	42,762	164,711	180,391
Infrastructure	<u>12,761,780</u>	<u>12,669,664</u>	<u>15,451,777</u>	<u>14,446,021</u>	<u>28,213,557</u>	<u>27,115,685</u>
Totals	<u>\$ 20,958,815</u>	<u>\$ 20,861,265</u>	<u>\$ 28,126,482</u>	<u>\$ 25,088,376</u>	<u>\$ 49,085,297</u>	<u>\$ 45,949,641</u>

The City's largest capital asset category is infrastructure which includes streets, bridges, storm sewer lines and water and sewer lines. These items are immovable and of value to the area; however, the annual cost of purchasing or constructing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 60.89% and 54.94% of the City's total governmental and business-type capital assets, respectively.

See Note 10 to the basic financial statements for more detail on the City's capital assets.

***Debt Administration***

Amounts in the 2022 columns in the table below have been restated to include the SBITA payable from the implementation of GASB Statement No. 96 (see Note 3 for detail).

The City had the following long-term debt obligations outstanding at December 31, 2023 and 2022:

	Governmental Activities		Business-type Activities	
	(Restated)		(Restated)	
	2023	2022	2023	2022
General obligation bonds	\$ 930,000	\$ 1,085,000	\$ -	\$ -
OPWC loan	1,637,928	1,700,267	-	-
OWDA loan	-	-	3,196	-
SBITA payable	109,963	137,629	44,707	42,762
Notes payable	<u>1,164,283</u>	<u>1,400,948</u>	<u>-</u>	<u>-</u>
Total long-term obligations	<u>\$ 3,842,174</u>	<u>\$ 4,323,844</u>	<u>\$ 47,903</u>	<u>\$ 42,762</u>

See Note 11 to the basic financial statements for more detail on the City's long-term debt obligations.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**Economic Conditions and Outlook**

The City, a statutory government, operates under the Council-Mayor form of government. The City of Greenville is uniquely located in the center of Darke County and is 30 miles northwest of the I-70/I-75 interchange. Four state highways and two US highways transect the community, thus making Greenville easily accessible.

Our vibrant downtown has a high business occupancy rate and is full of unique shops which gives it that great, friendly, hometown feel. We continue to see new store fronts opening each year affording visitors & residents of Greenville additional choices for shopping and dining. This certainly complements our industrial base with good paying jobs.

Wayne HealthCare, the county's only hospital, continues to expand and grow their facilities. Their goal to bring quality health care close to home has become a reality, they have added a cancer center onto their dialysis treatment and rehabilitation services facility. In 2019, Wayne HealthCare then began their largest expansion ever in order to provide residents with the ability to see their physicians and receive specialty care in the local area. Opened February 2021, this \$60 million expansion, included state-of-the-art Special Birthing Units, an expanded Lifestyle Enhancement & Wellness Center, and an additional 32-bed acuity adjustable Nursing Unit. Progress toward their next expansion of their campus is being made.

As a further benefit to Darke County residents in being able to obtain quality health care without the burden of travel outside of the city, Reid Hospital of Richmond, IN also has a campus on Meeker Road in Greenville which compliments the Family Health Center next door. Family Health operates a large state-of-the-art campus providing medical, dental, behavior health, a pharmacy, eye care, after-hours urgent care, and also offers patient assistance, which all fit into their mission of "Building Healthy Lives Together."

The city's primary industrial park, Greenville Industrial Park, has shovel ready sites available for new construction as well as the expansion of existing companies. It is located on the east side of the community and offers access to rail via R. J. Corman Rail Road Group, and truck traffic via the state and federal routes. The park is currently home to The Anderson's Marathon Ethanol, Continental Carbonic, Spartech, Ramco Electric Motors, Greenville Technology, Inc., Beauty Systems Group, Monsanto and Classic Carriers/King Command.

Greenville is home to the KitchenAid division of Whirlpool Corporation, which produces the iconic KitchenAid stand mixer as well as other small appliances, including the hand mixer and blender. The most recent expansion by Whirlpool included a state of the art, highly robotic distribution center, which nearly doubled the size of its facility to 650,000 square feet. This reinforces the Greenville Plant as the global hub of Whirlpool's small appliance business. The city is also home to the FRAM Group, which produces a variety of filters for the world's auto industry with the widely known FRAM logo. BASF, the world's leading chemical company, also has a Greenville plant which produces a number of resins, including acrylics, polyesters, and polyurethanes, as well as several types of coatings for the automotive industry.

Workforce Development continues to be an important issue for the sustained growth of the manufacturing base and remains focused on job quality, employee retention and education. Great strides have been made with the continued advancement of the Darke County Workforce Development at the Greenville Career Technology Center, which is on the same campus as the revitalized Greenville Senior High School. Construction Technology, along with the robotics lab, are the newer programs in our Advanced Manufacturing Center (AMC). The focus of the AMC is to form long-term partnerships with local businesses by creating projects that enlighten students on their pursuit of high quality, technical careers in our local area. The community has also continuously shown strong support of education with a K-8 school building and campus in 2017 as well as the Edison State College Agricultural Center.

Over the past few years, the City, as with many other local governments, has seen our share of varied fluctuations when it comes to revenue. Thankfully, Greenville is fortunate to have a diversified manufacturing base and agricultural base which has allowed for more stabilization of revenue dollars. As inflation continues to drag down our local economy, at least the increase in wages continues to bolster the City's revenues, keeping us somewhat close to even. For those on a fixed income; however, it is not good.



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

The City supports many organizations, including Main Street Greenville, Darke County Visitor’s Bureau, and the Garst Museum. Greenville has been named one of the “Best Hometowns” in Ohio by Ohio Magazine; while the Garst Museum and the downtown have also been recognized by Ohio magazine as “The Best of Ohio” Historical Museum and “The Best of Ohio” Main Street. The annual Hometown Holiday Horse Parade was previously named “Best Parade” and continues to draw thousands of spectators to the Downtown Historic District each year. A couple of other popular destinations around the City include the Historic Bear’s Mill and Tony Stewart’s Eldora Speedway.

The community is also very fortunate to have access to 1,000 acres of beautiful parks and preserves and continues to expand upon them. Families and friends have the opportunity to relax, appreciate nature, and enjoy various recreational activities such as hiking, fishing, kayaking, or canoeing along banks of the historic Greenville Creek. The City is nearing the completion of the final phase of a 10-year project that has involved building and connecting an 18-mile paved biking/walking trail dubbed as “The Darke to Miami County Connector.” Upon completion, we will then be connected to an extensive system of bike trails covering a large portion of the state of Ohio.

During this post-pandemic year, in looking forward as to what might be in the near future for our community, I do believe that we will continue have a great need for qualified employees throughout every business in both our city as well as the county, which will certainly last for many more months and even into next year. As our downtown storefronts continue to fill up and walk-in traffic increases, we are looking forward to a robust spring in sales revenue; and I see a very positive attitude among all the businesses throughout our city.

We sincerely wish all of our residents and businesses the very best as we move forward into 2023. We believe that we will finally see the continuance of recovery... giving us the hopes of returning to the thriving community and expanding economy we once enjoyed. Undoubtedly, we will, as we are constantly planning so as to make this the best place to live and work!

**Contacting the City’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, and 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 Ms. Kimberly Davis, Auditor, City of Greenville, 100 Public Square, Greenville, Ohio 45331.

BASIC  
FINANCIAL STATEMENTS

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 14,912,009	\$ 13,267,700	\$ 28,179,709
Receivables (net of allowance for uncollectibles):			
Municipal income taxes . . . . .	1,776,594	-	1,776,594
Property and other taxes . . . . .	1,577,205	-	1,577,205
Accounts . . . . .	451,591	1,423,788	1,875,379
Accrued interest . . . . .	97,432	111,068	208,500
Due from other governments . . . . .	883,314	-	883,314
Special assessments . . . . .	22,220	-	22,220
Leases . . . . .	175,021	175,020	350,041
Legal settlement . . . . .	-	1,451,457	1,451,457
Internal balance . . . . .	(12,596)	12,596	-
Prepayments . . . . .	1,364,316	63,331	1,427,647
Materials and supplies inventory . . . . .	86,219	356,468	442,687
Net pension asset . . . . .	22,511	13,325	35,836
Restricted assets:			
Cash with fiscal agent . . . . .	375,212	-	375,212
Capital assets:			
Land and construction in progress . . . . .	1,154,105	4,052,078	5,206,183
Depreciable/amortized capital assets, net . . . . .	19,804,710	24,074,404	43,879,114
Total capital assets, net . . . . .	<u>20,958,815</u>	<u>28,126,482</u>	<u>49,085,297</u>
Total assets . . . . .	<u>42,689,863</u>	<u>45,001,235</u>	<u>87,691,098</u>
<b>Deferred outflows of resources:</b>			
Pension . . . . .	5,519,623	1,074,758	6,594,381
OPEB . . . . .	956,228	157,256	1,113,484
Total deferred outflows of resources . . . . .	<u>6,475,851</u>	<u>1,232,014</u>	<u>7,707,865</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	921,800	89,293	1,011,093
Contracts payable . . . . .	922,287	930,718	1,853,005
Accrued wages and benefits payable . . . . .	366,931	89,208	456,139
Due to other governments . . . . .	58,467	3,950	62,417
Pension obligation payable . . . . .	152,128	29,293	181,421
Accrued interest payable . . . . .	9,553	559	10,112
Claims payable . . . . .	227,488	-	227,488
Unearned revenue . . . . .	-	20,951	20,951
Long-term liabilities:			
Due within one year . . . . .	871,041	134,021	1,005,062
Due in more than one year:			
Net pension liability . . . . .	15,440,867	2,521,715	17,962,582
Net OPEB liability . . . . .	925,866	52,017	977,883
Other amounts due in more than one year . . . . .	3,765,954	154,467	3,920,421
Total liabilities . . . . .	<u>23,662,382</u>	<u>4,026,192</u>	<u>27,688,574</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the subsequent year . . . . .	1,535,364	-	1,535,364
Leases . . . . .	165,119	165,119	330,238
Pension . . . . .	718,587	108,818	827,405
OPEB . . . . .	1,022,593	20,396	1,042,989
Total deferred inflows of resources . . . . .	<u>3,441,663</u>	<u>294,333</u>	<u>3,735,996</u>
<b>Net position:</b>			
Net investment in capital assets . . . . .	17,236,827	27,147,861	44,384,688
Restricted for:			
Transportation projects . . . . .	1,385,053	-	1,385,053
Pension . . . . .	22,511	13,325	35,836
Other purposes . . . . .	80,946	-	80,946
Unrestricted . . . . .	<u>3,336,332</u>	<u>14,751,538</u>	<u>18,087,870</u>
Total net position . . . . .	<u>\$ 22,061,669</u>	<u>\$ 41,912,724</u>	<u>\$ 63,974,393</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government . . . . .	\$ 2,819,643	\$ 363,587	\$ -	\$ -
Security of persons and property. . . . .	7,458,225	86,179	663,845	-
Public health and welfare . . . . .	6,423	-	-	-
Transportation. . . . .	4,208,048	588,207	1,477,208	504,537
Community environment . . . . .	1,945	35,554	-	-
Leisure time activity. . . . .	353,071	26,033	28,367	83,925
Utility services . . . . .	195,742	-	-	-
Interest and fiscal charges. . . . .	87,138	-	-	-
<b>Total governmental activities . . . . .</b>	<b>15,130,235</b>	<b>1,099,560</b>	<b>2,169,420</b>	<b>588,462</b>
<b>Business-type activities:</b>				
Water. . . . .	2,873,978	3,811,459	-	1,592,008
Sewer. . . . .	2,429,290	3,776,819	-	-
Storm water. . . . .	650,835	596,367	-	-
Other enterprise activities:				
Parking meter. . . . .	3,159	460	-	-
Special park . . . . .	8,697	12,399	-	-
Swimming pool. . . . .	105,143	51,575	-	-
<b>Total business-type activities . . . . .</b>	<b>6,071,102</b>	<b>8,249,079</b>	<b>-</b>	<b>1,592,008</b>
<b>Total primary government. . . . .</b>	<b>\$ 21,201,337</b>	<b>\$ 9,348,639</b>	<b>\$ 2,169,420</b>	<b>\$ 2,180,470</b>

