

CITY OF SANDUSKY
ERIE COUNTY
DECEMBER 31, 2021

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CITY OF SANDUSKY
ERIE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY				
<i>Direct Program</i>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$100,000	\$2,265,427
Total U.S. Department of Treasury			100,000	2,265,427
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct Program</i>				
<i>CDBG - Entitlement Grants Cluster:</i>				
Community Development Block Grants/Entitlement Grants	14.218	N/A	11,000	529,794
COVID-19 Community Development Block Grants/Entitlement Grants		N/A	39,833	110,038
Total CDBG - Entitlement Grants Cluster			50,833	639,832
Total U.S. Department of Housing and Urban Development			50,833	639,832
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation</i>				
<i>Highway Planning and Construction Cluster:</i>				
Highway Planning and Construction	20.205	PID #103737		43,806
		PID #105033		48,949
		PID #109523		146,003
		PID #110322		8,823
		PID #114056		174,634
Total Highway Planning and Construction Cluster				422,215
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTF-4081-005-201		207,929
		RPTM-0081-005-201		86,895
COVID-19 Formula Grants for Rural Areas and Tribal Transit Program		CARE-4081-024-201		1,861,316
Total AL #20.509				2,156,140
Total U.S. Department of Transportation				2,578,355
U.S. DEPARTMENT OF JUSTICE				
<i>Passed through Ohio Department of Public Safety</i>				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-CE-LEF-2112		6,384
		2020-CE-CTF-2125		18,108
Total AL #16.034				24,492
Total U.S. Department of Justice				24,492
Total Expenditures of Federal Awards			\$150,833	\$5,508,106

The accompanying notes are an integral part of this schedule.

**CITY OF SANDUSKY
ERIE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Sandusky, Erie County, Ohio (the City) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

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

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

NOTE E - MATCHING REQUIREMENTS

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



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

City of Sandusky
Erie County
240 Columbus Avenue
Sandusky, Ohio 44870

To the City Commission:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sandusky, Erie County, Ohio, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 13, 2022, wherein we noted the City restated the beginning net position of Governmental Activities, Business-Type Activities, the Water Fund, and the Sewer Fund in order to accurately report capital assets and also restated the General Fund fund balance beginning of year in the Statement of Receipts, Disbursements and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual in order to accurately report fund balance for the fund presented in the statement. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

City's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and corrective action plan. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



Keith Faber
Auditor of State
Columbus, Ohio

September 13, 2022



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

City of Sandusky
Erie County
240 Columbus Avenue
Sandusky, Ohio 44870

To the City Commission:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Sandusky, Erie County, Ohio’s (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City of Sandusky’s major federal program for the year ended December 31, 2021. The City of Sandusky’s major federal program is identified in the *Summary of Auditor’s Results* section of the accompanying schedule of findings.

In our opinion, the City of Sandusky complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sandusky, Erie County, Ohio (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated September 13, 2022, wherein we noted the City restated the beginning net position of Governmental Activities, Business-Type Activities, the Water Fund, and the Sewer Fund in order to accurately report capital assets and also restated the General Fund fund balance beginning of year in the Statement of Receipts, Disbursements and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual in order to accurately report fund balance for the fund presented in the statement. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

September 13, 2022

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**CITY OF SANDUSKY
ERIE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Program (list):	Coronavirus State and Local Fiscal Recovery Funds - AL #21.027
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Yes

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

FINDING 2021-001

Significant Deficiency - Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

The following errors requiring adjustment to the basic financial statements and notes to the basic financial statements were identified:

- The City inappropriately recorded \$226,275 of accounts payable and corresponding leisure time activities disbursements in the Capital Projects Fund. Based on the purpose of the payable, this activity should have been recorded in the Other Governmental Funds as an accounts payable and transportation disbursement in the same amount; and
- General Fund fund balance beginning of year on the Statement of Receipts, Disbursements and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual was overstated in the amount of \$254,701. A restatement disclosure has been added to Note 24.

These errors were not identified and corrected prior to the City preparing its basic financial statements and notes to the basic financial statements due to deficiencies in the City's internal controls over financial statement monitoring. The failure to adequately monitor the basic financial statements and notes to the basic financial statements could allow for misstatements to occur and go undetected. The accompanying basic financial statements and notes to the basic financial statements have been adjusted to reflect these changes. In addition to the adjustments noted above, we also identified additional misstatements and ranging from \$40,000 to \$226,275 that we have brought to the City's attention.

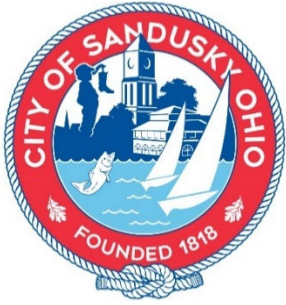
To help ensure the City's basic financial statements and notes to the basic financial statements are complete and accurate, the City should adopt policies and procedures, including a final review of the basic financial statements and notes to the basic financial statements to help identify and correct errors and omissions.

Officials' Response:

See Corrective Action Plan.

3. FINDINGS FOR FEDERAL AWARDS

None



FINANCE DEPARTMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5776
www.cityofsandusky.com

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2021**

Finding Number: 2021-001
Planned Corrective Action: Our policies and procedures are deemed effective as the adjustments noted did not cause the financial statements to be materiality misstated. We will strive to have no immaterial adjustments in the future.
Anticipated Completion Date: December 31, 2022
Responsible Contact Person: Michelle Reeder, Finance Director

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City of Sandusky, Ohio Annual Financial Report

For the year ended December 31, 2021





CITY OF SANDUSKY, OHIO

ANNUAL

COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2021

Prepared By:

Department of Finance

Michelle Reeder
Finance Director

Sally A. Martin
Senior Accountant/Auditor

Heather L. Turner
Chief Foreman

Desirae Wright
Senior Accounting Clerk II

Jennifer Canino
Senior Accounting Clerk III

Tanya Wechter
Senior Accounting Clerk II



Introductory



City of Sandusky
Erie County, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

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Erie County, Ohio
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Erie County, Ohio
Annual Comprehensive Financial Report
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FINANCE DEPARTMENT

240 Columbus Avenue
Sandusky, Ohio 44870
419.627.5776
www.cityofsandusky.com

September 13, 2022

To the City Commission and Citizens of Sandusky:

The Annual Comprehensive Financial Report of the City of Sandusky for the year ended December 31, 2021, is herewith submitted. This report is prepared according to generally accepted accounting principles (GAAP). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by its financial activity, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included. The City has a framework of internal controls established to ensure the accuracy of the presented data and the completeness and fairness of the presentation. Because the cost of internal controls should not exceed anticipated benefits, the controls provide reasonable assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The independent public accountant has issued an unmodified opinion on the City of Sandusky's basic financial statements for the year ended December 31, 2021. The Independent Auditor's Report is located at the front of the financial section of this report.

State law requires the City to file basic financial statements with the Auditor of State within one hundred fifty days after year end. This report fulfills that requirement.

PROFILE OF THE CITY OF SANDUSKY

The City of Sandusky, located in Erie County, is a home rule municipal corporation founded in 1818 under the laws of the State of Ohio and, as such, operates under its own Charter adopted in 1914. The City may exercise all powers of home rule granted under Article XVIII, Section 3, of the Ohio Constitution not in conflict with applicable general laws of the State of Ohio. The City operates under the City Commission - City Manager form of government. The seven City Commissioners are elected at-large and serve four-year terms. The president of the City Commission serves as the Ex-Officio Mayor. The City Manager and Clerk of Commission are appointed by, and serve at the pleasure of, the City Commission. The Law Director and Finance Director report directly to the City Manager.

The City of Sandusky is ideally located. Sandusky Bay on Lake Erie is larger than any of Ohio's inland lakes and in conjunction with Lake Erie provides a wide spectrum of recreational activities to the citizens as well as to visitors. Sandusky is the largest city in Erie County and is the county seat. The population of the City of Sandusky is 25,095, based on the 2020 Census conducted by the U.S. Census Bureau.

The City is served by diversified transportation facilities, including five State and Interstate Highways and is located near the Ohio Turnpike. It is served by CSX and Norfolk Southern Railroad for freight service and Amtrak for daily passenger service. Passenger air service is provided by Cleveland Hopkins International Airport and the Toledo Express Airport, which are each within a one-hour drive of the City. Lake freighters load or unload coal, salt, and other products from shipping docks in the City.

Sandusky Transit System (STS) public transportation has been serving the Sandusky and Erie County community since 1992. STS is largely supported through Federal and State grants. STS provides over 100,000 rides annually, with 55 percent being work related. STS is demand-responsive with a curb-to-curb assistance policy.

One daily newspaper serves the City. The City is within the broadcast area of television stations in the Cleveland and Toledo areas and numerous AM and FM radio stations. Multi-channel cable TV service, including educational, governmental, and public access channels is provided by Erie County Cablevision.

Several public and private two-year and four-year colleges and universities are within commuting distance including BGSU Firelands College, BGSU Resort School, the University of Toledo, Bowling Green State University, Ohio Business College, and Lorain County Community College. Public education for grades K through 12 is provided by the Sandusky City School District whose boundaries are coterminous with those of the City.

The Firelands Regional Medical Center is located in the City and is one of the City's largest employers. Firelands Regional Medical Center has a history rich in the tradition of providing the finest health care services available to the surrounding five-county area. This organization is the result of the merging of Firelands and Providence Hospitals. The Firelands Regional Center Main Campus contains 444 beds and provides the majority of its medical services. The former Providence Hospital location is called the Firelands Regional Center South Campus. It contains an 84 bed skilled-care and rehabilitation unit, along with a family practice and outpatient physical therapy units.

With the City being located on the shores of Sandusky Bay and Lake Erie, many of the commercial and recreational activities are associated with its waterfront location including ferry lines that provide service to certain Lake Erie islands and Canada. Cedar Point Amusement Park, one of the premier amusement parks in the United States, is located on 364 acres on a peninsula within the City limits and includes over 68 rides and attractions, along with hotels, marinas, and a campground.

There are several indoor waterpark resorts located in the area that has made the Sandusky area a year-round tourist destination, including Great Wolf Lodge, Castaway Bay, and the Kalahari Resort and Convention Center.

A public library, several museums, and the historical Sandusky State Theatre are located within the City and other cultural and sporting activities are available in Cleveland and Toledo, which are each within a one-hour drive of the City.

The City of Sandusky provides a full range of services to its citizens including police and fire protection, planning and zoning, street maintenance, public transit, floral parks, recreation, forestry, cemetery, water filtration treatment plant and distribution systems, water pollution control treatment plant and sewer collector systems, and general government services. The City also owns and operates the Mills Creek Golf Course.

The City Commission is required to adopt the original budget by no later than March 31 of each year and final budget amendments must be made prior to the close of the year. The annual budget serves as the foundation for the City's financial planning and control. All funds, except custodial funds, are required to be budgeted. The legal level of control has been established by the City Commission at the fund, department, and object level in all funds.

The City maintains a bond rating of A1 with Moody's Investor Services.

The City negotiates with three bargaining units: American Federation of State, County, and Municipal Employees Local No. 1519, the Fraternal Order of Police - Lodge No. 17, and the International Association of Fire Fighters - Local No. 327. Current agreements expired on December 31, 2021 and new three year agreements are in place.

LOCAL ECONOMY

Major industries located within the City's boundaries or in close proximity include manufacturers of automotive and automotive components, a theme park, hospital, and local governments such as Erie County and the Sandusky Board of Education.

During the past twelve years, the unemployment rate (not seasonally adjusted) has decreased from 12.4 percent in December 2009 to an estimated 4.4 percent in December 2021.

LONG-TERM FINANCIAL PLANNING

The City updated its Strategic Plan and adopted a Bicentennial Vision Plan in 2016. These plans guided City decisions as the City celebrated its bicentennial during 2018. The development of the Strategic Plan was a seven-month process that directly engaged over 2,000 stakeholders, including residents, business owners, visitors, institutional, government, and city-wide leaders. The planning process included five neighborhood tours, three public meetings, and community surveys. The Strategic Plan is a tool that will be used by the City Commission and staff to guide decisions made on behalf of the citizens of the City. The strategy will result in growth and overall positive results in the City if maintained successfully.

The Strategic Plan contains the following general goals that will be the focus of the City's resources:

- Vibrant City
- Livable City
- Connected City
- Destination City
- Celebrated City

The general goals are supported by a list of action plans that will define the paths to accomplishing the goals. Each action plan will:

- Identify the general goal that it supports;
- Define the steps to complete the plan;
- Identify the City department responsible for its completion.

The City recognizes the importance of long-term strategic planning, as evidenced by its Strategic Plan. Similarly, it recognizes that prudent financial planning considers the multi-year implications of financial decisions. The City shall maintain a long-term focus in its financial planning that is mindful of the long-term objectives of the City.

A five-year financial plan shall be updated on an annual basis by the City Manager. The plan shall include all major operating funds along with the capital needs of the Strategic Plan of the City. The purpose of this plan is to:

- Identify major policy issues for City Commission consideration prior to the preparation of the annual budget;
- Establish capital project priorities and make advance preparation for the funding of projects within the five-year horizon;
- Make conservative financial projections for all major operating funds and all capital needs related to the Strategic Plan to provide assurance that adequate funding exists for proposed projects and services;
- Identify financial trends in advance or in the early stages so that timely corrective action can be taken, if needed; and
- Communicate the City's plans to the public and provide an opportunity for the public to offer input.

RELEVANT FINANCIAL POLICIES

The City of Sandusky has a responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for the provision of services desired by the public. Sound financial policies are necessary to carry out that responsibility.

The City has established relevant financial policies for investments, capital assets, and the budget. The purpose of the investment policy is to provide for the complete safety of the portfolio's principal value, assure adequate liquidity, and earn a market rate of return. The investment policy is reviewed annually for compliance and to assure the flexibility necessary to effectively manage the investment portfolio.

The goal of the capital assets inventory system and policy is to provide control and accountability over the City's capital assets and to assist departments in gathering and maintaining information needed for the preparation of the annual financial statements. The City recognizes the importance of preserving the community's capital assets and to ensure that future needs are met.

Finally, the budget policy is designed to provide conceptual standards for financial decision-making, enhance consistency in financial decisions, and establish parameters for the administration to use in directing the day-to-day financial affairs of the City. One-time or special purpose revenues will be used to finance capital projects or for restricted expenditures and not to subsidize recurring personnel costs or other operating costs.

MAJOR INITIATIVES

The City has a unique position as a tourist center due to the City's location on Sandusky Bay, with over twenty-two miles of shoreline within the City limits, and the location of Cedar Point Amusement Park within the City. There are numerous marinas which have developed over the last decade, including a \$5 million, 700 slip marina created from idle industrial space and a 210 slip marina complex completed by a local legal firm which also erected a waterfront office center on that site. The Lyman Harbor Marina project rehabilitated an abandoned industrial site into a transient marina and entertainment complex and received tax incentives for its \$2.94 million project. There are over 8,000 slips available in the Sandusky Bay area.

Cedar Point, a 364-acre amusement and theme park, is located on a peninsula extending into Lake Erie from the City. Developed as a resort area in 1870, Cedar Point is open daily from early May to October attracting in excess of 3 million visitors each season to its numerous rides and attractions. Cedar Point also includes a recreational vehicle area, marina, restaurants, and hotels with a combined capacity of almost 1,100 beds which are open during Cedar Point's season. A water park attraction, with a separate entrance, is included at the park as well. Cedar Point employs 3,700 seasonal employees, primarily college students, and approximately 400 year-round employees. Cedar Point celebrated their 150th anniversary in 2020 and continue the celebration into 2021, as the COVID pandemic hindered their festivities for 2020.

Significant capital expenditures on new attractions are made every year at Cedar Point. There was a recent transformation of Soak City to the brand-new Cedar Point Shores Water Park, an 18-acre site with three new water attractions and upgraded food locations. Construction at the Hotel Breakers brings a new one hundred fifty-eight room hotel tower that opened in 2018.

In 2017, the Sports Force Parks at Cedar Point Center made its debut. The state of the art youth sporting complex features multiple fields for soccer, baseball, and lacrosse. In 2018, a groundbreaking was held for the new Indoor Sports Facility at the Cedar Point Center which was constructed adjacent to the Sports Force Parks property. The 145,000 square foot sports complex features ten full-size basketball courts that convert to twenty full-size volleyball courts and a championship arena with retractable seating. This project was a \$28 million investment by Cedar Point.

In 2019 the Holiday Inn Express hotel was expanded and added an additional five-story building that will include sixty-six additional rooms. This expansion project was an investment of over \$6 million.

In April 2019, the Marketplace at Cooke building opened on Market Street. This is an indoor mall filled with retail shops, food, and entertainment options such as axe throwing and a children's museum. Connected to this building is newly erected Hogrefe Building. Previously known as the Cooke Building, this structure was in such disrepair that the building was razed and completely rebuilt. The roughly 30,000 square feet of space will be open for retail, office and entertainment space in early 2022.

Sandusky's City Hall was relocated in July 2019 to its new downtown location at 240 Columbus Avenue. This was a transformation of three vacant commercial buildings in Sandusky's downtown that will now house office space, retail businesses, a market, and upscale apartments.

In 2020, the City unveiled a redesigned Jackson Street Pier. This was a multi-year project where millions of dollars were invested into the pier to provide a beautiful public viewing space of Lake Erie, Cedar Point and the shoreline. The City plans to host public events and festivities at the pier and hopes all community members will enjoy the renovated pier.

In 2021, the City began actively marketing residential parcels of land in the Cold Creek Development. This was a residential development project on the City's west-side where the previous developer failed to complete the development. The city has held the deeds for the properties for some time, and decided it was time to partner with a local real estate firm to market and resell these parcels. Due to Sandusky's growth and development over the previous years, we have a lot of interest in these parcels. We currently have purchase agreements for all the available single family lots with parties also showing interest in the multi-family lots. The City is excited to see the desire for this development along with additional downtown residential lots as they become homes for Sandusky residents.

The City has been successful in raising funds through various grant opportunities. These funds help programs that fund fair housing, economic development, public transit, and downtown revitalization efforts. The City has been designated as an Entitlement Community which allows the City to access federal funds directly from the U.S. Department of Housing and Urban Development.

AWARDS AND ACKNOWLEDGEMENTS

In May 2019, the City of Sandusky was crowned as the Best Coastal Small Town according to a nationwide contest conducted by USA Today. Voters nationwide selected Sandusky as the winner. Offering diverse amenities and one-of-a-kind recreation opportunities for both residents and guests won the voters over. The title reaffirms what many people already knew and validates the hard work that has gone into revitalizing the City into a great coastal town.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded, for the thirteenth time, a Certificate of Achievement for Excellence in Financial Reporting to the City of Sandusky for its Annual Comprehensive Financial Report for the year ended December 31, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual financial report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual financial report continues to meet the Certificate of Achievement Program's requirements, however the untimely filing of the report may hinder our eligibility for a certificate this year.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the supervisors of the other various departments of the City of Sandusky. The preparation of the annual financial report requires a major effort, and we would like to express our appreciation to everyone who assisted and contributed to the presentation of this year's report.

The employees of the City are dedicated to serving the citizens of Sandusky within the best of their capabilities. We wish to take this opportunity to thank the City Commission for its continuing support and to thank our department heads and staff for their diligent efforts to keep Sandusky financially sound and a special place in which people want to live, work, and play. Special acknowledgment is extended to Rea and Associates for their guidance in the preparation of this report.

Respectfully submitted,

A handwritten signature in blue ink that reads "Michelle Reeder". The signature is written in a cursive, flowing style.

Michelle Reeder
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sandusky
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

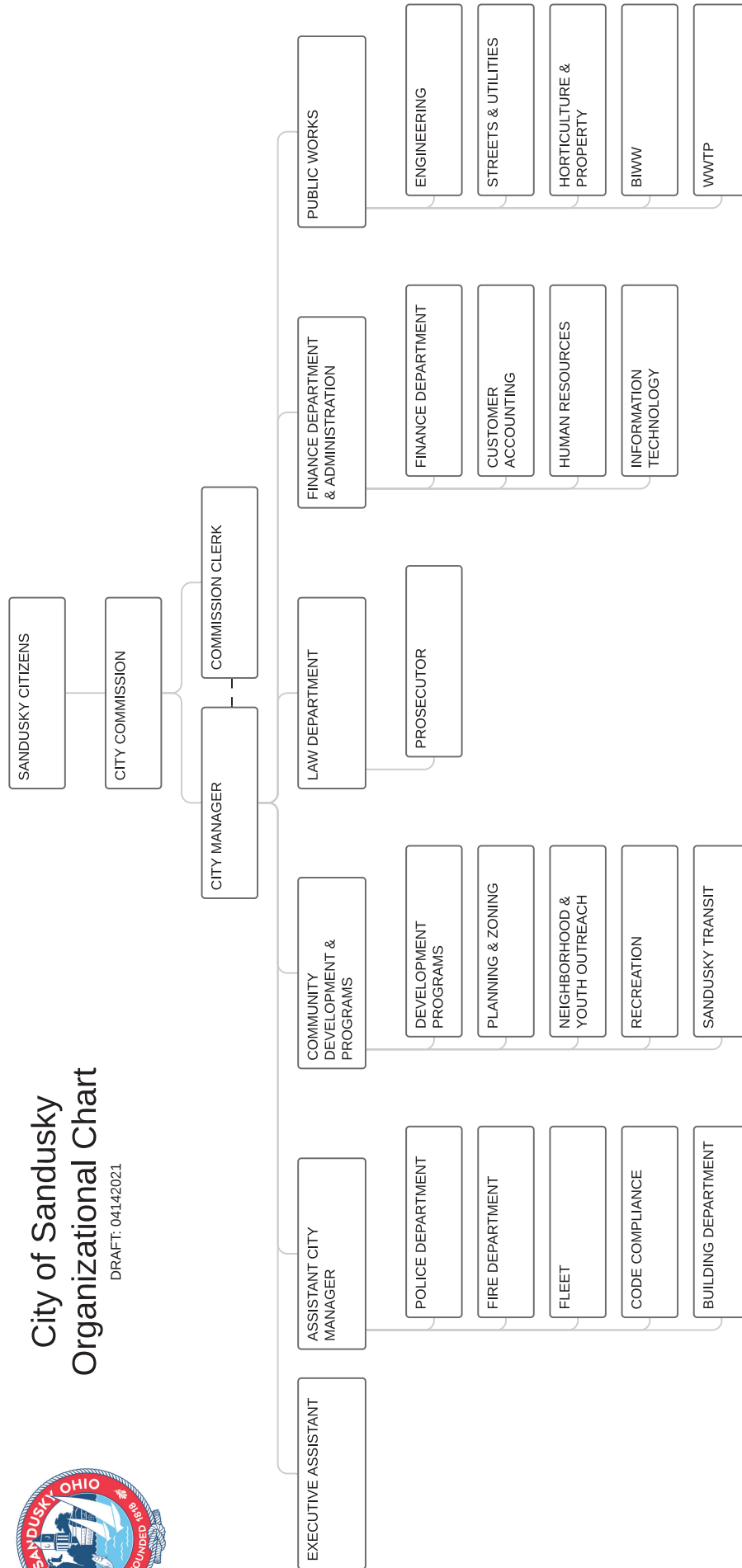
Christopher P. Morrill

Executive Director/CEO



City of Sandusky Organizational Chart

DRAFT: 04/14/2021



CITY OF SANDUSKY, OHIO

ELECTED PUBLIC OFFICIALS
December 31, 2021

CITY COMMISSION

Richard R. Brady
President/Ex-Officio Mayor
Term Expires 12-31-25
First took office 01-01-14

Dennis E. Murray Jr.
Vice-President
Term Expires 12-31-25
First took office 01-01-14

Stephen Poggiali
Term Expires 12-31-25
First took office 01-01-22

Dave Waddington
Term Expires 12-31-23
First took office 01-01-16

Mike Meinzer
Term Expires 12-31-23
First took office 01-01-20

Blake Harris
Term Expires 12-31-23
First took office 01-01-20

C. Wesley Poole
Term Expires 12-31-23
First took office 01-01-12

APPOINTED OFFICIALS
December 31, 2021

CITY MANAGER

Eric L. Wobser

CLERK OF COMMISSION

Cathy Myers

FINANCE DIRECTOR *

Michelle Reeder

LAW DIRECTOR *

Brendan Heil

*Appointed by City Manager



Financial





88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

City of Sandusky
Erie County
240 Columbus Avenue
Sandusky, Ohio 44870

To the City Commission:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sandusky, Erie County, Ohio (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sandusky, Erie County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and American Rescue Plan Act funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 23 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. Our opinion is not modified with respect to this matter.

As discussed in Note 24 to the financial statements, the City restated the beginning net position of Governmental Activities, Business-Type Activities, the Water Fund, and the Sewer Fund in order to accurately report capital assets and the General Fund fund balance beginning of year in the Statement of Receipts, Disbursements and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual in order to accurately report fund balance for the fund presented in the statement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and schedules of net pension and other post-employment benefit asset / liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

September 13, 2022

City of Sandusky
Erie County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

The discussion and analysis of the City of Sandusky's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, net position increased \$19,451,477 from 2020's restated net position. Net position of governmental activities increased \$11,663,028. Net position of business-type activities increased \$7,788,449.
- Total capital assets decreased \$195,955 in 2021. Capital assets of governmental activities increased \$598,691 and capital assets of business-type activities decreased \$794,646.
- Outstanding debt decreased from \$62,956,504 to \$59,731,344.
- The City restated beginning net position of governmental and business-type activities. See Note 24 for more information.
- OPERS approved several changes to the health care plan offered to retirees in an effort to decrease costs and increase the solvency of the health care plan. These changes significantly decreased the total OPEB liability for OPERS and resulted in the City reporting a net OPEB asset in 2021 (compared to reporting a net OPEB liability in prior years) causing a significant decrease in expenses.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2021 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City, the general fund is by far the most significant fund. Business-type funds consist of the water and sewer funds.

City of Sandusky
Erie County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

A question typically asked about the City's finances "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting method 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.

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

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

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

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, the capital projects fund and the American Rescue Plan Act fund.

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

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for the internal service fund allocations.

City of Sandusky
Erie County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the City's programs. These funds also use the accrual basis of accounting.

The City as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2021 compared to 2020:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	Restated		Change	Restated		Change
	2021	2020		2021	2020	
Assets						
Current and Other Assets	\$ 43,029,177	\$ 30,741,191	\$ 12,287,986	\$ 19,385,653	\$ 17,050,288	\$ 2,335,365
Net Pension/OPEB Asset	524,282	76,174	448,108	545,681	73,185	472,496
Capital Assets	44,405,663	43,806,972	598,691	99,580,169	100,374,815	(794,646)
<i>Total Assets</i>	<u>87,959,122</u>	<u>74,624,337</u>	<u>13,334,785</u>	<u>119,511,503</u>	<u>117,498,288</u>	<u>2,013,215</u>
Deferred Outflows of Resources						
Deferred Charges	-	81,026	(81,026)	-	-	-
Pension and OPEB	5,280,763	6,452,255	(1,171,492)	990,627	2,072,060	(1,081,433)
<i>Total Deferred Outflows of Resources</i>	<u>5,280,763</u>	<u>6,533,281</u>	<u>(1,252,518)</u>	<u>990,627</u>	<u>2,072,060</u>	<u>(1,081,433)</u>
Liabilities						
Current and Other Liabilities	17,758,387	10,963,096	6,795,291	1,327,156	2,090,998	(763,842)
Long-Term Liabilities:						
Due Within One Year	1,997,518	1,966,219	31,299	3,911,687	3,860,212	51,475
Due In More Than One Year:						
Net Pension Liability	23,528,043	26,382,200	(2,854,157)	4,601,352	6,378,081	(1,776,729)
Net OPEB Liability	2,969,643	7,412,466	(4,442,823)	-	4,340,294	(4,340,294)
Other Amounts	13,511,681	14,922,985	(1,411,304)	43,269,894	45,175,040	(1,905,146)
<i>Total Liabilities</i>	<u>59,765,272</u>	<u>61,646,966</u>	<u>(1,881,694)</u>	<u>53,110,089</u>	<u>61,844,625</u>	<u>(8,734,536)</u>
Deferred Inflows of Resources						
Property Taxes	2,162,443	2,225,979	(63,536)	-	-	-
Payments in Lieu of Taxes	1,353,471	1,220,616	132,855	-	-	-
Pension and OPEB	8,531,096	6,299,482	2,231,614	3,884,612	2,006,743	1,877,869
<i>Total Deferred Inflows of Resources</i>	<u>12,047,010</u>	<u>9,746,077</u>	<u>2,300,933</u>	<u>3,884,612</u>	<u>2,006,743</u>	<u>1,877,869</u>
Net Position						
Net Investment in Capital Assets	28,294,844	28,349,069	(54,225)	52,929,667	51,340,239	1,589,428
Restricted	17,768,521	12,691,426	5,077,095	-	-	-
Unrestricted (Deficit)	(24,635,762)	(31,275,920)	6,640,158	10,577,762	4,378,741	6,199,021
<i>Total Net Position</i>	<u>\$ 21,427,603</u>	<u>\$ 9,764,575</u>	<u>\$ 11,663,028</u>	<u>\$ 63,507,429</u>	<u>\$ 55,718,980</u>	<u>\$ 7,788,449</u>

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The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/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 and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

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

Capital assets include, land, improvements other than buildings, buildings, equipment, streets, bridges, utility plant, water and sewer lines and construction in progress. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted.

