CITY OF GENEVA, OHIO
ASHTABULA COUNTY

REGULAR AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

OHIO AUDITOR OF STATE
KEITH FABER

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City Council
City of Geneva
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Geneva, Ohio 44041

We have reviewed the *Independent Auditor's Report* of the City of Geneva, Ashtabula County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2021 through December 31, 2021. 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 Geneva is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

October 18, 2022

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City of Geneva, Ohio

For the Year Ended December 31, 2021

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Independent Auditor's Report

To the Members of the City Council
City of Geneva, Ohio

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 Geneva, Ohio (the "City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Street Construction, Maintenance, and Repair 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 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.

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To the Members of the City Council
City of Geneva, Ohio

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

To the Members of the City Council
City of Geneva, Ohio

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required schedules on pensions and other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Ciuni & Panichi, Inc.

Cleveland, Ohio
August 31, 2022

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The management's discussion and analysis of the City of Geneva's (the "City") financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof.

Financial Highlights

Key financial highlights for 2021 are as follows:

- In 2020, OPERS approved several changes to the health care plan offered to Medicare and non-Medicare retirees. 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. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020. These changes were adjusted through expenses in the current year.

- In 2021, the City received $310,954 in American Rescue Plan funding.

- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2021 by $24,559,553. This is an increase of $2,621,701 over the 2020 net position. Net position of the City's governmental activities increased $1,218,890, while net position of the business-type activities increased $1,402,811.

- Total assets increased by $243,063 and deferred outflows of resources decreased by $34,975. The main factor affecting total assets was an increase in cash and cash equivalents (up $916,648) and net OPEB asset (up $205,505) offset by a decrease in capital assets, net (down $927,735 as depreciation outpaced additions). The main fluctuation in deferred outflows of resources related to OPEB activity.

- Total liabilities decreased by $2,951,196 and deferred inflows of resources increased by $537,583. The main fluctuation in liabilities related to net OPEB liability, (down $1,599,543) and other long-term liabilities (down $926,307). The main fluctuation in deferred inflows of resources related to OPEB activity.

Using this Annual Financial Report

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The City's basic financial statements are comprised of three components:

1) Government-wide financial statements,

2) Fund financial statements, and

3) Notes to the financial statements

Government-Wide Financial Statements – Reporting the City of Geneva as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, an increase or decrease in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, in evaluating the overall position of the City, non-financial factors such as the City's tax base, change in property and municipal income tax laws, and the condition of the capital assets should also be considered. Both the Statement of Net Position and the Statement of Activities use the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities: most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration. Municipal income tax, state and county taxes, licenses, permits, and charges for services finance most of these activities.

- Business-type activities: the City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's wastewater and water systems are reported here.

Fund Financial Statements – Reporting the City of Geneva'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 objects. 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 of Geneva can be divided into three categories: governmental, proprietary, and fiduciary funds.

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 spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds.

The basic governmental fund financial statements can be found starting on page 20 of this report.

Proprietary Funds

The City of Geneva maintains 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 wastewater and water operations. The City does not maintain internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found starting on page 28 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the City's own programs. The fiduciary fund financial statements can be found starting on page 32 of this report.

Notes to the Basic Financial Statements

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

Government-Wide Financial Analysis – City of Geneva as a Whole

As noted earlier, the Statement of Net Position looks at the City as a whole and can prove to be a useful indicator of the City's financial position.

The Statement of Net Position and the Statement of Activities are divided into the following categories:

- Assets
- Deferred outflows of resources
- Liabilities
- Deferred inflows of resources
- Net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources)
- Program expenses and revenues
- General revenues
- Transfers
- Net position beginning and end of year

Table 1 provides a summary of the City's net position for 2021 as compared to 2020.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	$ 5,991,396	$ 5,451,197	$ 3,878,299	$ 3,479,104	$ 9,869,695	$ 8,930,301
Capital assets, net	16,236,073	16,906,258	21,648,195	21,905,745	37,884,268	38,812,003
Net pension asset	53,648	36,658	28,133	19,224	81,781	55,882
Net OPEB asset	134,811	-	70,694	-	205,505	-
Total assets	22,415,928	22,394,113	25,625,321	25,404,073	48,041,249	47,798,186
Deferred outflows of resources:						
Deferred charge on refunding	7,019	7,897	-	-	7,019	7,897
Pension	789,981	661,909	87,707	128,812	877,688	790,721
OPEB	360,654	425,910	35,002	90,810	395,656	516,720
Total deferred outflows of resources	1,157,654	1,095,716	122,709	219,622	1,280,363	1,315,338
Liabilities:						
Current liabilities	734,227	635,609	498,772	598,395	1,232,999	1,234,004
Long-term liabilities:						
Due within one year	452,023	488,788	676,614	937,322	1,128,637	1,426,110
Due in more than one year	2,541,660	2,862,504	11,830,902	12,138,892	14,372,562	15,001,396
Net pension liability	3,945,808	4,133,751	580,958	817,356	4,526,766	4,951,107
Net OPEB liability	441,074	1,468,530	-	572,087	441,074	2,040,617
Total liabilities	8,114,792	9,589,182	13,587,246	15,064,052	21,702,038	24,653,234
Deferred inflows of resources:						
Property taxes	706,755	677,020	-	-	706,755	677,020
Pension	967,755	894,713	306,681	237,142	1,274,436	1,131,855
OPEB	717,653	481,177	243,915	119,896	961,568	601,073
Payments in lieu of taxes	-	-	117,262	112,490	117,262	112,490
Total deferred inflows of resources	2,392,163	2,052,910	667,858	469,528	3,060,021	2,522,438
Net position:						
Net investment in capital assets	13,472,305	13,807,364	8,893,217	8,501,928	22,365,522	22,309,292
Restricted for:						
Debt service	3,873	1,964	-	-	3,873	1,964
Capital projects	332,092	117,574	-	-	332,092	117,574
Other purposes	1,406,151	1,291,354	-	-	1,406,151	1,291,354
Unrestricted	(2,147,794)	(3,370,519)	2,599,709	1,588,187	451,915	(1,782,332)
Total net position	$ 13,066,627	$ 11,847,737	$ 11,492,926	$ 10,090,115	$ 24,559,553	$ 21,937,852

The City follows Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* and GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to pensions and other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension/OPEB, the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB and the net pension/OPEB asset.

GASB 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/OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension/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 (asset) to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension/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/OPEB. 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 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 health care 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/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/OPEB liability. As explained above, changes in pension 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/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

Total assets increased by $243,063. The main factor affecting total assets was an increase in cash and cash equivalents (up $916,648) and net OPEB asset (up $205,505). These increases were offset by a decrease in capital assets, net (down $927,735) as depreciation outpaced additions. The increase in cash and cash equivalents is the product of receipts outpacing expenditures in 2021, as the City received funding from the American Rescue Plan Act as well as ODOT in 2021. The increase in net OPEB asset was due to changes in the OPERS OPEB plan.

Total deferred outflows of resources decreased by $34,975. The main fluctuation in deferred outflows of resources related to OPEB activity, due to the effects of GASB 75.

Total liabilities decreased by $2,951,196. The main fluctuations in liabilities related to other long-term liabilities, (down $926,307) and net OPEB liability (down $1,599,543). Other long-term liabilities decreased as the City made payments on existing debt. The decrease in the net OPEB liability was due to a change in assumptions and changes in benefits.

Total deferred inflows of resources increased by $537,583. The main fluctuation in deferred inflows of resources related to OPEB activity, due to the effects of GASB 75.

The largest portion of the City's net position reflects the investments in capital assets less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, they are not available for future spending. Net investment in capital assets as of December 31, 2021, was $22,365,522. Although the City's investment is reported net of related debt, it should be noted that resources to repay the debt must be provided from other sources since capital assets may not be used to liquidate these liabilities.

An additional portion of the City's net position, $1,742,116 represents resources that have been restricted on how they may be used.

The City is associated with the Community Improvement Corporation of Geneva (CIC). The CIC is a legally separate, non-profit organization, served by a 15-member board comprised of City officials and community representatives. Charged with the responsibilities of advancing, encouraging and promoting the industrial, economic, commercial, and civic development of the Geneva area, the CIC is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The CIC is not deemed significant to the City; therefore, it has been excluded from the reporting entity. Separately issued financial statements can be obtained from the City of Geneva.

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for the current year.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 683,105	$ 682,883	$ 3,163,348	$ 3,106,670	$ 3,846,453	$ 3,789,553
Operating grants and contributions	397,549	387,897	80,306	19,960	477,855	407,857
Capital grants and contributions	305,111	940,521	129,669	135,164	434,780	1,075,685
Total program revenues	1,385,765	2,011,301	3,373,323	3,261,794	4,759,088	5,273,095
General revenues:						
Property and other local taxes	834,713	843,366	-	-	834,713	843,366
Municipal income taxes	3,128,489	2,909,609	-	-	3,128,489	2,909,609
Cable franchise tax	76,668	75,228	-	-	76,668	75,228
Grants and entitlements not restricted to specific programs	359,896	698,499	-	-	359,896	698,499
Investment income	4,029	6,127	6,074	8,001	10,103	14,128
Miscellaneous income	229,750	338,375	-	-	229,750	338,375
Total general revenues	4,633,545	4,871,204	6,074	8,001	4,639,619	4,879,205
Total revenues	6,019,310	6,882,505	3,379,397	3,269,795	9,398,707	10,152,300
Program expenses:						
General government	807,743	1,492,396	-	-	807,743	1,492,396
Security of persons and property	2,628,203	2,908,301	-	-	2,628,203	2,908,301
Leisure time activities	142,435	200,232	-	-	142,435	200,232
Community development	48,829	124,505	-	-	48,829	124,505
Transportation	1,007,930	1,114,989	-	-	1,007,930	1,114,989
Interest and fiscal charges	64,693	63,919	-	-	64,693	63,919
Wastewater	-	-	965,836	1,300,109	965,836	1,300,109
Water	-	-	1,111,337	1,340,755	1,111,337	1,340,755
Total program expenses	4,699,833	5,904,342	2,077,173	2,640,864	6,777,006	8,545,206
Change in net position before transfers	1,319,477	978,163	1,302,224	628,931	2,621,701	1,607,094
Transfers	(100,587)	(108,806)	100,587	108,806	-	-
Change in net position	1,218,890	869,357	1,402,811	737,737	2,621,701	1,607,094
Net position at beginning of year	11,847,737	10,978,380	10,090,115	9,352,378	21,937,852	20,330,758
Net position at end of year	$ 13,066,627	$ 11,847,737	$ 11,492,926	$ 10,090,115	$ 24,559,553	$ 21,937,852

Governmental Activities

The City's largest revenue source is municipal income taxes. The City levies a municipal income tax of 1.5% on all salaries, wages, commissions and other compensation, and net profits earned within the City, as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 1% of the tax paid to another municipality.

Employers within the City are required to withhold municipal 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.

In 2021, City municipal income tax revenue recorded by the governmental activities was $3,128,489, which increased as collections were able to rebound from the effect of the COVID-19 pandemic in the prior year.

Property and other local tax revenue recorded by the City for governmental activities was $834,713, which remained relatively consistent with the prior year. The full voted tax rate for 2021 was 8.7 mills. A mill is $1.00 for every $1,000 of assessed valuation. The annual property tax is calculated using the taxable value (market value multiplied by 35%) of the property effective tax rate levied by the City of Geneva.

Grants and entitlements decreased in 2021 as the City was able to recognize more grant revenues due to using more CARES ACT funding in 2020 compared to 2021. Capital grants decreased as the City received less ODOT contributions related to the Water Street bridge project compared to the prior year. Miscellaneous income decreased in the current year due to various one-time amounts from Bureau of Workers' Compensation received in the prior year.

Expenses for the City decreased primarily due to a decrease in general government. General government decreased $684,653 from the prior year. This decrease can be attributed to the negative OPEB expense in the current year, which was due to a changes in benefit terms related to OPERS other postemployment benefits.

Effects of GASB 68 and GASB 75

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

Under GASB 68, pension expense represents additional amounts earned based on a proportionate share of the net pension liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 68, the pension expense for 2021 is $94,271, while in 2020 pension expense was $551,916.

Under GASB 75, OPEB expense represents additional amounts earned based on a proportionate share of the net OPEB liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 75, the OPEB expense for 2021 is $(1,316,853), while in 2020 OPEB expense was $132,548.

All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and net pension/OPEB liability/asset and are described in more detail in their respective notes.

Business-Type Activities

The business-type activities of the City, which include the City's wastewater and water operations, increased the City's net position by $1,402,811 as charges for services were able to outpace related expenses.