<b>General revenues:</b>
Property taxes levied for:
General purposes. . . . .
Police and fire pension. . . . .
Municipal income taxes levied for:
General purposes. . . . .
Grants and entitlements not restricted to specific programs . . . . .
Permissive motor vehicle license tax . . . . .
Investment earnings . . . . .
Change in fair value of investments . . . . .
Miscellaneous . . . . .
Total general revenues . . . . .
Transfers. . . . .
Change in net position . . . . .
<b>Net position at beginning of year. . . . .</b>
<b>Net position at end of year. . . . .</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (2,456,056)	\$ -	\$ (2,456,056)
(6,708,201)	-	(6,708,201)
(6,423)	-	(6,423)
(1,638,096)	-	(1,638,096)
33,609	-	33,609
(214,746)	-	(214,746)
(195,742)	-	(195,742)
(87,138)	-	(87,138)
<u>(11,272,793)</u>	<u>-</u>	<u>(11,272,793)</u>
-	2,529,489	2,529,489
-	1,347,529	1,347,529
-	(54,468)	(54,468)
-	(2,699)	(2,699)
-	3,702	3,702
-	(53,568)	(53,568)
<u>-</u>	<u>3,769,985</u>	<u>3,769,985</u>
<u>(11,272,793)</u>	<u>3,769,985</u>	<u>(7,502,808)</u>
1,283,041	-	1,283,041
157,632	-	157,632
10,137,887	-	10,137,887
535,678	-	535,678
129,180	-	129,180
261,445	380,494	641,939
147,131	192,179	339,310
125,033	17,978	143,011
<u>12,777,027</u>	<u>590,651</u>	<u>13,367,678</u>
<u>(47,900)</u>	<u>47,900</u>	<u>-</u>
1,456,334	4,408,536	5,864,870
<u>20,605,335</u>	<u>37,504,188</u>	<u>58,109,523</u>
<u>\$ 22,061,669</u>	<u>\$ 41,912,724</u>	<u>\$ 63,974,393</u>

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

	<u>General</u>	<u>Capital Improvement Plan Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 8,913,408	\$ 3,006,404	\$ 1,522,188	\$ 13,442,000
Receivables (net of allowance for uncollectibles):				
Municipal income taxes . . . . .	1,776,594	-	-	1,776,594
Property and other taxes . . . . .	1,364,708	-	212,497	1,577,205
Accounts . . . . .	29,336	418,114	3,293	450,743
Due from other governments . . . . .	196,497	179,873	506,944	883,314
Special assessments . . . . .	22,220	-	-	22,220
Accrued interest . . . . .	89,784	-	7,648	97,432
Leases . . . . .	175,021	-	-	175,021
Prepayments . . . . .	203,810	1,129,849	30,657	1,364,316
Materials and supplies inventory . . . . .	8,678	-	77,541	86,219
Restricted assets:				
Cash with fiscal agent . . . . .	-	-	375,212	375,212
Total assets . . . . .	<u>\$ 12,780,056</u>	<u>\$ 4,734,240</u>	<u>\$ 2,735,980</u>	<u>\$ 20,250,276</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 344,617	\$ 565,721	\$ 11,462	\$ 921,800
Contracts payable . . . . .	-	922,287	-	922,287
Accrued wages and benefits payable . . . . .	274,780	-	92,151	366,931
Compensated absences payable . . . . .	19,468	-	-	19,468
Due to other governments . . . . .	50,906	-	7,561	58,467
Pension obligation payable . . . . .	72,748	-	79,380	152,128
Total liabilities . . . . .	<u>762,519</u>	<u>1,488,008</u>	<u>190,554</u>	<u>2,441,081</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the subsequent year . . . . .	1,336,476	-	198,888	1,535,364
Income tax revenue not available . . . . .	945,366	-	-	945,366
Delinquent property tax revenue not available . . . . .	21,206	-	3,514	24,720
Intergovernmental revenue not available . . . . .	142,066	-	367,322	509,388
Leases . . . . .	165,119	-	-	165,119
Special assessments revenue not available . . . . .	22,220	-	-	22,220
Accrued interest not available . . . . .	49,018	-	4,171	53,189
Miscellaneous revenue not available . . . . .	24,189	418,114	45	442,348
Total deferred inflows of resources . . . . .	<u>2,705,660</u>	<u>418,114</u>	<u>573,940</u>	<u>3,697,714</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	212,488	1,129,849	108,198	1,450,535
Restricted . . . . .	-	-	1,863,270	1,863,270
Committed . . . . .	89,363	-	-	89,363
Assigned . . . . .	687,539	1,698,269	18	2,385,826
Unassigned . . . . .	8,322,487	-	-	8,322,487
Total fund balances . . . . .	<u>9,311,877</u>	<u>2,828,118</u>	<u>1,971,486</u>	<u>14,111,481</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 12,780,056</u>	<u>\$ 4,734,240</u>	<u>\$ 2,735,980</u>	<u>\$ 20,250,276</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2023

<b>Total governmental fund balances</b>		\$ 14,111,481
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		20,958,815
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.		
Municipal income taxes receivable	\$ 945,366	
Property and other taxes receivable	24,720	
Accounts receivable	442,348	
Intergovernmental receivable	509,388	
Special assessments receivable	22,220	
Accrued interest receivable	53,189	
<b>Total</b>	<b>1,997,231</b>	1,997,231
The net pension asset is not available to pay for current period expenditures and the net pension liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	22,511	
Deferred outflows of resources	5,519,623	
Deferred inflows of resources	(718,587)	
Net pension liability	(15,440,867)	
<b>Total</b>	<b>(10,617,320)</b>	(10,617,320)
The net OPEB liability does not require the use of current period net resources; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources	956,228	
Deferred inflows of resources	(1,022,593)	
Net OPEB liability	(925,866)	
<b>Total</b>	<b>(992,231)</b>	(992,231)
An internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities on the statement of net position. The effect of the net position of the internal service fund, including an internal balance payable of \$12,596, is to increase net position.		1,230,773
Accrued interest is not due and payable in the current period and therefore is not reported in the governmental funds		(9,553)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities of the governmental activities are as follows:		
Compensated absences	(775,353)	
Notes payable	(1,164,283)	
OPWC loan payable	(1,637,928)	
SBITA payable	(109,963)	
General obligation bonds	(930,000)	
<b>Total</b>	<b>(4,617,527)</b>	(4,617,527)
<b>Net position of governmental activities</b>		<b>\$ 22,061,669</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>General</u>	<u>Capital Improvement Plan Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 10,659,009	\$ -	\$ -	\$ 10,659,009
Property and other taxes . . . . .	1,276,426	-	285,554	1,561,980
Charges for services . . . . .	212,111	-	149,808	361,919
Licenses and permits . . . . .	182,877	-	-	182,877
Fines and forfeitures . . . . .	63,643	-	22,536	86,179
Intergovernmental . . . . .	525,866	570,262	2,018,409	3,114,537
Special assessments . . . . .	66,770	-	1,000	67,770
Investment income . . . . .	216,723	-	18,489	235,212
Donations . . . . .	15,735	-	-	15,735
Change in fair value of investments . . . . .	147,131	-	18,329	165,460
Other . . . . .	135,851	-	11,766	147,617
Total revenues . . . . .	<u>13,502,142</u>	<u>570,262</u>	<u>2,525,891</u>	<u>16,598,295</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	2,554,456	-	870	2,555,326
Security of persons and property . . . . .	4,884,852	-	1,402,210	6,287,062
Public health and welfare . . . . .	6,423	-	-	6,423
Transportation . . . . .	96,826	-	1,904,251	2,001,077
Community environment . . . . .	1,945	-	-	1,945
Leisure time activity . . . . .	264,652	-	-	264,652
Utility services . . . . .	191,969	-	-	191,969
Capital outlay . . . . .	194,088	2,668,115	41,435	2,903,638
Debt service:				
Principal retirement . . . . .	46,831	441,078	3,267	491,176
Interest and fiscal charges . . . . .	2,852	84,674	-	87,526
Total expenditures . . . . .	<u>8,244,894</u>	<u>3,193,867</u>	<u>3,352,033</u>	<u>14,790,794</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>5,257,248</u>	<u>(2,623,605)</u>	<u>(826,142)</u>	<u>1,807,501</u>
<b>Other financing sources (uses):</b>				
SBITA transaction . . . . .	-	-	9,506	9,506
Transfers in . . . . .	-	2,925,369	1,096,252	4,021,621
Transfers (out) . . . . .	<u>(4,069,521)</u>	<u>-</u>	<u>-</u>	<u>(4,069,521)</u>
Total other financing sources (uses) . . . . .	<u>(4,069,521)</u>	<u>2,925,369</u>	<u>1,105,758</u>	<u>(38,394)</u>
Net change in fund balances . . . . .	1,187,727	301,764	279,616	1,769,107
<b>Fund balances at beginning of year . . . . .</b>	<u>8,124,150</u>	<u>2,526,354</u>	<u>1,691,870</u>	<u>12,342,374</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 9,311,877</u>	<u>\$ 2,828,118</u>	<u>\$ 1,971,486</u>	<u>\$ 14,111,481</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GREENVILLE  
DARKE COUNTY, 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, 2023

<b>Net change in fund balances - total governmental funds</b>	\$	1,769,107
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures; however, on the statement of activities, the cost of those assets is allocated over their useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Capital asset additions	\$ 2,012,872	
Current year depreciation/amortization	<u>(1,913,774)</u>	
Total		99,098
The loss on disposal of capital assets is reported in the statement of activities.		(1,548)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Municipal income taxes	(521,122)	
Property and other taxes	7,873	
Intergovernmental revenues	82,640	
Special assessments	2,648	
Investment income	42,065	
Charges for services	399,959	
Licenses and permits	(1,792)	
Other	<u>18,230</u>	
Total		30,501
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due.		388
Repayment of bonds, notes, loans and SBITA payable are expenditures in the governmental funds; however, the payments reduce long-term liabilities on the statement of net position.		491,176
Proceeds of SBITA transactions are reported as other financing sources in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		(9,506)
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,100,773	
OPEB	<u>19,085</u>	
Total		1,119,858
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(2,124,937)	
OPEB	<u>69,125</u>	
Total		(2,055,812)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(81,089)
The internal service fund, used by management to charge the costs of self-insurance to individual funds, is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>94,161</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>1,456,334</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF GREENVILLE  
DARKE COUNTY, 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, 2023