For governmental type activities, the City saw an increase in current assets as well as current liabilities. Cash and unearned revenue increased as a result of significant American Rescue Plan Act funding received but still yet to be spent. In addition accounts payable increased significantly as a result of a large payable at year end for a Lake Erie shoreline project in which the City has received ODNR grant funding.

For business type activities, the City saw a decrease in current liabilities and an increase in current assets. This decrease in liabilities is mainly attributable to a decrease in contracts and retainage payable. During the year the City capitalized several improvement projects that were in progress at the end of the prior year and had fewer construction related payables at the end of the current year. The increase in current assets is a result of an increase in intergovernmental receivables in the sewer fund. The City recorded a significant receivable for 2021 related to contributions owed from Erie County in accordance with a cost sharing agreement between the two governments for sewage treatment projects.

For both governmental and business-type activities, the changes reflected in net pension liability, net OPEB liability and deferred outflows/inflows of resources relating to pension and OPEB are based on estimates at the plan level. For additional details on GASB 68 and 75, see aforementioned discussion.

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In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2021 and 2020.

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2021	2020	Change	2021	2020	Change
Revenues						
<i>Program Revenues</i>						
Charges for Services	\$ 4,555,229	\$ 4,513,522	\$ 41,707	\$ 19,113,415	\$ 17,198,008	\$ 1,915,407
Operating Grants	5,287,243	6,168,257	(881,014)	-	-	-
Capital Grants and Contributions	4,472,704	2,218,148	2,254,556	1,650,000	30,815	1,619,185
<i>Total Program Revenues</i>	<u>14,315,176</u>	<u>12,899,927</u>	<u>1,415,249</u>	<u>20,763,415</u>	<u>17,228,823</u>	<u>3,534,592</u>
General Revenues						
Property Taxes	2,200,103	2,198,740	1,363	-	-	-
Income Taxes	13,144,722	11,314,395	1,830,327	-	-	-
Grants and Entitlements	1,003,386	873,247	130,139	-	-	-
Payments in Lieu of Taxes	1,220,616	537,857	682,759	-	-	-
Other Local Taxes	6,471,581	1,170,951	5,300,630	-	-	-
Franchise Taxes	315,953	386,707	(70,754)	-	-	-
Miscellaneous	1,549,048	3,576,951	(2,027,903)	67,785	317,068	(249,283)
<i>Total General Revenues</i>	<u>25,905,409</u>	<u>20,058,848</u>	<u>5,846,561</u>	<u>67,785</u>	<u>317,068</u>	<u>(249,283)</u>
<i>Total Revenues</i>	<u>40,220,585</u>	<u>32,958,775</u>	<u>7,261,810</u>	<u>20,831,200</u>	<u>17,545,891</u>	<u>3,285,309</u>
Program Expenses						
<i>General Government</i>						
Municipal Court	298,305	1,212,620	(914,315)	-	-	-
Other	4,114,443	5,479,982	(1,365,539)	-	-	-
<i>Security of Persons and Property</i>						
Police	5,148,685	5,848,943	(700,258)	-	-	-
Fire	6,423,325	7,082,645	(659,320)	-	-	-
Other	286,566	266,379	20,187	-	-	-
Public Health	225,743	376,346	(150,603)	-	-	-
Leisure Time Activities	2,413,136	1,873,122	540,014	-	-	-
Community Environment	3,425,881	6,799,287	(3,373,406)	-	-	-
Transportation	5,699,220	7,487,554	(1,788,334)	-	-	-
Interest and Fiscal Charges	522,253	584,372	(62,119)	-	-	-
<i>Enterprise Operations</i>						
Water	-	-	-	5,352,988	6,832,130	(1,479,142)
Sewer	-	-	-	7,689,763	10,139,102	(2,449,339)
<i>Total Expenses</i>	<u>28,557,557</u>	<u>37,011,250</u>	<u>(8,453,693)</u>	<u>13,042,751</u>	<u>16,971,232</u>	<u>(3,928,481)</u>
<i>Change in Net Position</i>	11,663,028	(4,052,475)	15,715,503	7,788,449	574,659	7,213,790
<i>Net Position Beginning of Year - Restated</i>	9,764,575	25,880,041	(16,115,466)	55,718,980	55,324,147	394,833
<i>Restatement - See Note 24</i>	-	(12,062,991)	N/A	-	(179,826)	N/A
<i>Net Position End of Year</i>	<u>\$ 21,427,603</u>	<u>\$ 9,764,575</u>	<u>\$ (399,963)</u>	<u>\$ 63,507,429</u>	<u>\$ 55,718,980</u>	<u>\$ 7,608,623</u>

The City's overall net position increased from the prior year and the reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services and other local taxes.

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General revenues include grants and entitlements, such as local government funds. With the combination of property tax, income tax, payments in lieu of taxes, other local taxes and intergovernmental funding all expenses in the governmental activities are funded. The City monitors its sources of revenues very closely for fluctuations.

The City saw a decrease in operating grants as well as an increase in capital grants during 2021. The decrease in operating grants and increase in capital grants can be attributed to the City utilizing COVID-19 relief funding for capital related projects in 2021 as compared to police and fire operations in 2020. In addition, the City also received several grants as well as donations for ongoing capital projects. Other local tax increased significantly as the City saw a large increase in Cedar Point Sports Park admission taxes. Income taxes increased after seeing a decrease in 2020 due to the pandemic. Miscellaneous revenue decreased during the current year because of the large workers compensation dividend received in 2020.

Police and fire represent the largest expense of the governmental activities. The police and fire departments operate primarily out of the general fund. The decrease in general government and security of persons and property is due primarily to changes in expenses associated with GASB 68 and 75.

Business-Type Activities

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services. Charges for services increased for both activities primarily as a result of a 3 percent rate increase which went into effect January 2021. Capital grants and contributions increased in the sewer fund as a result of a receivable recorded for contributions owed from Erie County, as previously discussed. Expenses for both activities decreased significantly as a result of fewer ongoing repair and maintenance related projects, when compared to prior year, paired with changes in expenses associated with GASB 68 and 75.

The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a City's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Commission.

	Fund Balance (Deficit)		Increase
	12/31/2021	12/31/2020	
General Fund	\$ 6,481,452	\$ 5,188,321	\$ 1,293,131
Capital Projects Fund	(120,359)	(4,181,543)	4,061,184
Nonmajor Governmental Funds	8,643,341	7,431,766	1,211,575
<i>Total</i>	<u>\$ 15,004,434</u>	<u>\$ 8,438,544</u>	<u>\$ 6,565,890</u>

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The general fund is the chief operating fund of the City. The fund balance of the general fund increased almost \$1.3 million during the current fiscal year. This increase is primarily the result of normal operations paired with an increase in admission tax.

The capital projects fund balance increased by \$4.1 million due to timing of grant funding as compared to project expenditures.

The American Rescue Plan Act fund qualified as a major fund in 2021 as a result of a significant amount of COVID-19 related grant funding received by the City.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the water fund at the end of the year was \$3,965,988, the sewer fund was \$6,271,904. Total growth in net position for the water and sewer funds was \$2,981,334 and \$5,079,707, respectively. Both funds were impacted by the accruals for pension and OPEB.

General Fund Budgeting Highlights

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City officials and department heads and such other budgetary documents as are required by State statute. The annual appropriations ordinance cannot be adopted prior to the second Monday in January of each year per City Charter. The City approves a temporary appropriations ordinance until the annual appropriations are approved. The City's most significant budgeted fund is the general fund.

During the course of 2021, the City amended its general fund budget. The City increased its original budget for transfers out to the capital projects fund to support ongoing construction projects.

Final Budget Compared to Actual Results

Actual expenditures were significantly less than final budget amounts due to conservative spending.

There were no significant variances to discuss within other financing sources and uses.

Capital Assets and Debt Administration

Capital Assets

Overall, capital assets of governmental activities increased in 2021. The City had several projects that were completed and transferred from construction in progress to depreciable assets. The largest project completed was the Jackson Street Pier.

Capital assets of business-type activities decreased slightly in 2021. A significant amount of construction in progress was transferred to depreciable assets as the City finalized several improvement projects. The most significant addition was the completion of the Pier Track project. However, this was offset by current year depreciation expense, resulting in an overall decrease.

See Note 11 for additional information about the capital assets of the City.

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Debt

The City's outstanding debt decrease is primarily due to principal retirement. This decrease was partially offset by additional drawdowns during 2021 on several OWDA and 2 new OPWC loans. See Note 18 for additional information about the City's outstanding debt.

Current Issues

The Feick Building on East Market Street is being redeveloped to offer 50,000 square feet of leasable space. This is an approximate \$10 million dollar investment and is expected to be completed in 2022. Upon completion, it will house retail shops and restaurants on the ground floor and the top seven floors will be residential.

The Hogrefe Building (previously known as the Cooke Building), located at the corner of Columbus Avenue and Market Street, is in the processing of being renovated. The roughly 30,000 square feet of redesigned space will be utilized as retail, office, living, and entertainment space. Construction is scheduled to be completed in 2022.

Revenue for 2021 has increased substantially when compared to the 2020 revenue. The coronavirus pandemic in 2020 negatively impacted revenue as tourism came to a standstill. Income tax receipts increased for 2021 as well as admission tax revenue.

Contacting the City's Finance Department

This financial report is designed to provide a general overview of the City's finances for all those interested in our City's financial wellbeing. Questions concerning any of the information provided in this report or requests for additional information should be directed to Michelle Reeder, Finance Director, 240 Columbus Avenue, Sandusky, Ohio 44870.

City of Sandusky
Erie County
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 27,810,597	\$ 13,007,480	\$ 40,818,077
Cash and Cash Equivalents in Segregated Accounts	29,164	-	29,164
Cash and Cash Equivalents with Escrow Agents	-	81,998	81,998
Accounts Receivable	431,627	2,183,605	2,615,232
Intergovernmental Receivable	2,406,989	2,746,876	5,153,865
Other Local Taxes Receivable	48,912	-	48,912
Property Taxes Receivable	2,278,648	-	2,278,648
Municipal Income Taxes Receivable	3,841,668	-	3,841,668
Payments in Lieu of Taxes Receivable	1,353,471	-	1,353,471
Notes Receivable	3,231,434	-	3,231,434
Special Assessments Receivable	1,577,203	-	1,577,203
Internal Balances	(339,870)	339,870	-
Materials and Supplies Inventory	359,334	1,025,824	1,385,158
Net OPEB Asset	524,282	545,681	1,069,963
Non-Depreciable Capital Assets	12,594,555	6,078,682	18,673,237
Depreciable Capital Assets, net	31,811,108	93,501,487	125,312,595
<i>Total Assets</i>	<u>87,959,122</u>	<u>119,511,503</u>	<u>207,470,625</u>
Deferred Outflows of Resources			
Pension	3,229,039	673,023	3,902,062
OPEB	2,051,724	317,604	2,369,328
<i>Total Deferred Outflows of Resources</i>	<u>5,280,763</u>	<u>990,627</u>	<u>6,271,390</u>
Liabilities			
Accounts Payable	1,623,353	372,098	1,995,451
Accrued Wages Payable	308,067	130,539	438,606
Contracts Payable	194,621	115,667	310,288
Retainage Payable	119,133	81,998	201,131
Intergovernmental Payable	373,004	81,258	454,262
Accrued Interest Payable	-	545,596	545,596
Claims Payable	526,104	-	526,104
Unearned Revenue	7,324,105	-	7,324,105
Notes Payable	7,290,000	-	7,290,000
Long-Term Liabilities:			
Due Within One Year	1,997,518	3,911,687	5,909,205
Due In More Than One Year:			
Net Pension Liability	23,528,043	4,601,352	28,129,395
Net OPEB Liability	2,969,643	-	2,969,643
Other Amounts Due in More Than One Year	13,511,681	43,269,894	56,781,575
<i>Total Liabilities</i>	<u>59,765,272</u>	<u>53,110,089</u>	<u>112,875,361</u>
Deferred Inflows of Resources			
Property Taxes	2,162,443	-	2,162,443
Payments in Lieu of Taxes	1,353,471	-	1,353,471
Pension	5,310,277	2,150,426	7,460,703
OPEB	3,220,819	1,734,186	4,955,005
<i>Total Deferred Inflows of Resources</i>	<u>12,047,010</u>	<u>3,884,612</u>	<u>15,931,622</u>
Net Position			
Net Investment in Capital Assets	28,294,844	52,929,667	81,224,511
Restricted for:			
Capital Projects	7,579,141	-	7,579,141
Debt Service	2,438,289	-	2,438,289
Street Maintenance	1,719,999	-	1,719,999
State Grants	1,841,081	-	1,841,081
Federal Grants	1,299,124	-	1,299,124
Court Operations	676,736	-	676,736
Park Operations	275,690	-	275,690
Cemetery Operations	710,896	-	710,896
Other	1,227,565	-	1,227,565
Unrestricted (Deficit)	(24,635,762)	10,577,762	(14,058,000)
<i>Total Net Position</i>	<u>\$ 21,427,603</u>	<u>\$ 63,507,429</u>	<u>\$ 84,935,032</u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Activities
For the Year Ended December 31, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government							
Municipal Court	\$ 298,305	\$ 1,037,309	\$ -	\$ 5,385	\$ 744,389	\$ -	\$ 744,389
Other	4,114,443	111,575	12,750	-	(3,990,118)	-	(3,990,118)
Security of Persons and Property							
Police	5,148,685	105,630	14,683	-	(5,028,372)	-	(5,028,372)
Fire	6,423,325	1,069,820	145,568	-	(5,207,937)	-	(5,207,937)
Other	286,566	-	-	-	(286,566)	-	(286,566)
Public Health	225,743	178,504	3,423	-	(43,816)	-	(43,816)
Leisure Time Activities	2,413,136	340,982	531	-	(2,071,623)	-	(2,071,623)
Community Environment	3,425,881	802,917	568,042	1,641,093	(413,829)	-	(413,829)
Transportation	5,699,220	908,492	4,542,246	2,826,226	2,577,744	-	2,577,744
Debt Service							
Interest and Fiscal Charges	522,253	-	-	-	(522,253)	-	(522,253)
<i>Total Governmental Activities</i>	<u>28,557,557</u>	<u>4,555,229</u>	<u>5,287,243</u>	<u>4,472,704</u>	<u>(14,242,381)</u>	<u>-</u>	<u>(14,242,381)</u>
Business-Type Activities							
Water	5,352,988	8,184,948	-	-	-	2,831,960	2,831,960
Sewer	7,689,763	10,928,467	-	1,650,000	-	4,888,704	4,888,704
<i>Total Business-Type Activities</i>	<u>13,042,751</u>	<u>19,113,415</u>	<u>-</u>	<u>1,650,000</u>	<u>-</u>	<u>7,720,664</u>	<u>7,720,664</u>
<i>Total</i>	<u>\$ 41,600,308</u>	<u>\$ 23,668,644</u>	<u>\$ 5,287,243</u>	<u>\$ 6,122,704</u>	<u>(14,242,381)</u>	<u>7,720,664</u>	<u>(6,521,717)</u>
General Revenues							
Property Taxes Levied for:							
General Purposes					1,551,382	-	1,551,382
Police and Fire Pension					255,030	-	255,030
Debt Service					393,691	-	393,691
Municipal Income Taxes Levied for:							
General Purposes					11,666,224	-	11,666,224
Debt Service					821,262	-	821,262
Capital Projects					657,236	-	657,236
Other Local Taxes					6,471,581	-	6,471,581
Grants and Entitlements not Restricted to Specific Programs					1,003,386	-	1,003,386
Payments in Lieu of Taxes					1,220,616	-	1,220,616
Franchise Taxes					315,953	-	315,953
Investment Income					(116,214)	5,856	(110,358)
Other					1,665,262	61,929	1,727,191
<i>Total General Revenues</i>					<u>25,905,409</u>	<u>67,785</u>	<u>25,973,194</u>
<i>Change in Net Position</i>					11,663,028	7,788,449	19,451,477
<i>Net Position Beginning of Year - Restated</i>					<u>9,764,575</u>	<u>55,718,980</u>	<u>65,483,555</u>
<i>Net Position End of Year</i>					<u>\$ 21,427,603</u>	<u>\$ 63,507,429</u>	<u>\$ 84,935,032</u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Balance Sheet
Governmental Funds
December 31, 2021

	General Fund	Capital Projects Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 5,249,952	\$ 6,994,550	\$ 6,780,122	\$ 6,387,776	\$ 25,412,400
Cash and Cash Equivalents in Segregated Accounts	29,164	-	-	-	29,164
Restricted Cash and Cash Equivalents	133,764	-	-	-	133,764
Accounts Receivable	391,298	-	-	40,329	431,627
Intergovernmental Receivable	442,476	844,132	-	1,120,381	2,406,989
Other Local Taxes Receivable	12,839	-	-	36,073	48,912
Property Taxes Receivable	1,638,556	-	-	640,092	2,278,648
Municipal Income Taxes Receivable	3,409,481	-	-	432,187	3,841,668
Payments in Lieu of Taxes Receivable	-	-	-	1,353,471	1,353,471
Notes Receivable	-	449,086	-	2,782,348	3,231,434
Special Assessments Receivable	-	-	-	1,577,203	1,577,203
Materials and Supplies Inventory	148,439	-	-	210,895	359,334
<i>Total Assets</i>	<u>\$ 11,455,969</u>	<u>\$ 8,287,768</u>	<u>\$ 6,780,122</u>	<u>\$ 14,580,755</u>	<u>\$ 41,104,614</u>
Liabilities					
Accounts Payable	\$ 285,214	\$ 946,070	\$ 272	\$ 391,797	\$ 1,623,353
Accrued Wages Payable	272,403	4,492	4,107	27,065	308,067
Contracts Payable	-	33,750	77,111	83,760	194,621
Retainage Payable	-	119,133	-	-	119,133
Intergovernmental Payable	228,769	2,438	3,123	138,674	373,004
Unearned Revenue	-	-	6,695,509	628,596	7,324,105
Notes Payable	-	7,290,000	-	-	7,290,000
<i>Total Liabilities</i>	<u>786,386</u>	<u>8,395,883</u>	<u>6,780,122</u>	<u>1,269,892</u>	<u>17,232,283</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	1,555,552	-	-	606,891	2,162,443
Payments in Lieu of Taxes	-	-	-	1,353,471	1,353,471
Unavailable Revenue	2,632,579	12,244	-	2,707,160	5,351,983
<i>Total Deferred Inflows of Resources</i>	<u>4,188,131</u>	<u>12,244</u>	<u>-</u>	<u>4,667,522</u>	<u>8,867,897</u>
Fund Balances					
Nonspendable	282,203	-	-	210,895	493,098
Restricted	-	-	-	8,346,615	8,346,615
Committed	-	-	-	144,648	144,648
Assigned	758,605	-	-	-	758,605
Unassigned (Deficit)	5,440,644	(120,359)	-	(58,817)	5,261,468
<i>Total Fund Balance (Deficit)</i>	<u>6,481,452</u>	<u>(120,359)</u>	<u>-</u>	<u>8,643,341</u>	<u>15,004,434</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 11,455,969</u>	<u>\$ 8,287,768</u>	<u>\$ 6,780,122</u>	<u>\$ 14,580,755</u>	<u>\$ 41,104,614</u>

See accompanying notes to the basic financial statements.

**City of Sandusky
Erie County**
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2021*

Total Governmental Fund Balances	\$	15,004,434
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		44,405,663
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Accounts Receivable	\$ 306,512	
Intergovernmental Receivable	1,247,367	
Municipal Income Taxes Receivable	2,101,499	
Other Local Taxes Receivable	3,197	
Delinquent Property Taxes Receivable	116,205	
Special Assessments Receivable	<u>1,577,203</u>	5,351,983
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,398,459
The net pension liability and net OPEB liability/asset are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	524,282	
Deferred Outflows - Pension	3,229,039	
Deferred Outflows - OPEB	2,051,724	
Net Pension Liability	(23,528,043)	
Net OPEB Liability	(2,969,643)	
Deferred Inflows - Pension	(5,310,277)	
Deferred Inflows - OPEB	<u>(3,220,819)</u>	(29,223,737)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,388,684)	
Special Assessment Bonds	(1,267,664)	
OPWC Loans	(122,514)	
Revenue Bonds	(9,499,645)	
Compensated Absences	<u>(2,230,692)</u>	(15,509,199)
<i>Net Position of Governmental Activities</i>	<u>\$</u>	<u>21,427,603</u>

See accompanying notes to the basic financial statements.

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

	General Fund	Capital Projects Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$ 1,572,776	\$ -	\$ -	\$ 659,282	\$ 2,232,058
Municipal Income Taxes	12,178,378	-	-	1,543,420	13,721,798
Other Local Taxes	6,059,293	-	-	479,219	6,538,512
Payments in Lieu of Taxes	-	-	-	1,220,616	1,220,616
Special Assessments	-	-	-	237,063	237,063
Charges for Services	958,264	925,291	-	489,325	2,372,880
Fees, Licenses, and Permits	627,145	-	-	330,900	958,045
Fines and Forfeitures	921,040	142,555	-	175,057	1,238,652
Intergovernmental	854,154	1,377,307	2,350,040	5,505,173	10,086,674
Investment Income	(84,334)	1,613	-	5,015	(77,706)
Contributions and Donations	-	731,500	-	-	731,500
Miscellaneous	701,078	443,171	-	252,414	1,396,663
<i>Total Revenues</i>	<u>23,787,794</u>	<u>3,621,437</u>	<u>2,350,040</u>	<u>10,897,484</u>	<u>40,656,755</u>
Expenditures					
Current:					
General Government					
Municipal Court	897,886	16,130	-	-	914,016
Other	3,243,520	207,783	171,082	365,275	3,987,660
Security of Persons and Property					
Police	4,502,520	-	29,020	653,412	5,184,952
Fire	4,739,240	314,205	2,023	904,075	5,959,543
Other	229,080	-	5,712	51,774	286,566
Public Health	356,268	-	-	4,337	360,605
Leisure Time Activities	404,134	1,889,171	100,000	35,590	2,428,895
Community Environment	1,954,386	827,157	107,465	1,466,610	4,355,618
Transportation	-	-	-	5,034,370	5,034,370
Capital Outlay	-	2,025,941	1,934,738	8,926	3,969,605
Debt Service:					
Principal Retirement	-	2,705	-	1,470,354	1,473,059
Interest and Fiscal Charges	-	90,451	-	487,498	577,949
<i>Total Expenditures</i>	<u>16,327,034</u>	<u>5,373,543</u>	<u>2,350,040</u>	<u>10,482,221</u>	<u>34,532,838</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,460,760</u>	<u>(1,752,106)</u>	<u>-</u>	<u>415,263</u>	<u>6,123,917</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	11,226	28,034	-	223,912	263,172
Proceeds of OPWC Loans	-	125,219	-	-	125,219
Premium on Debt Issued	-	53,582	-	-	53,582
Transfers In	-	5,606,455	-	1,507,400	7,113,855
Transfers Out	(6,178,855)	-	-	(935,000)	(7,113,855)
<i>Total Other Financing Sources (Uses)</i>	<u>(6,167,629)</u>	<u>5,813,290</u>	<u>-</u>	<u>796,312</u>	<u>441,973</u>
<i>Net Changes in Fund Balances</i>	1,293,131	4,061,184	-	1,211,575	6,565,890
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>5,188,321</u>	<u>(4,181,543)</u>	<u>-</u>	<u>7,431,766</u>	<u>8,438,544</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 6,481,452</u>	<u>\$ (120,359)</u>	<u>\$ -</u>	<u>\$ 8,643,341</u>	<u>\$ 15,004,434</u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
*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 Changes in Fund Balances - Total Governmental Funds	\$	6,565,890
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 3,715,792	
Current Year Depreciation	<u>(2,880,753)</u>	835,039
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(236,348)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Charges for Services	47,980	
Interest	(31,880)	
Intergovernmental	(61,469)	
Income Tax	(577,076)	
Other Local Taxes	(66,931)	
Property Taxes	(31,955)	
Special Assessments	<u>16,562</u>	(704,769)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	812,300	
Special Assessment Bonds	147,699	
OPWC Loans	2,705	
Revenue Bonds	<u>510,355</u>	1,473,059
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
OPWC Loans		(125,219)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	119,710	
Amortization of Premium on Bonds	17,012	
Amortization of Refunding Loss	<u>(81,026)</u>	55,696
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,999,770	
OPEB	<u>33,397</u>	2,033,167
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(779,549)	
OPEB	<u>3,088,364</u>	2,308,815
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		(557,455)
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.		
Compensated Absences		<u>15,153</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>11,663,028</u></u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 1,561,818	\$ 1,766,728	\$ 1,572,776	\$ (193,952)
Municipal Income Taxes	11,191,956	10,824,484	11,270,481	445,997
Other Local Taxes	6,016,008	6,016,008	6,058,218	42,210
Charges for Services	636,504	637,314	640,970	3,656
Licenses and Permits	617,836	682,922	622,171	(60,751)
Fines and Forfeitures	939,577	1,098,223	946,169	(152,054)
Intergovernmental	836,658	824,766	842,528	17,762
Investment Income	136,165	208,437	137,120	(71,317)
Miscellaneous	632,227	684,892	636,663	(48,229)
<i>Total Revenues</i>	<u>22,568,749</u>	<u>22,743,774</u>	<u>22,727,096</u>	<u>(16,678)</u>
Expenditures				
Current:				
General Government				
Municipal Court	1,034,770	1,034,770	898,948	135,822
Other	3,864,712	4,063,187	3,384,665	678,522
Security of Persons and Property				
Police	4,937,420	4,939,170	4,430,464	508,706
Fire	4,835,020	4,852,020	4,670,915	181,105
Other	270,000	270,000	264,821	5,179
Public Health	285,076	295,076	280,813	14,263
Community Environment	1,877,740	1,829,240	1,827,147	2,093
<i>Total Expenditures</i>	<u>17,104,738</u>	<u>17,283,463</u>	<u>15,757,773</u>	<u>1,525,690</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,464,011</u>	<u>5,460,311</u>	<u>6,969,323</u>	<u>1,509,012</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	11,123	1,598	11,201	9,603
Transfers In	183,622	18,121	-	(18,121)
Transfers Out	(2,847,400)	(6,790,400)	(6,786,855)	3,545
<i>Total Other Financing Sources (Uses)</i>	<u>(2,652,655)</u>	<u>(6,770,681)</u>	<u>(6,775,654)</u>	<u>(4,973)</u>
<i>Net Change in Fund Balance</i>	2,811,356	(1,310,370)	193,669	1,504,039
<i>Fund Balance Beginning of Year - Restated</i>	4,345,051	4,345,051	4,345,051	-
Prior Year Encumbrances Appropriated	47,269	47,269	47,269	-
<i>Fund Balance End of Year</i>	<u>\$ 7,203,676</u>	<u>\$ 3,081,950</u>	<u>\$ 4,585,989</u>	<u>\$ 1,504,039</u>

See accompanying notes to the basic financial statements.