The City's sanitary sewer and wastewater treatment system services not only include the City, but a few surrounding communities. The Water Fund accounts for distribution of water to individuals and commercial users in various parts of the City.

The City's Funds

Governmental Funds

Information about the City's major funds starts on page 20. These funds are accounted for using the modified accrual basis of accounting.

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

As of the end of the year, the City's governmental funds reported combined ending fund balances of $3,469,738. In 2021, the unassigned fund balance, which is available for spending at the government's discretion, is $1,681,223.

The General Fund is the main operating fund of the City. At the end of 2021, total fund balance for the General Fund was $2,220,726, of which $1,792,370 was unassigned for financial reporting purposes.

General Fund Budgeting Highlights

The most significant budgeted fund is the General Fund. Over the course of the year, the City Council revised the City's General Fund budget to prevent budget overruns.

For the General Fund, the original budgeted revenues and other financing sources were $3,987,207. The final budgeted revenues and other financing sources were $3,906,072. The City actually received $4,431,031 in 2021. The increase was a result of more than anticipated revenues related to municipal income tax revenues and charges for services.

The original appropriations, including other financing uses for the General Fund were $5,023,903. The final appropriations, including other financing uses, were $5,419,454. Actual expenditures, including other financing uses ended $769,189 below the final budgeted amount primarily due to decreases in transfers and advances out.

Business-Type Funds

The City's major enterprise funds consist of the Wastewater Fund and Water Fund. The basic financial statements for the major funds are included in this report.

Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide separate information for the Wastewater and Water Funds. The basic proprietary fund financial statements can be found on page 28 through 31 of this report.

Capital Assets and Debt Administration

Capital Assets

At the end of 2021, the City of Geneva had net book value of $37,884,268 in a broad range of capital assets.

Table 3 shows fiscal 2021 balances of capital assets as compared to 2020:

Table 3
Capital Assets at December 31

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	$ 884,215	$ 884,215	$ -	$ -	$ 884,215	$ 884,215
Building and land improvements	5,226,690	5,185,070	4,493,101	4,493,101	9,719,791	9,678,171
Machinery and equipment	1,980,157	1,726,080	1,600,937	1,594,079	3,581,094	3,320,159
Vehicles	3,491,727	3,425,301	529,523	529,523	4,021,250	3,954,824
Infrastructure	27,175,255	27,135,245	19,300,689	19,300,689	46,475,944	46,435,934
Intangibles	-	-	45,431	38,831	45,431	38,831
Historical treasurers	46,378	46,378	-	-	46,378	46,378
Construction in progress	20,897	11,975	6,036,197	5,697,952	6,057,094	5,709,927
Less: accumulated depreciation	(22,589,246)	(21,508,006)	(10,357,683)	(9,748,430)	(32,946,929)	(31,256,436)
Total capital assets	$ 16,236,073	$ 16,906,258	$ 21,648,195	$ 21,905,745	$ 37,884,268	$ 38,812,003

The decrease in governmental activities and business-type activities capital assets was due to depreciation outpacing additions in the current year.

Multiple projects are funded with loans from the Ohio Public Works Commission and Ohio Water Development Authority. More detailed information about the City's capital assets is presented in Note 8 to the financial statements.

City of Geneva, Ohio

Management's Discussion and Analysis (Unaudited)

For the Year Ended December 31, 2021

Debt and Other Long-Term Liabilities

At December 31, 2021, the City of Geneva had $20,469,039 in total debt and other long-term obligations outstanding with $1,128,637 due within one year. Table 4 summarizes the outstanding obligations of the City.

Table 4
Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
General obligation bonds	$ 1,002,180	$ 1,201,474	$ -	$ -	$ 1,002,180	$ 1,201,474
OPWC loans	649,305	758,203	513,776	610,460	1,163,081	1,368,663
OWDA loans	-	-	11,931,860	12,407,084	11,931,860	12,407,084
Notes payable	973,010	1,116,667	-	-	973,010	1,116,667
Capital leases	125,393	2,830	3,884	5,939	129,277	8,769
Accrued compensated absences	243,795	272,118	57,996	52,731	301,791	324,849
Net pension liability	3,945,808	4,133,751	580,958	817,356	4,526,766	4,951,107
Net OPEB liability	441,074	1,468,530	-	572,087	441,074	2,040,617
Total	$ 7,380,565	$ 8,953,573	$ 13,088,474	$ 14,465,657	$ 20,469,039	$ 23,419,230

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined by Ohio Revised Code) 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 un-voted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of percentage. The aggregate amount of the City's un-voted debt is also subject to overlapping debt restrictions within other political subdivisions. The actual aggregate amount of the City's un-voted debt, when added to that of other political subdivisions within the respective counties in which the City lies, is limited to ten mills. This millage is measured against the property values in each overlapping district.

More detailed information about the City's long-term liabilities is presented in Notes 9, 10, 11, and 12 to the financial statements.

Current Related Financial Activities

The City's elected and appointed officials considered many factors when setting the fiscal year 2022 budget. The economy is one factor that is recognized in the challenging budget process along with basic operating costs of the City such as negotiated salary increases, benefits, and infrastructure.

Despite the uncertainties caused by COVID-19, with respect to second half real estate tax revenue, the City systems of budgeting and internal controls are well regarded and the City is well prepared to meet the challenges of the future. In conclusion, management has been committed to provide the residents of the City with full disclosure of the financial position of the City.

Contacting the City of Geneva's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional financial information, contact Interim Finance Director, Tammy Caya, City of Geneva, at 440-466-3316.

City of Geneva, Ohio

Statement of Net Position

December 31, 2021

	Governmental Activities		Business-Type Activities		Total
Assets:					
Equity in pooled cash and cash equivalents	$ 3,535,877	$	2,755,261	$	6,291,138
Restricted cash and cash equivalents	21,881		-		21,881
Materials and supplies inventory	7,154		39,687		46,841
Accounts receivable	120,980		435,017		555,997
Intergovernmental receivable	361,507		502,516		864,023
Prepaid items	166,404		25,628		192,032
Municipal income taxes receivable	802,140		-		802,140
Property taxes receivable	724,647		-		724,647
Special assessment receivable	250,806		120,190		370,996
Non-depreciable capital assets	951,490		6,081,628		7,033,118
Depreciable capital assets, net	15,284,583		15,566,567		30,851,150
Net pension asset	53,648		28,133		81,781
Net OPEB asset	134,811		70,694		205,505
Total assets	22,415,928		25,625,321		48,041,249
Deferred outflows of resources:					
Deferred charge on refunding	7,019		-		7,019
Pension	789,981		87,707		877,688
OPEB, adjusted for internal proportional share	360,654		35,002		395,656
Total deferred outflows of resources	1,157,654		122,709		1,280,363
Liabilities:					
Accounts payable	93,432		133,654		227,086
Accrued wages and benefits	100,697		15,868		116,565
Intergovernmental payable	18,140		114,042		132,182
Deposits to others	21,881		-		21,881
Accrued interest payable	22,391		96		22,487
Retainage payable	-		194,612		194,612
Unearned revenue	477,686		40,500		518,186
Long-term liabilities:					
Due within one year	452,023		676,614		1,128,637
Due in more than one year:					
Other amounts due in more than one year	2,541,660		11,830,902		14,372,562
Net pension liability	3,945,808		580,958		4,526,766
Net OPEB liability	441,074		-		441,074
Total liabilities	8,114,792		13,587,246		21,702,038
Deferred inflows of resources:					
Property taxes	706,755		-		706,755
Pension	967,755		306,681		1,274,436
OPEB, adjusted for internal proportional share	717,653		243,915		961,568
Payments in lieu of taxes	-		117,262		117,262
Total deferred inflows of resources	2,392,163		667,858		3,060,021
Net position:					
Net investment in capital assets	13,472,305		8,893,217		22,365,522
Restricted for:					
Debt service	3,873		-		3,873
Capital projects	332,092		-		332,092
Other purposes	1,406,151		-		1,406,151
Unrestricted	(2,147,794)		2,599,709		451,915
Total net position	$ 13,066,627	$	11,492,926	$	24,559,553

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Activities

For the Year Ended December 31, 2021

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 807,743	$ 44,339	$ 20,514	$ 101,805
Security of persons and property	2,628,203	538,078	-	19,852
Leisure time activities	142,435	59,558	-	-
Community development	48,829	39,224	-	-
Transportation	1,007,930	1,906	377,035	183,454
Interest and fiscal charges	64,693	-	-	-
Total governmental activities	4,699,833	683,105	397,549	305,111
Business-type activities:				
Wastewater	965,836	1,614,553	-	118,108
Water	1,111,337	1,548,795	80,306	11,561
Total business-type activities	2,077,173	3,163,348	80,306	129,669
Totals	$ 6,777,006	$ 3,846,453	$ 477,855	$ 434,780

General revenues:

Property and other local taxes levied for:
General purposes
Other purposes
Municipal income taxes levied for:
General purposes
Cable franchise tax
Grants and entitlements not restricted to specific programs
Investment income
Miscellaneous income

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position, at beginning of year

Net position, at end of year

The accompanying notes are an integral part of these basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (641,085)	$ -	$ (641,085)
(2,070,273)	-	(2,070,273)
(82,877)	-	(82,877)
(9,605)	-	(9,605)
(445,535)	-	(445,535)
(64,693)	-	(64,693)
(3,314,068)	-	(3,314,068)
-	766,825	766,825
-	529,325	529,325
-	1,296,150	1,296,150
(3,314,068)	1,296,150	(2,017,918)
341,032	-	341,032
493,681	-	493,681
3,128,489	-	3,128,489
76,668	-	76,668
359,896	-	359,896
4,029	6,074	10,103
229,750	-	229,750
4,633,545	6,074	4,639,619
(100,587)	100,587	-
4,532,958	106,661	4,639,619
1,218,890	1,402,811	2,621,701
11,847,737	10,090,115	21,937,852
$ 13,066,627	$ 11,492,926	$ 24,559,553

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Balance Sheet –
Governmental Funds

December 31, 2021

	General	Street Construction, Maintenance, and Repair	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	$ 1,797,181	$ 165,359	$ 1,573,337	$ 3,535,877
Restricted cash and cash equivalents	-	-	21,881	21,881
Materials and supplies inventory	-	7,154	-	7,154
Accounts receivable	120,980	-	-	120,980
Intergovernmental receivable	139,389	174,840	47,278	361,507
Prepaid items	144,527	21,877	-	166,404
Municipal income taxes receivable	802,140	-	-	802,140
Property taxes receivable	298,446	-	426,201	724,647
Special assessments receivable	4,628	-	246,178	250,806
Advance to other funds	111,376	-	-	111,376
Total assets	$ 3,418,667	$ 369,230	$ 2,314,875	$ 6,102,772
Liabilities, deferred inflows of resources, and fund balances:				
Accounts payable	$ 70,694	$ 3,911	$ 18,827	$ 93,432
Accrued wages and benefits	85,797	14,900	-	100,697
Intergovernmental payable	13,266	4,422	452	18,140
Deposits due to others	-	-	21,881	21,881
Unearned revenue	38,500	-	439,186	477,686
Advances from other funds	-	-	111,376	111,376
Total liabilities	208,257	23,233	591,722	823,212
Deferred inflows of resources:				
Property taxes	290,965	-	415,790	706,755
Unavailable revenues	698,719	113,770	290,578	1,103,067
Total deferred inflows of resources	989,684	113,770	706,368	1,809,822
Fund balances:				
Nonspendable	255,903	29,031	-	284,934
Restricted	-	203,196	1,105,533	1,308,729
Committed	-	-	22,399	22,399
Assigned	172,453	-	-	172,453
Unassigned	1,792,370	-	(111,147)	1,681,223
Total fund balances	2,220,726	232,227	1,016,785	3,469,738
Total liabilities, deferred inflows of resources, and fund balances	$ 3,418,667	$ 369,230	$ 2,314,875	$ 6,102,772

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

December 31, 2021

Total governmental funds balances		$	3,469,738
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			16,236,073
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.			
Property and other taxes	$ 17,892		
Municipal income taxes	475,043		
Special assessments	250,806		
Charges for services	114,411		
Intergovernmental	244,915		
Total			1,103,067
In the Statement of Activities, interest is accrued on outstanding bonds and notes whereas in governmental funds, an interest expenditure is reported when due.			(22,391)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.			
General obligation bonds	(1,002,180)		
Notes payable	(973,010)		
OPWC loans	(649,305)		
Deferred charge on refunding	7,019		
Capital leases	(125,393)		
Accrued compensated absences	(243,795)		
Total			(2,986,664)
The net pension asset/liability are not due in the current period; therefore, the asset/liability and related deferred outflows/inflows are not reported in the governmental funds.			
Net pension asset	53,648		
Deferred outflows	789,981		
Net pension liability	(3,945,808)		
Deferred inflows	(967,755)		
Total			(4,069,934)