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 8,640,000	\$ 8,640,000	\$ 10,683,555	\$ 2,043,555
Property and other taxes . . . . .	1,197,500	1,197,500	1,276,027	78,527
Charges for services . . . . .	128,500	128,500	189,270	60,770
Licenses and permits . . . . .	132,000	132,000	182,877	50,877
Fines and forfeitures . . . . .	62,000	62,000	70,706	8,706
Intergovernmental . . . . .	480,000	480,000	530,130	50,130
Special assessments . . . . .	60,000	60,000	66,770	6,770
Investment income . . . . .	40,000	40,000	187,276	147,276
Donations . . . . .	20,000	20,000	8,227	(11,773)
Other . . . . .	45,750	45,750	131,363	85,613
<b>Total revenues . . . . .</b>	<u>10,805,750</u>	<u>10,805,750</u>	<u>13,326,201</u>	<u>2,520,451</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	3,168,339	3,432,873	2,474,767	958,106
Security of persons and property . . . . .	6,250,320	6,254,345	5,629,440	624,905
Public health and welfare . . . . .	16,450	16,450	7,413	9,037
Transportation . . . . .	106,125	106,125	95,289	10,836
Community environment . . . . .	4,000	4,000	1,944	2,056
Utility services . . . . .	197,015	197,765	192,169	5,596
Capital outlay . . . . .	148,552	250,451	207,373	43,078
Debt service:				
Principal retirement . . . . .	12,927	12,927	12,926	1
<b>Total expenditures . . . . .</b>	<u>9,903,728</u>	<u>10,274,936</u>	<u>8,621,321</u>	<u>1,653,615</u>
Excess of revenues over expenditures . . . . .	<u>902,022</u>	<u>530,814</u>	<u>4,704,880</u>	<u>4,174,066</u>
<b>Other financing sources (uses):</b>				
Reimbursements . . . . .	-	663,355	663,355	-
Transfers out . . . . .	(1,351,254)	(4,779,359)	(4,284,521)	494,838
<b>Total other financing sources (uses) . . . . .</b>	<u>(1,351,254)</u>	<u>(4,116,004)</u>	<u>(3,621,166)</u>	<u>494,838</u>
Net change in fund balances . . . . .	(449,232)	(3,585,190)	1,083,714	4,668,904
<b>Unencumbered fund balances at beginning of year.</b>	7,430,866	7,430,866	7,430,866	-
<b>Prior year encumbrances appropriated . . . . .</b>	212,127	212,127	212,127	-
<b>Unencumbered fund balance at end of year. . . . .</b>	<u>\$ 7,193,761</u>	<u>\$ 4,057,803</u>	<u>\$ 8,726,707</u>	<u>\$ 4,668,904</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ 4,750,029	\$ 7,723,590	\$ 715,345
Receivables:			
Accounts . . . . .	609,873	699,967	113,948
Accrued interest. . . . .	36,375	74,693	-
Leases. . . . .	8,744	-	-
Legal settlement . . . . .	117,759	-	-
Prepayments . . . . .	34,308	23,936	3,131
Materials and supplies inventory. . . . .	264,950	91,518	-
Total current assets . . . . .	<u>5,822,038</u>	<u>8,613,704</u>	<u>832,424</u>
Noncurrent assets:			
Legal settlement receivable . . . . .	1,333,698	-	-
Leases receivable . . . . .	166,276	-	-
Net pension asset. . . . .	7,578	4,020	1,261
Capital assets:			
Land and construction in progress . . . . .	2,752,231	715,370	509,106
Depreciable/amortized capital assets, net . . . . .	10,014,481	10,349,497	3,681,269
Total capital assets, net . . . . .	<u>12,766,712</u>	<u>11,064,867</u>	<u>4,190,375</u>
Total noncurrent assets . . . . .	<u>14,274,264</u>	<u>11,068,887</u>	<u>4,191,636</u>
Total assets. . . . .	<u>20,096,302</u>	<u>19,682,591</u>	<u>5,024,060</u>
<b>Deferred outflows of resources:</b>			
Pension. . . . .	608,509	325,629	100,249
OPEB. . . . .	88,984	47,649	14,680
Total deferred outflows of resources. . . . .	<u>697,493</u>	<u>373,278</u>	<u>114,929</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	45,931	19,642	23,636
Contracts payable . . . . .	698,772	231,946	-
Accrued wages and benefits payable. . . . .	53,418	29,313	6,477
Due to other governments . . . . .	2,764	559	262
Compensated absences . . . . .	78,598	32,380	6,486
Pension obligation payable. . . . .	17,225	9,399	2,669
Unearned revenue . . . . .	7,899	8,955	4,097
Claims payable . . . . .	-	-	-
Accrued interest payable . . . . .	111	224	224
SBITA payable . . . . .	3,471	6,543	6,543
Total current liabilities . . . . .	<u>908,189</u>	<u>338,961</u>	<u>50,394</u>
Long-term liabilities:			
Compensated absences payable. . . . .	93,140	23,795	6,186
OWDA loans payable . . . . .	-	3,196	-
SBITA payable . . . . .	7,272	10,439	10,439
Net pension liability . . . . .	1,434,202	760,789	238,596
Net OPEB liability . . . . .	29,584	15,693	4,922
Total long-term liabilities . . . . .	<u>1,564,198</u>	<u>813,912</u>	<u>260,143</u>
Total liabilities . . . . .	<u>2,472,387</u>	<u>1,152,873</u>	<u>310,537</u>
<b>Deferred inflows of resources:</b>			
Leases. . . . .	165,119	-	-
Pension. . . . .	34,042	38,517	29,112
OPEB. . . . .	10,468	5,680	3,561
Total deferred inflows of resources . . . . .	<u>209,629</u>	<u>44,197</u>	<u>32,673</u>
<b>Net position:</b>			
Net investment in capital assets. . . . .	12,057,197	10,812,743	4,173,393
Restricted for pension . . . . .	7,578	4,020	1,261
Unrestricted . . . . .	6,047,004	8,042,036	621,125
Total net position. . . . .	<u>\$ 18,111,779</u>	<u>\$ 18,858,799</u>	<u>\$ 4,795,779</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds. Net position of business-type activities.			

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Nonmajor Enterprise</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ 78,736	\$ 13,267,700	\$ 1,470,009
-	1,423,788	848
-	111,068	-
-	8,744	-
-	117,759	-
1,956	63,331	-
-	356,468	-
<u>80,692</u>	<u>15,348,858</u>	<u>1,470,857</u>
-	1,333,698	-
-	166,276	-
466	13,325	-
75,371	4,052,078	-
29,157	24,074,404	-
<u>104,528</u>	<u>28,126,482</u>	<u>-</u>
<u>104,994</u>	<u>29,639,781</u>	<u>-</u>
<u>185,686</u>	<u>44,988,639</u>	<u>1,470,857</u>
40,371	1,074,758	-
5,943	157,256	-
<u>46,314</u>	<u>1,232,014</u>	<u>-</u>
84	89,293	-
-	930,718	-
-	89,208	-
365	3,950	-
-	117,464	-
-	29,293	-
-	20,951	-
-	-	227,488
-	559	-
-	16,557	-
<u>449</u>	<u>1,297,993</u>	<u>227,488</u>
-	123,121	-
-	3,196	-
-	28,150	-
88,128	2,521,715	-
1,818	52,017	-
<u>89,946</u>	<u>2,728,199</u>	<u>-</u>
<u>90,395</u>	<u>4,026,192</u>	<u>227,488</u>
-	165,119	-
7,147	108,818	-
687	20,396	-
<u>7,834</u>	<u>294,333</u>	<u>-</u>
104,528	27,147,861	-
466	13,325	-
28,777	14,738,942	1,243,369
<u>\$ 133,771</u>	<u>41,900,128</u>	<u>\$ 1,243,369</u>
	12,596	
	<u>\$ 41,912,724</u>	

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 3,805,159	\$ 3,767,369	\$ 596,367
Tap-in fees . . . . .	6,300	9,450	-
Other . . . . .	12,447	2,133	3,018
Total operating revenues . . . . .	3,823,906	3,778,952	599,385
<b>Operating expenses:</b>			
Personal services . . . . .	1,276,968	708,523	218,487
Contract services. . . . .	333,705	475,998	162,030
Materials and supplies. . . . .	594,013	204,363	56,980
Utilities . . . . .	136,138	124,735	1,533
Depreciation/amortization. . . . .	516,373	907,241	201,970
Claims expense . . . . .	-	-	-
Other . . . . .	3,848	-	5,410
Total operating expenses . . . . .	2,861,045	2,420,860	646,410
Operating income (loss). . . . .	962,861	1,358,092	(47,025)
<b>Nonoperating revenues (expenses):</b>			
Interest and fiscal charges. . . . .	(407)	(557)	(520)
Loss on sale of capital assets. . . . .	(252)	(255)	(256)
Interest income. . . . .	162,176	218,318	-
Change in fair value of investments . . . . .	73,163	119,016	-
Total nonoperating revenues (expenses) . . . . .	234,680	336,522	(776)
Income (loss) before transfers and capital contributions . . . . .	1,197,541	1,694,614	(47,801)
Transfer in . . . . .	-	-	-
Capital contributions. . . . .	1,592,008	-	-
Change in net position . . . . .	2,789,549	1,694,614	(47,801)
<b>Net position at beginning of year . . . . .</b>	<b>15,322,230</b>	<b>17,164,185</b>	<b>4,843,580</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 18,111,779</b>	<b>\$ 18,858,799</b>	<b>\$ 4,795,779</b>

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Nonmajor Enterprise</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ 64,434	\$ 8,233,329	\$ 1,811,916
-	15,750	-
380	17,978	-
<u>64,814</u>	<u>8,267,057</u>	<u>1,811,916</u>
77,754	2,281,732	-
4,936	976,669	-
26,877	882,233	-
2,928	265,334	-
4,504	1,630,088	-
-	-	1,746,969
-	9,258	-
<u>116,999</u>	<u>6,045,314</u>	<u>1,746,969</u>
<u>(52,185)</u>	<u>2,221,743</u>	<u>64,947</u>
-	(1,484)	-
-	(763)	-
-	380,494	5,673
-	192,179	-
<u>-</u>	<u>570,426</u>	<u>5,673</u>
(52,185)	2,792,169	70,620
47,900	47,900	-
<u>-</u>	<u>1,592,008</u>	<u>-</u>
(4,285)	4,432,077	70,620
<u>138,056</u>		<u>1,172,749</u>
<u>\$ 133,771</u>		<u>\$ 1,243,369</u>
	<u>(23,541)</u>	
	<u>\$ 4,408,536</u>	



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Cash flows from operating activities:</b>			
Cash received from customers. . . . .	\$ 3,751,816	\$ 3,657,719	\$ 592,598
Cash received from tap-in fees. . . . .	6,300	9,450	-
Cash received from other operations. . . . .	12,447	2,133	19,047
Cash payments for personal services. . . . .	(1,201,403)	(665,451)	(228,740)
Cash payments for contractual services . . . . .	(335,047)	(481,865)	(155,742)
Cash payments for materials and supplies . . . . .	(594,817)	(206,868)	(51,607)
Cash payments for utilities. . . . .	(128,521)	(116,851)	(1,359)
Cash payments for other expenses. . . . .	(3,848)	-	(5,410)
Cash payments for claims . . . . .	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>1,506,927</u>	<u>2,198,267</u>	<u>168,787</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from transfers in . . . . .	-	-	-
Cash received from leases . . . . .	5,615	-	-
Cash received from legal settlement . . . . .	<u>162,219</u>	<u>-</u>	<u>-</u>
Net cash provided by noncapital financing activities . . . . .	<u>167,834</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets. . . . .	(2,381,251)	(900,035)	(469,662)
OWDA loan issuance. . . . .	-	3,196	-
SBITA transactions. . . . .	-	9,506	9,506
Principal retirement on SBITA payable. . . . .	(3,511)	(6,778)	(6,778)
Interest and fiscal charges. . . . .	(296)	(333)	(296)
Intergovernmental. . . . .	<u>1,592,008</u>	<u>-</u>	<u>-</u>
Net cash (used in) capital and related financing activities. . . . .	<u>(793,050)</u>	<u>(894,444)</u>	<u>(467,230)</u>
<b>Cash flows from investing activities:</b>			
Interest received . . . . .	89,897	167,894	-
Change in fair value of investments . . . . .	<u>73,163</u>	<u>119,016</u>	<u>-</u>
Net cash provided by investing activities. . . . .	<u>163,060</u>	<u>286,910</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	1,044,771	1,590,733	(298,443)
<b>Cash and cash equivalents at beginning of year . . .</b>	<u>3,705,258</u>	<u>6,132,857</u>	<u>1,013,788</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 4,750,029</u></u>	<u><u>\$ 7,723,590</u></u>	<u><u>\$ 715,345</u></u>