**City of Sandusky
Erie County**

*Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Act Fund
For the Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 9,045,549	\$ 9,045,549	\$ -
<i>Total Revenues</i>	<u>-</u>	<u>9,045,549</u>	<u>9,045,549</u>	<u>-</u>
Expenditures				
Current:				
General Government				
Other	-	1,201,183	1,144,756	56,427
Security of Persons and Property				
Police	-	86,948	26,285	60,663
Fire	-	2,023	2,023	-
Other	-	5,712	5,712	-
Leisure Time Activities	-	100,000	100,000	-
Community Environment	-	183,224	104,379	78,845
Capital Outlay	-	2,271,410	1,871,362	400,048
<i>Total Expenditures</i>	<u>-</u>	<u>3,850,500</u>	<u>3,254,517</u>	<u>595,983</u>
<i>Excess of Revenues Over Expenditures</i>	<u>-</u>	<u>5,195,049</u>	<u>5,791,032</u>	<u>595,983</u>
 <i>Net Change in Fund Balance</i>	 -	 5,195,049	 5,791,032	 595,983
<i>Fund Balance Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ -</u>	<u>\$ 5,195,049</u>	<u>\$ 5,791,032</u>	<u>\$ 595,983</u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Fund Net Position
Proprietary Funds
December 31, 2021

	Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Fund
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 5,354,558	\$ 7,652,922	\$ 13,007,480	\$ 2,264,433
Accounts Receivable	932,721	1,250,884	2,183,605	-
Intergovernmental Receivable	803,647	1,943,229	2,746,876	-
Materials and Supplies Inventory	891,678	134,146	1,025,824	-
<i>Total Current Assets</i>	<u>7,982,604</u>	<u>10,981,181</u>	<u>18,963,785</u>	<u>2,264,433</u>
<i>Non-Current Assets:</i>				
<i>Restricted Assets:</i>				
Cash and Cash Equivalents with Escrow Agent	40,999	40,999	81,998	-
Net OPEB Asset	267,491	278,190	545,681	-
Non-Depreciable Capital Assets	2,518,097	3,560,585	6,078,682	-
Depreciable Capital Assets, Net	27,631,468	65,870,019	93,501,487	-
<i>Total Non-Current Assets</i>	<u>30,458,055</u>	<u>69,749,793</u>	<u>100,207,848</u>	<u>-</u>
<i>Total Assets</i>	<u>38,440,659</u>	<u>80,730,974</u>	<u>119,171,633</u>	<u>2,264,433</u>
Deferred Outflows of Resources				
Pension	345,211	327,812	673,023	-
OPEB	165,128	152,476	317,604	-
<i>Total Deferred Outflows of Resources</i>	<u>510,339</u>	<u>480,288</u>	<u>990,627</u>	<u>-</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	51,000	321,098	372,098	-
Accrued Wages Payable	64,495	66,044	130,539	-
Contracts Payable	9,056	106,611	115,667	-
Retainage Payable	40,999	40,999	81,998	-
Intergovernmental Payable	39,943	41,315	81,258	-
Accrued Interest Payable	183,188	362,408	545,596	-
Claims Payable	-	-	-	526,104
Compensated Absences Payable	103,555	104,017	207,572	-
OWDA Loans Payable	1,479,658	2,129,457	3,609,115	-
General Obligation Bonds Payable	10,000	85,000	95,000	-
<i>Total Current Liabilities</i>	<u>1,981,894</u>	<u>3,256,949</u>	<u>5,238,843</u>	<u>526,104</u>
<i>Non-Current Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	236,243	284,929	521,172	-
OWDA Loans Payable - Net of Current Portion	13,163,413	28,660,309	41,823,722	-
General Obligation Bonds Payable - Net of Current Portion	80,000	845,000	925,000	-
Net Pension Liability	2,255,565	2,345,787	4,601,352	-
<i>Total Non-Current Liabilities</i>	<u>15,735,221</u>	<u>32,136,025</u>	<u>47,871,246</u>	<u>-</u>
<i>Total Liabilities</i>	<u>17,717,115</u>	<u>35,392,974</u>	<u>53,110,089</u>	<u>526,104</u>
Deferred Inflows of Resources				
Pension	1,052,404	1,098,022	2,150,426	-
OPEB	849,052	885,134	1,734,186	-
<i>Total Deferred Inflows of Resources</i>	<u>1,901,456</u>	<u>1,983,156</u>	<u>3,884,612</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	15,366,439	37,563,228	52,929,667	-
Unrestricted	3,965,988	6,271,904	10,237,892	1,738,329
<i>Total Net Position</i>	<u>\$ 19,332,427</u>	<u>\$ 43,835,132</u>	<u>63,167,559</u>	<u>\$ 1,738,329</u>

Some amounts reported for business-type activities in the statement of net position are different because internal service fund assets and liabilities are included with business-type activities.

Net Position of business-type activities

339,870
\$ 63,507,429

See accompanying notes to the basic financial statements.

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

	Enterprise			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Fund
Operating Revenues				
Charges for Services	\$ 8,184,948	\$ 10,928,467	\$ 19,113,415	\$ 2,588,700
Other	21,792	40,137	61,929	676,845
<i>Total Operating Revenues</i>	<u>8,206,740</u>	<u>10,968,604</u>	<u>19,175,344</u>	<u>3,265,545</u>
Operating Expenses				
Personal Services	1,392,771	1,437,623	2,830,394	-
Contractual Services	1,192,931	2,477,144	3,670,075	505,783
Materials and Supplies	890,133	751,201	1,641,334	-
Claims	-	-	-	3,589,809
Depreciation	1,331,562	2,054,180	3,385,742	-
Other	13,473	10,844	24,317	-
<i>Total Operating Expenses</i>	<u>4,820,870</u>	<u>6,730,992</u>	<u>11,551,862</u>	<u>4,095,592</u>
<i>Operating Income (Loss)</i>	<u>3,385,870</u>	<u>4,237,612</u>	<u>7,623,482</u>	<u>(830,047)</u>
Non-Operating Revenues (Expenses)				
Investment Income	970	4,886	5,856	-
Loss on Disposal of Capital Assets	(28,496)	(33,376)	(61,872)	-
Interest Expense	(377,010)	(779,415)	(1,156,425)	-
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(404,536)</u>	<u>(807,905)</u>	<u>(1,212,441)</u>	<u>-</u>
<i>Income (Loss) Before Capital Contributions</i>	2,981,334	3,429,707	6,411,041	(830,047)
Capital Contributions	-	1,650,000	1,650,000	-
<i>Changes in Net Position</i>	2,981,334	5,079,707	8,061,041	(830,047)
<i>Net Position Beginning of Year - Restated</i>	<u>16,351,093</u>	<u>38,755,425</u>		<u>2,568,376</u>
<i>Net Position End of Year</i>	<u>\$ 19,332,427</u>	<u>\$ 43,835,132</u>		<u>\$ 1,738,329</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:			<u>(272,592)</u>	
Changes in Net Position of Business-Type Activities			<u>\$ 7,788,449</u>	

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Fund
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 7,357,166	\$ 11,037,705	\$ 18,394,871	\$ 2,588,700
Cash Received from Other Operating Receipts	28,018	42,797	70,815	-
Cash Payments to Suppliers for Goods and Services	(997,648)	(738,608)	(1,736,256)	-
Cash Payments to Employees for Services and Benefits	(3,147,204)	(3,276,651)	(6,423,855)	-
Cash Payments for Contractual Services	(1,192,825)	(2,489,265)	(3,682,090)	(505,783)
Cash Payments for Claims	-	-	-	(3,487,895)
Other Cash Payments	(13,473)	(10,844)	(24,317)	676,845
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>2,034,034</u>	<u>4,565,134</u>	<u>6,599,168</u>	<u>(728,133)</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds of OWDA Loans	544,013	1,450,423	1,994,436	-
Acquisition of Capital Assets	(662,209)	(2,514,524)	(3,176,733)	-
Principal Payments on Debt	(1,429,555)	(2,425,189)	(3,854,744)	-
Interest Payments on Debt	(441,058)	(896,756)	(1,337,814)	-
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(1,988,809)</u>	<u>(4,386,046)</u>	<u>(6,374,855)</u>	<u>-</u>
Cash Flows from Investing Activities				
Interest	970	4,886	5,856	-
<i>Net Increase (Decrease) in Cash and Investments</i>	46,195	183,974	230,169	(728,133)
<i>Cash and Investments Beginning of Year</i>	<u>5,349,362</u>	<u>7,509,947</u>	<u>12,859,309</u>	<u>2,992,566</u>
<i>Cash and Investments End of Year</i>	<u>\$ 5,395,557</u>	<u>\$ 7,693,921</u>	<u>\$ 13,089,478</u>	<u>\$ 2,264,433</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$ 3,385,870	\$ 4,237,612	\$ 7,623,482	\$ (830,047)
Adjustments:				
Depreciation	1,331,562	2,054,180	3,385,742	-
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	(360,161)	138,113	(222,048)	-
Prepaid Items	14,061	14,736	28,797	-
Materials and Supplies Inventory	(78,652)	31,724	(46,928)	-
Intergovernmental Receivable	(461,394)	(26,215)	(487,609)	-
Net Pension Asset	35,845	37,340	73,185	-
Net OPEB Asset	(267,491)	(278,190)	(545,681)	-
Deferred Outflows - Pension/OPEB	543,328	538,105	1,081,433	-
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	(42,361)	262,201	219,840	-
Accrued Wages	9,781	11,271	21,052	-
Intergovernmental Payable	4,219	(303,799)	(299,580)	-
Claims Payable	-	-	-	101,914
Compensated Absences Payable	(4,754)	11,391	6,637	-
Deferred Inflows - Pension/OPEB	918,432	959,437	1,877,869	-
Net Pension Liability	(868,393)	(908,336)	(1,776,729)	-
Net OPEB Liability	(2,125,858)	(2,214,436)	(4,340,294)	-
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 2,034,034</u>	<u>\$ 4,565,134</u>	<u>\$ 6,599,168</u>	<u>\$ (728,133)</u>

Noncash Capital Financing Activities:

The City purchased \$50,055 and \$204,416 of capital assets on account for the water fund in 2021 and 2020, respectively.
The City purchased \$147,610 and \$517,015 of capital assets on account for the sewer fund in 2021 and 2020, respectively.

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

	<u>Custodial</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 167,510
Special Assessments Receivable	<u>516,101</u>
<i>Total Assets</i>	<u>683,611</u>
Liabilities	
Accounts Payable	2,097
Due to Other Governments	<u>516,101</u>
<i>Total Liabilities</i>	<u>518,198</u>
Net Position	
Restricted for Individuals, Organizations, and Other Governments	<u><u>\$ 165,413</u></u>

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

	Custodial
Additions	
Fines and Forfeitures for Other Governments	\$ 1,946,731
Special Assessment Collections for Other Governments	51,008
Other	20,797
<i>Total Additions</i>	2,018,536
 Deductions	
Fines and Forfeitures Distributions to Other Governments	1,923,097
Special Assessment Distributions to Other Governments	34,785
Distributions to Individuals	27,275
<i>Total Deductions</i>	1,985,157
 <i>Change in Net Position</i>	 33,379
 <i>Net Position Beginning of Year</i>	 132,034
 <i>Net Position End of Year</i>	 \$ 165,413

See accompanying notes to the basic financial statements.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 1 - DESCRIPTION OF THE CITY OF SANDUSKY AND THE REPORTING ENTITY

A. The City

The City of Sandusky is a charter municipal corporation founded in 1818, with the charter adopted by the electors on July 28, 1914. The City may exercise all powers of home rule granted under Article XVIII, Section 3, of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a part-time seven member commission and full-time city manager form of government. Services provided include police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, public transit, parks and recreation programs (including a municipal golf course), cemetery, water filtration, wastewater treatment, and general administrative services. Except for water and sewer, major utilities are provided by private entities.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure 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 Sandusky, this includes the Sandusky Municipal Court and all departments and activities that are directly operated by the elected City officials.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. There were no component units of the City of Sandusky in 2021.

C. Jointly Governed Organizations

City of Sandusky, Ohio Energy Special Improvement District

The City participates in the City of Sandusky, Ohio Energy Special Improvement District (ESID). ESID is a 501(c)(3) not-for-profit corporation established under Chapter 1710 of the Ohio Revised Code. The ESID was created to encourage property owners to undertake special energy improvement projects. The ESID is governed by a five member board of directors consisting of the City Manager (or their designee), one member appointed by the City Commission, and the remaining three directors elected by the members. Financial information can be obtained from the City of Sandusky, Ohio Energy Special Improvement District, 247 Columbus Avenue, Suite 126, Sandusky, Ohio 44870.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for administering income tax laws of the members and for collecting income taxes on behalf of each member. RITA currently has approximately three hundred fifty members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration.

RITA is administered by a nine member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operations including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the council.

D. Insurance Purchasing Pool

The City participates in the Ohio Plan Risk Management insurance purchasing pool. See Note 12 for further information.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Sandusky have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the City's accounting policies.

A. Basis of Presentation

The City's basic financial statements consist of government-wide financial 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. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

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 business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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. Fiduciary funds are reported by type.

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. The funds of the City are reported in three categories; governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City 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 purpose 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 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 general laws of Ohio.

Capital Projects Fund - This fund accounts for resources from construction grants, proceeds of notes, donations, and transfers restricted for various capital projects.

American Rescue Plan Act Fund - This fund accounts for grant revenue to aid COVID-19 relief and any negative economic impact.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City reports two types of proprietary funds, enterprise and internal service.

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:

Water Fund - This fund accounts for operations of the water distribution system within the City and for the sale of water to Erie County.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Sewer Fund - This fund accounts for operations of the sewer collection system within the City and for sewer service to Erie County.

Internal Service Fund - This fund accounts for monies received for the activities of the self-insurance program for employee health benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. Custodial funds are used to account for assets held by the City for fees and fines collected for the benefit of and distributed to other governments and for special assessments held for a not-for-profit corporation.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using 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 the City are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total 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 current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary and fiduciary funds are accounted for using 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. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

For proprietary funds, the statement of revenues, expenses, and changes in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; proprietary funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. 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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

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 have not yet been met because these amounts have not yet been earned.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the City, deferred outflows of resources include pension, and OPEB. Deferred outflows of resources related to pension and OPEB are reported on the government-wide and proprietary funds statement of net position and explained in Notes 15 and 16 to the basic financial statements.

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future periods and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, payment in lieu of taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there was an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. Payment in lieu of taxes represents a contractual promise to make payment of property taxes which reflect all or a portion of the taxes which would have been paid if the taxes had not been exempted. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes intergovernmental revenue including grants, municipal income taxes, other local taxes, delinquent property taxes, special assessments, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide and proprietary funds statement of net position and explained in Notes 14 and 15 to the basic financial statements.

Expenses/Expenditures

On the accrual basis, 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.

E. Budgetary Process

All funds, except custodial funds, are required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the City Commission may appropriate. The appropriations ordinance is the City Commission's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the City Commission. The legal level of control has been established by the City Commission at the fund, department, and object level in all funds. Budgetary information for the Fire Escrow special revenue fund is not reported because it is not included in the entity for which the appropriated budget is adopted.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. 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 final amended certificate of estimated resources requested by the City Commission prior to year end.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the City Commission during the year.

F. Cash and Investments

To improve cash management, cash received by the City is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as “Equity in Pooled Cash and Investments”.

Cash and cash equivalents that are held within departments of the City, and not included in the City treasury, or held separately for the City by an escrow agent, are recorded as “Cash and Cash Equivalents with in Segregated Accounts” and “Cash and Cash Equivalents with Escrow Agent”.

During 2021, the City’s investments included nonnegotiable certificates of deposit, negotiable certificates of deposit, STAR Ohio, federal agency securities, municipal bonds and money markets. Nonnegotiable certificates of deposit are reported at cost. Negotiable certificates of deposit, federal agency securities and municipal bonds are reported at fair value, which is based on quoted market price. 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 has adopted Governmental Accounting Standards Board Statement No. 79, “Certain External Investment Pools and Pool Participants”. The City measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The net asset value per share is calculated on an amortized cost basis that provides a net asset value per share that approximates fair value. Money markets are also reported at net asset value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals exceeding \$25 million. 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 this purpose.

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2021 was a deficit of \$84,334 which includes a deficit of \$58,225 assigned from other City funds.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

H. Restricted Assets

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

Resources set aside in a separate escrow account, whose use is limited to payment to contractors upon project completion, are reported as restricted.

Unclaimed monies that have a legal restriction on their use are reported as restricted.

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements. Capital assets used by the proprietary funds are reported in both the business-type activities column on the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. The City reports all infrastructure, including that acquired prior to 1980. Depreciation is computed using the straight-line method over the following useful lives:

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City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

<u>Asset Category</u>	<u>Estimated Lives</u>
Buildings	15-45 years
Improvements Other Than Buildings	7-50 years
Streets	10-50 years
Bridges	50 years
Utility Plant	15-45 years
Water and Sewer Lines	50 years
Equipment	5-20 years

J. Interfund Activity

On fund financial statements, receivables and payables resulting from interfund loans are reported as “Interfund Receivables/Payables”. Interfund balances are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as “Internal Balances”, when applicable.

Deferred inflows of resources and deferred outflows of resources from the change in proportionate share related to pension/OPEB items are eliminated in the governmental and 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 are eliminated in the total column on the government-wide statement of net position.

K. 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 the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City’s union contracts or administrative ordinance. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service with the City or any employee who is age fifty or older.

L. Accrued Liabilities and Long-Term Obligations

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

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. General obligation bonds, special assessment bonds, and claims are recognized as liabilities on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Unamortized Bond Premiums

Bond premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

Under Ohio law, premiums on the original issuance of debt are to be deposited to a bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to a bond escrow agent.

N. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes activities for construction, repair, and maintenance of State highways, the public transit system, recreation, and other revenues restricted for use by the police department. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund Balance

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

Nonspendable - The nonspendable classification 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" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts 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 ordinances).

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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 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 purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City Commission. The committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the City Commission, 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.

Assigned - Amounts in the assigned 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. Assigned amounts represent intended uses established by the City Commission. Fund balance policy of the City Commission has authorized the City Manager to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Fund balance is also assigned for the payment of future severance payments.

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.

The City first applies restricted resources when an expenditure is 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 amounts in any of the unrestricted fund balance classifications can be used.

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 water and sewer services, as well as premiums charged to various funds for insurance. Operating expenses are the 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.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Q. Interfund Transactions

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

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Pension/Postemployment

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

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. Implementation of New Accounting Principles

For the year ended December 31, 2021, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 93, Replacement of Interbank Offered Rates and GASB Statement No. 98, The Annual Comprehensive Financial Report.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of certain provisions (all except for paragraphs 13 and 14, which are effective for fiscal years beginning after June 15, 2021), of GASB Statement No. 93 did not have an effect on the financial statements of the City.

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GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 3 – DEFICIT FUND BALANCES

At December 31, 2021, the following funds had a deficit balance:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Fire Pension	\$ 55,853
Police Pension	2,964
Capital Projects	120,359

The deficits in the Fire Pension and Police Pension special revenue funds are the result of adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur. The deficit in the Capital Projects fund is due to the liability for notes payable. The deficit will be eliminated when the debt is paid.

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, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the General Fund and American Rescue Plan Act Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. The City has certain activities within the General Fund that are not budgeted by the City Commission. However, this activity is included as part of the reporting entity when preparing financial statements that conform with GAAP.

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Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

	General Fund	American Rescue Plan Act Fund
GAAP Basis	\$ 1,293,131	\$ -
Net Adjustment for Revenue Accruals	(632,814)	6,695,509
Net Adjustment for Expenditure Accruals	(462,755)	(1,893,567)
Funds Budgeted Elsewhere	(311,411)	-
Adjustment for Encumbrances	307,518	989,090
Budget Basis	\$ 193,669	\$ 5,791,032

NOTE 5 - DEPOSITS AND INVESTMENTS

The City follows State statutes regarding its deposit and investment activity. State statutes classify monies held by the City into three categories.

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

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

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 obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage

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Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio (if training requirements have been met);
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (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;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days and commercial paper notes for a period not to exceed two hundred seventy days in an amount not to exceed 40 percent of the interim monies available for investment at any one time (if training requirements have been met).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of settlement, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$591,480 of the City's bank balance of \$15,013,092 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the City's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured or by participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee

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and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. Both Fifth Third Bank and PNC Bank were approved for a reduced credit floor below 102 percent.

Investments

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

S&P Global Rating	Investment Type	Measurement Amount	Investment Maturities in Months			% Total
			0-12	13-36	Over 36	
	Net Asset Value (NAV):					
AAAm	STAR Ohio	\$11,195,725	\$11,195,725	\$ -	\$ -	41.53%
AAAm	First American Govt. Obligations Money Market	15,541	15,541	-	-	0.06%
	Fair Value:					
AAA	Municipal Bond	261,794	-	261,794	-	0.97%
N/A	Negotiable Certificates of Deposit	3,780,073	1,103,121	1,321,422	1,355,530	14.02%
N/A	Federal Agricultural Mortgage Corporation	246,935	-	246,935	-	0.92%
AA+	Federal Farm Credit Banks	1,730,918	-	-	1,730,918	6.42%
AA+	Federal Home Loan Banks	5,278,357	-	1,238,670	4,039,687	19.58%
AA+	US Treasury Notes	4,446,565	-	2,598,228	1,848,337	16.50%
	Total Investments	\$26,955,908	\$12,314,387	\$ 5,667,049	\$ 8,974,472	100.00%

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. All of the City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Finance Director from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the City.

The negotiable certificates of deposit are covered by FDIC insurance up to \$250,000 per financial institution and/or partially insured through the Securities Investor Protection Corporation (SIPC). The City has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. At December 31, 2021, the weighted average maturity of investments with Star Ohio was 51 days.

The City places no limit on the amount of its interim monies it may invest in a particular security or issuer.

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For the Year Ended December 31, 2021

NOTE 6 - RECEIVABLES

Receivables at December 31, 2021, consisted of accounts (billings for user charged services); intergovernmental receivables arising from grants, entitlements, and shared revenues, municipal income taxes, other local taxes, property taxes, payment in lieu of taxes, notes, and special assessments. All receivables are considered fully collectible within one year, except for municipal income taxes, property taxes, notes, and special assessments. Municipal income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Special assessments for governmental funds, in the amount of \$1,205,731, will not be received within one year. At December 31, 2021, the amount of delinquent special assessments for governmental funds was \$120,947.

NOTE 7 - MUNICIPAL INCOME TAXES

The City levies and collects an income tax of 1.25 percent based on all income earned within the City as well as on incomes of residents earned outside the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

For 2021, income taxes were allocated as follows: 88.75 percent to the General Fund for general operations of the City; 6.25 percent to the General Bond Retirement debt service fund to be used for the retirement of general obligation debt; and 5 percent to the Capital Improvement capital projects fund to be used for the capital improvement program.

The Regional Income Tax Agency administers the collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately 3.0 percent. During 2021, the City paid RITA \$368,849 for tax collection services.

NOTE 8 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2021 for real and public utility property taxes represents collections of the 2020 taxes.

2021 real property taxes were levied after October 1, 2021 on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

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The full tax rate for all City operations for the year ended December 31, 2021, was \$5.11 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 443,140,460
Public Utilities - Real	5,182,810
Public Utilities - Personal	26,302,380
Total Assessed Value	\$ 474,625,650

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2021, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

NOTE 9 - PAYMENT IN LIEU OF TAXES

In accordance with agreements related to tax increment financing districts, the City has entered into agreements with a number of property owners under which the City has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the City which reflect all or a portion of the property taxes which the property owners would have paid if the taxes had not been exempted. The property owners contractually promise to make these payments in lieu of taxes until the agreement expires.

NOTE 10 - NOTES RECEIVABLE

A summary of the changes in notes receivable during 2021 follows:

	Balance 1/1/2021	New Loans	Reduction	Balance 12/31/2021
Other Governmental:				
State Grants				
Revolving Loans	\$ 434,374	\$ -	\$ 40,953	\$ 393,421
Rehabilitation Revolving Loans	1,548,277	-	28,802	1,519,475
Micro-Enterprise Loans	7,500	-	-	7,500
Federal Grants				
Rehabilitation Revolving Loans	1,041,634	-	-	1,041,634
Capital Projects				
Issue 8 Loans	468,840	-	19,754	449,086
Total	\$ 3,500,625	\$ -	\$ 89,509	\$ 3,411,116
Less Allowance for Uncollectible Accounts	(179,682)			(179,682)
	\$ 3,320,943			\$ 3,231,434

Notes receivable are reduced each year by the amount of loans which have been determined to be uncollectible.

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For the Year Ended December 31, 2021

NOTE 11 - CAPITAL ASSETS

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

	Restated Balance 1/1/2021	Additions	Disposals	Transfers	Balance 12/31/2021
Governmental Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 9,005,091	\$ 15,211	\$ (48,790)	\$ -	\$ 8,971,512
Construction in Progress	6,313,765	1,372,549	(187,558)	(3,875,713)	3,623,043
<i>Total Capital Assets, Not Being Depreciated</i>	<u>15,318,856</u>	<u>1,387,760</u>	<u>(236,348)</u>	<u>(3,875,713)</u>	<u>12,594,555</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	16,881,731	1,011,558	-	-	17,893,289
Improvements Other Than Buildings	25,421,794	1,996,767	-	-	27,418,561
Streets	54,491,254	2,618,850	-	-	57,110,104
Bridges	229,802	-	-	-	229,802
Equipment	14,499,548	576,570	(276,150)	-	14,799,968
<i>Total Capital Assets, Being Depreciated</i>	<u>111,524,129</u>	<u>6,203,745</u>	<u>(276,150)</u>	<u>-</u>	<u>117,451,724</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(13,455,060)	(397,668)	-	-	(13,852,728)
Improvements Other Than Buildings	(14,440,428)	(929,788)	-	-	(15,370,216)
Streets	(44,867,622)	(860,210)	-	-	(45,727,832)
Bridges	(128,688)	(4,596)	-	-	(133,284)
Equipment	(10,144,215)	(688,491)	276,150	-	(10,556,556)
<i>Total Accumulated Depreciation</i>	<u>(83,036,013)</u>	<u>(2,880,753) *</u>	<u>276,150</u>	<u>-</u>	<u>(85,640,616)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>28,488,116</u>	<u>3,322,992</u>	<u>-</u>	<u>-</u>	<u>31,811,108</u>
<i>Total Governmental Activities Capital Assets, Net</i>	<u>\$ 43,806,972</u>	<u>\$ 4,710,752</u>	<u>\$ (236,348)</u>	<u>\$ (3,875,713)</u>	<u>\$ 44,405,663</u>

* Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government - Municipal Court	\$ 1,741
General Government - Other	1,089,411
Security of Persons and Property - Police	86,031
Security of Persons and Property - Fire	360,420
Public Health	6,592
Leisure Time Activities	144,320
Community Environment	166,657
Transportation	1,025,581
Total	<u>\$ 2,880,753</u>

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	Restated Balance				Balance
	1/1/2021	Additions	Deletions	Transfers	12/31/2021
Business-Type Activities:					
<i>Capital Assets Not Being Depreciated:</i>					
Land	\$ 1,006,702	\$ -	\$ -	\$ -	\$ 1,006,702
Construction in Progress	14,534,298	2,411,378	(61,872)	(11,811,824)	5,071,980
<i>Total Capital Assets, Not Being Depreciated</i>	<u>15,541,000</u>	<u>2,411,378</u>	<u>(61,872)</u>	<u>(11,811,824)</u>	<u>6,078,682</u>
<i>Capital Assets, Being Depreciated:</i>					
Buildings	65,298,890	2,566,837	-	-	67,865,727
Improvements Other Than Buildings	33,782,457	4,006,948	-	-	37,789,405
Utility Plant	10,163,124	49,701	-	-	10,212,825
Water and Sewer Lines	32,144,374	5,238,039	-	-	37,382,413
Equipment	5,021,302	191,889	(6,185)	-	5,207,006
<i>Total Capital Assets, Being Depreciated</i>	<u>146,410,147</u>	<u>12,053,414</u>	<u>(6,185)</u>	<u>-</u>	<u>158,457,376</u>
<i>Less Accumulated Depreciation:</i>					
Buildings	(24,696,353)	(1,144,058)	-	-	(25,840,411)
Improvements Other Than Buildings	(14,972,284)	(1,047,465)	-	-	(16,019,749)
Utility Plant	(5,269,392)	(295,869)	-	-	(5,565,261)
Water and Sewer Lines	(13,578,598)	(561,986)	-	-	(14,140,584)
Equipment	(3,059,705)	(336,364)	6,185	-	(3,389,884)
<i>Total Accumulated Depreciation</i>	<u>(61,576,332)</u>	<u>(3,385,742)</u>	<u>6,185</u>	<u>-</u>	<u>(64,955,889)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>84,833,815</u>	<u>8,667,672</u>	<u>-</u>	<u>-</u>	<u>93,501,487</u>
<i>Total Business-Type Capital Assets, Net</i>	<u>\$ 100,374,815</u>	<u>\$ 11,079,050</u>	<u>\$ (61,872)</u>	<u>\$ (11,811,824)</u>	<u>\$ 99,580,169</u>

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

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2021, the City contracted with the Ohio Plan Risk Management, an insurance purchasing pool, for property insurance, and for general, employee, public official, law enforcement, and auto liability insurance.