(continued)

City of Geneva, Ohio

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities (continued)

December 31, 2021

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

Net OPEB asset	134,811	
Deferred outflows	360,654	
Net OPEB liability	(441,074)	
Deferred inflows	(717,653)	
Total		(663,262)

Net position of governmental activities	$ 13,066,627

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

For the Year Ended December 31, 2021

	General	Street Construction, Maintenance, and Repair	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and other local taxes	$ 346,792	$ -	$ 493,681	$ 840,473
Municipal income taxes	3,133,300	-	-	3,133,300
Intergovernmental	251,270	392,500	250,298	894,068
Charges for services	407,562	-	19,623	427,185
Licenses, permits and fees	158,046	39,121	9,125	206,292
Special assessments	-	-	244,404	244,404
Investment income	3,968	-	61	4,029
Miscellaneous income	101,445	1,774	148,879	252,098
Total revenues	4,402,383	433,395	1,166,071	6,001,849
Expenditures:				
Current operations and maintenance:				
General government	1,100,959	-	215,710	1,316,669
Security of persons and property	2,147,273	-	612,953	2,760,226
Leisure time activities	246,161	-	-	246,161
Community development	112,906	-	-	112,906
Transportation	-	673,117	7,197	680,314
Debt service:				
Principal retirement	13,500	163,061	308,203	484,764
Interest and fiscal charges	541	2,647	68,091	71,279
Total expenditures	3,621,340	838,825	1,212,154	5,672,319
Excess of revenues over (under) expenditures	781,043	(405,430)	(46,083)	329,530
Other financing sources (uses):				
Inception of capital lease	8,337	-	149,641	157,978
Transfers – in	-	355,000	394,094	749,094
Transfers – out	(749,094)	-	(100,587)	(849,681)
Total other financing sources (uses)	(740,757)	355,000	443,148	57,391
Net change in fund balances	40,286	(50,430)	397,065	386,921
Fund balances at beginning of year	2,180,440	282,657	619,720	3,082,817
Fund balances at end of year	$ 2,220,726	$ 232,227	$ 1,016,785	$ 3,469,738

City of Geneva, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds		$ 386,921
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay	$ 411,055	
Depreciation	(1,081,240)	
Total		(670,185)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property and other local taxes	(5,760)	
Municipal income taxes	(4,811)	
Special assessments	(12,232)	
Charges for services	33,810	
Intergovernmental	6,454	
Total		17,461
Repayments of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
General obligation bonds	199,294	
OPWC loans	108,898	
Notes payable	143,657	
Capital leases	35,415	
Total		487,264
Other financing sources in the governmental funds that increase long-term liabilities in the Statement of Net Position.		
Inception of capital lease		(157,978)

(continued)

City of Geneva, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (continued)

For the Year Ended December 31, 2021

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Amortization of loss on refund	(878)	
Accrued compensated absences	28,323	
Accrued interest on debt	7,464	
Total		34,909
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		
OPERS traditional pension	152,316	
OPERS combined pension	11,590	
OP&F pension	237,238	
OPERS OPEB	473	
OP&F OPEB	5,915	
Total		407,532
Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB asset/liability are reported as pension/OPEB expense in the Statement of Activities.		
OPERS traditional pension	90,175	
OPERS combined pension	606	
OP&F pension	(231,962)	
OPERS OPEB	880,939	
OP&F OPEB	(26,792)	
Total		712,966
Change in net position of governmental activities		$ 1,218,890

City of Geneva, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended December 31, 2021

	Budget Original	Budget Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and other local taxes	$ 300,161	$ 300,161	$ 350,282	$ 50,121
Municipal income taxes	2,990,500	2,990,500	3,144,498	153,998
Intergovernmental	184,886	163,350	248,511	85,161
Charges for services	311,188	274,940	418,278	143,338
Licenses, permits and fees	117,582	103,886	158,046	54,160
Investment income	2,858	2,525	3,842	1,317
Miscellaneous income	78,791	69,614	105,906	36,292
Total revenues	3,985,966	3,904,976	4,429,363	524,387
Expenditures:				
Current operations and maintenance:				
General government	1,375,930	1,502,548	1,357,195	145,353
Security of persons and property	2,215,218	2,419,070	2,185,055	234,015
Leisure time activities	253,984	277,357	250,526	26,831
Community development	97,295	106,248	95,970	10,278
Debt service	12,597	13,756	12,425	1,331
Total expenditures	3,955,024	4,318,979	3,901,171	417,808
Excess of revenues over (under) expenditures	30,942	(414,003)	528,192	942,195
Other financing sources (uses):				
Sale of capital assets	1,241	1,096	1,668	572
Advances – out	(200,000)	(200,000)	-	200,000
Transfers – out	(868,879)	(900,475)	(749,094)	151,381
Total financing sources (uses)	(1,067,638)	(1,099,379)	(747,426)	351,953
Net change in fund balance	(1,036,696)	(1,513,382)	(219,234)	1,294,148
Prior year encumbrances appropriated	175,420	175,420	175,420	-
Fund balance at beginning of year	1,615,883	1,615,883	1,615,883	-
Fund balance at end of year	$ 754,607	$ 277,921	$ 1,572,069	$ 1,294,148

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget
(Non-GAAP Budgetary Basis) and Actual – Street Construction, Maintenance, and Repair Fund

For the Year Ended December 31, 2021

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 554,160	$ 554,160	$ 388,312	$ (165,848)
Licenses, permits and fees	55,830	55,830	39,121	(16,709)
Miscellaneous income	2,720	2,720	1,906	(814)
Total revenues	612,710	612,710	429,339	(183,371)
Expenditures:				
Current operations and maintenance:				
Transportation	953,213	953,213	741,635	211,578
Debt service	165,708	165,708	165,708	-
Total expenditures	1,118,921	1,118,921	907,343	211,578
Excess of revenues under expenditures	(506,211)	(506,211)	(478,004)	28,207
Other financing sources:				
Transfers – in	506,620	506,620	355,000	(151,620)
Net change in fund balance	409	409	(123,004)	(123,413)
Prior year encumbrances appropriated	180,181	180,181	180,181	-
Fund balance at beginning of year	50,000	50,000	50,000	-
Fund balance at end of year	$ 230,590	$ 230,590	$ 107,177	$ (123,413)

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Fund Net Position
Proprietary Funds

December 31, 2021

	Wastewater Fund	Water Fund	Total Business-Type Activities
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	$ 1,880,546	$ 874,715	$ 2,755,261
Materials and supplies inventory	6,314	33,373	39,687
Accounts receivable	234,917	200,100	435,017
Intergovernmental receivable	440,502	62,014	502,516
Prepaid items	20,376	5,252	25,628
Special assessments receivable	114,883	5,307	120,190
Total current assets	2,697,538	1,180,761	3,878,299
Noncurrent assets:			
Non-depreciable capital assets	5,899,997	181,631	6,081,628
Depreciable capital assets, net	8,478,476	7,088,091	15,566,567
Net pension asset	17,829	10,304	28,133
Net OPEB asset	44,800	25,894	70,694
Total noncurrent assets	14,441,102	7,305,920	21,747,022
Total assets	17,138,640	8,486,681	25,625,321
Deferred outflows of resources:			
Pension	55,581	32,126	87,707
OPEB	22,181	12,835	35,016
Total deferred outflows of resources	77,762	44,961	122,723
Liabilities:			
Current liabilities:			
Accounts payable	29,935	103,719	133,654
Accrued wages and benefits	12,044	3,824	15,868
Intergovernmental payable	1,193	112,849	114,042
Accrued interest payable	96	-	96
Retainage payable	193,652	960	194,612
Unearned revenue	40,500	-	40,500
OWDA loans payable	214,550	393,000	607,550
OPWC loan payable	13,319	11,790	25,109
Capital leases payable	2,173	-	2,173
Accrued compensated absences	41,140	642	41,782
Total current liabilities	548,602	626,784	1,175,386
Long-term liabilities (net of current portion):			
OWDA loans payable	7,647,569	3,676,741	11,324,310
OPWC loan payable	299,230	189,437	488,667
Capital leases payable	1,711	-	1,711
Accrued compensated absences	10,492	5,722	16,214
Net pension liability	368,165	212,793	580,958
Total long-term liabilities	8,327,167	4,084,693	12,411,860
Total liabilities	8,875,769	4,711,477	13,587,246
Deferred inflows of resources:			
Pension	194,351	112,330	306,681
OPEB	154,669	89,260	243,929
Payments in lieu of taxes	117,262	-	117,262
Total deferred inflows of resources	466,282	201,590	667,872
Net position:			
Net investment in capital assets	5,993,299	2,899,918	8,893,217
Unrestricted	1,881,052	718,657	2,599,709
Total net position	$ 7,874,351	$ 3,618,575	$ 11,492,926

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds

For the Year Ended December 31, 2021

	Wastewater Fund	Water Fund	Total Business-Type Activities
Operating revenues:			
Charges for services	$ 1,613,692	$ 1,548,795	$ 3,162,487
Miscellaneous income	861	-	861
Total operating revenues	1,614,553	1,548,795	3,163,348
Operating expenses:			
Personal services	183,843	43,906	227,749
Supplies and materials	112,038	68,950	180,988
Contractual services	233,489	572,095	805,584
Depreciation	349,204	260,049	609,253
Total operating expenses	878,574	945,000	1,823,574
Operating income	735,979	603,795	1,339,774
Non-operating revenues (expenses):			
Intergovernmental	-	91,867	91,867
Investment income	4,203	1,871	6,074
Interest and fiscal charges	(87,262)	(166,337)	(253,599)
Payments in lieu of taxes	118,108	-	118,108
Total non-operating revenues (expenses)	35,049	(72,599)	(37,550)
Income before transfers	771,028	531,196	1,302,224
Transfers – in	100,587	-	100,587
Change in net position	871,615	531,196	1,402,811
Net position at beginning of year	7,002,736	3,087,379	10,090,115
Net position at end of year	$ 7,874,351	$ 3,618,575	$ 11,492,926

City of Geneva, Ohio

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2021

	Wastewater Fund	Water Fund	Total Business-type Activities
Change in cash and cash equivalents:			
Cash flows from operating activities:			
Cash received from customers	$ 1,655,449	$ 1,556,952	$ 3,212,401
Cash received from others	1,035	-	1,035
Cash payments for personal services	(577,324)	(256,848)	(834,172)
Cash payments for contractual services	(225,064)	(593,417)	(818,481)
Cash payments for vendors for supplies and materials	(111,566)	(35,949)	(147,515)
Net cash provided by operating activities	742,530	670,738	1,413,268
Cash flows from capital and related financing activities:			
Proceeds from OWDA loans	394,803	-	394,803
Capital contributions and grants	118,108	11,561	129,669
Principal paid on OWDA loans	(492,380)	(377,647)	(870,027)
Principal paid on OPWC loans	(49,526)	(47,158)	(96,684)
Principal paid on capital leases	(2,055)	-	(2,055)
Interest paid on loans	(86,946)	(148,045)	(234,991)
Interest paid on capital leases	(280)	-	(280)
Transfer in	100,587	-	100,587
Acquisition of capital assets	(379,965)	(46,614)	(426,579)
Net cash used by capital and related financing activities	(397,654)	(607,903)	(1,005,557)
Cash flows from investing activities:			
Interest received	4,349	1,871	6,220
Net increase in cash and cash equivalents	349,225	64,706	413,931
Cash and cash equivalents at beginning of year	1,531,321	810,009	2,341,330
Cash and cash equivalents at end of year	$ 1,880,546	$ 874,715	$ 2,755,261

(continued)

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Cash Flows
Proprietary Funds (continued)

For the Year Ended December 31, 2021

	Wastewater Fund	Water Fund	Total Business-type Activities
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 735,979	$ 603,795	$ 1,339,774
Adjustments:			
Depreciation	349,204	260,049	609,253
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	(9,972)	11,329	1,357
Intergovernmental receivable	45,241	111	45,352
Prepaid items	(936)	62	(874)
Materials and supplies inventory	3,427	28,676	32,103
Special assessment receivable	19,148	(3,283)	15,865
Net pension asset	(5,647)	(3,262)	(8,909)
Net OPEB asset	(44,800)	(25,894)	(70,694)
Deferred outflows – pension	26,050	16,461	42,511
Deferred outflows – OPEB	35,367	20,938	56,305
(Decrease) increase in liabilities and deferred inflows:			
Accounts payable	(6,243)	(3,900)	(10,143)
Accrued wages and benefits	(10,934)	(3,421)	(14,355)
Accrued compensated absences	4,146	1,119	5,265
Intergovernmental payable	(45)	(12,667)	(12,712)
Net pension liability	(149,811)	(86,587)	(236,398)
Net OPEB liability	(362,542)	(209,545)	(572,087)
Deferred inflows – pension	39,441	28,692	68,133
Deferred inflows – OPEB	75,457	48,065	123,522
Net cash provided by operating activities	$ 742,530	$ 670,738	$ 1,413,268
Supplemental schedule of non-cash capital and related financing activities:			
Capital assets purchased on account	$ 206,622	$ 98,836	$ 305,458
OWDA interest funded by intergovernmental subsidy	59	18,292	18,351