<u>Nonmajor Enterprise</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ 64,434	\$ 8,066,567	\$ 1,811,068
-	15,750	-
380	34,007	-
(63,566)	(2,159,160)	-
(4,936)	(977,590)	-
(28,128)	(881,420)	-
(2,844)	(249,575)	-
-	(9,258)	-
-	-	(1,695,853)
<u>(34,660)</u>	<u>3,839,321</u>	<u>115,215</u>
47,900	47,900	-
-	5,615	-
-	162,219	-
<u>47,900</u>	<u>215,734</u>	<u>-</u>
(7,500)	(3,758,448)	-
-	3,196	-
-	19,012	-
-	(17,067)	-
-	(925)	-
-	1,592,008	-
<u>(7,500)</u>	<u>(2,162,224)</u>	<u>-</u>
-	257,791	5,673
-	192,179	-
-	449,970	5,673
5,740	2,342,801	120,888
72,996	10,924,899	1,349,121
<u>\$ 78,736</u>	<u>\$ 13,267,700</u>	<u>\$ 1,470,009</u>

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Storm Water</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ 962,861	\$ 1,358,092	\$ (47,025)
Adjustments:			
Depreciation/amortization. . . . .	516,373	907,241	201,970
Changes in assets, deferred inflows/outflows of resources and liabilities:			
Materials and supplies inventory . . . . .	(21,875)	5,408	-
Accounts receivable . . . . .	(51,588)	(111,767)	(2,084)
Lease receivable . . . . .	8,072	-	-
Intergovernmental receivable. . . . .	-	-	-
Prepayments . . . . .	11,544	(958)	3,739
Net pension asset. . . . .	4,007	2,564	936
Net OPEB asset. . . . .	155,870	88,582	29,559
Deferred outflows - pension . . . . .	(386,679)	(184,058)	(42,218)
Deferred outflows - OPEB . . . . .	(83,557)	(38,883)	(454)
Accounts payable . . . . .	19,097	1,684	8,491
Accrued wages and benefits . . . . .	4,933	6,154	1,046
Intergovernmental payable . . . . .	520	(6,422)	234
Unearned revenue . . . . .	3,124	2,117	(1,685)
Compensated absences payable. . . . .	25,621	4,394	2,070
Net pension liability. . . . .	984,839	505,413	153,379
Net OPEB liability. . . . .	29,584	15,693	4,922
Deferred inflows - pension. . . . .	(514,056)	(272,971)	(112,925)
Deferred inflows - OPEB. . . . .	(150,577)	(85,843)	(32,101)
Deferred inflows - leases. . . . .	(12,951)	-	-
Pension obligation payable . . . . .	1,765	1,827	933
Claims payable . . . . .	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u>\$ 1,506,927</u>	<u>\$ 2,198,267</u>	<u>\$ 168,787</u>

**Non-cash transactions:**

During 2023, the water fund purchased \$698,772 in capital assets on account.  
During 2023 and 2022, the sewer fund purchased \$231,946 and \$2,459, respectively, in capital assets on account.  
During 2022, the storm water fund purchased \$17,750 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Nonmajor Enterprise</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$ (52,185)	\$ 2,221,743	\$ 64,947
4,504	1,630,088	-
-	(16,467)	-
-	(165,439)	(848)
-	8,072	-
4	4	-
(1,331)	12,994	-
353	7,860	-
11,025	285,036	-
(11,337)	(624,292)	-
(1,977)	(124,871)	-
84	29,356	-
-	12,133	-
365	(5,303)	-
-	3,556	-
-	32,085	-
56,343	1,699,974	-
1,818	52,017	-
(31,622)	(931,574)	-
(10,704)	(279,225)	-
-	(12,951)	-
-	4,525	-
-	-	51,116
<u>\$ (34,660)</u>	<u>\$ 3,839,321</u>	<u>\$ 115,215</u>

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 1 - DESCRIPTION OF THE CITY**

The City of Greenville, Ohio (the "City"), was incorporated in 1832 and operates under a Council-Mayor form of government. The following services are provided by the City: public safety (police and fire), highways and streets, water, sewer, storm water, recreation, public improvements, planning and zoning and general administrative services.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the City are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, water system, sewage treatment, storm water services and general administrative services. The City's departments include a public safety department, a public service department, a street maintenance department, a sanitation system, a parks and recreation department, a planning and zoning department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation of each of these activities and entities is directly controlled by the City Council through the budgetary process.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or (4) provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

**B. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The activities of the internal service fund are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

***Fund Financial Statements*** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund financial statements.

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 operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the proprietary funds include personnel and other expenses related to operations and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**C. Fund Accounting**

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

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the City's major governmental funds:

*General fund* - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

*Capital improvement plan fund* - The capital improvement plan fund accounts for resources that are used for the acquisition and construction of capital assets.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted, committed, or assigned to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

***Proprietary Funds*** - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

***Enterprise funds*** - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

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

***Sewer fund*** - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

***Storm water fund*** - This fund accounts for the provision of storm water service to the residents and commercial users located within the City.

The City has three nonmajor enterprise funds that are used to account for the swimming pool, parking meter and special park district operations.

***Internal Service fund*** - The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on the self-insurance health care program.

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City has no fiduciary funds.

**D. Measurement Focus**

***Government-Wide Financial Statements*** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities, and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

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

**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Nonexchange Transactions** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 7). Revenue from property taxes are recognized in the year for which these items are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees, charges for service, interest and special assessments.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 13 and 14 for deferred outflows of resources related to net pension liability/asset and net OPEB liability, respectively.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 13 and 14 for deferred inflows of resources related to net pension liability/asset and net OPEB liability, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

*Expenses/Expenditures* - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

**F. Budgetary Data**

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 appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds other than custodial funds are required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each fund. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

*Tax Budget* - The City must submit the adopted budget 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.

*Estimated Resources* - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or before December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will 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 unencumbered cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Auditor determines and the Budget Commission agrees, that estimates need to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificates of estimated resources issued during 2023.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

*Appropriations* - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the legal level of budgetary control. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

*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. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

**G. Cash and Cash Equivalents**

Cash balances of the City's funds are pooled and invested in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank account is presented on the balance sheet as "equity in pooled cash and cash equivalents" on the basic financial statements.

During 2023, investments were limited to non-negotiable certificates of deposit, negotiable certificates of deposit, corporate bonds, U.S. treasury notes, federal agency securities (FFCB, FHLB, FHLMC, FAMC and FNMA) and U.S. government money markets. Investments are reported at fair value, except for non-negotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment income earned and credited to the general fund during 2023 amounted to \$211,128 of which \$14,847 was assigned from other funds of the City. The general fund also received \$5,595 in interest revenue from lessor lease agreements.

For purposes of the statement of cash flows and for presentation on the financial statements, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

An analysis of the City's investment account at year end is provided in Note 4.

**H. Inventories of Materials and Supplies**

On government-wide financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in both governmental and proprietary funds consists of expendable supplies held for consumption. On governmental fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

**I. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. During 2023, the City maintained a capitalization threshold of \$5,000. The City's governmental infrastructure consists of storm sewers and streets. The City's proprietary infrastructure consists of water, sanitary sewer and storm water lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities. Capitalized interest for 2023 was not material.

All reported capital assets are depreciated/amortized except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation/amortization is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	15 - 20 years	15 - 20 years
Buildings and improvements	20 - 40 years	20 - 40 years
Furniture and equipment	5 - 30 years	5 - 20 years
Software	5 - 10 years	5 - 10 years
Vehicles	5 - 16 years	3 - 10 years
Infrastructure	10 - 40 years	10 - 40 years
Intangible right to use: Subscription software	3 - 5 years	3 - 5 years

The City is reporting intangible right to use assets related to subscription software. The intangible assets are being amortized in a systematic and rational manner of the shorter of the agreement term or the useful life of the underlying asset.

**J. Compensated Absences**

Compensated absences of the City consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds; however, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, loans, subscription-based information technology arrangements, and notes payable are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**L. Bond Issuance Costs, Bond Premiums and Discounts, Accounting Gain or Loss**

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

On the government-wide financial statements, bond premiums and discounts are amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds. On the governmental fund financial statements bond premiums and discounts are recognized in the period in which these items are incurred.

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

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

**M. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. The City had no interfund loans receivable/payable at December 31, 2023. The internal balance reported on the financial statements relates to the consolidation of the internal service fund with the governmental activities.

**N. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 basic financial statements.

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.

**O. Fund Balance**

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

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

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the City Auditor the authority to constrain monies for intended purposes.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

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

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

**P. Estimates**

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

**Q. Restricted Assets**

Restricted assets represent permissive tax monies held by Darke County.

**R. Net Position**

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The City's net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes consists primarily of funds restricted for community environment, general government and law enforcement programs.

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

**S. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed. On governmental fund financial statements, reported prepaid items are equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

**T. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. During 2023, the City had neither type of transaction.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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

**U. Capital Contributions**

Capital contributions in governmental activities arise from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction. During 2023, governmental activities did not receive any capital contributions from outside sources.

Capital contributions in the business-type activities arise from contributions from governmental activities, from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction. During 2023, the water fund received a total of \$1,592,008 in capital contributions from outside sources from the Ohio Department of Development and Ohio Environmental Protection Agency and loan principle forgiveness proceeds from the Ohio Water Development Authority.

**V. Pensions/Other Postemployment Benefits (OPEB)**

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

**W. Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2023, the City has implemented GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", GASB Statement No. 96, "Subscription Based Information Technology Arrangements", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

These changes were incorporated in the City’s 2023 financial statements. The City recognized \$137,629 in governmental activities and \$42,762 in business-type activities in subscriptions payable at January 1, 2023; however, this entire amount was offset by the intangible asset, right-to-use subscription assets.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the City.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the City.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. 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 and interest by the United States;
2. 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

3. 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;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the City.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Restricted cash with fiscal agent: At year end, the City had \$375,212 on deposit with a financial institution for permissive tax monies held by Darke County. The data regarding insurance and collateralization can be obtained from the Darke County financial report for the year ended December 31, 2023. This amount is not included in "deposits" below.

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Deposits with Financial Institutions**

At December 31, 2023, the carrying amount of all City deposits was \$15,064,693 and the bank balance of all City deposits was \$15,475,402. Of the bank balance, \$750,000 was covered by the FDIC and \$14,725,402 was covered by the Ohio Pooled Collateral System (OPCS).

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the City's deposits had a 102 percent collateral rate through the OPCS.

**B. Investments**

As of December 31, 2023, the City had the following investments and maturities:

Measurement/ Investment type	Measurement Amount	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
Negotiable CDs	\$ 2,428,241	\$ 737,305	\$ 124,476	\$ 957,005	\$ -	\$ 609,455
U.S. Treasury notes	3,617,986	245,508	379,992	-	-	2,992,486
FFCB	3,321,533	197,301	-	1,067,778	-	2,056,454
FHLB	2,170,550	249,806	-	239,728	-	1,681,016
FHLMC	699,148	-	227,513	238,135	233,500	-
FNMA	457,628	-	-	-	226,221	231,407
FAMC	199,825	-	-	-	-	199,825
Corporate bonds	124,551	-	-	-	-	124,551
U.S. government money market	95,554	95,554	-	-	-	-
<b>Total</b>	<b>\$ 13,115,016</b>	<b>\$ 1,525,474</b>	<b>\$ 731,981</b>	<b>\$ 2,502,646</b>	<b>\$ 459,721</b>	<b>\$ 7,895,194</b>

The weighted average maturity of investments is 2.41 years.