There has been no significant reduction in insurance coverage from 2020 and no insurance settlement has exceeded insurance coverage during the last three years.

Each participant of Ohio Plan Risk Management enters into an individual agreement with the Plan for insurance coverage and pays annual premiums to the Plan based on the types and limits of coverage and deductibles selected by the participant. The firm of Hylant Administrative Services provides administrative, cost control, and actuarial services to the Plan.

The City is providing employee medical coverage through a self-insured program. The City established a Health Insurance internal service fund to account for and finance employee medical benefits. Under this program, the Health Insurance Fund provides up to a maximum of \$150,000 for each individual. The City purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss. Settled claims did not exceed this commercial coverage during the last three years.

All funds of the City participate in the program and make payments to the Health Insurance Fund based on actuarial estimates of the amounts needed to pay prior- and current year claims. Claims payable is based on the requirements of Governmental Accounting Standards Board Statement No. 30 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Claims payable at December 31, 2021, was estimated by a third party administrator at \$526,104. The change in the claims liability for 2020 and 2021 was:

	Beginning	Current Year	Current Year	Ending
	Balance	Claims	Payments	Balance
2021	\$ 424,190	\$ 3,589,809	\$ 3,487,895	\$ 526,104
2020	593,790	3,339,043	3,508,643	424,190

Workers' compensation coverage is provided by the State of Ohio. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

City of Sandusky
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Notes to the Basic Financial Statements
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NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The City has outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2021:

Contract	Remaining Commitment
All Phase Power & Lighting	\$ 334,184
Axon Enterprise Inc	393,570
Cattien LLC	280,000
Computers At Work Inc	133,804
Environmental Design Group	1,086,721
Erie County	105,285
Erie County Sheriff	354,900
Everwild Spirits LLC	100,000
Feick Building LLC	800,000
Foth Infrastructure	559,048
Garland/Dbis Inc	530,000
Gerken Paving	309,239
KS Associates	353,354
Mannik & Smith	354,433
Mark Schaffer Excavating	2,208,706
Market Street Collective LLC	139,609
Precision Paving	110,406
Richard Bowen & Associates	1,437,821
Rinehart Walters-Danner Insurance	340,399
Sandusky City Schools	122,328
Speer Bros.	818,073
Stantec Consulting Services	351,631
Suthpen Corporation	642,345
Valley Freightliner	175,448
	\$ 12,041,304

At year end, the significant encumbrances expected to be honored upon performance by the vendor in 2022 are as follows:

Fund	Encumbrance Amount
General	\$ 292,534
Capital Projects	2,794,215
American Rescue Plan Act	911,850
Other Governmental	156,532
Total	\$ 4,155,130

City of Sandusky
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NOTE 14 - DEFINED BENEFIT PENSION PLANS

The statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB). Only amounts relative to the OPERS Traditional plan are presented.

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability and the net OPEB liability (asset) represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension 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.

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

GASB 68/75 assumes the liability 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 these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded liabilities within 30 years. If the 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 liability* and *net OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contributions outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 15 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer

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defined benefit/defined contribution pension plan. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

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

When a benefit recipient has received benefits for 12 months, current law provides for an annual cost-of-living adjustment (COLA). This COLA is calculated on the original base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index (CPI), capped at 3 percent.

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

	State and Local	Public Safety	Law Enforcement
2021 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2021 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,170,423 for 2021. Of this amount, \$135,815 is reported as an intergovernmental payable.

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

Full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report 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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

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

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

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

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 1 of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

	Police	Firefighters
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,426,263 for 2021. Of this amount, \$123,390 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 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	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.060929%	0.280283%	
Prior Measurement Period	0.065854%	0.293085%	
Change in Proportion	-0.004925%	-0.012802%	
 Proportionate Share of the Net			
Pension Liability	\$ 9,022,258	\$ 19,107,137	\$ 28,129,395
Pension Expense	\$ 52,404	\$ 930,613	\$ 983,017

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 798,742	\$ 798,742
Changes of Assumptions	-	320,436	320,436
Changes in Proportionate Share and Differences in Contributions	94,007	92,191	186,198
City Contributions Subsequent to the Measurement Date	1,170,423	1,426,263	2,596,686
Total Deferred Outflows of Resources	\$ 1,264,430	\$ 2,637,632	\$ 3,902,062
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 377,408	\$ 744,358	\$ 1,121,766
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,516,614	926,823	4,443,437
Changes in Proportionate Share and Differences in Contributions	678,141	1,217,359	1,895,500
Total Deferred Inflows of Resources	\$ 4,572,163	\$ 2,888,540	\$ 7,460,703

\$2,596,686 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:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (1,840,325)	\$ (252,261)	\$ (2,092,586)
2023	(724,727)	68,815	(655,912)
2024	(1,433,490)	(1,139,632)	(2,573,122)
2025	(479,614)	(306,252)	(785,866)
2026	-	(47,841)	(47,841)
Total	\$ (4,478,156)	\$ (1,677,171)	\$ (6,155,327)

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 key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020 are presented below.

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<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Wage Inflation	3.25 percent
Future Salary Increases, including wage inflation	3.25 percent to 10.75 percent (including wage inflation)
Investment Rate of Return	
Current Measurement Date	7.20 percent
Prior Measurement Date	7.20 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living	Pre-1/7/2013 Retirees: 3.00 percent Simple
Adjustments	Post-1/7/2013 Retirees: 0.50 percent Simple through 2021, then 2.15 percent Simple

In October 2020, the OPERS Board adopted a change in COLA for post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to 0.5 percent simple through 2021 then 2.15 percent 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.

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

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:

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

Discount Rate The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent and the City's proportionate share of the net pension liability if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net Pension Liability	\$ 17,210,005	\$ 9,022,258	\$ 2,214,160

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

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 were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, are presented below:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.20 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

The long-term expected rate of return on 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. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
	City's Proportionate Share of the Net Pension Liability	\$ 26,599,582	\$ 19,107,137

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NOTE 15 - DEFINED BENEFIT OPEB PLANS

See Note 14 for a description of the net OPEB liability.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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.

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

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

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.

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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.

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2021 was 4.0 percent.

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

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

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

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

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

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

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

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

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

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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 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The 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 \$33,397 for 2021. Of this amount, \$2,927 is reported as an intergovernmental payable.

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

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

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Period	0.060057%	0.2802829%	
Prior Measurement Period	0.064128%	0.2930853%	
Change in Proportion	-0.004071%	-0.0128024%	
 Proportionate Share of the Net			
OPEB Liability (Asset)	\$ (1,069,963)	\$ 2,969,643	
OPEB Expense	\$ (6,567,964)	\$ 242,831	\$ (6,325,133)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes of Assumptions	\$ 526,005	\$ 1,640,566	\$ 2,166,571
Changes in Proportionate Share and Differences in Contributions	60,331	109,029	169,360
City Contributions Subsequent to the Measurement Date	-	33,397	33,397
Total Deferred Outflows of Resources	<u>\$ 586,336</u>	<u>\$ 1,782,992</u>	<u>\$ 2,369,328</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 965,635	\$ 489,831	\$ 1,455,466
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	569,876	110,358	680,234
Changes of Assumptions	1,733,661	473,417	2,207,078
Changes in Proportionate Share and Differences in Contributions	343,418	268,809	612,227
Total Deferred Inflows of Resources	<u>\$ 3,612,590</u>	<u>\$ 1,342,415</u>	<u>\$ 4,955,005</u>

\$33,397 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (1,582,044)	\$ 86,338	\$ (1,495,706)
2023	(1,129,413)	112,471	(1,016,942)
2024	(247,647)	71,269	(176,378)
2025	(67,150)	91,780	24,630
2026	-	27,364	27,364
Thereafter	-	17,958	17,958
	<u>\$ (3,026,254)</u>	<u>\$ 407,180</u>	<u>\$ (2,619,074)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of 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:

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Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date	6.00 percent
Prior Measurement Date	3.16 percent
Investment Rate of Return:	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.00 percent
Municipal Bond Rate:	
Current Measurement Date	2.00 percent
Prior Measurement Date	2.75 percent
Health Care Cost Trend Rate:	
Current Measurement Date	8.5 percent, initial, 3.50 percent, ultimate in 2035
Prior Measurement Date	10.5 percent, initial, 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. 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 most recent experience study was completed for the five year period ended December 31, 2015.

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:

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

Discount Rate A single discount rate of 6.00 percent was used to measure the total OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed 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 Liability (Asset) to Changes in the Discount Rate The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent and the City’s proportionate share of the net OPEB liability (asset) if it were calculated using a discount rate that is one percent lower (5.00 percent) or one percent higher (7.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB (Asset)	\$ (266,053)	\$ (1,069,963)	\$ (1,730,843)

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

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Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB (Asset)	\$ (1,096,040)	\$ (1,069,963)	\$ (1,040,788)

Changes between Measurement Date and Report 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.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent
Blended Discount Rate:	
Current Measurement Date	2.96 percent
Prior Measurement Date	3.56 percent
Municipal Bond Rate:	
Current Measurement Date	2.12 percent
Prior Measurement Date	3.75 percent
Cost of Living Adjustments	2.20 percent simple

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

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

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

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

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

The 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. The target asset allocation and best estimates of geometric real rates of return for each major asset class as of December 31, 2020, are summarized below:

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

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 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2035. The long-term expected rate of return on health care investments was applied to projected costs through 2035, and the municipal bond rate was applied to all health care costs after that date.

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

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	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 3,702,975	\$ 2,969,643	\$ 2,364,730

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 16 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

City employees earn and accumulate vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by City policy and union contracts. Any employee with ten years of service with the City who elects to retire is entitled to receive their accumulated unused sick leave as follows:

	AFCSME	IAF	FOP	Administration
40 hours/week				
Sick hours less than 1,000	25 %	25 %	25 %	25 %
Sick hours 1,000 - 1,499	30 %	30 %	30 %	n/a
Sick hours 1,000 - 1,999	n/a	n/a	n/a	30 %
Sick hours 1,500 - 2,199	35 %	35 %	35 %	n/a
Sick hours 2,000 - 2,999	n/a	n/a	n/a	35 %
Sick hours over 2,200	45 %	45 %	45 %	n/a
Sick hours over 3,000	n/a	n/a	n/a	45 %
51 hours/week				
Sick hours less than 1,300	n/a	25 %	n/a	n/a
Sick hours 1,300 - 1,949	n/a	30 %	n/a	n/a
Sick hours 1,950 - 2,859	n/a	35 %	n/a	n/a
Sick hours over 2,860	n/a	45 %	n/a	n/a

The City also provides for a provision of sick leave payoff in case of death.

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NOTE 17 - SHORT-TERM OBLIGATIONS

The City's short-term obligations activity for the year ended December 31, 2021, was as follows:

<u>Governmental Activities</u>	<u>Interest Rate</u>	<u>Balance 1/1/2021</u>	<u>Additions</u>	<u>Principal Payment</u>	<u>Balance 12/31/2021</u>
Bond Anticipation Notes					
Capital Projects Fund					
2020 Various Improvement	1.50%	\$ 8,070,000	\$ -	\$ 8,070,000	\$ -
2021 Various Improvement	1.00%	-	7,290,000	-	7,290,000
Total		<u>\$ 8,070,000</u>	<u>\$ 7,290,000</u>	<u>\$ 8,070,000</u>	<u>\$ 7,290,000</u>

According to Ohio law, notes may be issued in anticipation of bond proceeds or for up to 50 percent of anticipated revenue collections. The City has issued bond anticipation notes with a maturity of one year which will be reissued until paid in full or until bonds are issued. The liability for all notes is presented in the fund receiving the proceeds.

The 2020 various improvement notes were issued to retire notes previously issued to revitalize the Bayfront Urban Revitalization Area, to pay the cost of the Venice Road Grade Separation Project, to acquire a ladder truck and street trucks, for costs associated with the relocation of City Hall, and for costs of various improvements for the Landing Park Project, as well as additional proceeds for costs of various improvements to the Sandusky Bay Pathway, and for costs of various improvements to Jackson Street Pier.

The 2021 various improvement notes were issued to retire notes previously issued to revitalize the Bayfront Urban Revitalization Area, to acquire a ladder truck, for costs associated with the relocation of City Hall, and for costs of various improvements for the Landing Park Project, as well as additional proceeds for costs of various improvements to the Sandusky Bay Pathway, and for costs of various improvements to Jackson Street Pier.

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NOTE 18 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2021, was as follows:

	Interest Rate	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Governmental Activities:						
General Obligation Bonds						
2001 Various Purpose	3.00-5.05%	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ -
2011 Library Improvement Refunding	2.00-4.25	1,180,000	-	375,000	805,000	395,000
Bond Premium		34,717	-	11,033	23,684	-
2015 Various Purpose Refunding	1.35-3.00	1,912,300	-	412,300	1,500,000	285,000
General Obligation Bonds from Direct Placements						
2014 Various Purpose Refunding	3.05	70,000	-	10,000	60,000	15,000
Total General Obligation Bonds		<u>3,212,017</u>	<u>-</u>	<u>823,333</u>	<u>2,388,684</u>	<u>695,000</u>
Revenue Bonds from Direct Placements						
2020 Urban Renewal	2.50	7,700,000	-	310,000	7,390,000	410,000
2020 Economic Development	3.10	2,310,000	-	200,355	2,109,645	206,613
Total Revenue Bonds		<u>10,010,000</u>	<u>-</u>	<u>510,355</u>	<u>9,499,645</u>	<u>616,613</u>
Special Assessment Bonds with Government Commitment						
2008 Cold Creek	3.00-6.00	1,275,000	-	130,000	1,145,000	135,000
Bond Premium		58,643	-	5,979	52,664	-
2015 Various Purpose Refunding	1.35-3.00	87,699	-	17,699	70,000	10,000
Total Special Assessment Bonds		<u>1,421,342</u>	<u>-</u>	<u>153,678</u>	<u>1,267,664</u>	<u>145,000</u>
Direct Borrowings						
OPWC Loans	0.00	-	125,219	2,705	122,514	8,811
Other Long Term Obligations						
Net Pension Liability		26,382,200	-	2,854,157	23,528,043	-
Net OPEB Liability		7,412,466	-	4,442,823	2,969,643	-
Compensated Absences		2,245,845	327,738	342,891	2,230,692	532,094
Total Other Long Term Obligations		<u>36,040,511</u>	<u>327,738</u>	<u>7,639,871</u>	<u>28,728,378</u>	<u>532,094</u>
Total Governmental Activities		<u>\$ 50,683,870</u>	<u>\$ 452,957</u>	<u>\$ 9,129,942</u>	<u>\$ 42,006,885</u>	<u>\$ 1,997,518</u>

	Interest Rate	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Business-Type Activities:						
General Obligation Revenue Bonds from Direct Placements						
2014 Various Purpose Refunding - Water	3.05%	\$ 100,000	\$ -	\$ 10,000	\$ 90,000	\$ 10,000
2014 Various Purpose Refunding - Sewer	3.05	1,010,000	-	80,000	930,000	85,000
Total General Obligation Revenue Bonds		<u>1,110,000</u>	<u>-</u>	<u>90,000</u>	<u>1,020,000</u>	<u>95,000</u>
OWDA Bonds from Direct Borrowings						
Water	4.60-5.20	15,518,613	544,013	1,419,555	14,643,071	1,479,658
Sewer	4.27-6.39	31,684,532	1,450,423	2,345,189	30,789,766	2,129,457
Total OWDA Loans		<u>47,203,145</u>	<u>1,994,436</u>	<u>3,764,744</u>	<u>45,432,837</u>	<u>3,609,115</u>
Other Long Term Obligations						
Net Pension Liability		6,378,081	-	1,776,729	4,601,352	-
Net OPEB Liability		4,340,294	-	4,340,294	-	-
Compensated Absences		722,107	136,557	129,920	728,744	207,572
Total Other Long Term Obligations		<u>11,440,482</u>	<u>136,557</u>	<u>6,246,943</u>	<u>5,330,096</u>	<u>207,572</u>
Total Business-Type Activities		<u>\$ 59,753,627</u>	<u>\$ 2,130,993</u>	<u>\$ 10,101,687</u>	<u>\$ 51,782,933</u>	<u>\$ 3,911,687</u>

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For the Year Ended December 31, 2021

2001 Various Purpose General Obligation Bonds

In 2001, the City issued \$6,037,200 in unvoted general obligation bonds for the Downtown Streetscape project, the Lane Street project, the Butler Street capacity project, the Columbus Avenue underpass, the City building project, the Transit building project, the Plaza project, the Fire Station project, and the Remington Avenue project. The bonds were issued for a twenty-five year period with maturity beginning June 1, 2001. The bonds will be paid from the General Bond Retirement debt service fund. During 2007, \$4,183,404 of these bonds was refunded. This debt was paid in full during the fiscal year.

2011 Library Improvement Refunding General Obligation Bonds

On May 19, 2011, the City issued \$4,090,000 in unvoted current refunding general obligation bonds to refund bonds previously issued for renovating and improving the City library. The bonds were issued for a twelve year period with maturity beginning December 1, 2012. The bonds will be paid from the General Bond Retirement debt service fund.

The City of Sandusky and the Sandusky Library Association, an Ohio not-for-profit corporation, have entered into a contractual agreement whereby the City originally issued bonds for library construction and renovations. As part of the agreement, the City will lease (for zero rent charges or lease payments) the library (real property, including building and improvements) for a period of twenty-five years, or until the bonds are paid off. Upon full payment of the debt, all of the new construction and improvements will become the property of the Sandusky Library Association.

2014 Various Purpose Refunding General Obligation Bonds

On July 29, 2014, the City issued \$370,000 in current refunding general obligation bonds through a direct placement to refund 2005 various purpose bonds previously issued for acquiring two fire pumper trucks and the grade separation project. The bonds were issued for a twelve year period with maturity beginning December 1, 2014. The bonds will be paid from the General Bond Retirement debt service fund.

2015 Police Pension Refunding General Obligation Bonds

On December 2, 2015, the City issued \$330,383 in current refunding general obligation bonds to refund \$332,538 in pension general obligation refunding bonds previously issued. The bonds were issued for an eleven year period with maturity beginning December 1, 2016. The bonds will be paid from the Police Pension special revenue fund.

2015 Fire Pension Refunding General Obligation Bonds

On December 2, 2015, the City issued \$447,617 in current refunding general obligation bonds to refund \$447,462 in pension general obligation refunding bonds previously issued. The bonds were issued for an eleven year period with maturity beginning December 1, 2016. The bonds will be paid from the Fire Pension special revenue fund.

2015 Various Purpose Refunding General Obligation Bonds

On December 2, 2015, the City issued \$3,099,069 in current refunding general obligation bonds to refund \$3,084,070 in current refunding general obligation bonds previously issued for the Downtown Streetscape project, the Lane Street project, the Butler Street capacity project, the Columbus Avenue underpass, the Transit building project, the Plaza project, the Fire Station project, and the Remington Avenue project. The bonds were issued for an eleven year period with maturity beginning December 1, 2016. The bonds will be paid from the General Bond Retirement debt service fund.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

2020 Urban Renewal Revenue Bonds

On July 30, 2020, the City issued \$7,700,000 in revenue bonds through a direct placement to pay the costs of urban renewal activities related to the Jackson Street Pier and Shoreline Drive projects. The bonds were issued for a sixteen year period with maturity beginning March 1, 2021, and are payable solely from payment in lieu of taxes revenues. The bonds will be retired from the Urban Renewal Debt Retirement debt service fund. As of December 31, 2021, all of the proceeds had been spent.

2020 Economic Development Revenue Bonds

On May 21, 2020, the City issued \$2,310,000 in revenue bonds through a direct placement to pay the costs of economic development activities. The bonds were issued for an eleven year period with maturity beginning March 1, 2021, and are payable solely from payment in lieu of taxes revenues. The economic development bonds were used to pay for projects that were not capitalized by the City. The bonds will be retired from the Urban Renewal Debt Retirement debt service fund.

Special Assessment Bonds

The special assessment bonds are backed by the full faith and credit of the City of Sandusky. In the event that an assessed property owner fails to make payments or insufficient amounts are assessed to fund the debt, the City will be required to pay the related debt. The special assessment bonds were used to pay for projects that were not capitalized by the City.

On December 2, 2015, the City issued \$180,931 in current refunding special assessment bonds to refund \$200,930 in bonds previously issued for the Remington Avenue, Seneca, Huntington, and Sidewalk projects. The bonds were issued for an eleven year period with maturity beginning December 1, 2016. The bonds will be paid from the Special Assessment Bond Retirement debt service fund.

Net Pension/OPEB Liability

There is no repayment schedule for the net pension/OPEB liability; however, employer pension contributions are made from the General Fund, the Street Maintenance, Public Transit, Fire Pension, Police Pension, Court Computerization, and Municipal Probation special revenue funds, the Capital Projects and Various Improvement capital projects funds, and the Water and Sewer enterprise funds. For additional information related to the net pension/OPEB liability, see Notes 14 and 15 to the basic financial statements.

Compensated Absences Payable

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund, the Street Maintenance, Public Transit, Court Computerization, and Municipal Probation special revenue funds, the Capital Projects and Various Improvement capital projects funds, and the Water and Sewer enterprise funds.

General Obligation Revenue Bonds

The general obligation revenue bonds are liabilities of the Water and Sewer enterprise funds and pledge their respective revenues for repayment to the extent resources are available. The bonds also pledge the full faith and credit and taxing ability of the City in the event the enterprise funds' revenues are not sufficient to meet the principal and interest requirements.

2014 Various Purpose Refunding

On July 29, 2014, the City issued \$1,630,000 in current refunding general obligation bonds through direct placement to refund 2005 various purpose bonds previously issued for improvements to the Big Island water works building and improvements to the municipal wastewater system. The bonds were issued for a seventeen year period with maturity beginning December 1, 2014. The bonds will be paid from the Water and Sewer enterprise funds.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

OWDA Loans

The City entered into agreements from direct borrowings with the Ohio Water Development Authority for loans for water plant improvements, water treatment plant electrical improvements, chemical improvements, water treatment plant powder activated carbon feed system, Jackson Street pier rehabilitation, Shoreline Drive rehabilitation, ultraviolet treatment, sewer rehabilitation, flow monitors, sludge digestion system improvements, Cedar Point pump station, settling tank improvements, wastewater treatment plant expansion, wastewater treatment plant phase II design, east end sewer improvements, wastewater treatment plant grit tank improvements, and pier track and farwell pump station upgrades.

The OWDA loans will be paid from the gross revenues of the Water and Sewer enterprise funds after provisions for reasonable operating and maintenance expenses. Annual principal and interest payments are expected to require less than 100 percent of these net revenues in future years.

In the event of default on the loans, (1) the amount of the 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 thirty days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to OWDA, and (3) for each additional thirty days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

OPWC Loans

The City entered into agreements from direct borrowings with the Ohio Public Works Commission for loans for McCartney Road pulverization and Camp Street reconstruction and resurfacing. OPWC loans will be paid from the Capital Projects Fund.

In the event of default, as defined by each OPWC loan agreement, the amount of default will be subject to 8 percent interest on all amounts due from date of default. Additionally, the Lender may declare all amounts immediately due and payable or require the City Treasurer to pay the amounts due from funds appropriated to the county's undivided local government fund. The lender will also be entitled to collect any cost incurred in the event of default.

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City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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

Year	Governmental Activities								From Direct Borrowings
	General Obligation Bonds		Special Assessment Bonds		From Direct Placements				OPWC
	Principal	Interest	Principal	Interest	General Obligation Bonds		Revenue Bonds		Principal
					Principal	Interest	Principal	Interest	
2022	\$ 680,000	\$ 77,061	\$ 145,000	\$ 70,712	\$ 15,000	\$ 1,830	\$ 616,613	\$ 248,560	\$ 8,811
2023	700,000	53,149	160,000	62,362	15,000	1,373	638,068	231,855	8,811
2024	300,000	27,750	170,000	53,250	15,000	915	659,724	214,574	8,811
2025	310,000	18,750	180,000	43,500	15,000	457	686,589	196,709	8,811
2026	315,000	9,450	185,000	33,150	-	-	708,667	178,131	8,811
2027-2031	-	-	375,000	34,200	-	-	3,684,984	590,458	27,054
2032-2035	-	-	-	-	-	-	2,505,000	159,250	27,054
2037-2041	-	-	-	-	-	-	-	-	24,351
	<u>\$ 2,305,000</u>	<u>\$ 186,160</u>	<u>\$ 1,215,000</u>	<u>\$ 297,174</u>	<u>\$ 60,000</u>	<u>\$ 4,575</u>	<u>\$ 9,499,645</u>	<u>\$ 1,819,537</u>	<u>\$ 122,514</u>

The Shoreline Drive rehabilitation, McCartney Road Storm Sewer and Pump Station, and West Side Utility and Connectivity Improvements projects funded by OWDA loans have not been completed. An amortization schedule for the repayment of the loans will not be available until the projects are completed and, therefore, are not included in the following schedule.

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

	Business-Type Activities			
	From Direct Borrowings		From Direct Placement	
	OWDA Loans		General Obligation Revenue Bond	
	Principal	Interest	Principal	Interest
2022	\$ 3,609,115	\$ 1,121,686	\$ 95,000	\$ 31,110
2023	3,560,136	978,228	100,000	28,213
2024	2,741,950	841,960	105,000	25,162
2025	1,859,422	758,545	110,000	21,960
2026	1,443,509	691,678	115,000	18,605
2027-2031	5,341,487	2,920,953	495,000	38,735
2032-2036	6,342,603	1,980,872	-	-
2037-2041	6,273,489	855,010	-	-
2042-2046	1,490,394	127,308	-	-
2047	244,695	4,874	-	-
	<u>\$32,906,800</u>	<u>\$10,281,114</u>	<u>\$ 1,020,000</u>	<u>\$ 163,785</u>

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 19 - OPERATING LEASE

In February 1985, the City entered into an operating lease with Sandusky Bay Investment Company, Limited, whereby Sandusky Bay Investment Company, Limited leased 32.9 acres of land and water for operating and maintaining a park, parking areas, and marina. The basic lease term is for forty years and the lessee has the option to renew for two additional ten year periods. The lessee is also required to make annual deposits of \$10,000 into a fund held by the City, which is to be used at the discretion of the lessee for routine structural repairs to the marina breakwall, restaurant, and other major repairs as may be needed from time to time. At the termination of the lease, any funds remaining in this account shall be used by the City for structural repairs and maintenance of Battery Park.