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Fiduciary Net Position
Fiduciary Funds

December 31, 2021

		Custodial Funds
Assets:		
Equity in pooled cash and cash equivalents	$	70,001
Municipal income tax receivable		12,075
Property taxes receivable		27,130
Intergovernmental receivable		1,618
Total assets		110,824
Liabilities:		
Due to others		82,076
Deferred inflows of resources:		
Property taxes		26,450
Fiduciary net position:		
Restricted for others		2,298
Total fiduciary net position	$	2,298

The accompanying notes are an integral part of these basic financial statements

City of Geneva, Ohio

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended December 31, 2021

	Custodial Funds
Additions:	
Municipal income tax collected for others	$ 132,887
Property tax and other local tax collected for others	31,755
Total additions	164,642
Deductions:	
Payments of municipal income tax	160,852
Miscellaneous	29,457
Total deductions	190,309
Change in fiduciary net position	(25,667)
Fiduciary net position at beginning of year	27,965
Fiduciary net position at end of year	$ 2,298

The accompanying notes are an integral part of these basic financial statements

Note 1: The Reporting Entity

The City of Geneva (the "City") is a home rule municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. The City was incorporated as a city in 1958. The City operates under its own charter and is governed by a City Manager-Council form of government, which was adopted on November 2, 1957. Members of Council are elected to four-year staggered terms.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements 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 of Geneva, this includes police protection, firefighting and prevention, street construction, maintenance and repairs, building inspection, parks and recreation, wastewater, water distribution, and the community center.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or 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 reporting entity of the City does not include any component units.

The City is associated with two jointly governed organizations, the Ashtabula County General Health District and the Geneva Union Cemeteries District, a regional council of governments, Northeast Ohio Public Energy Council and three joint economic development districts (JEDD), JEDD-I, JEDD-II and JEDD-III. These organizations are presented in Note 18 to the basic financial statements.

The City is also associated with the Community Improvement Corporation of Geneva (CIC). The CIC is a legally separate, non-profit organization, served by a 15-member board composed of City officials and community representatives. Charged with the responsibilities of advancing, encouraging and promoting the industrial, economic, commercial, and civic development of the Geneva area, the CIC is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The CIC is not deemed significant to the City; therefore, it has been excluded from the reporting entity. Separately issued financial statements can be obtained from the City of Geneva.

Note 2: Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (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 principles. The most significant of the City's accounting policies are described below.

A. 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, except for fiduciary funds. Internal activity is 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.

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 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 governmental function or business activity is self-financing or draws 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 labeled Other Governmental Funds. Fiduciary funds are reported by type.

Note 2: Summary of Significant Accounting Policies (continued)

B. 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 and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

> *General Fund* – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.
>
> *Street Construction, Maintenance, and Repair Fund* – The Street Construction, Maintenance and Repair Special Revenue Fund (SCMR) accounts for the portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

> *Enterprise Funds* – 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:
>
> > *Wastewater Fund* – The Wastewater Fund accounts for the wastewater service provided to residential and commercial users within the City.
> >
> > *Water Fund* – The Water Fund accounts for the provision of water distribution to residential and commercial users within the City.

Note 2: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

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. The City has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City has eight custodial funds: JEDD-I District Board Fund, JEDD-II District Board Fund, JEDD-III District Board Fund, JEDD-I Harpersfield Township Fund, JEDD-II Harpersfield Township Fund, JEDD-III Harpersfield Township Fund, JEDD-I Sanitary Sewer Fund, and the Geneva Union Cemetery Fund. The JEDD-I, JEDD-II and JEDD III District Board Funds, JEDD-I, JEDD-II and JEDD III Harpersfield Township Funds, and JEDD-I Sanitary Sewer Fund account for municipal income tax collected by the City for these JEDDs. The Geneva Union Cemetery Fund accounts for property taxes collected by the City on behalf of the Cemetery. These funds are then disbursed to the Cemetery.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all 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 and deferred outflows of resources and current liabilities and 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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position 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.

Note 2: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting

Fund Financial Statements (continued)

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; proprietary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is 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. Available period for the City is 60 days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include municipal income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from municipal income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 7). 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 non-exchange 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: municipal income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, and grants and entitlements.

Unearned Revenue

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria has not yet been met because such amounts have not yet been earned.

Note 2: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2021, the City had deferred outflows of resources for deferred losses on refunding, pension and other postemployment benefits (OPEB) plans reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, unavailable revenue and amounts for pension and OPEB plans. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental funds Balance Sheet. Unavailable revenue is reported only on the governmental funds Balance Sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, special assessments, charges for services, and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position and in the proprietary funds Statement of Fund Net Position.

The deferred outflows and inflows of resources related to pension and OPEB plans are explained in Note 11 and Note 12.

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.

Note 2: Summary of Significant Accounting Policies (continued)

E. Budgetary Process

All funds, except fiduciary funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of budgetary control has been established by City Council at the personal services and other expenditure object levels within each department for all funds. Budgetary modifications for each fund may only be made by ordinance of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by City Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources and expenditures plus encumbrances cannot exceed appropriations at the legal level of control. The amounts reported as the original budgeted amounts on the budgetary statements reflect the first appropriations for that fund that covered the entire year including amounts automatically carried forward from prior years. The amounts reported as the final budget amounts represent the final appropriation amounts passed by City Council during the year.

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents."

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as overnight repurchase agreements and nonnegotiable certificates of deposit are reported at cost. During 2021, investments were limited to STAR Ohio.

STAR Ohio, is an investment pool managed by the State Treasurer's Office which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but the City has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

Note 2: Summary of Significant Accounting Policies (continued)

F. Cash and Cash Equivalents (continued)

For the year ended 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for all deposits and withdrawals of $100 million or more. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Investments of the cash pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as “equity in pooled cash and cash equivalents”.

Investment income is allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Investment income credited to the General Fund during 2021 amounted to $3,968, of which, $999 was from other funds.

G. Materials and Supplies Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types and as expenses in the proprietary fund types when used.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the other governmental funds represent refundable deposits.

J. 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.

Note 2: Summary of Significant Accounting Policies (continued)

J. Capital Assets (continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are reported at acquisition value. The City maintains a capitalization threshold of $5,000. The City's infrastructure consists of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Improvements that add to the value of the asset or materially extend the life of an asset 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.

All capital assets are depreciated except for land, construction in progress and historical treasurers. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and land improvements	5 to 50 years	10 to 90 years
Machinery and equipment	3 to 60 years	3 to 60 years
Vehicles	2 to 20 years	3 to 20 years
Infrastructure	10 to 100 years	10 to 100 years

K. Payables, 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, claims and judgments, compensated absences, and net pension and OPEB liabilities 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, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

L. 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 employer 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 31st by those employees who are currently eligible to receive termination payments as well as the sick leave accumulated by those employees expected to become eligible to receive termination benefits in the future.

Note 2: Summary of Significant Accounting Policies (continued)

L. Compensated Absences (continued)

The amount is based on accumulated sick leave and employee wage rates at fiscal year-end, taking into consideration any limits specified in the City's termination policy.

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

M. 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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be re-deployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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.

Note 2: Summary of Significant Accounting Policies (continued)

M. Fund Balance (continued)

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 the City Council or a City official delegated that authority by the City Council. The Finance Director is the City's delegated official.

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 used only to report a deficit 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 either restricted or unrestricted (committed, assigned, and unassigned), amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which the amounts in any of the unrestricted fund balance classifications could be used.

N. Net Position

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

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

O. Interfund Balances

On the fund financial statements, interfund loans are classified as "Interfund receivable/payable" on the Balance Sheet. Long-term interfund loans are classified as "Advances to/from other funds" on the Balance Sheet and are equally offset as part of nonspendable fund balance which indicates that they do not constitute available expendable resources. 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.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to OPEB items are eliminated in the business-type activities column of the statement of net position.

Note 2: Summary of Significant Accounting Policies (continued)

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for wastewater and water. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

Q. 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 non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liabilities and assets, 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 positon have been determined on the same basis as they are reported by the pension/OPEB systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB systems report investments at fair value.

S. Estimates

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

T. Deferred Charge on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. This accounting 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 deferred outflows of resources on the Statement of Net Position.

Note 3: Change in Accounting Principles

Newly Adopted Accounting Pronouncements

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued in March 2020 to address accounting and financial reporting implications that result from global reference rate reform. The removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. This change did not impact the City's financial statements.

Newly Issued Accounting Pronouncements, Not Yet Adopted

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after June 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after December 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 92, *Omnibus 2020*, was issued in January 2020. This statement addresses a variety of topics with objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after June 15, 2021. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

Note 4: Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Statements of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Note 4: Budgetary Basis of Accounting (continued)

The major differences between the budgetary basis and the GAAP basis are identified as follows:

(a) Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP);

(b) Expenditures/expenses are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP);

(c) Encumbrances are treated as expenditures (budgetary) rather than assigned fund balance (GAAP);

(d) Budgetary revenues and expenditures of certain funds are classified to General Fund for GAAP reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and Street Construction, Maintenance, and Repair Fund.

Net Change in Fund Balance

	General	Street Construction, Maintenance, and Repair
GAAP basis	$ 40,286	$ (50,430)
Increase (decrease) due to:		
Revenue accruals	41,964	(4,056)
Expenditure accruals	(88,316)	(10,336)
Outstanding encumbrances	(213,225)	(58,182)
To reclassify the net change in fund balance for funds combined with the General Fund for GASB 54	57	-
Budgetary basis	$ (219,234)	$ (123,004)

Note 5: Fund Balances

Fund balances are 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 the resources in the governmental funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

	General	Street Construction, Maintenance, and Repair	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventory	$ -	$ 7,154	$ -	$ 7,154
Prepaid items	144,527	21,877	-	166,404
Interfund loan receivable	111,376	-	-	111,376
Total nonspendable	255,903	29,031	-	284,934
Restricted:				
Streets and highways	-	203,196	173,289	376,485
Police	-	-	66,674	66,674
Law enforcement trust and education	-	-	61,233	61,233
Community development	-	-	95,564	95,564
Street lighting	-	-	372,816	372,816
Debt service	-	-	13,419	13,419
Capital projects	-	-	322,538	322,538
Total restricted	-	203,196	1,105,533	1,308,729
Committed:				
Capital projects	-	-	22,399	22,399
Assigned:				
Purchases on order	166,519	-	-	166,519
Community development	5,934	-	-	5,934
Total assigned	172,453	-	-	172,453
Unassigned (deficit)	1,792,370	-	(111,147)	1,681,223
Total fund balances	$ 2,220,726	$ 232,227	$ 1,016,785	$ 3,469,738

Note 6: 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 Council has identified as not required for use within the current two-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.

Note 6: Deposits and Investments (continued)

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 bills, bonds, notes, 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, 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;

3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

5. 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;

6. The State Treasurer's investment pool (STAR Ohio);

7. 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; and

8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and the term of the agreement must not exceed thirty days.

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. 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.

Note 6: Deposits and Investments (continued)

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 Finance Director or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured be protected by:

> 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% of the deposits being secured; or
>
> Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

At year-end, the carrying amount of the City's deposits was $6,017,781 and the bank balance was $6,246,982. At year-end, none of the City's total bank balance was exposed to custodial credit risk as the deposits were covered under FDIC and OPCS. The City also has $1,500 in petty cash on hand.

Investments

As of December 31, 2021, the City had the following investments:

	Measurement Value	Maturities (in years) Less than 1	Maturities (in years) More than 1
STAR Ohio	$ 363,739	$ 363,739	$ -

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

STAR Ohio is valued at amortized cost. At December 31, 2021, the average days to maturity was 51.3.

Note 6: Deposits and Investments (continued)

Investments (continued)

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City's investment policy also limits security purchases to those that mature within five years unless specifically matched to a specific cash flow. To date, no investments have been purchased with a life greater than one year.