The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FAMC, and FNMA), corporate bonds, U.S. Treasury notes and negotiable CDs 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).

*Credit Risk:* The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FAMC and FNMA), corporate bonds and U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned the U.S. Government money market an AAAM money market rating. The negotiable CDs were not rated, but were fully insured by the FDIC. The City has no investment policy dealing with investment credit risk beyond the requirements in State statutes.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*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 federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City's investment policy does not specifically address custodial credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

*Interest Rate Risk -* The City's investment policy states that the maximum maturity for any investment is limited to securities maturing not more than five (5) years from the date of purchase, unless matched to a specific cash flow requirement.

*Concentration of Credit Risk -* The City's investment policy states that the portfolio shall be diversified so as to avoid concentrations of credit risk from any rated issuer.

The following table includes the percentage of each investment type held by the City at December 31, 2023:

Measurement/ <u>Investment type</u>	Measurement	
	<u>Amount</u>	<u>% to Total</u>
<i>Fair Value:</i>		
Negotiable CDs	\$2,428,241	18.51%
U.S. Treasury notes	3,617,986	27.59%
FFCB	3,321,533	25.33%
FHLB	2,170,550	16.55%
FHLMC	699,148	5.33%
FNMA	457,628	3.49%
FAMC	199,825	1.52%
Corporate bonds	124,551	0.95%
U.S. governmental money market	95,554	0.73%
Total	<u>\$ 13,115,016</u>	<u>100.00%</u>

**C. Reconciliation of Cash and Cash Equivalents to the Statement of Net Position**

The following is a reconciliation of cash and cash equivalents as reported in the note above to cash and cash equivalents as reported on the statement of net position as of December 31, 2023:

<u>Cash and cash equivalents per note</u>	
Carrying amount of deposits	\$ 15,064,693
Investments	13,115,016
Cash with fiscal agent	<u>375,212</u>
Total	<u>\$ 28,554,921</u>

<u>Cash and cash equivalents per statement of net position</u>	
Governmental activities	\$ 15,287,221
Business-type activities	<u>13,267,700</u>
Total	<u>\$ 28,554,921</u>

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund transfers for the year ended December 31, 2023, consisted of the following, as reported in the fund financial statements:

Transfers from general fund to:

Capital improvement plan	\$ 2,925,369
Nonmajor governmental funds	1,096,252
Nonmajor enterprise fund	<u>47,900</u>
	<u>\$ 4,069,521</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15, 5705.16 and 5709.43(D).

Transfers between governmental funds are eliminated on the government-wide financial statements. Transfers between governmental activities and business-type activities are reported as transfers on the statement of activities.

**NOTE 6 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Greenville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, property and other taxes receivable has been offset by a deferred inflow of resources for the current portion, since the current taxes were not levied to finance 2023 operations, and the delinquent portion, since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is unavailable.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 6 - PROPERTY TAXES - (Continued)**

The full tax rate for all City operations for the year ended December 31, 2023 was \$8.15 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2023 property tax receipts were based are as follows:

	2023
<u>Real property</u>	
Residential/agricultural	\$ 172,656,900
Commercial/industrial/mineral	105,871,760
<u>Public utility property</u>	
Real	81,990
Personal	8,284,960
Total assessed value	\$ 286,895,610

**NOTE 7 - LOCAL INCOME TAXES**

The City levies a municipal income tax of one and one half percent on substantially all income earned within the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. 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 to pay the cost of administering the tax. All income tax revenue is initially placed in the general fund and may be distributed to other funds as determined by City Council. Income tax revenue for 2023 was \$10,659,009 as reported in the fund financial statements.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2023, consisted of taxes, accounts (billings for user charged services), accrued interest, special assessments, leases, receivables due from other governments arising from grants, entitlements, and shared revenue, and the receivable portion of a legal settlement awarded in 2012. Receivables have been recorded to the extent that they are measurable at December 31, 2023.

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Municipal income taxes	\$ 1,776,594
Property and other taxes	1,577,205
Accounts	451,591
Accrued interest	97,432
Due from other governments	883,314
Special assessments	22,220
Leases	175,021

**Business-type activities:**

Accounts	1,423,788
Accrued interest	111,068
Leases	175,020
Legal settlement	1,451,457

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 8 - RECEIVABLES - (Continued)**

Receivables have been disaggregated on the face of the financial statements. All receivables, other than the special assessments, legal settlement and leases, are expected to be collected within the subsequent year. The special assessments will be collected over the life of the assessment, and legal settlement and leases will be collected over the duration of the agreements.

**NOTE 9 - LEASES RECEIVABLE**

The City is reporting leases receivable of \$175,021 and \$175,020 in the general fund and the water fund, respectively. For 2023, the City recognized lease revenue of \$16,143, which is reported in charges for services, and interest revenue of \$11,231.

The City has entered into the following lease agreements as the lessor at varying years and terms as follows:

Lease Type	Fund	Lease Commencement Date	Years	Lease End Date	Payment Method
	50% General Fund				
Cell Tower Land Lease	50% Water Fund	2011	25	2036	Monthly

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 8,744	\$ 5,353	\$ 14,097	\$ 8,744	\$ 5,353	\$ 14,097
2025	9,451	5,070	14,521	9,451	5,070	14,521
2026	10,193	4,763	14,956	10,193	4,763	14,956
2027	10,972	4,433	15,405	10,972	4,433	15,405
2028	11,790	4,078	15,868	11,789	4,078	15,867
2029 - 2033	72,666	14,103	86,769	72,666	14,103	86,769
2034 - 2036	51,205	2,331	53,536	51,205	2,331	53,536
Total	<u>\$ 175,021</u>	<u>\$ 40,131</u>	<u>\$ 215,152</u>	<u>\$ 175,020</u>	<u>\$ 40,131</u>	<u>\$ 215,151</u>

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 10 - CAPITAL ASSETS**

Due to the implementation of GASB Statement No. 96 (see Note 3 for detail), the City has reported capital assets for intangible right to use - subscription software at January 1, 2023. Governmental activities capital asset activity for the year ended December 31, 2023, was as follows:

	(Restated)			
	Balance			Balance
<b><u>Governmental activities:</u></b>	<u>1/1/2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/23</u>
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 1,041,619	\$ -	\$ -	\$ 1,041,619
Construction in progress	<u>91,664</u>	<u>756,994</u>	<u>(736,172)</u>	<u>112,486</u>
Total capital assets not being depreciated/amortized	<u>1,133,283</u>	<u>756,994</u>	<u>(736,172)</u>	<u>1,154,105</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	1,346,637	32,000	-	1,378,637
Buildings and improvements	6,272,748	5,837	-	6,278,585
Furniture and equipment	3,878,247	186,843	(112,617)	3,952,473
Software	184,519	-	(7,227)	177,292
Vehicles	4,085,084	453,628	(42,253)	4,496,459
Infrastructure	29,762,805	1,304,236	-	31,067,041
Intangible right to use:				
Subscription software	<u>137,629</u>	<u>9,506</u>	<u>-</u>	<u>147,135</u>
Total capital assets being depreciated/amortized	<u>45,667,669</u>	<u>1,992,050</u>	<u>(162,097)</u>	<u>47,497,622</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(662,421)	(42,328)	-	(704,749)
Buildings and improvements	(2,767,928)	(159,038)	-	(2,926,966)
Furniture and equipment	(2,501,624)	(212,396)	112,617	(2,601,403)
Software	(85,353)	(21,613)	5,679	(101,287)
Vehicles	(2,829,220)	(234,939)	42,253	(3,021,906)
Infrastructure	(17,093,141)	(1,212,120)	-	(18,305,261)
Intangible right to use:				
Subscription software	<u>-</u>	<u>(31,340)</u>	<u>-</u>	<u>(31,340)</u>
Total accumulated depreciation/amortization	<u>(25,939,687)</u>	<u>(1,913,774)</u>	<u>160,549</u>	<u>(27,692,912)</u>
Total capital assets being depreciated/amortized, net	<u>19,727,982</u>	<u>78,276</u>	<u>(1,548)</u>	<u>19,804,710</u>
Governmental activities capital assets, net	<u>\$ 20,861,265</u>	<u>\$ 835,270</u>	<u>\$ (737,720)</u>	<u>\$ 20,958,815</u>

Depreciation/amortization expense was charged to governmental activities as follows:

<b><u>Governmental activities:</u></b>	
General government	\$ 150,916
Security of persons and property	269,091
Transportation	1,412,713
Leisure time activity	<u>81,054</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 1,913,774</u>



**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 10 - CAPITAL ASSETS - (Continued)**

Due to the implementation of GASB Statement No. 96 (see Note 3 for detail), the City has reported capital assets for intangible right to use - subscription software at January 1, 2023. Business-type activities capital asset activity for the year ended December 31, 2023, was as follows:

	(Restated)			
	Balance			Balance
<b><u>Business-type activities:</u></b>	<u>1/1/2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/23</u>
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 510,065	\$ 150,000	\$ -	\$ 660,065
Construction in progress	<u>1,027,003</u>	<u>3,883,229</u>	<u>(1,518,219)</u>	<u>3,392,013</u>
Total capital assets not being depreciated/amortized	<u>1,537,068</u>	<u>4,033,229</u>	<u>(1,518,219)</u>	<u>4,052,078</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	139,316	-	-	139,316
Buildings and improvements	12,330,529	7,500	-	12,338,029
Furniture and equipment	8,704,209	151,633	-	8,855,842
Software	126,900	-	(3,559)	123,341
Vehicles	1,009,854	27,510	(55,040)	982,324
Infrastructure	26,518,667	1,948,292	-	28,466,959
Intangible right to use:				
Subscription software	<u>42,762</u>	<u>19,012</u>	<u>-</u>	<u>61,774</u>
Total capital assets being depreciated/amortized	<u>48,872,237</u>	<u>2,153,947</u>	<u>(58,599)</u>	<u>50,967,585</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(124,785)	(944)	-	(125,729)
Buildings and improvements	(6,250,632)	(339,376)	-	(6,590,008)
Furniture and equipment	(6,127,191)	(249,038)	-	(6,376,229)
Software	(44,386)	(12,350)	2,796	(53,940)
Vehicles	(701,289)	(72,986)	55,040	(719,235)
Infrastructure	(12,072,646)	(942,536)	-	(13,015,182)
Intangible right to use:				
Subscription software	<u>-</u>	<u>(12,858)</u>	<u>-</u>	<u>(12,858)</u>
Total accumulated depreciation/amortization	<u>(25,320,929)</u>	<u>(1,630,088)</u>	<u>57,836</u>	<u>(26,893,181)</u>
Total capital assets being depreciated/amortized, net	<u>23,551,308</u>	<u>523,859</u>	<u>(763)</u>	<u>24,074,404</u>
Business-type activities capital assets, net	<u>\$ 25,088,376</u>	<u>\$ 4,557,088</u>	<u>\$ (1,518,982)</u>	<u>\$ 28,126,482</u>

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 10 - CAPITAL ASSETS - (Continued)**

Depreciation/amortization expense was charged to the enterprise funds as follows:

**Business-type activities:**

Water	\$ 516,373
Sewer	907,241
Storm water	201,970
Nonmajor enterprise fund:	
Swimming pool	1,345
Parking meter	3,159
Total depreciation/amortization expense - business-type activities	<u>\$ 1,630,088</u>

**NOTE 11 - LONG-TERM OBLIGATIONS**

**A. Governmental Activities Long-Term Obligations**

Due to the implementation of GASB Statement No. 96 (see Note 3 for detail), the City has reported SBITA payable at January 1, 2023. During 2023, the following changes occurred in governmental activities long-term obligations.