The capital assets for governmental activities include the City's investment of \$1,948,680 for land and improvements and \$91,576 for floating docks. The leaseholder's improvements are not recorded in the capital assets for governmental activities.

For 2021, the City received payments, in the amount of \$30,000. Future annual lease payments to be received are as follows:

Year	Annual Lease Payment
2022	\$ 30,000
2023	30,000
2024	30,000
Total minimum future rentals	\$ 90,000

Beginning in 2000, Sandusky Bay Investment Company, Limited is required to pay additional rents to the City if net income is reported for that year. The additional rent will be 2 percent of gross income. The City received \$0 in additional rent in 2021.

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City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 20 - FUND BALANCE

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

	General	Capital Projects	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total
Nonspendable for:					
Material and Supplies Inventory	\$ 148,439	\$ -	\$ -	\$ 210,895	\$ 359,334
Unclaimed Monies	133,764	-	-	-	133,764
Total Nonspendable	<u>282,203</u>	<u>-</u>	<u>-</u>	<u>210,895</u>	<u>493,098</u>
Restricted for:					
Capital Improvements	-	-	-	263,790	263,790
Cemetery Operations	-	-	-	710,896	710,896
Court Computerizations	-	-	-	195,220	195,220
Debt Retirement	-	-	-	688,225	688,225
Drug and Alcohol Treatment/Enforcement	-	-	-	193,711	193,711
Economic Development and Rehabilitation	-	-	-	3,962,460	3,962,460
Electronic Monitoring	-	-	-	35,781	35,781
Police and Fire Operations	-	-	-	467,735	467,735
Probation	-	-	-	307,326	307,326
Recreation	-	-	-	312,478	312,478
Street Construction and Maintenance	-	-	-	965,678	965,678
Public Transit	-	-	-	243,315	243,315
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,346,615</u>	<u>8,346,615</u>
Committed for:					
Capital Improvements	-	-	-	144,648	144,648
Assigned for:					
Future Severance Payments	399,668	-	-	-	399,668
Parks and Recreation	79,490	-	-	-	79,490
Unpaid Obligations	279,447	-	-	-	279,447
Total Assigned	<u>758,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>758,605</u>
Unassigned (Deficit)	<u>5,440,644</u>	<u>(120,359)</u>	<u>-</u>	<u>(58,817)</u>	<u>5,261,468</u>
Total Fund Balance	<u>\$ 6,481,452</u>	<u>\$ (120,359)</u>	<u>\$ -</u>	<u>\$ 8,643,341</u>	<u>\$ 15,004,434</u>

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 21 – INTERFUND ACTIVITY

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

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Fund:		
General	\$ -	\$ 6,178,855
Capital Projects	5,606,455	-
Non-Major Governmental Funds:		
Capital Improvement	-	585,000
Public Transit	200,000	-
Fire Pension	748,400	-
Police Pension	559,000	-
General Bond Retirement	-	350,000
Total Non-Major Governmental Funds	<u>1,507,400</u>	<u>935,000</u>
Total All Funds	<u>\$ 7,113,855</u>	<u>\$ 7,113,855</u>

During 2021, the General Fund made transfers to other governmental funds, to move receipts as debt payments became due, to subsidize various activities in other funds, and to the Capital Projects Fund to fund various capital projects. Other governmental funds made transfers to other governmental funds to subsidize various activities and to the Capital Projects Fund to help fund various capital projects activities and for debt payments as they became due.

NOTE 22 - CONTINGENT LIABILITIES

A. Litigation

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

B. Federal and State Grants

For the period January 1, 2021, to December 31, 2021, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 23 – 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 COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may 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.

The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

The 2021 activity includes \$100,000 which was sub-granted to other governments and organizations. These amounts are reflected as leisure time activities expenditures in the Capital Projects Fund on the accompanying financial statements.

NOTE 24 – RESTATEMENT OF NET POSITION

The City restated beginning net position of Governmental and Business-Type activities. Governmental net position was restated to remove construction in progress capitalized in a prior year that was determined to not meet the Cities capitalization criteria. In addition, land acquired in a prior year was added to non-depreciable assets. Business-Type net position was restated to remove construction in progress capitalized in a prior year that was determined to not meet the Cities capitalization criteria. In addition, construction in progress was restated to correct a prior year. Construction in progress was incorrectly added to the water fund when it should have been added to the sewer fund. A summary of the restatements is shown in the table below:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Net Position, December 31, 2020	\$ 21,827,566	\$ 55,898,806	
Adjustments:			
Capital Asset Restatement	<u>(12,062,991)</u>	<u>(179,826)</u>	
Restated Net Position, December 31, 2020	<u>\$ 9,764,575</u>	<u>\$ 55,718,980</u>	
			<u>Total Enterprise Funds</u>
	<u>Water</u>	<u>Sewer</u>	
Net Position, December 31, 2020	\$ 17,079,429	\$ 38,206,915	\$ 55,286,344
Adjustments:			
Capital Asset Restatement	<u>(728,336)</u>	<u>548,510</u>	<u>(179,826)</u>
Restated Net Position, December 31, 2020	<u>\$ 16,351,093</u>	<u>\$ 38,755,425</u>	<u>\$ 55,106,518</u>

In addition, the City restated beginning fund balance for the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual General Fund. The City restated the beginning balance from \$4,647,021 to \$4,345,051 in order to only include the prior year balance of the General Fund. The City will no longer include activity from the Parks and Recreation, Payroll Stabilization and Unclaimed Monies funds in its General Fund budgetary statements.

City of Sandusky
Erie County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

NOTE 25 – ASSET RETIREMENT OBLIGATIONS

Ohio Revised Code (ORC) Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval, including the retirement or abandonment of certain sewer-related assets. Through this permitting process, the City would be responsible to address any public safety issues associated with retiring or abandoning these sewer-related assets. In accordance with ORC Section 6111.44, and applicable accounting standards, the City believes an asset retirement obligation (ARO) to be present, however, there is significant uncertainty as to what public safety issues would need to be addressed. Based on this uncertainty, the ARO amount is not reasonably estimable at this time and therefore an ARO is not recognized in the City's financial statements.



City of Sandusky
Erie County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Eight Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
City's Proportion of the Net Pension Liability	0.060929%	0.065854%	0.063856%	0.063480%
City's Proportionate Share of the Net Pension Liability	\$ 9,022,258	\$ 13,016,490	\$ 17,488,863	\$ 9,958,782
City's Covered Payroll	\$ 8,583,943	\$ 9,265,564	\$ 8,624,943	\$ 8,386,808
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.11%	140.48%	202.77%	118.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
City's Proportion of the Net Pension Liability	0.280283%	0.293085%	0.304505%	0.300839%
City's Proportionate Share of the Net Pension Liability	\$ 19,107,137	\$ 19,743,791	\$ 24,855,655	\$ 18,463,847
City's Covered Payroll	\$ 6,789,723	\$ 6,911,019	\$ 6,762,547	\$ 6,537,953
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	281.41%	285.69%	367.55%	282.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

(Continued)

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	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	0.059936%	0.056570%	0.054133%	0.054133%
\$	13,610,446	\$ 9,798,637	\$ 6,529,045	\$ 6,381,575
\$	7,748,042	\$ 7,040,636	\$ 6,636,717	\$ 6,315,003
	175.66%	139.17%	98.38%	101.05%
	77.25%	81.08%	86.45%	86.36%
	0.305697%	0.308624%	0.032333%	0.032333%
\$	19,362,543	\$ 19,853,999	\$ 16,749,889	\$ 15,747,229
\$	6,782,513	\$ 6,160,041	\$ 6,350,923	\$ 6,220,489
	285.48%	322.30%	263.74%	253.15%
	68.36%	66.77%	71.71%	73.00%

City of Sandusky
Erie County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - Pension
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>					
Contractually Required Contribution	\$ 1,170,423	\$ 1,201,752	\$ 1,297,179	\$ 1,207,492	\$ 1,090,285
Contributions in Relation to the Contractually Required Contribution	<u>(1,170,423)</u>	<u>(1,201,752)</u>	<u>(1,297,179)</u>	<u>(1,207,492)</u>	<u>(1,090,285)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 8,360,164	\$ 8,583,943	\$ 9,265,564	\$ 8,624,943	\$ 8,386,808
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>					
Contractually Required Contribution	\$ 1,426,263	\$ 1,448,829	\$ 1,470,536	\$ 1,436,671	\$ 1,391,412
Contributions in Relation to the Contractually Required Contribution	<u>(1,426,263)</u>	<u>(1,448,829)</u>	<u>(1,470,536)</u>	<u>(1,436,671)</u>	<u>(1,391,412)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,679,361	\$ 6,789,723	\$ 6,911,019	\$ 6,762,547	\$ 6,537,953
Contributions as a Percentage of Covered Payroll	21.35%	21.34%	21.28%	21.24%	21.28%

(n/a) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

(Continued)

(Continued)

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 929,765	\$ 844,876	\$ 796,406	\$ 820,950	n/a
<u>(929,765)</u>	<u>(844,876)</u>	<u>(796,406)</u>	<u>(820,950)</u>	n/a
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	n/a
\$ 7,748,042	\$ 7,040,636	\$ 6,636,717	\$ 6,315,003	n/a
12.00%	12.00%	12.00%	13.00%	n/a
\$ 1,439,873	\$ 1,312,384	\$ 1,353,119	\$ 1,133,780	\$ 953,465
<u>(1,439,873)</u>	<u>(1,312,384)</u>	<u>(1,353,119)</u>	<u>(1,133,780)</u>	<u>(953,465)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,782,513	\$ 6,160,041	\$ 6,350,923	\$ 6,220,489	\$ 6,309,717
21.23%	21.30%	21.31%	18.23%	15.11%



City of Sandusky
Erie County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Last Five Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>					
City's Proportion of the Net OPEB Liability (Asset)	0.060057%	0.641280%	0.062210%	0.061310%	0.058060%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,069,963)	\$ 8,857,742	\$ 8,110,715	\$ 6,657,813	\$ 5,864,257
City's Covered Payroll	\$ 8,583,943	\$ 9,688,264	\$ 9,023,375	\$ 8,682,112	\$ 8,022,809
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-12.46%	91.43%	89.89%	76.68%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%
<i>Ohio Police and Fire Pension Fund (OPF)</i>					
City's Proportion of the Net OPEB Liability (Asset)	0.280283%	0.293085%	0.030451%	0.300839%	0.305697%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 2,969,643	\$ 2,895,018	\$ 2,772,987	\$ 17,045,117	\$ 14,510,749
City's Covered Payroll	\$ 6,789,723	\$ 6,911,019	\$ 6,762,547	\$ 6,537,953	\$ 6,782,513
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	43.74%	41.89%	41.01%	260.71%	213.94%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	47.08%	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

City of Sandusky
Erie County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - OPEB
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Ohio Public Employees' Retirement System (OPERS)					
Contractually Required Contribution	\$ -	\$ 4,131	\$ 4,154	\$ 3,859	\$ 89,460
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>(4,131)</u>	<u>(4,154)</u>	<u>(3,859)</u>	<u>(89,460)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (1)	\$ 8,360,164	\$ 9,085,018	\$ 9,688,264	\$ 9,023,375	\$ 8,682,112
Contributions as a Percentage of Covered Payroll	0.00%	0.05%	0.04%	0.04%	1.03%
Ohio Police and Fire Pension Fund (OPF)					
Contractually Required Contribution	\$ 33,397	\$ 33,948	\$ 34,555	\$ 33,813	\$ 32,690
Contributions in Relation to the Contractually Required Contribution	<u>(33,397)</u>	<u>(33,948)</u>	<u>(34,555)</u>	<u>(33,813)</u>	<u>(32,690)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,679,361	\$ 6,789,723	\$ 6,911,019	\$ 6,762,547	\$ 6,537,953
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

See accompanying notes to the required supplementary information.

(Continued)

(Continued)

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 162,540	n/a	n/a	n/a	n/a
<u>(162,540)</u>	n/a	n/a	n/a	n/a
<u>\$ -</u>	n/a	n/a	n/a	n/a
\$ 8,022,809	n/a	n/a	n/a	n/a
2.03%	n/a	n/a	n/a	n/a
\$ 33,913	\$ 30,800	\$ 31,755	\$ 224,975	\$ 425,906
<u>(33,913)</u>	<u>(30,800)</u>	<u>(31,755)</u>	<u>(224,975)</u>	<u>(425,906)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,782,513	\$ 6,160,041	\$ 6,350,923	\$ 6,220,489	\$ 6,309,717
0.50%	0.50%	0.50%	3.62%	6.75%

**City of Sandusky
Erie County, Ohio**
*Notes to the Required Supplementary Information
For the Year Ended December 31, 2021*

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

Discount Rate:

Calendar year 2021	6.90 percent
Calendar year 2020	7.20 percent
Calendar year 2019	7.20 percent
Calendar year 2018	7.50 percent
Calendar year 2017	8.00 percent

Calendar year 2017 reflects an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Benefit Terms – OPERS

In October 2019, the OPERS Board adopted a change in COLA for post-January 7, 2013 retirees, changing it from three percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 then 2.15 percent simple.

Changes in Assumptions – OP&F

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

Changes in Benefit Terms – OP&F

No significant changes in benefit terms.

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	6.00 percent
Calendar year 2020	3.16 percent
Calendar year 2019	3.96 percent
Calendar year 2018	3.85 percent
Calendar year 2017	4.23 percent

City of Sandusky
Erie County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Municipal Bond Rate:

Calendar year 2021	2.00 percent
Calendar year 2020	2.75 percent
Calendar year 2019	3.71 percent
Calendar year 2018	3.31 percent

Health Care Cost Trend Rate:

Calendar year 2021	8.50 percent
Calendar year 2020	10.50 percent
Calendar year 2019	10.00 percent
Calendar year 2018	7.50 percent

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Changes in Benefit Terms – OPERS

For calendar year 2021, the cost of living adjustments decreased from 3.00 percent simple to 2.20 percent simple

Changes in Assumptions – OP&F

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	2.96 percent
Calendar year 2020	3.56 percent
Calendar year 2019	4.66 percent
Calendar year 2018	3.24 percent
Calendar year 2017	3.79 percent

Municipal Bond Rate:

Calendar year 2021	2.12 percent
Calendar year 2020	2.75 percent
Calendar year 2019	4.13 percent
Calendar year 2018	3.16 percent

Changes in Benefit Terms – OP&F

Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. 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.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, other than for debt service or capital projects. Following is a description of the City's nonmajor special revenue funds.

Street Maintenance

To account for 92.5 percent of the state-levied and state-controlled gasoline tax and motor vehicle license fees remitted to the City by state formula and the special \$5 license fee the City is permitted to impose by virtue of Ohio law. Resources are restricted for street maintenance and repairs.

State Highway

To account for 7.5 percent of the state-levied and state-controlled gasoline tax and motor vehicle license fees remitted to the City by state formula. Resources are restricted for maintenance and repairs of state highways within the City. State highways represent approximately 10 percent of the roads inside the City limits.

Public Transit

To account for resources from the federal and state government, from charges to users of the public transit system, and from transfers. Resources are restricted for operations of the public transit system.

Fire Pension

To account for property taxes and transfers from the General Fund restricted for payment of pension contributions and related debt.

Police Pension

To account for property taxes and transfers from the General Fund restricted for payment of pension contributions and related debt.

State Grants

To account for grants and other resources received under the community development block grant program, the revolving loan program, and other state grants. Resources are restricted to the purposes outlined in the grant.

Federal Grants

To account for grants and other resources received from the federal government. Resources are restricted to the purposes outlined in the grant.

Indigent Drivers Alcohol

To account for fees and grants restricted for the costs of treatment at a certified alcohol and drug addiction program.

Enforcement and Education

To account for fines and forfeitures charged for driving under the influence arrests. Resources are restricted to educating the public on laws governing the operation of a motor vehicle while under the influence of alcohol.

**Nonmajor Special Revenue Funds
(continued)**

Court Computerization

To account for fines collected by the municipal court and restricted for computerization of the clerk of court's office.

Indigent Telephone

To account for resources restricted to paying the costs of providing house detention for eligible indigent offenders.

Municipal Probation

To account for fees collected by the municipal court and restricted to payment of the costs of the municipal probation department.

General Trust

To account for contraband forfeitures, grant monies for the Sandusky/Erie County Foundation K- 9 Program, and various resources donated to the City and restricted for various improvements in the City.

Park Donations

To account for donations from the Fred G. Epple Estate and charges for greenhouse rentals restricted for operation and maintenance of the City's parks

Cemetery Donations

To account for charges for burials and donations restricted for operation and maintenance of the cemetery.

Battery Park Maintenance

To account for an annual deposit made by the Sandusky Bay Investment Company, per the lease agreement of the Battery Park area, restricted for maintenance and repairs of the facilities. Any funds remaining at the end of the lease shall be used by the City for structural repairs and maintenance of Battery Park.

Fire Escrow

To account for insurance proceeds for structures destroyed by fires restricted to assure that the property is appropriately remediated. When remediated, the insurance proceeds are released to the property owner. Failure by the property owner to properly remediate the property, the proceeds will be used by the City to remediate the property. This fund is not included in the entity for which the appropriated budget is adopted; therefore, no budgetary statement is presented.

Vacant/Foreclosed Bond Deposits

To account for maintenance bonds held on behalf of owners of foreclosed properties restricted to ensure the property is in compliance with City ordinance. This fund is not included in the entity for which the appropriated budget is adopted; therefore, no budgetary statement is presented.

Nonmajor Debt Service Funds

Debt service funds are used to account for resources that are restricted, committed, or assigned to expenditure for principal, interest, and related costs.

General Bond Retirement

To account for property taxes and income taxes that are restricted for the payment of principal, interest, and fiscal charges on general obligation debt.

Urban Renewal Debt Retirement

To account for tax increment financing resources that are restricted for the payment of principal, interest, and fiscal charges on urban renewal debt.

Special Assesment Bond Retirement

To account for special assessments restricted for the payment of principal, interest, and fiscal charges on special assessment debt.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets (other than those financed by the enterprise funds).

Real Estate Development

To account for the proceeds from the sale of property and other resources restricted for the construction or acquisition of permanent improvements.

Capital Improvement

To account for income taxes committed by City ordinance to be used for capital improvements.

Redevelopment Tax Increment

To account for payments collected in lieu of taxes restricted for improvements at Battery Park Marina.

Various Improvement

To account for charges to property owners restricted for demolition or nuisance removal.

Central Public Tax Increment

To account for payments collected in lieu of taxes restricted for improvements in the downtown area.

Cleveland Road Tax Increment

To account for bond proceeds and payments collected in lieu of taxes restricted for improvements in the Cleveland Road area.

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 4,588,855	\$ 579,464	\$ 1,219,457	\$ 6,387,776
Accounts Receivable	2,905	-	37,424	40,329
Intergovernmental Receivable	1,120,381	-	-	1,120,381
Other Local Taxes Receivable	36,073	-	-	36,073
Property Taxes Receivable	264,336	375,756	-	640,092
Municipal Income Taxes Receivable	-	240,104	192,083	432,187
Payments in Lieu of Taxes Receivable	-	507,865	845,606	1,353,471
Notes Receivable	2,782,348	-	-	2,782,348
Special Assessments Receivable	-	1,577,203	-	1,577,203
Materials and Supplies Inventory	210,895	-	-	210,895
<i>Total Assets</i>	<u>\$ 9,005,793</u>	<u>\$ 3,280,392</u>	<u>\$ 2,294,570</u>	<u>\$ 14,580,755</u>
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$ 383,386	\$ -	\$ 8,411	\$ 391,797
Accrued Wages	19,940	-	7,125	27,065
Contracts Payable	83,760	-	-	83,760
Intergovernmental Payable	134,717	-	3,957	138,674
Unearned Revenue	628,596	-	-	628,596
<i>Total Liabilities</i>	<u>1,250,399</u>	<u>-</u>	<u>19,493</u>	<u>1,269,892</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	250,692	356,199	-	606,891
Payments in Lieu of Taxes	-	507,865	845,606	1,353,471
Unavailable Revenue	858,022	1,728,103	121,035	2,707,160
<i>Total Deferred Inflows of Resources</i>	<u>1,108,714</u>	<u>2,592,167</u>	<u>966,641</u>	<u>4,667,522</u>
Fund Balances				
Nonspendable	210,895	-	-	210,895
Restricted	6,494,602	688,225	1,163,788	8,346,615
Committed	-	-	144,648	144,648
Unassigned	(58,817)	-	-	(58,817)
<i>Total Fund Balances</i>	<u>6,646,680</u>	<u>688,225</u>	<u>1,308,436</u>	<u>8,643,341</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 9,005,793</u>	<u>\$ 3,280,392</u>	<u>\$ 2,294,570</u>	<u>\$ 14,580,755</u>

**City of Sandusky
Erie County, Ohio**

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$ 258,548	\$ 400,734	\$ -	\$ 659,282
Municipal Income Taxes	-	866,295	677,125	1,543,420
Other Local Taxes	479,219	-	-	479,219
Payments in Lieu of Taxes	-	492,625	727,991	1,220,616
Special Assessments	-	225,060	12,003	237,063
Charges for Services	389,032	-	100,293	489,325
Fees, Licenses, and Permits	-	-	330,900	330,900
Fines and Forfeitures	175,057	-	-	175,057
Intergovernmental	5,410,309	94,864	-	5,505,173
Investment Income	5,015	-	-	5,015
Miscellaneous	252,023	-	391	252,414
<i>Total Revenues</i>	<u>6,969,203</u>	<u>2,079,578</u>	<u>1,848,703</u>	<u>10,897,484</u>
Expenditures				
Current:				
General Government:				
Other	306,254	15,311	43,710	365,275
Security of Persons and Property:				
Police	653,412	-	-	653,412
Fire	904,075	-	-	904,075
Other	51,774	-	-	51,774
Public Health	4,337	-	-	4,337
Leisure Time Activities	35,590	-	-	35,590
Community Environment	971,231	7,341	488,038	1,466,610
Transportation	5,034,370	-	-	5,034,370
Capital Outlay	-	-	8,926	8,926
Debt Service:				
Principal Retirement	65,000	1,205,000	200,354	1,470,354
Interest and Fiscal Charges	12,175	379,395	95,928	487,498
<i>Total Expenditures</i>	<u>8,038,218</u>	<u>1,607,047</u>	<u>836,956</u>	<u>10,482,221</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,069,015)	472,531	1,011,747	415,263
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	15,647	160,110	48,155	223,912
Transfers In	1,507,400	-	-	1,507,400
Transfers Out	-	(350,000)	(585,000)	(935,000)
<i>Total Other Financing Sources (Uses)</i>	<u>1,523,047</u>	<u>(189,890)</u>	<u>(536,845)</u>	<u>796,312</u>
<i>Net Change in Fund Balances</i>	454,032	282,641	474,902	1,211,575
<i>Fund Balances Beginning of Year</i>	<u>6,192,648</u>	<u>405,584</u>	<u>833,534</u>	<u>7,431,766</u>
<i>Fund Balances End of Year</i>	<u>\$ 6,646,680</u>	<u>\$ 688,225</u>	<u>\$ 1,308,436</u>	<u>\$ 8,643,341</u>

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Street Maintenance	State Highway	Public Transit	Fire Pension	Police Pension
Assets					
Equity in Pooled Cash and Investments	\$ 708,745	\$ 180,341	\$ 421,958	\$ 6,764	\$ 45,713
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	679,463	55,089	292,035	7,661	29,622
Other Local Taxes Receivable	36,073	-	-	-	-
Property Taxes Receivable	-	-	-	132,168	132,168
Notes Receivable	-	-	-	-	-
Materials and Supplies Inventory	210,895	-	-	-	-
<i>Total Assets</i>	<u>\$ 1,635,176</u>	<u>\$ 235,430</u>	<u>\$ 713,993</u>	<u>\$ 146,593</u>	<u>\$ 207,503</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$ 75,759	\$ -	\$ 305,899	\$ 79	\$ 97
Accrued Wages	15,260	-	3,150	-	-
Contracts Payable	3,627	-	-	-	-
Intergovernmental Payable	9,218	32	1,182	62,538	48,580
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>103,864</u>	<u>32</u>	<u>310,231</u>	<u>62,617</u>	<u>48,677</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	125,346	125,346
Unavailable Revenue	545,879	44,258	160,447	14,483	36,444
<i>Total Deferred Inflows of Resources</i>	<u>545,879</u>	<u>44,258</u>	<u>160,447</u>	<u>139,829</u>	<u>161,790</u>
Fund Balances					
Nonspendable	210,895	-	-	-	-
Restricted	774,538	191,140	243,315	-	-
Unassigned	-	-	-	(55,853)	(2,964)
<i>Total Fund Balances (Deficit)</i>	<u>985,433</u>	<u>191,140</u>	<u>243,315</u>	<u>(55,853)</u>	<u>(2,964)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,635,176</u>	<u>\$ 235,430</u>	<u>\$ 713,993</u>	<u>\$ 146,593</u>	<u>\$ 207,503</u>

(continued)

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	State Grants	Federal Grants	Indigent Drivers Alcohol	Enforcement and Education	Court Computerization
Assets					
Equity in Pooled Cash and Investments	\$ 112,426	\$ 216,705	\$ 168,135	\$ 25,576	\$ 192,775
Accounts Receivable	-	-	-	-	2,905
Intergovernmental Receivable	-	43,761	-	-	12,750
Other Local Taxes Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Notes Receivable	1,740,714	1,041,634	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
	<u>\$ 1,853,140</u>	<u>\$ 1,302,100</u>	<u>\$ 168,135</u>	<u>\$ 25,576</u>	<u>\$ 208,430</u>
Total Assets					
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$ -	\$ 949	\$ -	\$ -	\$ 302
Accrued Wages	-	1,232	-	-	99
Contracts Payable	-	80,133	-	-	-
Intergovernmental Payable	12,059	795	-	-	59
Unearned Revenue	-	-	-	-	-
	<u>12,059</u>	<u>83,109</u>	<u>-</u>	<u>-</u>	<u>460</u>
Total Liabilities					
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Unavailable Revenue	-	43,761	-	-	12,750
	<u>-</u>	<u>43,761</u>	<u>-</u>	<u>-</u>	<u>12,750</u>
Total Deferred Inflows of Resources					
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	1,841,081	1,175,230	168,135	25,576	195,220
Unassigned	-	-	-	-	-
	<u>1,841,081</u>	<u>1,175,230</u>	<u>168,135</u>	<u>25,576</u>	<u>195,220</u>
Total Fund Balances (Deficit)					
Total Liabilities, Deferred Inflows of Resources and Fund Balances					
	<u>\$ 1,853,140</u>	<u>\$ 1,302,100</u>	<u>\$ 168,135</u>	<u>\$ 25,576</u>	<u>\$ 208,430</u>

(continued)

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Indigent Telephone	Municipal Probation	General Trust	Park Donations	Cemetery Donations
Assets					
Equity in Pooled Cash and Investments	\$ 35,781	\$ 308,080	\$ 525,545	\$ 275,690	\$ 710,896
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-
Other Local Taxes Receivable	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 35,781</u>	<u>\$ 308,080</u>	<u>\$ 525,545</u>	<u>\$ 275,690</u>	<u>\$ 710,896</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$ -	\$ 301	\$ -	\$ -	\$ -
Accrued Wages	-	199	-	-	-
Contracts Payable	-	-	-	-	-
Intergovernmental Payable	-	254	-	-	-
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>754</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	35,781	307,326	525,545	275,690	710,896
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>35,781</u>	<u>307,326</u>	<u>525,545</u>	<u>275,690</u>	<u>710,896</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 35,781</u>	<u>\$ 308,080</u>	<u>\$ 525,545</u>	<u>\$ 275,690</u>	<u>\$ 710,896</u>

(continued)