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

Credit Risk is addressed by the City's investment policy by the requirements that all investments are authorized by the Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. The City's investment in STAR Ohio carries an "AAAm" money market rating by Standard & Poor's.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy places no limit on the amount the City may invest in one issuer. The following is the City's allocation as of December 31, 2021:

Investment Issuer	Percentage of Investments
STAR Ohio	100 %

Note 7: Receivables

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the State statute at 35% of appraised market value. Real property taxes are payable semiannually. The first payment is due in February with the remainder payable by June unless extended.

Public utility real 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. Certain public utility property currently is assessed at 25% of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Note 7: Receivables (continued)

A. Property Taxes (continued)

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

The full tax rate for all City operations for the year ended December 31, 2021 was $8.70 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

		Assessed Value
Category:		
Real estate	$	101,013,750
Public utility		3,149,130
Total	$	104,162,880

B. Municipal Income Taxes

The City levies municipal income tax of 1.5% on all salaries, wages, commissions and other compensation, and net profits earned within the City, as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 1.0% of the tax paid to another municipality.

Employers within the City are required to withhold municipal 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. Municipal income tax collections are received by the General Fund.

C. Intergovernmental Receivables

Receivables at December 31, 2021, primarily consisted of taxes, accounts (billings for user charged services), interfund, intergovernmental receivables arising from grants, entitlement, and shared revues, special assessments and loans receivable. All receivables are considered fully collectible.

A summary of intergovernmental receivables follows:

Governmental activities:		
Homestead and rollback	$	42,556
Local government		119,881
Auto registration, licenses, and gasoline tax		183,154
Permissive tax		5,424
Miscellaneous		10,492
Total governmental activities		361,507

Note 7: Receivables (continued)

C. Intergovernmental Receivables (continued)

Business-type activities:		
Harpersfield Township		322,771
Geneva area schools WWTP management services		469
OPWC		62,014
Payments in lieu of taxes		117,262
Total business-type activities		502,516
Total	$	864,023

The Harpersfield Township (the "Township") receivable noted above relates to the Township's share of construction costs related to JEDD-III. In total, the Township's share of the construction costs is $833,142. In 2021 it was determined that an allowance of $510,371 was needed due to lack of collections.

Note 8: Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2021, was as follows:

	Balances 12/31/20	Additions	Deletions	Balances 12/31/21
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 884,215	$ -	$ -	$ 884,215
Construction in progress	11,975	50,542	(41,620)	20,897
Historical treasures	46,378	-	-	46,378
Total non-depreciable capital assets	942,568	50,542	(41,620)	951,490
Capital assets being depreciated:				
Building and land improvements	5,185,070	41,620	-	5,226,690
Machinery and equipment	1,726,080	254,077	-	1,980,157
Vehicles	3,425,301	66,426	-	3,491,727
Infrastructure	27,135,245	40,010	-	27,175,255
Total capital assets being depreciated	37,471,696	402,133	-	37,873,829
Less accumulated depreciation:				
Building and land improvements	(2,928,086)	(122,146)	-	(3,050,232)
Machinery and equipment	(1,449,770)	(80,028)	-	(1,529,798)
Vehicles	(1,544,268)	(315,618)	-	(1,859,886)
Infrastructure	(15,585,882)	(563,448)	-	(16,149,330)
Total accumulated depreciation	(21,508,006)	(1,081,240)	-	(22,589,246)
Net capital assets being depreciated	15,963,690	(679,107)	-	15,284,583
Governmental activities capital assets, net	$ 16,906,258	$ (628,565)	$ (41,620)	$ 16,236,073

Note 8: Capital Assets (continued)

Depreciation expense was charged to governmental activities as follows:

General government	$ 177,363
Security of persons and property	226,106
Leisure time activities	12,040
Transportation	665,731
Total	$ 1,081,240

Capital asset activity for business-type activities for the year ended December 31, 2021, was as follows:

	Balances 12/31/20	Additions	Deletions	Balances 12/31/21
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	$ 5,697,952	$ 338,245	$ -	$ 6,036,197
Intangibles	38,831	6,600	-	45,431
Total non-depreciable capital assets	5,736,783	344,845	-	6,081,628
Capital assets being depreciated:				
Building and land improvements	4,493,101	-	-	4,493,101
Machinery and equipment	1,594,079	6,858	-	1,600,937
Vehicles	529,523	-	-	529,523
Infrastructure	19,300,689	-	-	19,300,689
Total capital assets being depreciated	25,917,392	6,858	-	25,924,250
Less accumulated depreciation:				
Building and land improvements	(3,068,687)	(77,506)	-	(3,146,193)
Machinery and equipment	(904,739)	(99,234)	-	(1,003,973)
Vehicles	(402,193)	(25,549)	-	(427,742)
Infrastructure	(5,372,811)	(406,964)	-	(5,779,775)
Total accumulated depreciation	(9,748,430)	(609,253)	-	(10,357,683)
Net capital assets being depreciated	16,168,962	(602,395)	-	15,566,567
Total business-type activities capital assets, net	$ 21,905,745	$ (257,550)	$ -	$ 21,648,195

City of Geneva, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2021

Note 9: Long-Term Obligations

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2021 was as follows:

	Balance 12/31/20	Additions	Deletions	Balance 12/31/21	Due in One Year
Governmental activities:					
General obligation bonds:					
4% 2011 Municipal facility improvement, maturing 2021	$ 45,000	$ -	$ (45,000)	$ -	$ -
3.16% 2018 Refunded various purpose, maturing 2029	675,000	-	(70,000)	605,000	70,000
3.16% 2018 Various purpose, maturing 2028	135,000	-	(15,000)	120,000	15,000
2.75% 2018 Fire truck acquisition, maturing 2028	346,474	-	(69,294)	277,180	23,098
Total general obligation bonds	1,201,474	-	(199,294)	1,002,180	108,098
0% Ohio Public Works Commission loans:					
2010 E. Tibbitts, maturing 2021*	5,000	-	(5,000)	-	-
2010 Ansel, maturing 2032*	113,345	-	(18,891)	94,454	4,723
2011 Lockwood, maturing 2022*	1,948	-	(1,948)	-	-
2012 Sherman/Chestnut, maturing 2035*	414,950	-	(57,235)	357,715	14,309
2014 Grant Bridge, maturing 2035*	76,811	-	(10,241)	66,570	2,560
2018 N. Avenue Bridge, maturing 2038*	64,650	-	(7,183)	57,467	1,796
2018 E. Main Street, maturing 2039*	33,999	-	(3,400)	30,599	1,133
2019 E. Main Street, maturing 2035*	47,500	-	(5,000)	42,500	1,250
Total Ohio Public Works Commission loans	758,203	-	(108,898)	649,305	25,771
Other long-term obligations:					
2.25% 2019 Note payable, maturing 2023*	266,667	-	(133,334)	133,333	66,667
2.60% 2020 Note payable, maturing 2025*	850,000	-	(10,323)	839,677	48,361
Capital leases payable*	2,830	157,978	(35,415)	125,393	30,090
Accrued compensated absences	272,118	173,036	(201,359)	243,795	173,036
Net pension liability	4,133,751	-	(187,943)	3,945,808	-
Net OPEB liability	1,468,530	-	(1,027,456)	441,074	-
Total other long-term obligations	6,993,896	331,014	(1,595,830)	5,729,080	318,154
Total governmental long-term liabilities	$ 8,953,573	$ 331,014	$ (1,904,022)	$ 7,380,565	$ 452,023

* Long-term obligation is a direct placement.

City of Geneva, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2021

Note 9: Long-Term Obligations (continued)

	Balance 12/31/20	Additions	Deletions	Balance 12/31/21	Due in One Year
Business-type activities:					
Ohio Water Development Authority (OWDA) loans:					
4.56% OWDA, series 2004, maturing 2030*	$ 3,342,630	$ -	$ (308,022)	$ 3,034,608	$ 322,228
2.01% OWDA, Harpersfield booster station, maturing 2031*	184,935	-	(15,984)	168,951	16,307
1.68% OWDA advanced metering infrastructure, maturing 2032*	192,247	-	(16,052)	176,195	16,323
1.60% OWDA, Elm Street improvements, maturing 2037*	432,760	-	(23,114)	409,646	23,486
1.35% OWDA, North Broadway waterline, maturing 2037*	349,657	-	(19,054)	330,603	19,312
1% OWDA, State Route 534, maturing 2038*	1,393,452	-	(75,591)	1,317,861	76,348
1% OWDA Elm Street sub-basin sewer rehabilitation, maturing 2030*	114,579	-	(11,556)	103,023	11,672
1% OWDA laboratory building, maturing 2030*	163,582	-	(16,499)	147,083	16,664
1% OWDA, WW Facilities plan*	4,958,239	294,554	(136,548)	5,116,245	-
1% OWDA, Secondary sludge tank, maturing 2039	909,806	-	(40,656)	869,150	44,301
0% OWDA, W Main Street sewer*	170,026	100,249	(94,445)	175,830	-
3% OWDA, series 2007, maturing 2022*	160,441	-	(106,163)	54,278	54,278
4.49% OWDA Geneva-on-the-Lake sanitary sewer outfall, maturing 2025*	34,730	-	(6,343)	28,387	6,631
Total Ohio Water Development Authority loans	12,407,084	394,803	(870,027)	11,931,860	607,550
0% Ohio Public Works Commission loans:					
2010 W. Liberty, maturing 2031*	28,413	-	(5,166)	23,247	1,291
2010 Ansel – WW, maturing 2032*	123,000	-	(20,500)	102,500	5,125
2010 Ansel – Water, maturing 2032*	27,600	-	(4,600)	23,000	1,150
2013 Van Epps – Water, maturing 2025*	24,687	-	(9,875)	14,812	2,469
2016 Meter – Water, maturing 2032*	271,760	-	(45,293)	226,467	11,324
2018 State Route 534, maturing 2038*	135,000	-	(11,250)	123,750	3,750
Total Ohio Public Works Commission loans	610,460	-	(96,684)	513,776	25,109
Other long-term obligations:					
Capital leases payable*	5,939	-	(2,055)	3,884	2,173
Accrued compensated absences	52,731	41,782	(36,517)	57,996	41,782
Net pension liability	817,356	-	(236,398)	580,958	-
Net OPEB liability	572,087	-	(572,087)	-	-
Total other long-term obligations	1,448,113	41,782	(847,057)	642,838	43,955
Total business-type long-term liabilities	$ 14,465,657	$ 436,585	$ (1,813,768)	$ 13,088,474	$ 676,614

* Long-term obligation is a direct placement.

Note 9: Long-Term Obligations (continued)

At December 31, 2021, the City received partial proceeds for the Ohio Water Development Authority (OWDA) Wastewater Facilities Plan and West Main Street Sewer projects. The loans will be repaid in semi-annual installments. The City has not collected the total proceeds of the loans, and as a result, the debt maturity schedules below do not reflect any amounts for principal or interest as the future maturities are not known at December 31, 2021.

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2021 were as follows:

	Governmental Activities		
	General Obligation Bonds		OPWC Loans*
Year	Principal	Interest	Principal
2022	$ 108,098	$ 26,721	$ 25,771
2023	136,196	26,894	51,542
2024	136,196	22,779	51,542
2025	141,196	18,665	51,542
2026	141,196	14,392	51,542
2027-2031	339,298	18,338	257,719
2032-2036	-	-	148,014
2037-2039	-	-	11,633
	$ 1,002,180	$ 127,789	$ 649,305

	Governmental Activities			
	Notes Payable*		Total	
Year	Principal	Interest	Principal	Interest
2022	$ 115,028	$ 23,019	$ 248,897	$ 49,740
2023	116,292	21,004	304,030	47,898
2024	50,925	18,955	238,663	41,734
2025	690,765	17,622	883,503	36,287
2026	-	-	192,738	14,392
2027-2031	-	-	597,017	18,338
2032-2036	-	-	148,014	-
2037-2039	-	-	11,633	-
	$ 973,010	$ 80,600	$ 2,624,495	$ 208,389

	Business-Type Activities				
	OWDA Loans*		OPWC Loans*	Total	
Year	Principal	Interest	Principal	Principal	Interest
2022	$ 607,550	$ 161,230	$ 25,109	$ 632,659	$ 161,230
2023	571,173	144,351	50,218	621,391	144,351
2024	589,807	127,643	50,216	640,023	127,643
2025	609,209	110,249	47,749	656,958	110,249
2026	621,493	92,232	45,282	666,775	92,232
2027-2031	2,433,612	196,109	225,101	2,658,713	196,109
2032-2036	935,735	43,641	55,101	990,836	43,641
2037-2039	271,206	3,604	15,000	286,206	3,604
	$ 6,639,785	$ 879,059	$ 513,776	$ 7,153,561	$ 879,059

* Long-term obligation is a direct placement.

Note 9: Long-Term Obligations (continued)

General obligation bonds are obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from property taxes levied on all taxable property located within the City as well as municipal income taxes. Tax monies will be received in and the debt will be retired from the Vehicle and Major Equipment Fund and the Debt Service Fund.