<b><u>Governmental activities:</u></b>	Interest Rate	(Restated) Balance 1/1/2023	Additions	Reductions	Balance 12/31/23	Amounts Due in One Year
<b><u>General obligation and revenue bonds:</u></b>						
Building improvement and equipment acquisition bonds	2.625%	\$ 430,000	\$ -	\$ (80,000)	\$ 350,000	\$ 85,000
Salt barn construction bonds, series 2021	2.250%	655,000	-	(75,000)	580,000	80,000
Total general obligation bonds		<u>1,085,000</u>	<u>-</u>	<u>(155,000)</u>	<u>930,000</u>	<u>165,000</u>
<b><u>Notes payable (direct borrowing)</u></b>						
Fire truck 2013	2.90%	108,269	-	(108,269)	-	-
Caterpillar small wheel loader	3.14%	157,830	-	(36,020)	121,810	37,167
Fire truck 2022	4.50%	1,134,849	-	(92,376)	1,042,473	96,405
Total notes payable (direct borrowing)		<u>1,400,948</u>	<u>-</u>	<u>(236,665)</u>	<u>1,164,283</u>	<u>133,572</u>
<b><u>Other long-term obligations:</u></b>						
Compensated absences		694,264	693,212	(592,655)	794,821	473,541
SBITA payable		137,629	9,506	(37,172)	109,963	36,589
Net pension liability		8,662,549	6,778,318	-	15,440,867	-
Net OPEB liability		1,305,785	87,889	(467,808)	925,866	-
OPWC loans payable (direct borrowing)	0%	1,700,267	-	(62,339)	1,637,928	62,339
Total other long-term obligations		<u>12,500,494</u>	<u>7,568,925</u>	<u>(1,159,974)</u>	<u>18,909,445</u>	<u>572,469</u>
Total governmental activities long-term obligations		<u>\$ 14,986,442</u>	<u>\$ 7,568,925</u>	<u>\$ (1,551,639)</u>	<u>\$ 21,003,728</u>	<u>\$ 871,041</u>

**Net Pension Liability and Net OPEB Liability**

See Notes 13 and 14 for additional disclosure on net pension liability and net OPEB liability, respectively. The City pays obligations related to employee compensation from the fund benefiting from their services.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Compensated Absences

Compensated absences are reported in the statement of net position and will be paid from the funds from which the employees' salaries are paid which will primarily be the general fund, street construction maintenance and repair fund (a nonmajor governmental fund) and public transportation fund (a nonmajor governmental fund).

OPWC Loan Payable

In prior years, the City entered into agreements with the Ohio Public Works Commission (OPWC) for street construction loans. At December 31, 2023, the City had \$1,637,928 in OPWC loans outstanding. The City made principal payments of \$62,339 on the loans in 2023. The loans are interest free and principal payments are made from the general and capital improvement plan funds. The outstanding loans are scheduled to mature in 2047 and 2050, respectively.

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

Notes Payable

On June 26, 2013, the City entered into a notes payable agreement with Oshkosh Capital to assist in financing a new fire truck. Principal and interest payments were made from the capital improvement plan fund. The notes payable bore an interest rate of 2.90% and matured on June 26, 2023. The City fulfilled this debt obligation during 2023.

On March 4, 2022, the City entered into a notes payable agreement with Caterpillar Financial Services Corporations to assist in financing a caterpillar small wheel loader. Principal and interest payments are made from the capital improvement plan fund. The notes payable bear an interest rate of 3.14% and matures on February 25, 2027.

On November 14, 2022, the City entered into a notes payable agreement with Greenville National Bank to assist in financing a new fire truck, which was recorded as a prepayment on the basic financial statements for the capital improvement plan fund for the year ended December 31, 2022 and is still considered a prepayment as the fire truck was not received for the year ended December 31, 2023. Principal and interest payments are made from the capital improvement plan fund. The notes payable bear an interest rate of 4.50% and matures on November 14, 2032.

The notes payable are a direct borrowing that has terms negotiated directly between the City and the creditor. The creditor, without notice to anyone, may declare the entire debt due after continuous default in the payment of any installment of principal or interest or in the performance or observance of any covenant or condition contained in the agreement. Upon such declaration the entire debt shall be immediately due and payable.

SBITA Payable

The City has entered into SBITA agreements for the right to use subscription software. Due to the implementation of GASB Statement No. 96, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under the SBITA payable. The payments will be made from the general fund and the street construction maintenance and repair fund (a nonmajor governmental fund), and the agreements are expected to end in 2026 and 2025, respectively.

Series 2017 Building Improvement and Equipment Acquisition Bonds

On November 21, 2017, the City issued \$812,361 in building improvement and equipment acquisition bonds. The bonds bear an interest rate of 2.625% and pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2027. The bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment. The payments are made from the capital improvement plan fund.

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Salt Construction Bonds, Series 2021

On April 1, 2021, the City issued \$800,000 in salt barn construction bonds. The bonds bear an interest rate of 2.25% and pay interest semiannually on June 1 and December 1 of each year and mature on December 1, 2030. The bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment. The payments are made from the capital improvement plan fund.

Principal and interest requirements to retire governmental activities long-term obligations outstanding at December 31, 2023 are as follows:

Year Ending December 31,	Series 2017 Building Improvement and Equipment Acquisition Bonds			Salt Construction Bonds, Series 2021		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 85,000	\$ 9,187	\$ 94,187	\$ 80,000	\$ 13,050	\$ 93,050
2025	85,000	6,957	91,957	80,000	11,250	91,250
2026	90,000	4,726	94,726	80,000	9,450	89,450
2027	90,000	2,363	92,363	80,000	7,650	87,650
2028	-	-	-	85,000	5,850	90,850
2029 - 2030	-	-	-	175,000	5,962	180,962
Total	<u>\$ 350,000</u>	<u>\$ 23,233</u>	<u>\$ 373,233</u>	<u>\$ 580,000</u>	<u>\$ 53,212</u>	<u>\$ 633,212</u>

Year Ending December 31,	Main and Ohio Street and Wagner Avenue Widening - OPWC Loans			Notes Payable - 2022 Fire Truck		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 62,339	\$ -	\$ 62,339	\$ 96,405	\$ 47,040	\$ 143,445
2025	62,340	-	62,340	100,872	42,573	143,445
2026	62,340	-	62,340	105,411	38,034	143,445
2027	62,339	-	62,339	110,154	33,291	143,445
2028	62,340	-	62,340	115,034	28,411	143,445
2029-2033	311,699	-	311,699	514,597	59,181	573,778
2034-2038	311,698	-	311,698	-	-	-
2039-2043	311,699	-	311,699	-	-	-
2044-2048	292,308	-	292,308	-	-	-
2049-2050	98,826	-	98,826	-	-	-
Total	<u>\$ 1,637,928</u>	<u>\$ -</u>	<u>\$ 1,637,928</u>	<u>\$ 1,042,473</u>	<u>\$ 248,530</u>	<u>\$ 1,291,003</u>

Year Ending December 31,	SBITA Payable			Notes Payable Caterpillar Small Wheel Loader		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 36,589	\$ 3,435	\$ 40,024	\$ 37,167	\$ 3,293	\$ 40,460
2025	37,732	2,292	40,024	38,352	2,109	40,461
2026	35,642	1,114	36,756	39,573	887	40,460
2027	-	-	-	6,718	26	6,744
Total	<u>\$ 109,963</u>	<u>\$ 6,841</u>	<u>\$ 116,804</u>	<u>\$ 121,810</u>	<u>\$ 6,315</u>	<u>\$ 128,125</u>

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City’s legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City’s legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2023, the City’s total debt margin was \$29,544,057 and the unvoted debt margin was \$15,779,259.

**B. Business-Type Activities Long-Term Obligations**

Due to the implementation of GASB Statement No. 96 (see Note 3 for detail), the City has reported SBITA payable at January 1, 2023. The following changes occurred in the City’s business-type long-term obligations during 2023.

	(Restated)			Balance 12/31/23	Amounts Due in One Year
	Balance 1/1/2023	Additions	Reductions		
<b><u>Business-type activities:</u></b>					
<b><u>Other long-term obligations:</u></b>					
Compensated absences	\$ 208,500	\$ 133,350	\$ (101,265)	\$ 240,585	\$ 117,464
SBITA payable	42,762	19,012	(17,067)	44,707	16,557
Net pension liability	821,741	1,699,974	-	2,521,715	-
Net OPEB liability	-	52,017	-	52,017	-
OWDA loan payable	-	3,196	-	3,196	-
Total business-type activities long-term obligations	<u>\$ 1,073,003</u>	<u>\$ 1,907,549</u>	<u>\$ (118,332)</u>	<u>\$ 2,862,220</u>	<u>\$ 134,021</u>

Compensated absences, pension and postemployment benefits are reported in the statement of net position and will be paid from the fund from which the employees’ salaries are paid, which will primarily be the water, sewer and storm water enterprise funds.

See Notes 13 and 14 for additional disclosure on net pension liability and net OPEB liability, respectively. The City pays obligations related to employee compensation from the fund benefiting from their services.

**SBITA Payable**

The City has entered into SBITA agreements for the right to use subscription software. Due to the implementation of GASB Statement No. 96, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under the SBITA payable. The payments will be made from the water fund, the sewer fund and the storm water fund, and the agreements are expected to end in 2026 and 2025.

**OWDA Loan Payable**

During 2023, the City entered into an OWDA loan agreement for wastewater treatment plant solids handling facility. The City received \$3,196 in loan proceeds during 2023. The loan carries an interest rate of 3.91% and had an outstanding balance of \$3,196 at December 31, 2023. As the loan is still open, an amortization schedule was not available at December 31, 2023 and as a result is not included in the future debt service requirement schedules below.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ending December 31,	SBITA Payable		
	Principal	Interest	Total
2024	\$ 16,557	\$ 1,397	\$ 17,954
2025	17,075	879	17,954
2026	11,075	346	11,421
Total	<u>\$ 44,707</u>	<u>\$ 2,622</u>	<u>\$ 47,329</u>

**NOTE 12 - RISK MANAGEMENT**

**A. Comprehensive**

The City is exposed to various risks of loss related to torts, theft, or damage/destruction of assets, errors and omissions, injuries to employees and natural disasters. During 2023, the City contracted with private carriers for property and fleet insurance, general liability insurance, and various other coverages. Coverage provided during the year is as follows:

Building and Contents - replacement cost (\$1,000 deductible)	\$76,691,006
Boiler and Machinery Coverage	\$76,691,006
Automobile Liability (\$1,000 collision deductible)	\$ 1,000,000
Uninsured Motorists	\$ 1,000,000
General Liability	Limit \$ 1,000,000
	Aggregate \$ 3,000,000
Public Officials	Limit \$ 1,000,000
	Aggregate \$ 3,000,000
Umbrella Coverage	\$ 6,000,000

There have been no significant reductions in insurance coverages during 2023. Settled claims have not exceeded commercial excess coverages in any of the past three years.

**B. Self-Insurance**

The City operates a self-insurance plan for health care benefits. The activity of the plan is recorded in the City's Health Care internal service fund. Monies are expensed on a monthly basis by the funds participating and receipted into the internal service fund. The claims liability of \$227,488 reported on the financial statements at December 31, 2023 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims cost, including estimates of costs relating to incurred, but not reported claims, be reported.

Changes in claims activity for the past two years is as follows:

	Balance January 1	Current Year Claims	Claims Payments	Balance December 31
2022	\$ 144,425	\$ 1,609,802	\$ 1,577,855	\$ 176,372
2023	176,372	1,746,969	1,695,853	227,488

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Asset and Net OPEB Liability***

The net pension liability/asset and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and 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 pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

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

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

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.