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Battery Park Enforcement	Fire Escrow	Vacant/ Forclosed Bond Deposits	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash and Investments	\$ 25,129	\$ 147,700	\$ 480,896	\$ 4,588,855
Accounts Receivable	-	-	-	2,905
Intergovernmental Receivable	-	-	-	1,120,381
Other Local Taxes Receivable	-	-	-	36,073
Property Taxes Receivable	-	-	-	264,336
Notes Receivable	-	-	-	2,782,348
Materials and Supplies Inventory	-	-	-	210,895
<i>Total Assets</i>	<u>\$ 25,129</u>	<u>\$ 147,700</u>	<u>\$ 480,896</u>	<u>\$ 9,005,793</u>
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ 383,386
Accrued Wages	-	-	-	19,940
Contracts Payable	-	-	-	83,760
Intergovernmental Payable	-	-	-	134,717
Unearned Revenue	-	147,700	480,896	628,596
<i>Total Liabilities</i>	<u>-</u>	<u>147,700</u>	<u>480,896</u>	<u>1,250,399</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	-	-	-	250,692
Unavailable Revenue	-	-	-	858,022
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,108,714</u>
Fund Balances				
Nonspendable	-	-	-	210,895
Restricted	25,129	-	-	6,494,602
Unassigned	-	-	-	(58,817)
<i>Total Fund Balances (Deficit)</i>	<u>25,129</u>	<u>-</u>	<u>-</u>	<u>6,646,680</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 25,129</u>	<u>\$ 147,700</u>	<u>\$ 480,896</u>	<u>\$ 9,005,793</u>

**City of Sandusky
Erie County, Ohio**

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

	Street Maintenance	State Highway	Public Transit	Fire Pension	Police Pension
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ 129,274	\$ 129,274
Other Local Taxes	479,219	-	-	-	-
Charges for Services	-	-	290,716	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	1,520,174	108,310	3,083,434	14,049	14,049
Investment Income	284	58	-	-	-
Miscellaneous	11,438	41	16,443	-	-
<i>Total Revenues</i>	<u>2,011,115</u>	<u>108,409</u>	<u>3,390,593</u>	<u>143,323</u>	<u>143,323</u>
Expenditures					
Current:					
General Government:					
Other	-	-	-	-	-
Security of Persons and Property:					
Police	-	-	-	-	627,659
Fire	-	-	-	844,641	-
Other	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Environment	-	-	-	-	-
Transportation	1,817,785	60,461	3,156,124	-	-
Debt Service:					
Principal Retirement	-	-	-	37,289	27,711
Interest and Fiscal Charges	-	-	-	6,984	5,191
<i>Total Expenditures</i>	<u>1,817,785</u>	<u>60,461</u>	<u>3,156,124</u>	<u>888,914</u>	<u>660,561</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	193,330	47,948	234,469	(745,591)	(517,238)
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	-	-	-	-	-
Transfers In	-	-	200,000	748,400	559,000
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>748,400</u>	<u>559,000</u>
<i>Net Change in Fund Balances</i>	193,330	47,948	434,469	2,809	41,762
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>792,103</u>	<u>143,192</u>	<u>(191,154)</u>	<u>(58,662)</u>	<u>(44,726)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 985,433</u>	<u>\$ 191,140</u>	<u>\$ 243,315</u>	<u>\$ (55,853)</u>	<u>\$ (2,964)</u>

(continued)

**City of Sandusky
Erie County, Ohio**

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

	State Grants	Federal Grants	Indigent Drivers Alcohol	Enforcement and Education	Court Computerization
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	2,905
Fines and Forfeitures	-	-	31,473	2,974	22,596
Intergovernmental	12,053	527,355	-	-	-
Investment Income	719	-	-	-	-
Miscellaneous	35,840	77	-	-	-
<i>Total Revenues</i>	<u>48,612</u>	<u>527,432</u>	<u>31,473</u>	<u>2,974</u>	<u>25,501</u>
Expenditures					
Current:					
General Government:					
Other	-	-	7,115	-	39,321
Security of Persons and Property:					
Police	-	7,904	-	-	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Environment	250,189	721,042	-	-	-
Transportation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>250,189</u>	<u>728,946</u>	<u>7,115</u>	<u>-</u>	<u>39,321</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(201,577)	(201,514)	24,358	2,974	(13,820)
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(201,577)	(201,514)	24,358	2,974	(13,820)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,042,658</u>	<u>1,376,744</u>	<u>143,777</u>	<u>22,602</u>	<u>209,040</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 1,841,081</u>	<u>\$ 1,175,230</u>	<u>\$ 168,135</u>	<u>\$ 25,576</u>	<u>\$ 195,220</u>

(continued)

**City of Sandusky
Erie County, Ohio**

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

	Indigent Telephone	Municipal Probation	General Trust	Park Donations	Cemetery Donations
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-
Charges for Services	-	-	-	2,880	33,097
Fines and Forfeitures	13,204	47,306	57,504	-	-
Intergovernmental	-	-	130,885	-	-
Investment Income	-	-	-	527	3,423
Miscellaneous	-	54	30,804	26,150	17,613
<i>Total Revenues</i>	<u>13,204</u>	<u>47,360</u>	<u>219,193</u>	<u>29,557</u>	<u>54,133</u>
Expenditures					
Current:					
General Government:					
Other	350	155,905	-	-	-
Security of Persons and Property:					
Police	-	-	17,849	-	-
Fire	-	-	-	-	-
Other	-	-	51,774	-	-
Public Health	-	-	-	-	4,337
Leisure Time Activities	-	-	14,036	8,517	-
Community Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>350</u>	<u>155,905</u>	<u>83,659</u>	<u>8,517</u>	<u>4,337</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	12,854	(108,545)	135,534	21,040	49,796
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	-	-	15,647	-	-
Transfers In	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>15,647</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	12,854	(108,545)	151,181	21,040	49,796
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>22,927</u>	<u>415,871</u>	<u>374,364</u>	<u>254,650</u>	<u>661,100</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 35,781</u>	<u>\$ 307,326</u>	<u>\$ 525,545</u>	<u>\$ 275,690</u>	<u>\$ 710,896</u>

(continued)

**City of Sandusky
Erie County, Ohio**

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

	Battery Park Enforcement	Fire Escrow	Vacant/ Forclosed Bond Deposits	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ 258,548
Other Local Taxes	-	-	-	479,219
Charges for Services	-	59,434	-	389,032
Fines and Forfeitures	-	-	-	175,057
Intergovernmental	-	-	-	5,410,309
Investment Income	4	-	-	5,015
Miscellaneous	10,000	-	103,563	252,023
<i>Total Revenues</i>	<u>10,004</u>	<u>59,434</u>	<u>103,563</u>	<u>6,969,203</u>
Expenditures				
Current:				
General Government:				
Other	-	-	103,563	306,254
Security of Persons and Property:				
Police	-	-	-	653,412
Fire	-	59,434	-	904,075
Other	-	-	-	51,774
Public Health	-	-	-	4,337
Leisure Time Activities	13,037	-	-	35,590
Community Environment	-	-	-	971,231
Transportation	-	-	-	5,034,370
Debt Service:				
Principal Retirement	-	-	-	65,000
Interest and Fiscal Charges	-	-	-	12,175
<i>Total Expenditures</i>	<u>13,037</u>	<u>59,434</u>	<u>103,563</u>	<u>8,038,218</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,033)	-	-	(1,069,015)
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	-	15,647
Transfers In	-	-	-	1,507,400
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,523,047</u>
<i>Net Change in Fund Balances</i>	(3,033)	-	-	454,032
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>28,162</u>	<u>-</u>	<u>-</u>	<u>6,192,648</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 25,129</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,646,680</u>

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2021

	General Bond Retirement	Urban Renewal Debt Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Funds
Assets				
Equity in Pooled Cash and Investments	\$ 42,350	\$ 328,843	\$ 208,271	\$ 579,464
Property Taxes Receivable	375,756	-	-	375,756
Municipal Income Taxes Receivable	240,104	-	-	240,104
Payments in Lieu of Taxes Receivable	-	507,865	-	507,865
Special Assessments Receivable	-	-	1,577,203	1,577,203
<i>Total Assets</i>	<u>\$ 658,210</u>	<u>\$ 836,708</u>	<u>\$ 1,785,474</u>	<u>\$ 3,280,392</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	\$ 356,199	\$ -	\$ -	\$ 356,199
Payments in Lieu of Taxes	-	507,865	-	507,865
Unavailable Revenue	150,900	-	1,577,203	1,728,103
<i>Total Deferred Inflows of Resources</i>	<u>507,099</u>	<u>507,865</u>	<u>1,577,203</u>	<u>2,592,167</u>
Fund Balances				
Restricted	151,111	328,843	208,271	688,225
<i>Total Fund Balances (Deficit)</i>	<u>151,111</u>	<u>328,843</u>	<u>208,271</u>	<u>688,225</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 658,210</u>	<u>\$ 836,708</u>	<u>\$ 1,785,474</u>	<u>\$ 3,280,392</u>

**City of Sandusky
Erie County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds*

For the Year Ended December 31, 2021

	General Bond Retirement	Urban Renewal Debt Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues				
Property Taxes	\$ 400,734	\$ -	\$ -	\$ 400,734
Municipal Income Taxes	866,295	-	-	866,295
Payments in Lieu of Taxes	-	492,625	-	492,625
Special Assessments	-	-	225,060	225,060
Intergovernmental	43,549	51,315	-	94,864
<i>Total Revenues</i>	<u>1,310,578</u>	<u>543,940</u>	<u>225,060</u>	<u>2,079,578</u>
Expenditures				
Current:				
General Government:				
Other	-	8,762	6,549	15,311
Community Environment	7,341	-	-	7,341
Debt Service:				
Principal Retirement	747,301	310,000	147,699	1,205,000
Interest and Fiscal Charges	92,057	209,076	78,262	379,395
<i>Total Expenditures</i>	<u>846,699</u>	<u>527,838</u>	<u>232,510</u>	<u>1,607,047</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	463,879	16,102	(7,450)	472,531
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	160,110	160,110
Transfers Out	(350,000)	-	-	(350,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(350,000)</u>	<u>-</u>	<u>160,110</u>	<u>(189,890)</u>
<i>Net Change in Fund Balances</i>	113,879	16,102	152,660	282,641
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>37,232</u>	<u>312,741</u>	<u>55,611</u>	<u>405,584</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 151,111</u>	<u>\$ 328,843</u>	<u>\$ 208,271</u>	<u>\$ 688,225</u>

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2021

	Real Estate Development	Capital Improvement	Redevelopment Tax Increment	Various Improvement	Central Public Tax Increment
Assets					
Equity in Pooled Cash and Investments	\$ 263,790	\$ 57,640	\$ -	\$ 518,211	\$ 85,970
Accounts Receivable	-	-	-	37,424	-
Municipal Income Taxes Receivable	-	192,083	-	-	-
Payments in Lieu of Taxes Receivable	-	-	-	-	122,316
<i>Total Assets</i>	<u>\$ 263,790</u>	<u>\$ 249,723</u>	<u>\$ -</u>	<u>\$ 555,635</u>	<u>\$ 208,286</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ 8,411	\$ -
Accrued Wages	-	-	-	7,125	-
Intergovernmental Payable	-	-	-	3,957	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,493</u>	<u>-</u>
Deferred Inflows of Resources					
Payments in Lieu of Taxes	-	-	-	-	122,316
Unavailable Revenue	-	105,075	-	15,960	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>105,075</u>	<u>-</u>	<u>15,960</u>	<u>122,316</u>
Fund Balances					
Restricted	263,790	-	-	520,182	85,970
Committed	-	144,648	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>263,790</u>	<u>144,648</u>	<u>-</u>	<u>520,182</u>	<u>85,970</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 263,790</u>	<u>\$ 249,723</u>	<u>\$ -</u>	<u>\$ 555,635</u>	<u>\$ 208,286</u>

(continued)

City of Sandusky
Erie County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2021

	Cleveland Road Tax Increment	Total Nonmajor Capital Projects Funds
Assets		
Equity in Pooled Cash and Investments	\$ 293,846	\$ 1,219,457
Accounts Receivable	-	37,424
Municipal Income Taxes Receivable	-	192,083
Payments in Lieu of Taxes Receivable	723,290	845,606
<i>Total Assets</i>	<u>\$ 1,017,136</u>	<u>\$ 2,294,570</u>
Liabilities and Fund Balance		
Liabilities		
Accounts Payable	\$ -	\$ 8,411
Accrued Wages	-	7,125
Intergovernmental Payable	-	3,957
<i>Total Liabilities</i>	-	19,493
Deferred Inflows of Resources		
Payments in Lieu of Taxes	723,290	845,606
Unavailable Revenue	-	121,035
<i>Total Deferred Inflows of Resources</i>	723,290	966,641
Fund Balances		
Restricted	293,846	1,163,788
Committed	-	144,648
<i>Total Fund Balances (Deficit)</i>	293,846	1,308,436
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,017,136</u>	<u>\$ 2,294,570</u>

**City of Sandusky
Erie County, Ohio**

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

	Real Estate Development	Capital Improvement	Redevelopment Tax Increment	Various Improvement	Central Public Tax Increment
Revenues					
Municipal Income Taxes	\$ -	\$ 677,125	\$ -	\$ -	\$ -
Payments in Lieu of Taxes	-	-	-	-	62,819
Special Assessments	-	-	-	12,003	-
Charges for Services	-	-	-	100,293	-
Fees, Licenses, and Permits	-	-	-	330,900	-
Miscellaneous	-	-	-	391	-
<i>Total Revenues</i>	<u>-</u>	<u>677,125</u>	<u>-</u>	<u>443,587</u>	<u>62,819</u>
Expenditures					
Current:					
General Government:					
Other	36,122	-	-	-	7,588
Community Environment	-	-	45,632	367,362	-
Capital Outlay	-	-	-	8,926	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>36,122</u>	<u>-</u>	<u>45,632</u>	<u>376,288</u>	<u>7,588</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(36,122)	677,125	(45,632)	67,299	55,231
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	48,155	-	-	-	-
Transfers Out	-	(585,000)	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>48,155</u>	<u>(585,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	12,033	92,125	(45,632)	67,299	55,231
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>251,757</u>	<u>52,523</u>	<u>45,632</u>	<u>452,883</u>	<u>30,739</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 263,790</u>	<u>\$ 144,648</u>	<u>\$ -</u>	<u>\$ 520,182</u>	<u>\$ 85,970</u>

(continued)

**City of Sandusky
Erie County, Ohio**

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

	Cleveland Road Tax Increment	Total Nonmajor Capital Projects Funds
Revenues		
Municipal Income Taxes	\$ -	\$ 677,125
Payments in Lieu of Taxes	665,172	727,991
Special Assessments	-	12,003
Charges for Services	-	100,293
Fees, Licenses, and Permits	-	330,900
Miscellaneous	-	391
	<u>665,172</u>	<u>1,848,703</u>
<i>Total Revenues</i>		
Expenditures		
Current:		
General Government:		
Other	-	43,710
Community Environment	75,044	488,038
Capital Outlay	-	8,926
Debt Service:		
Principal Retirement	200,354	200,354
Interest and Fiscal Charges	95,928	95,928
	<u>371,326</u>	<u>836,956</u>
<i>Total Expenditures</i>		
<i>Excess of Revenues Over (Under) Expenditures</i>		
	293,846	1,011,747
Other Financing Sources (Uses)		
Proceeds from Sale of Assets	-	48,155
Transfers Out	-	(585,000)
	<u>-</u>	<u>(536,845)</u>
<i>Total Other Financing Sources (Uses)</i>		
<i>Net Change in Fund Balances</i>		
	293,846	474,902
<i>Fund Balances (Deficit) Beginning of Year</i>		
	<u>-</u>	<u>833,534</u>
<i>Fund Balances (Deficit) End of Year</i>		
	<u>\$ 293,846</u>	<u>\$ 1,308,436</u>

Custodial Funds

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue. The following is a description of the City's custodial funds.

State Patrol Transfer

To account for fines and costs remitted to the municipal court pending disposition to the Erie County Law Library and other municipalities.

Energy Special Improvement District

To account for special assessments levied and paid to the Toledo-Lucas County Port Authority for the special energy improvement project.

Sandusky Municipal Court

To account for bonds and other costs remitted to the municipal court pending final disposition of the various cases and payment to third parties, excluding the City.

Police Temporary Deposit

To account for resources for which the police department has temporary custody due to drug law enforcement or contraband. Resources are held until disposition by the court.

City of Sandusky
Erie County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

	State Patrol Transfer	Energy Special Improvement District	Sandusky Municipal Court	Police Temporary Deposit	Total
Assets					
Equity in Pooled Cash and Investments	\$ 16,213	\$ 16,223	\$ 134,589	\$ 485	\$ 167,510
Special Assessments Receivable	-	516,101	-	-	516,101
<i>Total Assets</i>	<u>16,213</u>	<u>532,324</u>	<u>134,589</u>	<u>485</u>	<u>683,611</u>
Liabilities					
Accounts Payable	2,097	-	-	-	2,097
Due to Other Governments	-	516,101	-	-	516,101
<i>Total Liabilities</i>	<u>2,097</u>	<u>516,101</u>	<u>-</u>	<u>-</u>	<u>518,198</u>
Net Position					
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 14,116</u>	<u>\$ 16,223</u>	<u>\$ 134,589</u>	<u>\$ 485</u>	<u>\$ 165,413</u>

City of Sandusky
Erie County, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021

	State Patrol Transfer	Energy Special Improvement District	Sandusky Municipal Court	Police Temporary Deposit	Total
Additions					
Fines and Forfeitures for Other Governments	\$ 15,783	\$ -	\$ 1,930,948	\$ -	\$ 1,946,731
Special Assessment Collections for Other Governments	-	51,008	-	-	51,008
Other	-	-	-	20,797	20,797
<i>Total Additions</i>	<u>15,783</u>	<u>51,008</u>	<u>1,930,948</u>	<u>20,797</u>	<u>2,018,536</u>
Deductions					
Fines and Forfeitures Distributions to Other Governments	17,558	-	1,905,539	-	1,923,097
Special Assessment Distributions to Other Governments	-	34,785	-	-	34,785
Distributions to Individuals	-	-	-	27,275	27,275
<i>Total Deductions</i>	<u>17,558</u>	<u>34,785</u>	<u>1,905,539</u>	<u>27,275</u>	<u>1,985,157</u>
<i>Net Change in Net Position</i>	(1,775)	16,223	25,409	(6,478)	33,379
<i>Net Position Beginning of Year</i>	<u>15,891</u>	<u>-</u>	<u>109,180</u>	<u>6,963</u>	<u>132,034</u>
<i>Net Position End of Year</i>	<u>\$ 14,116</u>	<u>\$ 16,223</u>	<u>\$ 134,589</u>	<u>\$ 485</u>	<u>\$ 165,413</u>

**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL**

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,766,728	\$ 1,572,776	\$ (193,952)
Municipal Income Taxes	10,824,484	11,270,481	445,997
Other Local Taxes	6,016,008	6,058,218	42,210
Charges for Services	637,314	640,970	3,656
Licenses and Permits	682,922	622,171	(60,751)
Fines and Forfeitures	1,098,223	946,169	(152,054)
Intergovernmental	824,766	842,528	17,762
Investment Income	208,437	137,120	(71,317)
Other	684,892	636,663	(48,229)
<i>Total Revenues</i>	<u>22,743,774</u>	<u>22,727,096</u>	<u>(16,678)</u>
Expenditures			
Current:			
General Government - Municipal Court:			
Court - Criminal:			
Personal Services	980,770	849,505	131,265
Other	54,000	49,443	4,557
Total General Government - Municipal Court	<u>1,034,770</u>	<u>898,948</u>	<u>135,822</u>
General Government - Other:			
Administrative Services:			
Personal Services	73,395	49,818	23,577
Other	57,790	57,228	562
Total Administrative Services	<u>131,185</u>	<u>107,046</u>	<u>24,139</u>
Administrative Support:			
Other	1,169,297	698,923	470,374
Total Administrative Support	<u>1,169,297</u>	<u>698,923</u>	<u>470,374</u>
Building Maintenance:			
Personal Services	270,175	242,094	28,081
Other	385,865	383,970	1,895
Total Building Maintenance	<u>656,040</u>	<u>626,064</u>	<u>29,976</u>
City Commission:			
Personal Services	80,760	72,868	7,892
Other	10,065	9,972	93
Total City Commission	<u>90,825</u>	<u>82,840</u>	<u>7,985</u>

(continued)

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
City Manager:			
Personal Services	\$ 203,530	\$ 197,127	\$ 6,403
Other	21,050	19,518	1,532
Total City Manager	<u>224,580</u>	<u>216,645</u>	<u>7,935</u>
Engineering:			
Personal Services	278,915	275,857	3,058
Other	20,142	17,696	2,446
Total Engineering	<u>299,057</u>	<u>293,553</u>	<u>5,504</u>
Finance Department:			
Personal Services	110,615	104,911	5,704
Other	5,650	4,747	903
Total Finance Department	<u>116,265</u>	<u>109,658</u>	<u>6,607</u>
Fleet Maintenance:			
Personal Services	199,980	174,070	25,910
Other	124,433	89,105	35,328
Total Fleet Maintenance	<u>324,413</u>	<u>263,175</u>	<u>61,238</u>
Income Tax Department:			
Other	390,300	390,260	40
Total Income Tax Department	<u>390,300</u>	<u>390,260</u>	<u>40</u>
Information Technology:			
Personal Services	131,515	128,078	3,437
Other	295,760	243,142	52,618
Total Information Technology	<u>427,275</u>	<u>371,220</u>	<u>56,055</u>
Law Department:			
Personal Services	219,010	213,835	5,175
Other	14,940	11,446	3,494
Total Law Department	<u>233,950</u>	<u>225,281</u>	<u>8,669</u>
Total General Government - Other	<u>4,063,187</u>	<u>3,384,665</u>	<u>678,522</u>
Security of Persons and Property - Police:			
Police Patrol:			
Personal Services	4,154,924	3,750,876	404,048
Other	375,461	316,505	58,956
Total Police Patrol	<u>4,530,385</u>	<u>4,067,381</u>	<u>463,004</u>

(continued)

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Police Records:			
Personal Services	\$ 101,775	\$ 100,960	\$ 815
Other	204,300	174,680	29,620
Total Police Records	<u>306,075</u>	<u>275,640</u>	<u>30,435</u>
Police Reserves:			
Personal Services	99,010	86,851	12,159
Other	3,700	592	3,108
Total	<u>102,710</u>	<u>87,443</u>	<u>15,267</u>
Total Security of Persons and Property - Police	<u>4,939,170</u>	<u>4,430,464</u>	<u>508,706</u>
Security of Persons and Property - Fire:			
Fire Suppression:			
Personal Services	4,439,637	4,259,181	180,456
Other	412,383	411,734	649
Total Fire Suppression	<u>4,852,020</u>	<u>4,670,915</u>	<u>181,105</u>
Total Security of Persons and Property - Fire	<u>4,852,020</u>	<u>4,670,915</u>	<u>181,105</u>
Security of Persons and Property - Other:			
Street Lighting:			
Other	270,000	264,821	5,179
Total Security of Persons and Property - Other	<u>270,000</u>	<u>264,821</u>	<u>5,179</u>
Public Health:			
Oakland Cemetery:			
Personal Services	223,992	219,412	4,580
Other	71,084	61,401	9,683
Total Public Health	<u>295,076</u>	<u>280,813</u>	<u>14,263</u>
Community and Economic Development			
Code Enforcement:			
Personal Services	206,727	206,707	20
Other	32,017	31,495	522
Total Code Enforcement	<u>238,744</u>	<u>238,202</u>	<u>542</u>
Community Development Building Division:			
Personal Services	232,005	231,526	479
Other	45,070	44,820	250
Total Community Development Building Division	<u>277,075</u>	<u>276,346</u>	<u>729</u>

(continued)

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Economic Development:			
Personal Services	122,700	122,535	165
Other	70,213	69,976	237
Total Economic Development	<u>192,913</u>	<u>192,511</u>	<u>402</u>
Horticultural Services:			
Personal Services	651,155	650,833	322
Other	419,453	419,376	77
Total Horticultural Services	<u>1,070,608</u>	<u>1,070,209</u>	<u>399</u>
Jackson Street Pier:			
Other	49,900	49,879	21
Total Jackson Street Pier	<u>49,900</u>	<u>49,879</u>	<u>21</u>
Total Community and Economic Development	<u>1,829,240</u>	<u>1,827,147</u>	<u>2,093</u>
<i>Total Expenditures</i>	<u>17,283,463</u>	<u>15,757,773</u>	<u>1,525,690</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,460,311</u>	<u>6,969,323</u>	<u>1,509,012</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	1,598	11,201	9,603
Transfers In	18,121	-	(18,121)
Transfers Out	(6,790,400)	(6,786,855)	3,545
<i>Total Other Financing Sources (Uses)</i>	<u>(6,770,681)</u>	<u>(6,775,654)</u>	<u>(4,973)</u>
<i>Net Change in Fund Balance</i>	<u>(1,310,370)</u>	<u>193,669</u>	<u>1,504,039</u>
<i>Fund Balance (Deficit) Beginning of Year, Restated</i>	4,345,051	4,345,051	-
<i>Prior Year Encumbrances Appropriated</i>	<u>47,269</u>	<u>47,269</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,081,950</u>	<u>\$ 4,585,989</u>	<u>\$ 1,504,039</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 9,037	\$ 5,570	\$ (3,467)
Charges for Services	552,307	340,409	(211,898)
Other	120,498	74,268	(46,230)
<i>Total Revenues</i>	<u>681,842</u>	<u>420,247</u>	<u>(261,595)</u>
Expenditures			
Current:			
Leisure Time Activities:			
Recreation Department:			
Personal Services	40,489	40,101	388
Other	136,904	127,607	9,297
Total Recreation Department	<u>177,393</u>	<u>167,708</u>	<u>9,685</u>
Aquatic Center:			
Other	6,570	6,564	6
Boat Launch Ramp:			
Other	7,123	6,448	675
Mills Creek Golf Course:			
Personal Services	102,435	101,814	621
Other	125,345	124,430	915
Total Mill Creek Golf Course	<u>227,780</u>	<u>226,244</u>	<u>1,536</u>
Paper District Marina:			
Other	15,000	14,834	166
<i>Total Expenditures</i>	<u>433,866</u>	<u>421,798</u>	<u>12,068</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>247,976</u>	<u>(1,551)</u>	<u>(249,527)</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	41	25	(16)
Transfers In	50,000	50,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>50,041</u>	<u>50,025</u>	<u>(16)</u>
<i>Net Change in Fund Balance</i>	298,017	48,474	(249,543)
<i>Fund Balance (Deficit) Beginning of Year, Restated</i>	15,220	15,220	-
<i>Prior Year Encumbrances Appropriated</i>	4,993	4,993	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 318,230</u>	<u>\$ 68,687</u>	<u>\$ (249,543)</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Unclaimed Monies Fund
For the Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Fines and Forfeitures	\$ -	\$ 4,970	\$ 4,970
Expenditures			
Current:			
General Government - Other			
Unclaimed Monies:			
Other	175	171	4
<i>Net Change in Fund Balance</i>	(175)	4,799	4,974
<i>Fund Balance (Deficit) Beginning of Year, Restated</i>	<u>128,965</u>	<u>128,965</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 128,790</u>	<u>\$ 133,764</u>	<u>\$ 4,974</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Payroll Stabilization Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
General Government - Other:			
Building Maintenance:			
Personal Services	\$ 12,954	\$ 12,954	\$ -
City Commission:			
Personal Services	2,713	2,713	-
Fleet Maintenance:			
Personal Services	47,761	47,761	-
Total General Government - Other	<u>63,428</u>	<u>63,428</u>	<u>-</u>
Security of Persons and Property - Police:			
Police Patrol:			
Personal Services	106,617	106,617	-
Police Records:			
Personal Services	36,234	36,234	-
Total Security of Persons and Property - Police	<u>142,851</u>	<u>142,851</u>	<u>-</u>
Security of Persons and Property - Fire:			
Fire Suppression:			
Personal Services	<u>40,109</u>	<u>40,109</u>	<u>-</u>
Community and Economic Development			
Code Enforcement:			
Personal Services	6,274	6,274	-
Community Development Building Division:			
Personal Services	38,970	38,887	83
Economic Development:			
Personal Services	7,191	7,191	-
Horticultural Services:			
Personal Services	17,377	17,377	-
Total Community and Economic Development	<u>69,812</u>	<u>69,729</u>	<u>83</u>
<i>Total Expenditures</i>	<u>316,200</u>	<u>316,117</u>	<u>83</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(316,200)</u>	<u>(316,117)</u>	<u>83</u>
Other Financing Sources (Uses)			
Transfers In	<u>290,000</u>	<u>558,000</u>	<u>268,000</u>
<i>Net Change in Fund Balance</i>	(26,200)	241,883	268,083
<i>Fund Balance (Deficit) Beginning of Year, Restated</i>	<u>157,785</u>	<u>157,785</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 131,585</u>	<u>\$ 399,668</u>	<u>\$ 268,083</u>