On September 29, 2011, the City issued municipal facility improvement bonds in the amount of $355,000, at the interest rates of 4%. The bonds were issued for a ten-year period and matured during 2021.

On February 16, 2018, the City issued fire truck acquisition bonds in the amount of $461,965, at the interest rate of 2.75%. The bonds were issued for an eleven-year period with final maturity during 2028.

In October 2018, the City issued $975,000 in various purpose improvement and refunding bonds, for the purpose of financing the purchase of City vehicles and to refund the outstanding 2009 various purpose general obligation bond previously issued. The bonds mature on February 1, 2029 and August 1, 2029, respectively, and have an interest rate of 3.16%. Proceeds of $815,000 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the general obligation bonds. The remaining proceeds of $160,000 were receipted by the City for the purchase of City vehicles. The refunded bonds were called and redeemed in full in October 2018. The City decreased its total debt service payments by $84,823 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of $70,419.

The City has several loans with the OPWC. The governmental activities OPWC loans are obligations of the Street Construction, Maintenance, and Repair (SCMR) Fund, Infrastructure Fund, and Street Lighting Fund and are paid from transfers from the General Fund. The business-type activities OPWC loans are an obligation of the Water and Wastewater Funds. All OWDA loan obligations are of the Wastewater and Water Funds and will be paid from the operating revenue of those funds.

The City's outstanding OPWC loans from direct borrowings contain provisions that in the event of default (1) OPWC may apply late fees of 8% per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

The outstanding OWDA loans contain provisions that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1% on the amount of each default shall be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1% on the amount of the default until such charges are paid.

Note 9: Long-Term Obligations (continued)

On October 28, 2019, the City issued notes payable for $400,000 for the purpose of purchasing police cruisers, a plow truck and a city use vehicle. The notes are a direct placement with a bank at a fixed rate of 2.25% per annum. The note is backed by the full faith and credit of the City. The note payable will be retired from the General Fund, Police Levies Fund, and Vehicle and Major Equipment Fund.

On March 20, 2020, the City issued notes payable for $850,000 for the purpose of purchasing a fire engine. The notes are a direct placement with a bank at a fixed rate of 2.60% per annum. The note is backed by the full faith and credit of the City. The note payable will be retired from the Vehicle and Major Equipment Fund.

Compensated absences and the net pension and net OPEB liabilities will be paid from the fund from which the employees' salaries are paid.

See Note 10 for detail on capital leases.

Note 10: Leases

The City has entered into lease agreements as lessee for financing the acquisition of copiers and equipment. These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of their future minimum lease payments as of inception dates. These lease agreements are secured by the related property.

	Governmental Activities	Business-Type Activities
Assets:		
Equipment	$ 161,878	$ 10,165
Less: accumulated depreciation	(4,734)	(10,165)
Total	$ 157,144	$ -

Amortization of capital leases is included in depreciation expense.

Note 10: Leases (continued)

The following is a schedule of the future long-term minimum lease payments required under the capital leases, operating leases and the present value of the minimum lease payments for the capital lease payments.

	Capital Leases*		
Year	Governmental Activities	Business-Type Activities	Operating Leases
2022	$ 33,371	$ 2,335	$ 2,376
2023	33,291	1,751	2,376
2024	33,291	-	-
2025	33,284	-	-
2026	445	-	-
Total minimum lease payments	133,682	4,086	$ 4,752
Less: amount representing interest	(8,289)	(202)	
Present value of minimum lease payments	$ 125,393	$ 3,884	

Lease payments will be made from the General Fund, Vehicle and Major Equipment Fund and Wastewater Fund. The lease payment amounts will be paid with current, available resources that have accumulated in the respective fund.

Rental expense related to operating leases for equipment totaled $2,376 for the year ended December 31, 2021.

* Long-term obligation is a direct placement.

Note 11: Defined Benefit Pension Plans

A. Net Pension/OPEB Liability (Asset)

The net pension/OPEB liability (asset) reported on the Statement of Net Position represents a liability (asset) to employees for pensions/OPEB. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/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/OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liabilities (asset) represents 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.

Note 11: Defined Benefit Pension Plans (continued)

A. Net Pension/OPEB Liability (Asset) (continued)

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 and 75 assumes the liability (asset) is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for OPEB benefits including primarily health care. In most cases, 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/OPEB liabilities within 30 years. If the pension/OPEB 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) 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 contribution outstanding at the end of the year is included in accrued wages and benefits on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

B. Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit plan; the combined plan, a combination cost-sharing multiple-employer defined benefit/defined contribution plan; and the member-directed plan, a defined contribution plan. While members (e.g., City employees) may elect the member-directed plan, substantially all employee members are in OPERS' traditional or combined plans; therefore, the following disclosure focuses on the traditional and combined plans.

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 614-222-5601 or 800-222-7377.

City of Geneva, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2021

Note 11: Defined Benefit Pension Plans (continued)

B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

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 references above for additional information, including requirements for reduce and unreduced benefits):

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

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

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

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

Note 11: Defined Benefit Pension Plans (continued)

B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS Board. Both member-directed plan and combined plan members who have met the eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans.

Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year.

At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance (net of taxes withheld), or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the combined plan will be consolidated under the traditional pension plan (defined benefit plan) and the combined plan option will no longer be available for new hires beginning in 2022.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10% of covered payroll for members in the state and local classifications.

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2021 for the traditional and combined plans. The portion of the employer's contribution allocated to health care was 4% for the member-directed plan for 2021. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. In 2021, the City's contractually required contribution, net of postemployment health care benefits, was $249,856. Of this amount, $23,018 is reported as accrued wages and benefits at December 31, 2021.

Note 11: Defined Benefit Pension Plans (continued)

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3% 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% 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.

Note 11: Defined Benefit Pension Plans (continued)

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

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 provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 19.5% of covered payroll for police employer units and 24.0% for fire employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 12.25% of covered payroll for police and fire. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0.5% for 2021 for police and fire employer units. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

In 2021, the City's contractually required contribution, net of postemployment health care benefits, was $237,238. Of this amount, $23,337 is reported as accrued wages and benefits at December 31, 2021.

D. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability (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:

	OPERS Traditional	OPERS Combined	OP&F	Total
Proportion of the net pension liability (asset) prior measurement date	0.012021%	0.026799%	0.038226%	
Proportion of the net pension liability (asset) current measurement date	0.011405%	0.028331%	0.041630%	
Change in proportionate share	(0.000616%)	0.001532%	0.003404%	
Proportionate share of the net pension liability	$ 1,688,832	$ -	$ 2,837,934	$ 4,526,766
Proportionate share of the net pension asset	$ -	$ 81,781	$ -	$ 81,781
(Reduction) of pension expense	$ (138,570)	$ (924)	$ 231,962	$ 92,468

Note 11: Defined Benefit Pension Plans (continued)

D. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2021 pension expense for the member-directed defined contribution plan was $1,803. The aggregate pension expense for all pension plans was $94,271 for 2021.

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

	OPERS Traditional	OPERS Combined	OP&F	Total
Deferred outflow of resources				
Differences between expected and actual experience	$ -	$ -	$ 118,635	$ 118,635
Change in assumptions	-	5,107	47,594	52,701
Differences in employer contributions and change in proportionate share	-	-	219,258	219,258
City contribution subsequent to the measurement date	232,189	17,667	237,238	487,094
Total deferred outflow of resources	$ 232,189	$ 22,774	$ 622,725	$ 877,688
Deferred inflow of resources				
Differences between expected and actual experience	$ 70,645	$ 15,429	$ 110,557	$ 196,631
Net difference between projected and actual earnings on pension plan investments	658,257	12,162	137,659	808,078
Differences in employer contributions and change in proportionate share	135,023	-	134,704	269,727
Total deferred inflow of resources	$ 863,925	$ 27,591	$ 382,920	$ 1,274,436

The $487,094 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional	OPERS Combined	OP&F	Total
Fiscal Year Ending December 31:				
2022	$ (384,204)	$ (5,856)	$ (2,350)	$ (392,410)
2023	(121,616)	(3,719)	55,262	(70,073)
2024	(268,328)	(6,524)	(101,143)	(375,995)
2025	(89,777)	(3,035)	23,462	(69,350)
2026	-	(1,301)	27,336	26,035
2027-2029	-	(2,049)	-	(2,049)
	$ (863,925)	$ (22,484)	$ 2,567	$ (883,842)

Note 11: Defined Benefit Pension Plans (continued)

E. 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, 2020, 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 valuation of total pension liability/asset:

	OPERS Traditional Plan	OPERS Combined Plan
Valuation date	December 31, 2020	December 31, 2020
Experience study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	7.20%	7.20%
Wage inflation	3.25%	3.25%
Projected salary increases, including 3.25% wage inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	0.50% Simple through 2021 then 2.15% Simple	0.50% Simple though 2021 then 2.15% Simple

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.40% simple through 2020 then 2.15% to 0.50% simple through 2021 then 2.15% simple.

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

Note 11: Defined Benefit Pension Plans (continued)

E. Actuarial Assumptions – OPERS (continued)

OPERS conducts an experience study every five years in accordance with Ohio Revised Code Section 145.22. The study for the five-year period ended December 31, 2015 and methods and assumptions were approved and adopted by the OPERS Board of Trustees.

Mortality rates were based on the RP-2014 Health Annuitant Mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The 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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

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

Discount Rate The discount rate used to measure the total pension liability for measurement year 2020 was 7.2%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 11: Defined Benefit Pension Plans (continued)

E. Actuarial Assumptions – OPERS (continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2%) or one-percentage-point higher (8.2%) than the current rate:

	1% Decrease (6.2%)	Discount Rate (7.2%)	1% Increase (8.2%)
City's proportionate share of the net pension liability – Traditional	$ 3,221,456	$ 1,688,832	$ 414,458
City's proportionate share of the net pension asset – Combined	$ 56,945	$ 81,781	$ 100,292

Changes between Measurement Date and Report Date During 2021, the OPERS Board lowered the investment rate of return from 7.2% to 6.9% along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

F. Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are presented below:

Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll growth	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% simple for increases based on the lesser of the increase in CPI and 3.00%

Note 11: Defined Benefit Pension Plans (continued)

F. Actuarial Assumptions – OP&F (continued)

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

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

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

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

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

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

Note 11: Defined Benefit Pension Plans (continued)

F. Actuarial Assumptions – OP&F (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, 2020 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and cash equivalents	0.0%	0.0%
Domestic equity	21.0	4.1
International equity	14.0	4.8
Private markets	8.0	6.4
Core fixed income*	23.0	0.9
High yield fixed income	7.0	3.0
Private credit	5.0	4.5
U.S. inflation linked bonds*	17.0	0.7
Midstream energy infrastructure	5.0	5.6
Real assets	8.0	5.8
Gold	5.0	1.9
Private real estate	12.0	5.3
Total	125.00%	

Note: Assumptions are geometric.
*Levered 2.5x

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00%. 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.

Note 11: Defined Benefit Pension Plans (continued)

F. Actuarial Assumptions – OP&F (continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

	1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	$ 3,950,768	$ 2,837,934	$ 1,906,605

Note 12: Postemployment Benefits

A. Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans.

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

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

Note 12: Postemployment Benefits (continued)

A. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

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

The heath 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.

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority 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 and the combined plan.

Note 12: Postemployment Benefits (continued)

A. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021 state and local employers contributed at a rate of 14% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the traditional plan and combined plan was 0% for 2021. The portion of employer contributions allocated to health care for members in the member-directed plan was 4% during 2021. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions to OPERS health care plans was $721 for 2021.

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

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

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

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

Note 12: Postemployment Benefits (continued)

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

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% of covered payroll for police and 24.0% of covered payroll for fire. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police and 24.0% 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 2021, the portion of employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was $5,915 for 2021. Of this amount, $579 is reported as accrued wages and benefits at December 31, 2021.