**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	State and Local	
	Traditional	Combined
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
<b>2023 Actual Contribution Rates</b>		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$599,763 for 2023. Of this amount, \$76,639 is reported as pension obligation payable.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

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

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

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

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

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

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

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>Police</u>	<u>Firefighters</u>
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2023 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$724,004 for 2023. Of this amount, \$101,983 is reported as pension obligation payable.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.023466%	0.012908%	0.009792%	0.119132%	
Proportion of the net pension liability/asset current measurement date	<u>0.022960%</u>	<u>0.014889%</u>	<u>0.009501%</u>	<u>0.117698%</u>	
Change in proportionate share	<u>-0.000506%</u>	<u>0.001981%</u>	<u>-0.000291%</u>	<u>-0.001433%</u>	
Proportionate share of the net pension liability	\$ 6,782,394	\$ -	\$ -	\$ 11,180,188	\$ 17,962,582
Proportionate share of the net pension asset	-	(35,093)	(743)	-	(35,836)
Pension expense	1,119,759	4,499	(72)	1,375,713	2,499,899

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 225,284	\$ 2,157	\$ 2,138	\$ 167,701	\$ 397,280
Net difference between projected and actual earnings on pension plan investments	1,933,196	12,790	349	1,627,699	3,574,034
Changes of assumptions	71,653	2,324	46	1,008,415	1,082,438
Changes in employer's proportionate percentage/difference between employer contributions	97,876	-	-	118,986	216,862
Contributions subsequent to the measurement date	592,065	1,197	6,501	724,004	1,323,767
Total deferred outflows of resources	<u>\$ 2,920,074</u>	<u>\$ 18,468</u>	<u>\$ 9,034</u>	<u>\$ 3,646,805</u>	<u>\$ 6,594,381</u>
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ -	\$ 5,010	\$ -	\$ 254,716	\$ 259,726
Changes of assumptions	-	-	-	218,011	218,011
Changes in employer's proportionate percentage/difference between employer contributions	106,955	-	-	242,713	349,668
Total deferred inflows of resources	<u>\$ 106,955</u>	<u>\$ 5,010</u>	<u>\$ -</u>	<u>\$ 715,440</u>	<u>\$ 827,405</u>

\$1,323,767 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/increase to the net pension liability/asset in the year ending December 31, 2024.

**CITY OF GREENVILLE  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2024	\$ 271,384	\$ 521	\$ 356	\$ 211,617	\$ 483,878
2025	433,620	2,353	380	514,875	951,228
2026	569,034	3,268	393	597,464	1,170,159
2027	947,016	5,509	438	920,010	1,872,973
2028	-	(14)	249	(36,605)	(36,370)
Thereafter	-	624	717	-	1,341
Total	<u>\$ 2,221,054</u>	<u>\$ 12,261</u>	<u>\$ 2,533</u>	<u>\$ 2,207,361</u>	<u>\$ 4,443,209</u>

**Actuarial Assumptions - OPERS**

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

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

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00 %</u>	

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 10,159,800	\$ 6,782,394	\$ 3,972,998
Combined Plan	(18,313)	(35,093)	(48,389)
Member-Directed Plan	(475)	(743)	(950)

**Actuarial Assumptions - OP&F**

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Experience study assumptions were performed by OP&F's prior actuary and completed as of December 31, 2016. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful live of the participants which was 5.81 years at December 31, 2022.

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, compared to December 31, 2021, are presented below.

Valuation date	1/1/22 with actuarial liabilities rolled forward to 12/31/22
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

*Health Mortality*

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

*Disabled Mortality*

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

*Contingent Annuitant Mortality*

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

*Pre-Retirement Mortality*

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

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

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



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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

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

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50%. A discount rate of 7.50% was used in the previous measurement date. 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%. 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%, 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%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 14,748,825	\$ 11,180,188	\$ 8,213,580

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 14 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability***

See Note 13 for a description of the net OPEB liability.

***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. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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

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

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

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

***Group A*** 30 years of qualifying service credit at any age;

***Group B*** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

***Group C*** 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,799 for 2023. Of this amount, \$358 is reported as pension obligation payable.

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

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

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

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

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

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.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The City's contractually required contribution to OP&F was \$17,327 for 2023. Of this amount, \$2,441 is reported as pension obligation payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, 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, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.022610%	0.119132%	
Proportion of the net OPEB liability current measurement date	<u>0.022189%</u>	<u>0.117698%</u>	
Change in proportionate share	<u>-0.000421%</u>	<u>-0.001433%</u>	
Proportionate share of the net OPEB liability	\$ 139,906	\$ 837,977	\$ 977,883
OPEB expense	(210,592)	75,464	(135,128)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 50,006	\$ 50,006
Net difference between projected and actual earnings on OPEB plan investments	277,859	71,872	349,731
Changes of assumptions	136,649	417,602	554,251
Changes in employer's proportionate percentage/difference between employer contributions	8,288	131,082	139,370
Contributions subsequent to the measurement date	2,799	17,327	20,126
Total deferred outflows of resources	<u>\$ 425,595</u>	<u>\$ 687,889</u>	<u>\$ 1,113,484</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 34,899	\$ 165,234	\$ 200,133
Changes of assumptions	11,245	685,395	696,640
Changes in employer's proportionate percentage/ difference between employer contributions	4,526	141,690	146,216
Total deferred inflows of resources	<u>\$ 50,670</u>	<u>\$ 992,319</u>	<u>\$ 1,042,989</u>

\$20,126 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/increase to the net OPEB liability in the year ending December 31, 2024.

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2024	\$ 50,683	\$ (5,523)	\$ 45,160
2025	100,571	(9,369)	91,202
2026	86,643	(42,127)	44,516
2027	134,229	(22,581)	111,648
2028	-	(72,647)	(72,647)
Thereafter	-	(169,510)	(169,510)
Total	<u>\$ 372,126</u>	<u>\$ (321,757)</u>	<u>\$ 50,369</u>

**Actuarial Assumptions - OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	2.75 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
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.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6% for 2022.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

For each major asset class that is included in the Health Care’s portfolio’s target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	<u>6.00</u>	1.84
Total	<u>100.00 %</u>	

**Discount Rate** - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability/(asset)	\$ 476,176	\$ 139,906	\$ (137,572)



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 131,137	\$ 139,906	\$ 149,776

***Actuarial Assumptions - OP&F***

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.27%
Prior measurement date	2.84%
Cost of Living Adjustments	2.20% simple per year

*Health Mortality*

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

*Disabled Mortality*

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

*Contingent Annuitant Mortality*

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

*Pre-Retirement Mortality*

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

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

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

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

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

**Discount Rate** - For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2035 and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27%.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 1,031,890	\$ 837,977	\$ 674,265

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

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

	General
Budget basis	\$ 1,083,714
Net adjustment for revenue accruals	123,325
Net adjustment for expenditure accruals	436,346
Net adjustment for other sources/uses	(663,355)
Funds budgeted elsewhere	(30,055)
Adjustment for encumbrances	237,752
GAAP basis	\$ 1,187,727

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

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

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2023.

**B. Litigation**

The City is involved in no material litigation as either a plaintiff or defendant.

**NOTE 17 - OTHER COMMITMENTS**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 207,729
Capital improvement plan fund	491,318
Nonmajor governmental funds	<u>60,571</u>
Total	<u>\$ 759,618</u>

**NOTE 18 - RESTRICTED ASSETS**

The City has permissive tax monies on deposit with Darke County at December 31, 2023 in the amount of \$375,212 presented as restricted assets (cash with fiscal agent) on the governmental fund balance sheet in the permissive license tax fund (a nonmajor governmental fund), and in the governmental activities column of the statement of net position.

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**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 19 - FUND BALANCE**

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

Fund balance	General	Capital Improvement Plan	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>				
Materials and supplies inventory	\$ 8,678	\$ -	\$ 77,541	\$ 86,219
Prepayments	<u>203,810</u>	<u>1,129,849</u>	<u>30,657</u>	<u>1,364,316</u>
<b>Total nonspendable</b>	<u>212,488</u>	<u>1,129,849</u>	<u>108,198</u>	<u>1,450,535</u>
<b>Restricted:</b>				
Street construction, maintenance and repair	-	-	1,622,470	1,622,470
Transportation programs	-	-	59,667	59,667
Police and fire pension	-	-	100,401	100,401
Other purposes	<u>-</u>	<u>-</u>	<u>80,732</u>	<u>80,732</u>
<b>Total restricted</b>	<u>-</u>	<u>-</u>	<u>1,863,270</u>	<u>1,863,270</u>
<b>Committed:</b>				
Leisure time activity	<u>89,363</u>	<u>-</u>	<u>-</u>	<u>89,363</u>
<b>Total committed</b>	<u>89,363</u>	<u>-</u>	<u>-</u>	<u>89,363</u>
<b>Assigned:</b>				
Debt service	-	-	18	18
Capital improvements	-	1,698,269	-	1,698,269
General government	43,487	-	-	43,487
Security of persons and property	91,917	-	-	91,917
Public health and welfare	990	-	-	990
Utility services	1,415	-	-	1,415
Subsequent year appropriations	503,227	-	-	503,227
Capital outlay	<u>46,503</u>	<u>-</u>	<u>-</u>	<u>46,503</u>
<b>Total assigned</b>	<u>687,539</u>	<u>1,698,269</u>	<u>18</u>	<u>2,385,826</u>
Unassigned	<u>8,322,487</u>	<u>-</u>	<u>-</u>	<u>8,322,487</u>
<b>Total fund balances</b>	<u>\$ 9,311,877</u>	<u>\$ 2,828,118</u>	<u>\$ 1,971,486</u>	<u>\$ 14,111,481</u>

**NOTE 20 - SIGNIFICANT SUBSEQUENT EVENT**

In May 2024, the City experienced an estimated \$400,000 in tornado damage primarily to the City's Park. The estimated damage is anticipated to be covered fully by the City's insurance policies.

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REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.022960%	0.023466%	0.022146%	0.021141%
City's proportionate share of the net pension liability	\$ 6,782,394	\$ 2,041,637	\$ 3,279,339	\$ 4,178,663
City's covered payroll	\$ 3,575,993	\$ 3,427,829	\$ 3,148,871	\$ 2,991,736
City's proportionate share of the net pension liability as a percentage of its covered payroll	189.66%	59.56%	104.14%	139.67%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	92.62%	86.88%	82.17%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.014889%	0.012908%	0.011290%	0.017769%
City's proportionate share of the net pension asset	\$ 35,093	\$ 50,857	\$ 32,590	\$ 37,053
City's covered payroll	\$ 69,264	\$ 58,850	\$ 49,750	\$ 79,100
City's proportionate share of the net pension asset as a percentage of its covered payroll	50.67%	86.42%	65.51%	46.84%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.009501%	0.009792%	0.010304%	0.010429%
City's proportionate share of the net pension asset	\$ 743	\$ 1,778	\$ 1,878	\$ 394
City's covered payroll	\$ 64,660	\$ 61,390	\$ 61,890	\$ 61,990
City's proportionate share of the net pension asset as a percentage of its covered payroll	1.15%	2.90%	3.03%	0.64%
Plan fiduciary net position as a percentage of the total pension asset	126.74%	171.84%	188.21%	118.84%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	0.020243%	0.022649%	0.019703%	0.020064%	0.019367%	0.019367%
\$	5,544,147	\$ 3,553,190	\$ 4,474,217	\$ 3,475,339	\$ 2,335,876	\$ 2,283,117
\$	2,743,507	\$ 2,790,169	\$ 2,559,600	\$ 2,386,608	\$ 2,303,058	\$ 2,416,423
	202.08%	127.35%	174.80%	145.62%	101.42%	94.48%
	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
	0.024828%	0.025492%	0.019963%	0.018590%	0.015279%	0.015279%
\$	27,763	\$ 34,703	\$ 11,111	\$ 9,046	\$ 5,883	\$ 1,604
\$	106,186	\$ 104,408	\$ 77,708	\$ 53,492	\$ 55,850	\$ 50,931
	26.15%	33.24%	14.30%	16.91%	10.53%	3.15%
	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%
	0.010787%	0.000000%	0.015830%	0.015880%	n/a	n/a
\$	246	\$ -	\$ 66	\$ 61	n/a	n/a
\$	61,660	\$ 62,350	\$ 65,058	\$ 88,442	n/a	n/a
	0.40%	0.00%	0.10%	0.07%	n/a	n/a
	113.42%	124.46%	103.40%	103.91%	n/a	n/a