**City of Sandusky
Erie County, Ohio**
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Projects Capital Projects Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 2,279,927	\$ 972,767	\$ (1,307,160)
Fines and Forfeitures	348,198	148,564	(199,634)
Intergovernmental	1,278,328	545,419	(732,909)
Investment Income	3,780	1,613	(2,167)
Contributions and Donations	1,714,457	731,500	(982,957)
Other	1,073,349	457,961	(615,388)
<i>Total Revenues</i>	<u>6,698,039</u>	<u>2,857,824</u>	<u>(3,840,215)</u>
Expenditures			
Current:			
General Government - Municipal Court:			
Municipal Court:			
Personal Services	23,950	10,347	13,603
Other	16,175	10,970	5,205
Total General Government - Municipal Court	<u>40,125</u>	<u>21,317</u>	<u>18,808</u>
General Government - Other:			
Strategic Planning:			
Personal Services	76,000	28,433	47,567
Other	189,275	174,627	14,648
Total General Government - Other	<u>265,275</u>	<u>203,060</u>	<u>62,215</u>
Security of Persons and Property - Police:			
Police Department:			
Other	10,920	10,920	-
Security of Persons and Property - Fire:			
EMS:			
Personal Services	40,000	36,839	3,161
Other	320,760	289,960	30,800
Total Security of Persons and Property - Fire	<u>360,760</u>	<u>326,799</u>	<u>33,961</u>
Leisure Time Activities:			
Paper District Marina:			
Other	21,313	953	20,360
Recreation Department			
Other	71,050	-	71,050

(continued)

**City of Sandusky
Erie County, Ohio**

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

	Final Budget	Actual	Variance with Final Budget
Sandusky Fishing Stations			
Other	\$ 2,112,800	\$ 2,112,337	\$ 463
Schade/Mylander Plaza			
Personal Services	146,950	134,474	12,476
Other	13,170	13,170	-
Total Schade/Mylander Plaza	160,120	147,644	12,476
Total Leisure Time Services	2,365,283	2,260,934	104,349
Community and Economic Development			
Code Enforcement:			
Other	335,431	331,854	3,577
Community Environment			
Other	2,651	2,651	-
Economic Development:			
Other	561,202	424,712	136,490
Jackson Street Pier			
Other	240	240	-
Neighborhood Development			
Other	225,318	189,563	35,755
Paper District			
Other	5,000	5,000	5,000
Total Community and Economic Development	1,129,842	949,020	180,822
Capital Outlay	4,811,708	4,374,396	437,312
Debt Service:			
Principal Retirement	7,772,705	7,722,705	50,000
Interest and Fiscal Charges	121,100	121,050	50
Total Debt Service	7,893,805	7,843,755	50,050
<i>Total Expenditures</i>	16,877,718	15,990,201	887,517
<i>Excess of Revenues Over (Under) Expenditures</i>	(10,179,679)	(13,132,377)	(2,952,698)

(continued)

**City of Sandusky
Erie County, Ohio**

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

	Final Budget	Actual	Variance with Final Budget
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	\$ 65,705	\$ 28,034	\$ (37,671)
Notes Issued	7,290,000	7,290,000	-
Proceeds of OPWC Loans	125,219	125,219	-
Premium on Debt Issuance	53,582	53,582	-
Transfers In	5,256,455	5,256,455	-
<i>Total Other Financing Sources (Uses)</i>	<u>12,790,961</u>	<u>12,753,290</u>	<u>(37,671)</u>
<i>Net Change in Fund Balance</i>	2,611,282	(379,087)	(2,990,369)
<i>Fund Balance (Deficit) Beginning of Year</i>	537,013	537,013	-
Prior Year Encumbrances Appropriated	<u>2,961,881</u>	<u>2,961,881</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 6,110,176</u>	<u>\$ 3,119,807</u>	<u>\$ (2,990,369)</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Act Special Revenue Fund
For the Year Ended December 31, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 9,045,549	\$ 9,045,549	\$ -
Expenditures			
Current:			
General Government - Other:			
Administrative Services:			
Personal Services	33,392	29,232	4,160
City Manager:			
Personal Services	65,577	61,685	3,892
Engineering:			
Personal Services	33,185	33,185	-
Finance Department:			
Personal Services	12,058	12,058	-
Law Department:			
Personal Services	67,881	19,506	48,375
Other:			
Other	989,090	989,090	-
Total General Government - Other	<u>1,201,183</u>	<u>1,144,756</u>	<u>56,427</u>
Security of Persons and Property - Police:			
Police Department:			
Personal Services	85,168	24,505	60,663
Police Records:			
Personal Services	1,780	1,780	-
Total Security of Persons and Property - Police	<u>86,948</u>	<u>26,285</u>	<u>60,663</u>
Security of Persons and Property - Fire:			
Fire Department:			
Personal Services	2,023	2,023	-
Security of Persons and Property - Other:			
Recreation Department:			
Personal Services	5,712	5,712	-
Community and Economic Development			
Code Enforcement:			
Personal Services	52,335	40,134	12,201

(continued)

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Act Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Community Development - Building Division:			
Personal Services	\$ 60,019	\$ 40,387	\$ 19,632
Economic Development:			
Personal Services	4,059	-	4,059
Horticultural Services:			
Personal Services	59,717	16,764	42,953
Water Pollution Control:			
Personal Services	7,094	7,094	-
Total Community and Economic Development	<u>183,224</u>	<u>104,379</u>	<u>78,845</u>
Leisure Time Activities			
Other:			
Personal Services	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Capital Outlay	<u>2,271,410</u>	<u>1,871,362</u>	<u>400,048</u>
<i>Total Expenditures</i>	<u>3,850,500</u>	<u>3,254,517</u>	<u>595,983</u>
<i>Net Change in Fund Balance</i>	5,195,049	5,791,032	595,983
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 5,195,049</u>	<u>\$ 5,791,032</u>	<u>\$ 595,983</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Water Enterprise Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Operating Revenues			
Charges for Services	\$ 9,285,498	\$ 7,357,897	\$ (1,927,601)
Other	35,358	28,018	(7,340)
<i>Total Revenues</i>	<u>9,320,856</u>	<u>7,385,915</u>	<u>(1,934,941)</u>
Operating Expenses			
Personal Services			
Water Office	162,370	133,533	28,837
Waterworks Filtration	1,413,658	1,272,916	140,742
Waterworks Distribution	1,015,286	974,794	40,492
Administrative Support	799,205	765,931	33,274
Total Personal Services	<u>3,390,519</u>	<u>3,147,174</u>	<u>243,345</u>
Contractual Services			
Water Office	32,000	2,613	29,387
Waterworks Filtration	874,911	815,489	59,422
Waterworks Distribution	174,198	144,430	29,768
Administrative Support	348,352	327,983	20,369
Total Contractual Services	<u>1,429,461</u>	<u>1,290,515</u>	<u>138,946</u>
Materials and Supplies			
Water Office	5,000	4,702	298
Waterworks Filtration	510,625	490,798	19,827
Waterworks Distribution	349,916	349,642	274
Administrative Support	74,537	61,107	13,430
Other	300,000	300,000	-
Total Materials and Supplies	<u>1,240,078</u>	<u>1,206,249</u>	<u>33,829</u>
Other			
Water Office	750	250	500
Waterworks Filtration	11,500	10,485	1,015
Waterworks Distribution	3,766	1,403	2,363
Administrative Support	6,995	1,412	5,583
Total Materials and Supplies	<u>23,011</u>	<u>13,550</u>	<u>9,461</u>
Capital Outlay			
Waterworks Distribution	883,508	817,141	66,367
Other	236,745	236,745	-
Total Capital Outlay	<u>1,120,253</u>	<u>1,053,886</u>	<u>66,367</u>
<i>Total Expenditures</i>	<u>7,203,322</u>	<u>6,711,374</u>	<u>491,948</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,117,534</u>	<u>674,541</u>	<u>(2,426,889)</u>

(continued)

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Water Enterprise Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Non-Operating Revenues (Expenses):			
Interest	\$ 1,224	\$ 970	\$ (254)
Proceeds from OWDA Loans	544,013	544,013	-
Principal Retirement	(1,429,095)	(1,429,095)	-
Interest and Fiscal Charges	(441,525)	(441,525)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(1,325,383)</u>	<u>(1,325,637)</u>	<u>(254)</u>
<i>Net Change in Fund Balance</i>	792,151	(651,096)	(1,443,247)
<i>Fund Balance (Deficit) Beginning of Year</i>	4,048,563	4,048,563	-
<i>Prior Year Encumbrances Appropriated</i>	<u>1,239,009</u>	<u>1,239,009</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 6,079,723</u>	<u>\$ 4,636,476</u>	<u>\$ (1,443,247)</u>

**City of Sandusky
Erie County, Ohio**
*Schedule of Revenues, Expenses and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Enterprise Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Operating Revenues			
Charges for Services	\$ 11,139,312	\$ 11,040,780	\$ (98,532)
Other	43,179	42,797	(382)
<i>Total Revenues</i>	<u>11,182,491</u>	<u>11,083,577</u>	<u>(98,914)</u>
Operating Expenses			
Personal Services			
Sewer Department Office	162,370	133,594	28,776
Water Pollution Control	1,796,795	1,546,317	250,478
Sewer Maintenance	1,045,585	834,198	211,387
Administrative Support	804,335	762,542	41,793
Total Personal Services	<u>3,809,085</u>	<u>3,276,651</u>	<u>532,434</u>
Contractual Services			
Sewer Department Office	4,000	2,658	1,342
Water Pollution Control	1,061,623	1,038,645	22,978
Sewer Maintenance	286,047	254,155	31,892
Administrative Support	534,551	522,658	11,893
Marina Rehab	15,225	15,225	-
Total Contractual Services	<u>1,901,446</u>	<u>1,833,341</u>	<u>68,105</u>
Materials and Supplies			
Sewer Department Office	5,000	1,789	3,211
Water Pollution Control	533,511	499,753	33,758
Sewer Maintenance	557,084	546,969	10,115
Storm Sewer	41,813	36,879	4,934
Administrative Support	66,466	60,624	5,842
Total Materials and Supplies	<u>1,203,874</u>	<u>1,146,014</u>	<u>57,860</u>
Other			
Sewer Department Office	750	250	500
Water Pollution Control	15,000	13,781	1,219
Sewer Maintenance	4,653	4,268	385
Storm Sewer	2,500	2,500	-
Administrative Support	2,691	1,726	965
Total Other	<u>25,594</u>	<u>22,525</u>	<u>3,069</u>
Capital Outlay			
Water Pollution Control	1,152,567	1,150,737	1,830
Sewer Maintenance	2,606,188	2,635,117	(28,929)
Storm Sewer	285,656	280,407	5,249
Total Capital Outlay	<u>4,044,411</u>	<u>4,066,261</u>	<u>(21,850)</u>
<i>Total Expenditures</i>	<u>10,984,410</u>	<u>10,344,792</u>	<u>639,618</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>198,081</u>	<u>738,785</u>	<u>(738,532)</u>

(continued)

**City of Sandusky
Erie County, Ohio**
*Schedule of Revenues, Expenses and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Enterprise Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Non-Operating Revenues (Expenses):			
Interest	\$ 4,930	\$ 4,886	\$ (44)
Proceeds from OWDA Loans	1,450,423	1,450,423	-
Principal Retirement	(2,424,718)	(2,424,718)	-
Interest and Fiscal Charges	(897,263)	(897,263)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(1,866,628)</u>	<u>(1,866,672)</u>	<u>(44)</u>
<i>Net Change in Fund Balance</i>	(1,668,547)	(1,127,887)	540,660
<i>Fund Balance (Deficit) Beginning of Year</i>	4,227,873	4,227,873	-
<i>Prior Year Encumbrances Appropriated</i>	<u>3,217,937</u>	<u>3,217,937</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 5,777,263</u>	<u>\$ 6,317,923</u>	<u>\$ 540,660</u>

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other Local Taxes	\$ 415,751	\$ 473,246	\$ 57,495
Intergovernmental	1,303,569	1,483,843	180,274
Investment Income	293	334	41
Other	10,049	11,438	1,389
<i>Total Revenues</i>	<u>1,729,662</u>	<u>1,968,861</u>	<u>239,199</u>
Expenditures			
Current:			
Transportation:			
Street Resurfacing Program:			
Other	304,205	302,068	2,137
Public Works:			
Personal Services	767,910	667,778	100,132
Other	539,628	503,637	35,991
Total Traffic and Electrical Maintenance	<u>1,307,538</u>	<u>1,171,415</u>	<u>136,123</u>
Traffic and Electrical Maintenance:			
Personal Services	126,246	113,834	12,412
Other	198,100	194,614	3,486
Total Traffic and Electrical Maintenance	<u>324,346</u>	<u>308,448</u>	<u>15,898</u>
Street Cleaning, Snow and Ice Removal:			
Other	110,500	110,500	-
<i>Total Expenditures</i>	<u>2,046,589</u>	<u>1,892,431</u>	<u>154,158</u>
<i>Net Change in Fund Balance</i>	(316,927)	76,430	393,357
<i>Fund Balance (Deficit) Beginning of Year</i>	504,619	504,619	-
Prior Year Encumbrances Appropriated	<u>20,407</u>	<u>20,407</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 208,099</u>	<u>\$ 601,456</u>	<u>\$ 393,357</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 77,227	\$ 105,365	\$ 28,138
Investment Income	43	58	15
Other	30	41	11
<i>Total Revenues</i>	<u>77,300</u>	<u>105,464</u>	<u>28,164</u>
Expenditures			
Current:			
Transportation			
State Highway Maintenance and Repair:			
Personal Services	50,000	42,450	7,550
Other	42,000	18,022	23,978
<i>Total Expenditures</i>	<u>92,000</u>	<u>60,472</u>	<u>31,528</u>
<i>Net Change in Fund Balance</i>	(14,700)	44,992	59,692
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>135,349</u>	<u>135,349</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 120,649</u>	<u>\$ 180,341</u>	<u>\$ 59,692</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Transit Special Revenue Fund
For the Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 4,196,258	\$ 2,971,589	\$ (1,224,669)
Charges for Services	419,533	297,093	(122,440)
Other	23,219	16,443	(6,776)
<i>Total Revenues</i>	<u>4,639,010</u>	<u>3,285,125</u>	<u>(1,353,885)</u>
Expenditures			
Current:			
Transportation:			
Public Transit System:			
Other	275,179	247,585	27,594
Rural Transit System;			
Personal Services	138,300	97,662	40,638
Other	2,764,091	2,763,854	237
Total Rural Transit System	<u>2,902,391</u>	<u>2,861,516</u>	<u>40,875</u>
<i>Total Expenditures</i>	<u>3,177,570</u>	<u>3,109,101</u>	<u>68,469</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,461,440</u>	<u>176,024</u>	<u>(1,285,416)</u>
Other Financing Sources (Uses)			
Transfers In	200,000	200,000	-
<i>Net Change in Fund Balance</i>	1,661,440	376,024	(1,285,416)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,661,440</u>	<u>\$ 376,024</u>	<u>\$ (1,285,416)</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Special Revenue Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 149,940	\$ 129,274	\$ (20,666)
Intergovernmental	16,295	14,049	(2,246)
<i>Total Revenues</i>	<u>166,235</u>	<u>143,323</u>	<u>(22,912)</u>
Expenditures			
Current:			
Security of Persons and Property - Fire:			
Fire Pension:			
Personal Services	842,425	838,318	4,107
Other	7,672	2,368	5,304
Total Security of Persons and Property - Fire	<u>850,097</u>	<u>840,686</u>	<u>9,411</u>
Debt Service:			
Principal Retirement	37,289	37,289	-
Interest and Fiscal Charges	6,985	6,985	-
Total Debt Service	<u>44,274</u>	<u>44,274</u>	<u>-</u>
<i>Total Expenditures</i>	<u>894,371</u>	<u>884,960</u>	<u>9,411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(728,136)</u>	<u>(741,637)</u>	<u>(13,501)</u>
Other Financing Sources (Uses)			
Transfers In	748,400	748,400	-
<i>Net Change in Fund Balance</i>	20,264	6,763	(13,501)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 20,264</u>	<u>\$ 6,763</u>	<u>\$ (13,501)</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 190,642	\$ 129,274	\$ (61,368)
Intergovernmental	20,718	14,049	(6,669)
<i>Total Revenues</i>	<u>211,360</u>	<u>143,323</u>	<u>(68,037)</u>
Expenditures			
Current:			
Security of Persons and Property - Police:			
Police Pension:			
Personal Services	670,375	621,340	49,035
Other	2,500	2,368	132
Total Security of Persons and Property - Police	<u>672,875</u>	<u>623,708</u>	<u>49,167</u>
Debt Service:			
Principal Retirement	27,712	27,712	-
Interest and Fiscal Charges	5,191	5,191	-
Total Debt Service	<u>32,903</u>	<u>32,903</u>	<u>-</u>
<i>Total Expenditures</i>	<u>705,778</u>	<u>656,611</u>	<u>49,167</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(494,418)</u>	<u>(513,288)</u>	<u>(18,870)</u>
Other Financing Sources (Uses)			
Transfers In	559,000	559,000	-
<i>Net Change in Fund Balance</i>	64,582	45,712	(18,870)
<i>Fund Balance (Deficit) Beginning of Year</i>	-	-	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 64,582</u>	<u>\$ 45,712</u>	<u>\$ (18,870)</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Grants Special Revenue Fund
For the Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 47,773	\$ 12,053	\$ (35,720)
Investment Income	2,850	719	(2,131)
Other	<u>304,377</u>	<u>76,793</u>	<u>(227,584)</u>
<i>Total Revenues</i>	<u>355,000</u>	<u>89,565</u>	<u>(265,435)</u>
Expenditures			
Current:			
Community and Economic Development:			
Landbank:			
Other	21,380	7,602	13,778
Police:			
Other	15,371	-	15,371
Revolving Loan - Home:			
Other	47,901	47,892	9
Revolving Loan - Economic Development:			
Other	<u>154,348</u>	<u>154,348</u>	<u>-</u>
<i>Total Expenditures</i>	<u>239,000</u>	<u>209,842</u>	<u>29,158</u>
<i>Net Change in Fund Balance</i>	116,000	(120,277)	(236,277)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>232,189</u>	<u>232,189</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 348,189</u></u>	<u><u>\$ 111,912</u></u>	<u><u>\$ (236,277)</u></u>

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Grants Special Revenue Fund
For the Year Ended December 31, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Intergovernmental	\$ 1,199,859	\$ 654,054	\$ (545,805)
Other	141	77	(64)
<i>Total Revenues</i>	<u>1,200,000</u>	<u>654,131</u>	<u>(545,869)</u>
Expenditures			
Current:			
Security of Persons and Property - Police:			
Police Bulletproof Vest:			
Other	8,000	1,520	6,480
Police JAG:			
Other	6,384	6,384	-
Total Security of Persons and Property - Police	<u>14,384</u>	<u>7,904</u>	<u>6,480</u>
Security of Persons and Property - Other:			
EMS:			
Other	2,407		2,407
Community and Economic Development:			
EPA Asmt Petroleum:			
Other	1,411	45	1,366
HUD CDBG B09Mc390034:			
Personal Services	215,100	138,322	76,778
Other	629,137	598,243	30,894
Total HUD CDBG B09Mc390034	<u>844,237</u>	<u>736,565</u>	<u>107,672</u>
Total Community and Economic Development	<u>845,648</u>	<u>736,610</u>	<u>109,038</u>
<i>Total Expenditures</i>	<u>862,439</u>	<u>744,514</u>	<u>117,925</u>
<i>Net Change in Fund Balance</i>	211,900	(90,383)	(302,283)
<i>Fund Balance (Deficit) Beginning of Year</i>	46,777	46,777	-
Prior Year Encumbrances Appropriated	<u>163,578</u>	<u>163,578</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 422,255</u>	<u>\$ 119,972</u>	<u>\$ (302,283)</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Alcohol Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 30,000	\$ 32,251	\$ 2,251
Expenditures			
Current:			
General Government - Other:			
Indigent Driver Alcohol Treatment:			
Other	50,000	7,115	42,885
<i>Net Change in Fund Balance</i>	(20,000)	25,136	45,136
<i>Fund Balance (Deficit) Beginning of Year</i>	142,999	142,999	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 122,999	\$ 168,135	\$ 45,136

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 5,050	\$ 3,100	\$ (1,950)
Expenditures			
Current:			
General Government - Other:			
Enforcement and Education:			
Other	21,500	19,500	2,000
<i>Net Change in Fund Balance</i>	(16,450)	(16,400)	50
<i>Fund Balance (Deficit) Beginning of Year</i>	22,476	22,476	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 6,026	\$ 6,076	\$ 50

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computerization Special Revenue Fund
For the Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Fines and Forfeitures	\$ 26,000	\$ 23,252	\$ (2,748)
Expenditures			
Current:			
General Government - Other:			
Court Computerization:			
Personal Services	10,350	5,173	5,177
Other	41,289	34,264	7,025
<i>Total Expenditures</i>	<u>51,639</u>	<u>39,437</u>	<u>12,202</u>
<i>Net Change in Fund Balance</i>	(25,639)	(16,185)	9,454
<i>Fund Balance (Deficit) Beginning of Year</i>	203,555	203,555	-
Prior Year Encumbrances Appropriated	<u>5,405</u>	<u>5,405</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 183,321</u>	<u>\$ 192,775</u>	<u>\$ 9,454</u>

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Telephone Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 8,000	\$ 14,102	\$ 6,102
Expenditures			
Current:			
General Government - Other:			
Telephone System:			
Other	12,000	350	11,650
<i>Net Change in Fund Balance</i>	(4,000)	13,752	17,752
<i>Fund Balance (Deficit) Beginning of Year</i>	22,029	22,029	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 18,029	\$ 35,781	\$ 17,752

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Probation Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 78,415	\$ 49,887	\$ (28,528)
Other	85	54	(31)
<i>Total Revenues</i>	78,500	49,941	(28,559)
Expenditures			
Current:			
General Government - Other:			
Municipal Probation:			
Personal Services	164,800	155,517	9,283
Other	9,000	-	9,000
<i>Total Expenditures</i>	173,800	155,517	18,283
<i>Net Change in Fund Balance</i>	(95,300)	(105,576)	(10,276)
<i>Fund Balance (Deficit) Beginning of Year</i>	413,656	413,656	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 318,356	\$ 308,080	\$ (10,276)

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Trust Special Revenue Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 26,234	\$ 57,504	\$ 31,270
Intergovernmental	59,712	130,885	71,173
Other	14,054	30,804	16,750
<i>Total Revenues</i>	<u>100,000</u>	<u>219,193</u>	<u>119,193</u>
Expenditures			
Current:			
Security of Persons and Property - Police:			
Police Patrol:			
Other	17,950	17,850	100
Contraband Trust:			
Other	39,564	27,447	12,117
Federal Forfeiture:			
Other	65,750	27,689	38,061
General Trust:			
Other	10,000	7,775	2,225
Total Security of Persons and Property - Police	<u>133,264</u>	<u>80,761</u>	<u>52,503</u>
Leisure Time Activities:			
Park Trust:			
Other	15,861	14,036	1,825
Friends of Greenhouse:			
Other	1,900	-	1,900
Total Leisure Time Activities	<u>17,761</u>	<u>14,036</u>	<u>3,725</u>
<i>Total Expenditures</i>	<u>151,025</u>	<u>94,797</u>	<u>56,228</u>
<i>Net Change in Fund Balance</i>	(51,025)	124,396	175,421
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>374,364</u>	<u>374,364</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 323,339</u>	<u>\$ 498,760</u>	<u>\$ 175,421</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Donations Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ -	\$ 2,880	\$ 2,880
Investment Income	-	527	527
Other	-	26,150	26,150
<i>Total Revenues</i>	<u>-</u>	<u>29,557</u>	<u>29,557</u>
Expenditures			
Current:			
Leisure Time Services:			
Red Wagon Trust:			
Other	1,000	442	558
Washington Park and Greenhouse:			
Other	30,000	8,517	21,483
<i>Total Expenditures</i>	<u>31,000</u>	<u>8,959</u>	<u>22,041</u>
<i>Net Change in Fund Balance</i>	(31,000)	20,598	51,598
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>255,092</u>	<u>255,092</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 224,092</u>	<u>\$ 275,690</u>	<u>\$ 51,598</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Donations Special Revenue Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 24,456	\$ 33,097	\$ 8,641
Investment Income	2,529	3,423	894
Other	13,015	17,613	4,598
<i>Total Revenues</i>	<u>40,000</u>	<u>54,133</u>	<u>14,133</u>
Expenditures			
Current:			
Public Health:			
Garden Mausoleum:			
Other	12,435	7,008	5,427
Mausoleum - Other:			
Other	6,815	4,878	1,937
Perpetual Care:			
Other	2,000	848	1,152
Special Care:			
Other	5,500	5,273	227
Memorial Plantings:			
Other	1,000	-	1,000
Ridgeview Columbarium:			
Other	5,500	2,874	2,626
<i>Total Expenditures</i>	<u>33,250</u>	<u>20,881</u>	<u>12,369</u>
<i>Net Change in Fund Balance</i>	6,750	33,252	26,502
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>674,652</u>	<u>674,652</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 681,402</u>	<u>\$ 707,904</u>	<u>\$ 26,502</u>

**City of Sandusky
Erie County, Ohio**

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Battery Park Maintenance Special Revenue Fund
For the Year Ended December 31, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Investment Income	\$ -	\$ 4	\$ 4
Other	-	10,000	10,000
<i>Total Revenues</i>	<u>-</u>	<u>10,004</u>	<u>10,004</u>
Expenditures			
Current:			
Leisure Time Services:			
Battery Park Maintenance:			
Other	-	13,037	(13,037)
<i>Net Change in Fund Balance</i>	-	(3,033)	(3,033)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>28,162</u>	<u>28,162</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 28,162</u>	<u>\$ 25,129</u>	<u>\$ (3,033)</u>

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 549,013	\$ 400,734	\$ (148,279)
Municipal Income Taxes	1,086,964	793,393	(293,571)
Intergovernmental	59,663	43,549	(16,114)
<i>Total Revenues</i>	<u>1,695,640</u>	<u>1,237,676</u>	<u>(457,964)</u>
Expenditures			
Current:			
Community and Economic Development:			
Library Levy:			
Other	7,341	7,341	-
Debt Service:			
Principal Retirement	1,097,701	1,097,301	400
Interest and Fiscal Charges	92,456	92,057	399
Total Debt Service	<u>1,190,157</u>	<u>1,189,358</u>	<u>799</u>
<i>Total Expenditures</i>	<u>1,197,498</u>	<u>1,196,699</u>	<u>799</u>
<i>Net Change in Fund Balance</i>	498,142	40,977	(457,165)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,373</u>	<u>1,373</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 499,515</u>	<u>\$ 42,350</u>	<u>\$ (457,165)</u>