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

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

Note 12: Postemployment Benefits (continued)

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

	OPERS	OP&F	Total
Proportion of the net OPEB liability/asset prior measurement date	0.012040%	0.038226%	
Proportion of the net OPEB liability/asset current measurement date	0.011535%	0.041630%	
Change in proportionate share	(0.000505%)	0.003404%	
Proportionate share of the net OPEB liability	$ -	$ 441,074	$ 441,074
Proportionate share of the net OPEB asset	$ 205,505	$ -	$ 205,505
(Reduction) of OPEB expense	$ (1,343,645)	$ 26,792	$ (1,316,853)

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

	OPERS	OP&F	Total
Deferred outflow of resources			
Change in assumptions	$ 101,029	$ 243,669	$ 344,698
Differences in employer contributions and change in proportionate share	-	44,322	44,322
City contributions subsequent to the measurement date	721	5,915	6,636
Total deferred outflow of resources	$ 101,750	$ 293,906	$ 395,656
Deferred inflow of resources			
Difference between expected and actual experience	$ 185,467	$ 72,754	$ 258,221
Change in assumptions	332,980	70,315	403,295
Net difference between projected and actual earnings on OPEB plan investments	109,455	16,391	125,846
Differences in employer contributions and change in proportionate share	81,108	93,098	174,206
Total deferred inflow of resources	$ 709,010	$ 252,558	$ 961,568

Note 12: Postemployment Benefits (continued)

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

The $6,636 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2022	$ (339,141)	$ 3,524	$ (335,617)
2023	(208,375)	7,405	(200,970)
2024	(47,565)	1,286	(46,279)
2025	(12,900)	2,676	(10,224)
2026	-	8,083	8,083
2027-2028	-	12,459	12,459
	$ (607,981)	$ 35,433	$ (572,548)

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

	Assumptions
Valuation date	December 31, 2019
Rolled-forward measurement date	December 31, 2020
Experience study	5-year period ended December 31, 2015
Actuarial cost method	Individual entry age normal
Projected salary increases, including 3.25% wage inflation	3.25 to 10.75%
Projected payroll/active member increase	3.25% per year
Investment rate of return	6.00%
Municipal bond rate	2.00%
Single discount rate of return	6.00%
Health care cost trend	Initial 8.5% to 3.5% ultimate in 2035

Note 12: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

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

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	34.00%	1.07%
Domestic equities	25.00	5.64
REITs	7.00	6.48
International equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00%	4.43%

Note 12: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

Discount Rate A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00% (Fidelity Index's "20-Year Municipal GO AA Index") for the measurement date of December 31, 2020. 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 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

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

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	$ 51,100	$ 205,505	$ 332,439

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0 % higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.5%. 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 plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.5% in the most recent valuation.

Note 12: Postemployment Benefits (continued)

D. Actuarial Assumptions – OPERS (continued)

	1% Decrease	Cost Trend Rate	1% Increase
City's proportionate share of the net OPEB asset	$ 210,514	$ 205,505	$ 199,902

Assumption Changes Since the Prior Measurement Date Municipal bond rate changed from 2.75% to 2.00% and the single discount rate changed from 3.16% to 6.00%. The health care cost trend rate changed from 10.5% initial, 3.5%, ultimate in 2030 to 8.5% initial, 3.5% ultimate in 2035.

Changes between Measurement Date and Reporting Date During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

E. Actuarial Assumptions – OP&F

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

Note 12: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (continued)

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

Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Salary increases	3.75% – 10.50%
Payroll growth	3.25%
Municipal bond index rate	
Prior measurement date	2.75%
Current measurement date	2.12%
Single equivalent interest rate, net of plan	
Investment expense, including price inflation	
Prior measurement date	3.56%
Current measurement date	2.96%

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

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

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

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

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

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

Note 12: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (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, 2020, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and cash equivalents	0.0%	0.0%
Domestic equity	21.0	4.1
International equity	14.0	4.8
Private markets	8.0	6.4
Core fixed income*	23.0	0.9
High yield fixed income	7.0	3.0
Private credit	5.0	4.5
U.S. inflation linked bonds*	17.0	0.7
Midstream energy infrastructure	5.0	5.6
Real assets	8.0	5.8
Gold	5.0	1.9
Private real estate	12.0	5.3
Total	125.0%	

Note: Assumptions are geometric.
*Levered 2.5x

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 2020, the total OPEB liability was calculated using the discount rate of 2.96%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12% at December 31, 2020 and 2.75% at December 31, 2019 was blended with the long-term rate of 8%, which resulted in a blended discount rate of 2.96% for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Note 12: Postemployment Benefits (continued)

E. Actuarial Assumptions – OP&F (continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96%), or one percentage point higher (3.96%) than the current rate.

	1% Decrease (1.96%)	Discount Rate (2.96%)	1% Increase (3.96%)
City's proportionate share of the net OPEB liability	$ 549,993	$ 441,074	$ 351,227

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 13: Risk Management

The City is exposed to various risk of loss related to torts, theft, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City maintains comprehensive insurance coverage with private insurance carriers for real property, building contents, vehicle and general liability insurance, and police professional liability insurance.

The City continues to carry health insurance through a private carrier. There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

Note 14: Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. All full-time employees may carry over 40 vacation hours for use during the first six months of the following year. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employees have acquired at least one year of service to the City.

Sick leave is earned at the rate of 10 hours to 14 hours for each month worked. The total amount of accumulated sick leave shall not exceed 960 hours to 1,344 hours, depending upon the employment contract. Each employee upon retirement, with a minimum of 15 years of employment, is paid at a rate of one-half (1/2) of the employee's earned unused sick leave balances up to a maximum of one-half (1/2) of 960 hours.

Note 15: Significant Commitments

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

	Amount
Governmental funds:	
General	$ 166,519
Street Construction, Maintenance, and Repair	51,130
Other Governmental	176,473
Total governmental funds	$ 394,122
Enterprise funds:	
Wastewater	$ 93,132
Water	107,429
Total enterprise funds	$ 200,561

Note 16: Contingencies/Pending Litigation

A. Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and a condition specified in the grant agreements and is 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 adverse effect on the overall financial position of the City at December 31, 2021.

B. Litigation

From time to time, the City is subject to claims and lawsuits. The amount of liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material effect on the overall financial position of the City at December 31, 2021.

Note 17: Interfund Transactions

A. Interfund Balances

Long-term interfund loans are classified as "Advances to/from other funds" and consist of the following at December 31, 2021:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	$ 111,376

The interfund receivable and payable results from a difference in the timing of when expenses are recognized in accordance with generally accepted accounting principles and when the related interfund subsidies are budgeted for payment on a cash basis. Advances to other funds are not expected to be repaid within one year.

B. Interfund Transfers

Interfund transfers for the year ended December 31, 2021, consisted of the following:

	Transfer from		
Transfer to:	General Fund	Other Governmental Fund	Total
SCMR Fund	$ 355,000	$ -	$ 355,000
Other Governmental Funds	394,094	-	394,094
Wastewater Fund	-	100,587	100,587
Total	$ 749,094	$ 100,587	$ 849,681

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. The City had no transfers that either do not occur on a regular basis or were inconsistent with the purpose of the fund making the transfer. The transfer from the Other Governmental Funds to the Wastewater Fund was to provide additional resources for related debt.

Note 17: Interfund Transactions (continued)

C. Internal Balances – Changes in Proportionate Share

The City uses an internal proportionate share to allocate its net pension asset/liability, net OPEB asset/liability and corresponding deferred outflows/inflows of resources and pension and OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the OPEB deferred outflows/inflows of resources in the business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts would be eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the business type activities column include a deferred outflow of resources and a deferred inflow of resources in the amount of $14 related to OPEB.

Note 18: Jointly Governed Organizations, Regional Council of Governments and Joint Economic Development District

A. Ashtabula County General Health District

The Ashtabula County General Health District (District), a jointly governed organization, provides health services to the citizens with the county. The Board of Health which consists of a representative from each of the participating governments oversees the operation of the District. Twenty-seven townships, seven villages, and the City of Geneva participate in the District. The City contributed $51,381 during 2021 for the operation of the District.

B. Geneva Union Cemeteries District

The Geneva Union Cemeteries District (the "Cemetery"), a jointly governed organization, is a political subdivision governed by a Board of Trustees, which possesses its own contracting and budgeting authority. The Board of Trustees consists of a representative from each of the participating governments: The City of Geneva, the Village of Geneva-on-the-Lake, and Geneva Township. The members serve staggered three-year terms. In 2021, 0.30 mills of the tax valuation was paid to the Cemetery.

C. Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC), a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas. NOPEC is currently comprised of over 240 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity and natural gas at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity and natural gas to the citizens of its member communities.

Note 18: Jointly Governed Organizations, Regional Council of Governments and Joint Economic Development District (continued)

C. Northeast Ohio Public Energy Council (continued)

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Geneva did not contribute to NOPEC during 2021. Financial information can be obtained by contacting 31360 Solon Road, Suite 33, Solon, Ohio 44139.

D. JEDD-I, JEDD-II, and JEDD-III

The City of Geneva and Harpersfield Township (Township) have formed three Joint Economic Development Districts (JEDD) (JEDD-I, JEDD-II, and JEDD-III) which were formed under Chapter 715.72 through 715.83 of the Ohio Revised Code. JEDD-I was formed in 1996, JEDD-II was formed in 2005, and JEDD-III was formed in 2014 to provide sanitary sewers to each JEDD District. The purpose of each JEDD is to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State, the county, the Township, the City, and the JEDD's served. The JEDD's are administered by a Board of locally appointed officials and local business leaders.

The City acts as the fiscal agent for the JEDD-I, JEDD-II, and JEDD-III Districts. In 2021, JEDD-I distributed $35,766 to the City, $13,006 to the Township, $3,251 to the JEDD Board and $13,006 to the Geneva-area Recreation, Education and Athletic Trust (GaREAT). JEDD-II distributed $196,262 to the City, $52,336 to the Township and $13,084 to the JEDD Board. JEDD-III distributed $27,747 to the City, $23,436 to the Township, and $2,694 to the JEDD Board.

Note 19: Accountability

There was a deficit in the North Avenue Bridge Rehab Fund governmental fund of $111,147. This deficit was caused by the application of accounting principles generally accepted in the United States of America to the fund. The General Fund is liable for any deficit in the fund and provides operating transfers when cash is required, not when accruals occur.

Note 20: COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID- 19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During 2021, the City received $310,954 in American Rescue Plan Act funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Note 21: Asset Retirement Obligations

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewer system to the Ohio Environmental Protection Agency (the "Ohio EPA") for approval. Any changes to the sewer system would be approved through a permit for a new plan that would take the place of the retired asset and would include a plan for the proper abandonment of their wastewater treatment facilities and sanitary sewer pump stations. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities and sanitary sewer pump stations. At this time, the City is unable to reasonably estimate the liability to abandon the wastewater treatment facilities and sanitary sewer pump stations without the required permit from the Ohio EPA.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employee Retirement System – Traditional Plan

For the Last Eight Years (1)

	2021 (1)	2020 (1)	2019 (1)
City's proportion of the net pension liability	0.011405%	0.012021%	0.013077%
City's proportionate share of the net pension liability	$ 1,688,832	$ 2,376,033	$ 3,581,524
City's covered payroll	$ 1,604,921	$ 1,691,636	$ 1,708,644
City's proportionate share of the net pension liability as a percentage of its covered payroll	105.23%	140.46%	209.61%
Plan fiduciary net position as a percentage of the total pension liability	86.88%	82.17%	74.70%

	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
City's proportion of the net pension liability	0.013462%	0.014079%	0.012316%	0.012494%	0.012494%
City's proportionate share of the net pension liability	$ 2,112,681	$ 3,197,856	$ 2,134,042	$ 1,506,916	$ 1,472,880
City's covered payroll	$ 1,777,890	$ 1,832,052	$ 1,541,030	$ 1,491,358	$ 1,510,626
City's proportionate share of the net pension liability as a percentage of its covered payroll	118.83%	174.55%	138.48%	101.04%	97.50%
Plan fiduciary net position as a percentage of the total pension liability	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available. Amounts presented for each fiscal year were determined as of the City's measurement date which is December 31 of the prior year.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employee Retirement System – Combined Plan

For the Last Eight Years (1)

	2021 (1)	2020 (1)	2019 (1)
City's proportion of the net pension asset	0.028331%	0.026799%	0.033186%
City's proportionate share of the net pension asset	$ 81,781	$ 55,882	$ 37,114
City's covered payroll	$ 122,114	$ 127,329	$ 130,006
City's proportionate share of the net pension asset as a percentage of its covered payroll	66.97%	43.89%	28.55%
Plan fiduciary net position as a percentage of the total pension liability	157.67%	145.28%	126.64%

	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
City's proportion of the net pension asset	0.036048%	0.016204%	0.012960%	0.012424%	0.012424%
City's proportionate share of the net pension asset	$ 49,071	$ 9,018	$ 6,307	$ 4,784	$ 1,304
City's covered payroll	$ 147,559	$ 63,539	$ 46,942	$ 42,058	$ 47,514
City's proportionate share of the net pension asset as a percentage of its covered payroll	33.26%	14.19%	13.44%	11.37%	2.74%
Plan fiduciary net position as a percentage of the total pension liability	137.28%	116.55%	116.90%	114.83%	104.33%