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net pension liability	0.117698%	0.119132%	0.117119%	0.121768%
City's proportionate share of the net pension liability	\$ 11,180,188	\$ 7,442,653	\$ 7,984,107	\$ 8,202,923
City's covered payroll	\$ 3,264,859	\$ 3,089,868	\$ 2,918,672	\$ 2,950,002
City's proportionate share of the net pension liability as a percentage of its covered payroll	342.44%	240.87%	273.55%	278.06%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.122120%	0.129230%	0.118427%	0.127756%	0.130759%	0.130759%
\$ 9,968,219	\$ 7,931,425	\$ 7,501,008	\$ 8,218,653	\$ 6,773,877	\$ 6,368,388
\$ 2,726,662	\$ 2,957,311	\$ 2,596,800	\$ 2,507,653	\$ 2,613,794	\$ 2,501,331
365.58%	268.20%	288.86%	327.74%	259.16%	254.60%
63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 592,065	\$ 500,639	\$ 479,896	\$ 440,842
Contributions in relation to the contractually required contribution	(592,065)	(500,639)	(479,896)	(440,842)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,229,036	\$ 3,575,993	\$ 3,427,829	\$ 3,148,871
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
 <i>Combined Plan:</i>				
Contractually required contribution	\$ 1,197	\$ 9,697	\$ 8,239	\$ 6,965
Contributions in relation to the contractually required contribution	(1,197)	(9,697)	(8,239)	(6,965)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 9,975	\$ 69,264	\$ 58,850	\$ 49,750
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%
 <i>Member Directed Plan:</i>				
Contractually required contribution	\$ 6,501	\$ 6,466	\$ 6,139	\$ 6,189
Contributions in relation to the contractually required contribution	(6,501)	(6,466)	(6,139)	(6,189)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 65,010	\$ 64,660	\$ 61,390	\$ 61,890
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 418,843	\$ 384,091	\$ 362,722	\$ 307,152	\$ 286,393	\$ 276,367
<u>(418,843)</u>	<u>(384,091)</u>	<u>(362,722)</u>	<u>(307,152)</u>	<u>(286,393)</u>	<u>(276,367)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,991,736	\$ 2,743,507	\$ 2,790,169	\$ 2,559,600	\$ 2,386,608	\$ 2,303,058
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 11,074	\$ 14,866	\$ 13,573	\$ 9,325	\$ 6,419	\$ 6,702
<u>(11,074)</u>	<u>(14,866)</u>	<u>(13,573)</u>	<u>(9,325)</u>	<u>(6,419)</u>	<u>(6,702)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 79,100	\$ 106,186	\$ 104,408	\$ 77,708	\$ 53,492	\$ 55,850
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 6,199	\$ 6,166	\$ 6,235	\$ 7,807	\$ 10,613	
<u>(6,199)</u>	<u>(6,166)</u>	<u>(6,235)</u>	<u>(7,807)</u>	<u>(10,613)</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 61,990	\$ 61,660	\$ 62,350	\$ 65,058	\$ 88,442	
10.00%	10.00%	10.00%	12.00%	12.00%	

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Police:</i>				
Contractually required contribution	\$ 381,563	\$ 359,796	\$ 328,899	\$ 313,504
Contributions in relation to the contractually required contribution	<u>(381,563)</u>	<u>(359,796)</u>	<u>(328,899)</u>	<u>(313,504)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,008,226	\$ 1,893,663	\$ 1,731,047	\$ 1,650,021
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 342,441	\$ 322,231	\$ 319,323	\$ 298,133
Contributions in relation to the contractually required contribution	<u>(342,441)</u>	<u>(322,231)</u>	<u>(319,323)</u>	<u>(298,133)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,457,196	\$ 1,371,196	\$ 1,358,821	\$ 1,268,651
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 328,677	\$ 301,254	\$ 339,859	\$ 284,611	\$ 265,677	\$ 265,204
<u>(328,677)</u>	<u>(301,254)</u>	<u>(339,859)</u>	<u>(284,611)</u>	<u>(265,677)</u>	<u>(265,204)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,729,879	\$ 1,585,547	\$ 1,788,732	\$ 1,497,953	\$ 1,398,300	\$ 1,395,811
19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
\$ 286,729	\$ 268,162	\$ 274,616	\$ 258,229	\$ 260,698	\$ 286,226
<u>(286,729)</u>	<u>(268,162)</u>	<u>(274,616)</u>	<u>(258,229)</u>	<u>(260,698)</u>	<u>(286,226)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,220,123	\$ 1,141,115	\$ 1,168,579	\$ 1,098,847	\$ 1,109,353	\$ 1,217,983
23.50%	23.50%	23.50%	23.50%	23.50%	23.50%



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability/asset	0.022189%	0.022610%	0.021363%	0.020622%
City's proportionate share of the net OPEB liability/(asset)	\$ 139,906	\$ (708,180)	\$ (380,599)	\$ 2,848,434
City's covered payroll	\$ 3,709,917	\$ 3,548,069	\$ 3,260,511	\$ 3,132,826
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	3.77%	19.96%	11.67%	90.92%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<u>2019</u>	<u>2018</u>	<u>2017</u>
	0.020008%	0.020880%	0.019518%
\$	2,608,571	\$ 2,267,414	\$ 1,971,423
\$	2,911,353	\$ 2,956,927	\$ 2,702,366
	89.60%	76.68%	72.95%
	46.33%	54.14%	54.05%

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability	0.117698%	0.119132%	0.117119%	0.121768%
City's proportionate share of the net OPEB liability	\$ 837,977	\$ 1,305,785	\$ 1,240,895	\$ 1,202,788
City's covered payroll	\$ 3,264,859	\$ 3,089,868	\$ 2,918,672	\$ 2,950,002
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	25.67%	42.26%	42.52%	40.77%
Plan fiduciary net position as a percentage of the total OPEB liability	52.59%	46.86%	45.42%	47.08%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.122120%	0.129230%	0.118427%
\$ 1,112,090	\$ 7,321,991	\$ 5,621,463
\$ 2,726,662	\$ 2,957,311	\$ 2,596,800
40.79%	247.59%	216.48%
46.57%	14.13%	15.96%

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Contractually required contribution	\$ 2,799	\$ 2,585	\$ 2,456	\$ 2,474
Contributions in relation to the contractually required contribution	(2,799)	(2,585)	(2,456)	(2,474)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,304,021	\$ 3,709,917	\$ 3,548,069	\$ 3,260,511
Contributions as a percentage of covered payroll	0.07%	0.07%	0.07%	0.08%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,480	\$ 2,466	\$ 31,440	\$ 56,444	\$ 48,802	\$ 48,572
<u>(2,480)</u>	<u>(2,466)</u>	<u>(31,440)</u>	<u>(56,444)</u>	<u>(48,802)</u>	<u>(48,572)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,132,826	\$ 2,911,353	\$ 2,956,927	\$ 2,702,366	\$ 2,528,542	\$ 2,358,908
0.08%	0.08%	1.06%	2.09%	1.93%	2.06%

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<i>Police:</i>				
Contractually required contribution	\$ 10,041	\$ 9,468	\$ 8,655	\$ 8,250
Contributions in relation to the contractually required contribution	(10,041)	(9,468)	(8,655)	(8,250)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 2,008,226	\$ 1,893,663	\$ 1,731,047	\$ 1,650,021
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
 <i>Fire:</i>				
Contractually required contribution	\$ 7,286	\$ 6,856	\$ 6,794	\$ 6,343
Contributions in relation to the contractually required contribution	(7,286)	(6,856)	(6,794)	(6,343)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,457,196	\$ 1,371,196	\$ 1,358,821	\$ 1,268,651
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 8,649	\$ 7,928	\$ 8,944	\$ 7,490	\$ 7,180	\$ 6,908
<u>(8,649)</u>	<u>(7,928)</u>	<u>(8,944)</u>	<u>(7,490)</u>	<u>(7,180)</u>	<u>(6,908)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,729,879	\$ 1,585,547	\$ 1,788,732	\$ 1,497,953	\$ 1,398,300	\$ 1,395,811
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
\$ 6,101	\$ 5,706	\$ 5,843	\$ 5,494	\$ 5,547	\$ 6,057
<u>(6,101)</u>	<u>(5,706)</u>	<u>(5,843)</u>	<u>(5,494)</u>	<u>(5,547)</u>	<u>(6,057)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,220,123	\$ 1,141,115	\$ 1,168,579	\$ 1,098,847	\$ 1,109,353	\$ 1,217,983
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%



**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023

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PENSION

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

(Continued)

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

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PENSION

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

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

(Continued)

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% down to 3.16%, (b) the municipal bond rate was decreased from 3.71% down to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% down to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

(Continued)

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

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OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% down to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50% and (b) the discount rate was changed from 2.96% to 2.84%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

## **SUPPLEMENTARY INFORMATION**

**CITY OF GREENVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<b>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE</b>	<b>ASSISTANCE LISTING NUMBER</b>	<b>PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION</b>	<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>			
<i>Direct Award</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19, OH0144	\$ 663,355
<i>Passed through the Ohio Department of Development</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - Water and Wastewater Infrastructure Program	21.027	COVID-19, DEV-2021-182128	<u>1,138,219</u>
<b>Total Coronavirus State and Local Fiscal Recovery Funds and U.S. Department of the Treasury</b>			<u>1,801,574</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Passed through the Ohio Department of Transportation</i>			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	OH-2020-005/OH-2023-025	<u>359,544</u>
<b>Total Formula Grants for Rural Areas and Tribal Transit Program and U.S. Department of Transportation</b>			<u>359,544</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 2,161,118</u>

*The accompanying notes are an integral part of this schedule.*

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Greenville under programs of the federal government for the year ended December 31, 2023 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Greenville, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Greenville. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

**NOTE 2 – DE MINIMIS COST RATE**

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The City of Greenville has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 – MATCHING REQUIREMENTS**

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

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

City of Greenville  
Darke County  
100 Public Square  
Greenville, OH 45331

To the Members of the City Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenville, Darke County, Ohio, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Greenville's basic financial statements, and have issued our report thereon dated July 29, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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



City of Greenville

Darke County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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



Julian & Grube, Inc.

July 29, 2024

**Independent Auditor’s Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by the Uniform Guidance**

City of Greenville  
Darke County  
100 Public Square  
Greenville, OH 45331

To the Members of the City Council and Mayor:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Greenville’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Greenville’s major federal programs for the year ended December 31, 2023. The City of Greenville’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings.

In our opinion, the City of Greenville complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

**Report on Internal Control over Compliance**

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

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

City of Greenville  
Darke County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by the Uniform Guidance

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

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
July 29, 2024

**CITY OF GREENVILLE  
DARKE COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2023**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	None Reported
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other significant deficiencies in internal control reported for major federal programs?</i>	None Reported
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program(s) (listed):</i>	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (ALN 21.027)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	No

<b>2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF GREENVILLE**

**DARKE COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 10/3/2024**

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

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