(1) Information prior to 2014 is not available. Amounts presented for each fiscal year were determined as of the City's measurement date which is December 31 of the prior year.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund

For the Last Eight Years (1)

	2021 (1)	2020 (1)	2019 (1)
City's proportion of the net pension liability	0.041630%	0.038226%	0.039685%
City's proportionate share of the net pension liability	$ 2,837,934	$ 2,575,074	$ 3,239,345
City's covered payroll	$ 1,073,320	$ 965,603	$ 881,710
City's proportionate share of the net pension liability as a percentage of its covered payroll	264.41%	266.68%	367.39%
Plan fiduciary net position as a percentage of the total pension liability	70.65%	69.89%	63.07%

	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
City's proportion of the net pension liability	0.042569%	0.041667%	0.043111%	0.042740%	0.0427403%
City's proportionate share of the net pension liability	$ 2,705,546	$ 2,732,040	$ 2,773,363	$ 2,214,085	$ 2,081,548
City's covered payroll	$ 987,297	$ 979,629	$ 903,727	$ 887,302	$ 870,550
City's proportionate share of the net pension liability as a percentage of its covered payroll	274.04%	278.89%	306.88%	249.53%	239.11%
Plan fiduciary net position as a percentage of the total pension liability	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available. Amounts presented for each fiscal year were determined as of the City's measurement date which is December 31 of the prior year.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employee Retirement System – Traditional Plan

For the Last Ten Years

	2021	2020	2019	2018	2017
Contractually-required contribution	$ 232,189	$ 224,689	$ 236,829	$ 239,210	$ 231,126
Contributions in relation to the contractually-required contribution	(232,189)	(224,689)	(236,829)	(239,210)	(231,126)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 1,658,491	$ 1,604,921	$ 1,691,636	$ 1,708,644	$ 1,777,890
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	13.00%

	2016	2015	2014	2013	2012
Contractually-required contribution	$ 219,846	$ 184,924	$ 178,963	$ 196,381	$ 149,877
Contributions in relation to the contractually-required contribution	(219,846)	(184,924)	(178,963)	(196,381)	(149,877)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 1,832,052	$ 1,541,030	$ 1,491,358	$ 1,510,626	$ 1,498,766
Contributions as a percentage of covered payroll	12.00%	12.00%	12.00%	13.00%	10.00%

See accompanying notes to the required supplementary information

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employee Retirement System – Combined Plan

For the Last Ten Years

	2021	2020	2019	2018	2017
Contractually-required contribution	$ 17,667	$ 17,096	$ 17,826	$ 18,201	$ 19,183
Contributions in relation to the contractually-required contribution	(17,667)	(17,096)	(17,826)	(18,201)	(19,183)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 126,193	$ 122,114	$ 127,329	$ 130,006	$ 147,559
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	13.00%

	2016	2015	2014	2013	2012
Contractually-required contribution	$ 7,625	$ 5,633	$ 5,047	$ 6,177	$ 4,714
Contributions in relation to the contractually-required contribution	(7,625)	(5,633)	(5,047)	(6,177)	(4,714)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 63,539	$ 46,942	$ 42,058	$ 47,514	$ 47,141
Contributions as a percentage of covered payroll	12.00%	12.00%	12.00%	13.00%	10.00%

See accompanying notes to the required supplementary information

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund

For the Last Ten Years

	2021	2020	2019	2018	2017
Contractually-required contribution	$ 237,238	$ 217,149	$ 196,383	$ 179,472	$ 200,180
Contributions in relation to the contractually-required contribution	(237,238)	(217,149)	(198,383)	(179,472)	(200,180)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 1,183,057	$ 1,073,320	$ 965,603	$ 881,710	$ 987,297
Contributions as a percentage of covered payroll	20.05%	20.23%	20.34%	20.36%	20.28%

	2016	2015	2014	2013	2012
Contractually-required contribution	$ 198,919	$ 183,594	$ 180,616	$ 149,500	$ 121,189
Contributions in relation to the contractually-required contribution	(198,919)	(183,594)	(180,616)	(149,500)	(121,189)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 979,629	$ 903,727	$ 887,302	$ 870,550	$ 866,103
Contributions as a percentage of covered payroll	20.31%	20.32%	20.36%	17.17%	13.99%

See accompanying notes to the required supplementary information

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employee Retirement System

For the Last Five Years

	2021 (1)	2020 (1)	2019 (1)	2018 (1)	2017 (1)
City's proportion of the net OPEB liability/asset	0.011535%	0.012040%	0.013205%	0.0013720%	0.013841%
City's proportionate share of the net OPEB liability (asset)	$ (205,505)	$ 1,663,037	$ 1,721,621	$ 1,489,892	$ 1,398,035
City's covered payroll	$ 1,744,479	$ 1,898,443	$ 1,857,221	$ 1,941,564	$ 1,925,436
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	(11.78%)	87.60%	92.70%	76.74%	72.61%
Plan fiduciary net position as a percentage of the total OPEB liability	115.57 %	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Amounts presented for each fiscal year were determined as of the City's measurement date which is December 31 of the prior fiscal year.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund

For the Last Five Years

	2021 (1)	2020 (1)	2019 (1)	2018 (1)	2017 (1)
City's proportion of the net OPEB liability	0.041630%	0.038226%	0.039685%	0.042569%	0.041667%
City's proportionate share of the net OPEB liability	$ 441,074	$ 377,580	$ 361,393	$ 2,411,899	$ 1,977,839
City's covered payroll	$ 1,073,320	$ 965,603	$ 881,710	$ 987,297	$ 979,629
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	41.09%	39.10%	40.99%	244.29%	201.90%
Plan fiduciary net position as a percentage of the total OPEB liability	45.40%	47.10%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Amounts presented for each fiscal year were determined as of the City's measurement date which is December 31 of the prior fiscal year.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's OPEB Contributions
Ohio Public Employee Retirement System

For the Last Six Years (1)

	2021	2020	2019
Contractually-required contribution	$ 721	$ 698	$ 364
Contributions in relation to the contractually-required contribution	(721)	(698)	(364)
Contribution deficiency (excess)	$ -	$ -	$ -
City covered payroll	$ 1,802,707	$ 1,744,479	$ 1,898,443
Contributions as a percentage of covered payroll	0.04%	0.04%	0.02%

	2018	2017	2016
Contractually-required contribution	$ 283	$ 19,416	$ 38,509
Contributions in relation to the contractually-required contribution	(283)	(19,416)	(38,509)
Contribution deficiency (excess)	$ -	$ -	$ -
City covered payroll	$ 1,857,221	$ 1,941,564	$ 1,925,436
Contributions as a percentage of covered payroll	0.02%	1.00%	2.00%

(1) Information prior to 2016 is not available.

City of Geneva, Ohio

Required Supplementary Information
Schedule of the City's OPEB Contributions
Ohio Police and Fire Pension Fund

For the Last Ten Years

	2021	2020	2019	2018	2017
Contractually required contribution	$ 5,915	$ 5,367	$ 4,828	$ 4,409	$ 4,936
Contributions in relation to the contractually required contribution	(5,915)	(5,367)	(4,828)	(4,409)	(4,936)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 1,183,057	$ 1,073,320	$ 965,603	$ 881,710	$ 987,297
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

	2016	2015	2014	2013	2012
Contractually required contribution	$ 4,898	$ 4,519	$ 4,437	$ 31,514	$ 58,462
Contributions in relation to the contractually required contribution	(4,898)	(4,519)	(4,437)	(31,514)	(58,462)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 979,629	$ 903,727	$ 887,302	$ 870,550	$ 866,103
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	3.62%	6.75%

See accompanying notes to the required supplementary information

Note 1: Net Pension Liability (Asset)

Changes in Assumptions – OPERS

Amounts reported in the required supplementary information for OPERS Traditional and Combined Plans incorporate changes in assumptions used by OPERS in calculating the pension liability. These assumptions are presented below for the periods indicated:

Key Methods and Assumptions in Valuing Total Pension Liability – 2021

	OPERS Traditional plan	OPERS Combined plan
Valuation Date	December 31, 2020	December 31, 2020
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	0.50% Simple through 2021 then 2.15% Simple	0.50% Simple though 2021 then 2.15% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2020

	OPERS Traditional plan	OPERS Combined plan
Valuation Date	December 31, 2019	December 31, 2019
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	1.40% Simple through 2020 then 2.15% Simple	1.40% Simple though 2020 then 2.15% Simple

Note 1: Net Pension Liability (Asset) (continued)

Changes in Assumptions – OPERS (continued)

Key Methods and Assumptions in Valuing Total Pension Liability – 2019

	OPERS Traditional plan	OPERS Combined plan
Valuation Date	December 31, 2018	December 31, 2018
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

Key Methods and Assumptions in Valuing Total Pension Liability – 2017-2018

	OPERS Traditional plan	OPERS Combined plan
Valuation Date	December 31, 2017	December 31, 2017
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	7.50%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

Note 1: Net Pension Liability (Asset) (continued)

Changes in Assumptions – OPERS (continued)

Key Methods and Assumptions in Valuing Total Pension Liability – 2016 and prior

	OPERS Traditional plan	OPERS Combined plan
Valuation Date	December 31, 2015	December 31, 2015
Experience Study	5-year period ended December 31, 2010	5-year period ended December 31, 2010
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	8.00%	8.00%
Wage Inflation	3.75%	3.75%
Projected Salary Increases, including 3.75% inflation	4.25 to 10.05%	4.25 to 8.05%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.8% Simple	3% Simple though 2018 then 2.8% Simple

Mortality rates - Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Note 1: Net Pension Liability (Asset) (continued)

Changes in Assumptions – OP&F

Amounts reported for 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Valuation date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	8.00%	8.25%
Projected salary increases	3.75% to 10.50%	4.25% to 11.00%
Payroll growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%	Inflation rate of 3.25% plus productivity increase rate of 0.50%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3%	3.00% simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3%

Beginning with the 2018 actuarial valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

Beginning with the 2018 actuarial valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

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

Actuarial valuation amounts reported for 2017 and prior rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

Note 2: Net OPEB Liability

Changes in Assumptions – OPERS

For 2021, the single discount rate changed from 3.16% in 2020 to 6.00%. For 2021, the municipal bond rate changed from 2.75% to 2.00%. For 2021, the health care cost trend rate changed from 10.5% initial, 3.5%, ultimate in 2030 to 8.5% initial, 3.5% ultimate in 2035.

For 2020, the single discount rate changed from 3.96% in 2019 to 3.16%. For 2020, the municipal bond rate changed from 3.71% to 2.75%. For 2020, the health care cost trend rate changed from 10% initial, 3.25%, ultimate in 2029 to 10.5% initial, 3.5% ultimate in 2030.

For 2019, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5% to 6.0%. For 2019, the single discount rate changed from 3.85% in 2018 to 3.96%. Prior to 2018, the single discount rate was 4.23%. For 2019, the municipal bond rate changed from 3.31% to 3.71%. For 2019, the health care cost trend rate changed from 7.5% initial, 3.25%, ultimate in 2028 to 10% initial, 3.25% ultimate in 2029.

Changes in Benefit Terms – OPERS

On January 15, 2020, 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 significantly decreased the total OPEB liability for the measurement date December 31, 2020.

Changes in Assumptions – OP&F

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

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

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

For 2018, the single discount rate changed from 3.79% to 3.24%.

Changes in Benefit Terms – OP&F

Beginning January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

Note 2: Net OPEB Liability (continued)

Changes in Benefit Terms – OP&F (continued)

As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020, the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

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CPAs and Business Advisors
Where Relationships Count.

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*

To the Members of the City Council
City of Geneva, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Geneva, Ohio (the "City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 31, 2022.

Report on Internal Control over Financial Reporting

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

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

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

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Geneva Group International

To the Members of the City Council
City of Geneva, Ohio

Compliance and Other Matters

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

Purpose of this Report

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

Ciuni & Panichi, Inc.

Cleveland, Ohio
August 31, 2022

CITY OF GENEVA

Established 1958

Office of the City Manager

Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2021

Finding No.	Finding Summary	Fully Corrected	Explanation
2020-001	***Material Noncompliance*** 2 CFR section 200.512(a) requires the reporting package and data collection form to be submitted to the Federal Audit Clearinghouse the earlier of 30 calendar days after the reports are received from the auditor or nine months after the end of the audit period. An automatic six-month extension was granted for fiscal year ends through June 30, 2021. With this extension the City's extended due date was March 31, 2022. It was noted that the City did not submit the required documentation by the extended due date.	N/A	The City does not require a Single Audit for the year ended December 31, 2021 so the filing requirement is no longer applicable.

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OHIO AUDITOR OF STATE
KEITH FABER

CITY OF GENEVA

ASHTABULA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 11/10/2022

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