**City of Sandusky
Erie County, Ohio**

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Payment in Lieu of Taxes	\$ 244,528	\$ 492,625	\$ 248,097
Intergovernmental	25,472	51,315	25,843
<i>Total Revenues</i>	<u>270,000</u>	<u>543,940</u>	<u>273,940</u>
Expenditures			
Current:			
General Government - Other:			
Other	15,000	8,762	6,238
Debt Service:			
Principal Retirement	380,000	380,000	-
Interest and Fiscal Charges	139,077	139,077	-
Total Debt Service	<u>519,077</u>	<u>519,077</u>	<u>-</u>
<i>Total Expenditures</i>	<u>534,077</u>	<u>527,839</u>	<u>6,238</u>
<i>Net Change in Fund Balance</i>	(264,077)	16,101	280,178
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>312,741</u>	<u>312,741</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 48,664</u>	<u>\$ 328,842</u>	<u>\$ 280,178</u>

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Debt Service Fund
For the Year Ended December 31, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Special Assessments	\$ 318,000	\$ 225,060	\$ (92,940)
Expenditures			
Current:			
General Government - Other:			
Other	6,549	6,549	-
Debt Service:			
Principal Retirement	147,751	147,700	51
Interest and Fiscal Charges	78,261	78,261	-
Total Debt Service	<u>226,012</u>	<u>225,961</u>	<u>51</u>
<i>Total Expenditures</i>	<u>232,561</u>	<u>232,510</u>	<u>51</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>85,439</u>	<u>(7,450)</u>	<u>(92,889)</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	-	160,110	160,110
<i>Net Change in Fund Balance</i>	85,439	152,660	67,221
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>55,611</u>	<u>55,611</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 141,050</u>	<u>\$ 208,271</u>	<u>\$ 67,221</u>

City of Sandusky
Erie County, Ohio

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

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
General Government - Other:			
Other:			
Other	\$ 200,046	\$ 56,522	\$ 143,524
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	150,000	48,155	(101,845)
<i>Net Change in Fund Balance</i>	(50,046)	(8,367)	41,679
<i>Fund Balance (Deficit) Beginning of Year</i>	239,080	239,080	-
Prior Year Encumbrances Appropriated	33,077	33,077	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 222,111	\$ 263,790	\$ 41,679

City of Sandusky
Erie County, Ohio

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Municipal Income Taxes	\$ 623,363	\$ 634,941	\$ 11,578
Other Financing Sources (Uses)			
Transfers Out	(585,000)	(585,000)	-
<i>Net Change in Fund Balance</i>	38,363	49,941	11,578
<i>Fund Balance (Deficit) Beginning of Year</i>	7,699	7,699	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 46,062	\$ 57,640	\$ 11,578

City of Sandusky
Erie County, Ohio

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

	Final Budget	Actual	Variance with Final Budget
Expenditures			
Current:			
Community and Economic Development:			
City Wide Economic Development:			
Other	\$ 45,632	\$ 45,632	\$ -
<i>Net Change in Fund Balance</i>	(45,632)	(45,632)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	45,632	45,632	-
<i>Fund Balance (Deficit) End of Year</i>	\$ -	\$ -	\$ -

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Various Improvement Capital Projects Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 10,106	\$ 12,003	\$ 1,897
Charges for Services	65,966	78,349	12,383
Fees, Licenses and Permits	278,599	330,900	52,301
Other	329	391	62
<i>Total Revenues</i>	<u>355,000</u>	<u>421,643</u>	<u>66,643</u>
Expenditures			
Current:			
Community and Economic Development:			
Administrative:			
Personal Services	7,500	-	7,500
Other	336	-	336
Total Administrative Fee	<u>7,836</u>	<u>-</u>	<u>7,836</u>
Inspection:			
Personal Services	8,878	208	8,670
Other	210	196	14
Total Inspection Fee	<u>9,088</u>	<u>404</u>	<u>8,684</u>
Nuisance Removal:			
Personal Services	132,260	85,320	46,940
Other	27,230	27,140	90
Total Nuisance Removal	<u>159,490</u>	<u>112,460</u>	<u>47,030</u>
Rental Registration Fee:			
Personal Services	356,176	219,285	136,891
Other	28,859	28,805	54
Total Rental Registration Fee	<u>385,035</u>	<u>248,090</u>	<u>136,945</u>
Total Community and Economic Development	<u>561,449</u>	<u>360,954</u>	<u>200,495</u>
Capital Outlay	<u>8,935</u>	<u>8,926</u>	<u>9</u>
<i>Total Expenditures</i>	<u>570,384</u>	<u>369,880</u>	<u>200,504</u>
<i>Net Change in Fund Balance</i>	(215,384)	51,763	267,147
<i>Fund Balance (Deficit) Beginning of Year</i>	462,880	462,880	-
Prior Year Encumbrances Appropriated	<u>549</u>	<u>549</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 248,045</u>	<u>\$ 515,192</u>	<u>\$ 267,147</u>

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Central Public Tax Increment Capital Projects Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Payments in Lieu of Taxes	\$ 50,000	\$ 62,819	\$ 12,819
Expenditures			
Current:			
General Government - Other:			
Central Public TIF:			
Other	10,000	7,588	2,412
<i>Net Change in Fund Balance</i>	40,000	55,231	15,231
<i>Fund Balance (Deficit) Beginning of Year</i>	30,739	30,739	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 70,739	\$ 85,970	\$ 15,231

City of Sandusky
Erie County, Ohio

*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cleveland Road Tax Increment Capital Projects Fund
For the Year Ended December 31, 2021*

	Final Budget	Actual	Variance with Final Budget
Revenues			
Payments in Lieu of Taxes	\$ 550,000	\$ 665,172	\$ 115,172
Expenditures			
Current:			
Community and Economic Development:			
Cleveland Road Improvements:			
Other	220,000	75,044	144,956
Debt Service:			
Principal Retirement	200,355	200,355	-
Interest and Fiscal Charges	95,929	95,929	-
Total Debt Service	296,284	296,284	-
<i>Total Expenditures</i>	516,284	371,328	144,956
<i>Net Change in Fund Balance</i>	33,716	293,844	260,128
<i>Fund Balance (Deficit) Beginning of Year</i>	-	-	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 33,716	\$ 293,844	\$ 260,128

City of Sandusky
Erie County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Health Insurance Internal Service Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Operating Revenues			
Charges for Services	\$ 3,170,928	\$ 2,588,711	\$ (582,217)
Other	829,072	676,845	(152,227)
<i>Total Revenues</i>	<u>4,000,000</u>	<u>3,265,556</u>	<u>(734,444)</u>
Operating Expenses			
Contract Services	551,108	551,108	-
Claims	3,748,892	3,487,895	260,997
<i>Total Expenses</i>	<u>4,300,000</u>	<u>4,039,003</u>	<u>260,997</u>
<i>Net Change in Net Position</i>	(300,000)	(773,447)	(473,447)
<i>Net Position Beginning of Year</i>	3,037,703	3,037,703	-
Prior Year Encumbrances Appropriated	177	177	-
<i>Net Position (Deficit) End of Year</i>	<u>\$ 2,737,880</u>	<u>\$ 2,264,433</u>	<u>\$ (473,447)</u>

Statistical Section

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	Page
Financial Trends.....	S-2
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	S-12
These schedules contain information to help the reader assess the City’s most significant local revenue sources.	
Debt Capacity.....	S-46
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information	S-56
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information	S-60
These schedules contain service data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Sandusky
Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	(Restated) 2020	2019	2018
Governmental Activities				
Net Investment in Capital Assets	\$ 28,294,844	\$ 28,349,069	\$ 34,257,724	\$ 35,817,869
Restricted for				
Capital Projects	7,579,141	4,679,545	7,167,141	4,523,316
Debt Service	2,438,289	710,040	1,858,797	1,802,361
Other Purposes	7,751,091	7,301,841	6,707,908	6,728,711
Unrestricted (Deficit)	<u>(24,635,762)</u>	<u>(31,275,920)</u>	<u>(24,111,529)</u>	<u>(33,743,585)</u>
Total Governmental Activities Net Position	<u>21,427,603</u>	<u>9,764,575</u>	<u>25,880,041</u>	<u>15,128,672</u>
Business-Type Activities				
Net Investment in Capital Assets	52,929,667	51,340,239	52,874,410	48,004,171
Unrestricted	<u>10,577,762</u>	<u>4,378,741</u>	<u>2,449,737</u>	<u>6,798,582</u>
Total Business-Type Activities Net Position	<u>63,507,429</u>	<u>55,718,980</u>	<u>55,324,147</u>	<u>54,802,753</u>
Primary Government				
Net Investment in Capital Assets	81,224,511	79,689,308	87,132,134	83,822,040
Restricted	17,768,521	12,691,426	15,733,846	13,054,388
Unrestricted (Deficit)	<u>(14,058,000)</u>	<u>(26,897,179)</u>	<u>(21,661,792)</u>	<u>(26,945,003)</u>
Total Primary Government Net Position	<u>\$ 84,935,032</u>	<u>\$ 65,483,555</u>	<u>\$ 81,204,188</u>	<u>\$ 69,931,425</u>

Note: The City reported the impact of GASB Statement No. 68 beginning in 2014 and the impact of GASB Statement No. 75 beginning in 2017.

(continued)

(continued)

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 35,024,423	\$ 33,978,149	\$ 35,774,016	\$ 32,986,487	\$ 34,031,522	\$ 35,252,903
3,605,069	5,199,629	3,812,217	3,332,213	4,280,873	3,806,228
1,654,047	370,057	1,076,680	1,745,871	2,162,193	1,949,698
6,611,001	6,537,687	5,471,527	5,700,728	5,920,558	5,556,594
<u>(32,017,301)</u>	<u>(14,437,669)</u>	<u>(16,426,206)</u>	<u>(17,681,479)</u>	<u>(139,214)</u>	<u>(712,642)</u>
<u>14,877,239</u>	<u>31,647,853</u>	<u>29,708,234</u>	<u>26,083,820</u>	<u>46,255,932</u>	<u>45,852,781</u>
44,639,387	43,448,277	42,898,225	41,477,719	40,066,785	39,713,895
<u>6,918,642</u>	<u>7,250,609</u>	<u>5,792,850</u>	<u>7,673,382</u>	<u>13,462,237</u>	<u>14,630,323</u>
<u>51,558,029</u>	<u>50,698,886</u>	<u>48,691,075</u>	<u>49,151,101</u>	<u>53,529,022</u>	<u>54,344,218</u>
79,663,810	77,426,426	78,672,241	74,464,206	74,098,307	74,966,798
11,870,117	12,107,373	10,360,424	10,778,812	12,363,624	11,312,520
<u>(25,098,659)</u>	<u>(7,187,060)</u>	<u>(10,633,356)</u>	<u>(10,008,097)</u>	<u>13,323,023</u>	<u>13,917,681</u>
<u>\$ 66,435,268</u>	<u>\$ 82,346,739</u>	<u>\$ 78,399,309</u>	<u>\$ 75,234,921</u>	<u>\$ 99,784,954</u>	<u>\$ 100,196,999</u>

City of Sandusky
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	2018
<u>Expenses</u>				
Governmental Activities				
Security of Persons and Property				
Police	\$ 5,148,685	\$ 5,848,943	\$ 704,717	\$ 6,763,079
Fire	6,423,325	7,082,645	(55,072)	7,409,925
Other	286,566	266,379	249,647	254,937
Public Health	225,743	376,346	472,398	415,721
Leisure Time Activities	2,413,136	1,873,122	1,185,201	1,516,778
Community Environment	3,425,881	6,799,287	6,022,217	5,360,451
Public Works	-	-	-	-
Transportation	5,699,220	7,487,554	6,308,341	5,364,033
General Government				
Municipal Court	298,305	1,212,620	1,509,873	1,281,692
Other	4,114,443	5,479,982	5,631,410	5,391,169
Interest and Fiscal Charges	522,253	584,372	537,637	502,722
Total Governmental Activities Expenses	28,557,557	37,011,250	22,566,369	34,260,507
Business-Type Activities				
Water	5,352,988	6,832,130	7,958,913	7,275,299
Sewer	7,689,763	10,139,102	9,940,111	9,376,853
Total Business-Type Activities Expenses	13,042,751	16,971,232	17,899,024	16,652,152
Total Primary Government Expenses	41,600,308	53,982,482	40,465,393	50,912,659
<u>Program Revenues</u>				
Governmental Activities				
Charges for Services				
Security of Persons and Property				
Police	105,630	254,443	250,894	327,234
Fire	1,069,820	831,366	1,134,864	982,273
Public Health	178,504	137,698	138,099	153,796
Leisure Time Activities	340,982	289,085	252,538	230,785
Community Environment	802,917	498,300	524,044	598,120
Transportation	908,492	1,134,809	1,242,838	1,198,246
General Government				
Municipal Court	1,037,309	979,365	1,414,774	1,339,349
Other	111,575	388,456	296,002	491,978
Total Charges for Services	4,555,229	4,513,522	5,254,053	5,321,781
Operating Grants, Contributions, and Interest	5,287,243	6,168,257	3,152,917	3,202,380
Capital Grants and Contributions	4,472,704	2,218,148	1,012,091	1,358,887
Total Governmental Activities Program Revenues	14,315,176	12,899,927	9,419,061	9,883,048
Business-Type Activities				
Charges for Services				
Water	8,184,948	6,952,984	7,439,181	7,580,885
Sewer	10,928,467	10,245,024	10,755,891	11,547,199
Total Charges for Services	19,113,415	17,198,008	18,195,072	19,128,084
Capital Grants and Contributions	1,650,000	30,815	-	-
Total Business-Type Activities Program Revenues	20,763,415	17,228,823	18,195,072	19,128,084
Total Primary Government Program Revenues	35,078,591	30,128,750	27,614,133	29,011,132

(continued)

(continued)

	2017	2016	2015	2014	2013	2012
\$	5,996,216	\$ 6,180,846	\$ 5,668,020	\$ 5,347,693	\$ 5,032,468	\$ 5,032,700
	7,370,266	6,765,752	6,368,780	5,940,342	5,953,841	5,905,825
	257,495	271,686	267,254	271,810	252,367	244,688
	396,115	309,402	315,232	308,648	318,872	306,388
	1,180,710	575,513	639,183	542,957	614,010	216,767
	5,184,333	4,109,633	2,968,488	4,315,542	2,538,486	2,476,125
	-	-	-	-	-	-
	6,750,268	9,168,882	6,192,685	6,107,625	4,848,791	4,470,255
	1,358,390	1,014,168	982,558	1,057,957	1,013,065	1,033,017
	4,797,015	4,136,866	4,031,549	3,452,889	3,372,415	3,617,806
	542,276	569,634	886,182	844,566	965,397	1,295,714
	<u>33,833,084</u>	<u>33,102,382</u>	<u>28,319,931</u>	<u>28,190,029</u>	<u>24,909,712</u>	<u>24,599,285</u>
	6,657,346	6,328,824	5,657,845	5,976,511	5,561,209	5,368,961
	8,494,172	7,848,395	7,509,197	7,193,792	6,726,105	6,334,406
	<u>15,151,518</u>	<u>14,177,219</u>	<u>13,167,042</u>	<u>13,170,303</u>	<u>12,287,314</u>	<u>11,703,367</u>
	<u>48,984,602</u>	<u>47,279,601</u>	<u>41,486,973</u>	<u>41,360,332</u>	<u>37,197,026</u>	<u>36,302,652</u>
	380,770	471,085	313,471	332,809	354,756	399,331
	1,099,349	1,066,497	943,899	773,862	756,733	754,046
	134,752	140,165	133,488	108,974	116,853	84,027
	289,112	271,849	275,402	276,929	257,010	269,160
	311,765	512,667	151,613	182,696	19,156	86,007
	2,310,463	1,087,071	1,153,575	1,081,882	982,640	913,441
	1,207,191	1,313,939	1,113,257	1,091,134	1,134,702	1,215,434
	347,104	315,526	228,268	246,887	328,020	186,445
	6,080,506	5,178,799	4,312,973	4,095,173	3,949,870	3,907,891
	3,292,700	3,273,258	2,947,200	3,789,724	3,144,597	3,711,215
	1,416,703	1,619,021	3,262,302	1,512,023	722,483	500,093
	<u>10,789,909</u>	<u>10,071,078</u>	<u>10,522,475</u>	<u>9,396,920</u>	<u>7,816,950</u>	<u>8,119,199</u>
	7,558,764	6,515,822	5,327,914	5,313,083	5,259,240	5,267,773
	11,111,125	9,397,518	7,218,429	5,667,134	5,587,673	5,485,453
	18,669,889	15,913,340	12,546,343	10,980,217	10,846,913	10,753,226
	-	19,257	14,000	113,852	275,377	271,057
	<u>18,669,889</u>	<u>15,932,597</u>	<u>12,560,343</u>	<u>11,094,069</u>	<u>11,122,290</u>	<u>11,024,283</u>
	<u>29,459,798</u>	<u>26,003,675</u>	<u>23,082,818</u>	<u>20,490,989</u>	<u>18,939,240</u>	<u>19,143,482</u>

(continued)

City of Sandusky
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2021	2020	2019	2018
<u>Net (Expense) Revenue</u>				
Governmental Activities	\$ (14,242,381)	\$ (24,111,323)	\$ (13,147,308)	\$ (24,377,459)
Business-Type Activities	7,720,664	257,591	296,048	2,475,932
Total Primary Government Net Expense	<u>(6,521,717)</u>	<u>(23,853,732)</u>	<u>(12,851,260)</u>	<u>(21,901,527)</u>
<u>General Revenues and Other Changes in Net Position</u>				
Governmental Activities				
Property Taxes Levied for General Purposes	1,551,382	1,549,298	1,535,855	1,517,753
Property Taxes Levied for Police and Fire Pension	255,030	254,688	252,488	249,472
Property Taxes Levied for Debt Service	393,691	394,754	391,335	413,266
Payment in Lieu of Taxes	1,220,616	537,857	527,531	574,675
Municipal Income Taxes Levied for General Purposes	11,666,224	10,040,637	11,024,712	11,566,210
Municipal Income Taxes Levied for Debt Service	821,262	707,547	731,696	772,972
Municipal Income Taxes Levied for Capital Projects	657,236	566,211	585,358	618,377
Other Local Taxes	6,471,581	1,170,951	5,688,308	5,687,420
Franchise Taxes	315,953	386,707	239,888	340,739
Grants and Entitlements not Restricted to Specific Programs	1,003,386	873,247	825,313	754,112
Interest	(116,214)	320,199	679,537	398,082
Other	1,665,262	3,256,752	1,416,656	1,735,814
Transfers	-	-	-	-
Total Governmental Activities	<u>25,905,409</u>	<u>20,058,848</u>	<u>23,898,677</u>	<u>24,628,892</u>
Business-Type Activities				
Interest	5,856	3,248	2,193	2,549
Other	61,929	313,820	223,153	766,243
Transfers	-	-	-	-
Total Business-Type Activities	<u>67,785</u>	<u>317,068</u>	<u>225,346</u>	<u>768,792</u>
Total Primary Government	<u>25,973,194</u>	<u>20,375,916</u>	<u>24,124,023</u>	<u>25,397,684</u>
<u>Changes in Net Position</u>				
Governmental Activities	11,663,028	(4,052,475)	10,751,369	251,433
Business-Type Activities	7,788,449	574,659	521,394	3,244,724
Total Primary Government	<u>\$ 19,451,477</u>	<u>\$ (3,477,816)</u>	<u>\$ 11,272,763</u>	<u>\$ 3,496,157</u>

(continued)

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015 and GASB Statement No. 75 beginning in 2018.

(continued)

	2017	2016	2015	2014	2013	2012
\$	(23,043,175)	\$ (23,031,304)	\$ (17,797,456)	\$ (18,793,109)	\$ (17,092,762)	\$ (16,480,086)
	3,518,371	1,755,378	(606,699)	(2,076,234)	(1,165,024)	(679,084)
	<u>(19,524,804)</u>	<u>(21,275,926)</u>	<u>(18,404,155)</u>	<u>(20,869,343)</u>	<u>(18,257,786)</u>	<u>(17,159,170)</u>
	1,500,070	1,480,791	1,537,824	1,400,699	1,444,024	1,570,731
	246,576	243,434	252,790	230,208	237,368	258,206
	410,984	405,691	421,325	383,742	395,613	430,340
	611,812	557,852	565,102	569,888	591,483	541,236
	10,989,407	11,716,187	9,939,811	6,521,944	7,413,615	7,121,861
	728,704	780,974	659,492	430,773	494,203	472,199
	582,963	624,778	527,591	344,619	395,361	377,758
	5,576,879	5,775,150	4,950,083	3,878,441	4,122,098	3,735,461
	355,291	371,093	394,181	387,086	379,067	373,856
	745,024	759,353	798,901	806,031	1,120,835	1,425,985
	181,513	128,006	182,148	239,432	(3,698)	161,743
	1,527,073	2,103,291	1,166,975	900,535	782,475	556,285
	289,426	24,323	25,647	(285,706)	123,469	281,546
	<u>23,745,722</u>	<u>24,970,923</u>	<u>21,421,870</u>	<u>15,807,692</u>	<u>17,495,913</u>	<u>17,307,207</u>
	2,630	2,022	1,215	948	607	1,532
	341,723	274,734	171,105	204,243	472,690	106,347
	<u>(289,426)</u>	<u>(24,323)</u>	<u>(25,647)</u>	<u>285,706</u>	<u>(123,469)</u>	<u>(281,546)</u>
	<u>54,927</u>	<u>252,433</u>	<u>146,673</u>	<u>490,897</u>	<u>349,828</u>	<u>(173,667)</u>
	<u>23,800,649</u>	<u>25,223,356</u>	<u>21,568,543</u>	<u>16,298,589</u>	<u>17,845,741</u>	<u>17,133,540</u>
	702,547	1,939,619	3,624,414	(2,985,417)	403,151	827,121
	3,573,298	2,007,811	(460,026)	(1,585,337)	(815,196)	(852,751)
\$	<u>4,275,845</u>	<u>\$ 3,947,430</u>	<u>\$ 3,164,388</u>	<u>\$ (4,570,754)</u>	<u>\$ (412,045)</u>	<u>\$ (25,630)</u>

City of Sandusky
Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund				
Nonspendable	\$ 282,203	\$ 305,389	\$ 366,195	\$ 325,196
Assigned	758,605	199,793	1,031,536	796,653
Unassigned	<u>5,440,644</u>	<u>4,683,139</u>	<u>5,434,227</u>	<u>5,058,701</u>
Total General Fund	<u>6,481,452</u>	<u>5,188,321</u>	<u>6,831,958</u>	<u>6,180,550</u>
All Other Governmental Funds				
Nonspendable	\$ 210,895	\$ 170,550	\$ 301,798	\$ 193,068
Restricted	8,346,615	7,503,235	8,013,606	8,166,540
Committed	144,648	52,523	72,927	56,390
Unassigned (Deficit)	<u>(179,176)</u>	<u>(4,476,085)</u>	<u>(3,816,636)</u>	<u>(137,817)</u>
Total All Other Governmental Funds	<u>8,522,982</u>	<u>3,250,223</u>	<u>4,571,695</u>	<u>8,278,181</u>
Total Governmental Funds	<u>\$ 15,004,434</u>	<u>\$ 8,438,544</u>	<u>\$ 11,403,653</u>	<u>\$ 14,458,731</u>

(continued)

(continued)

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 341,720	\$ 220,944	\$ 212,012	\$ 217,967	\$ 221,127	\$ 237,393
484,708	325,642	146,885	129,626	365,022	100,273
<u>5,243,605</u>	<u>5,091,348</u>	<u>4,562,646</u>	<u>3,953,112</u>	<u>3,943,022</u>	<u>3,953,717</u>
<u>6,070,033</u>	<u>5,637,934</u>	<u>4,921,543</u>	<u>4,300,705</u>	<u>4,529,171</u>	<u>4,291,383</u>
\$ 152,111	\$ 137,304	\$ 163,996	\$ 132,158	\$ 254,806	\$ 122,143
7,294,677	8,275,192	6,599,702	5,340,354	5,634,163	5,117,809
64,437	62,410	87,151	59,800	55,783	61,240
<u>(130,335)</u>	<u>(200,928)</u>	<u>(243,329)</u>	<u>(314,737)</u>	<u>(157,449)</u>	<u>(3,310,167)</u>
<u>7,380,890</u>	<u>8,273,978</u>	<u>6,607,520</u>	<u>5,217,575</u>	<u>5,787,303</u>	<u>1,991,025</u>
<u>\$ 13,450,923</u>	<u>\$ 13,911,912</u>	<u>\$ 11,529,063</u>	<u>\$ 9,518,280</u>	<u>\$ 10,316,474</u>	<u>\$ 6,282,408</u>

City of Sandusky
Changes in Fund Balance
Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2021	2020	2019	2018
<u>Revenues</u>				
Property Taxes	\$ 2,232,058	\$ 2,206,219	\$ 2,213,212	\$ 2,185,535
Payment in Lieu of Taxes	1,220,616	537,857	527,531	574,675
Municipal Income Taxes	13,721,798	10,402,798	12,965,348	12,728,980
Other Local Taxes	6,538,512	1,539,851	6,090,162	6,132,053
Special Assessments	237,063	312,840	248,203	295,410
Charges for Services	2,372,880	2,377,448	2,514,406	2,446,153
Fees, Licenses, and Permits	958,045	1,250,888	1,266,196	1,523,428
Fines and Forfeitures	1,238,652	803,718	1,294,049	1,266,975
Intergovernmental	10,086,674	8,580,623	4,721,619	5,309,668
Interest	(77,706)	322,307	691,057	416,284
Contributions and Donations	731,500	-	-	-
Other	1,396,663	3,363,180	1,815,875	1,884,330
Total Revenues	40,656,755	31,697,729	34,347,658	34,763,491
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	5,184,952	5,396,349	5,593,131	5,926,291
Fire	5,959,543	6,028,467	6,034,618	6,669,542
Other	286,566	266,379	249,647	254,937
Public Health	360,605	316,246	354,883	365,162
Leisure Time Activities	2,428,895	1,619,527	1,339,162	1,639,560
Community Environment	4,355,618	6,726,674	6,076,151	5,368,399
Transportation	5,034,370	5,112,151	4,339,269	4,254,108
General Government				
Municipal Court	914,016	888,497	1,052,886	1,045,944
Other	3,987,660	4,237,101	5,191,780	4,943,624
Other	-	123,815	165,782	107,248
Capital Outlay	3,969,605	11,815,804	4,450,255	646,488
Debt Service:				
Principal Retirement	1,473,059	1,750,001	2,108,440	2,098,740
Interest and Fiscal Charges	577,949	412,006	475,251	442,725
Total Expenditures	34,532,838	44,693,017	37,431,255	33,762,768
Excess of Revenues Over (Under) Expenditures	6,123,917	(12,995,288)	(3,083,597)	1,000,723
<u>Other Financing Sources (Uses)</u>				
Proceeds of OPWC Loans	125,219	-	-	-
General Obligation Bonds Issued	-	-	-	-
Special Assessment Bonds Issued	-	-	-	-
Revenue Bonds Issued	-	10,010,000	-	-
Premium on General Obligation Bonds Issued	53,582	-	-	-
Premium on Special Assessment Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Sale of Capital Assets	263,172	20,179	28,519	7,085
Inception of Capital Lease	-	-	-	-
Transfers In	7,113,855	6,454,236	5,961,068	5,394,008
Transfers Out	(7,113,855)	(6,454,236)	(5,961,068)	(5,394,008)
Total Other Financing Sources (Uses)	441,973	10,030,179	28,519	7,085
Changes in Fund Balance	\$ 6,565,890	\$ (2,965,109)	\$ (3,055,078)	\$ 1,007,808
Debt Service as a Percentage of Noncapital Expenditures	6.66%	6.70%	8.70%	8.50%

(continued)

(continued)

2017	2016	2015	2014	2013	2012
\$ 2,181,279	\$ 2,162,354	\$ 2,179,144	\$ 2,165,483	\$ 2,156,325	\$ 2,266,548
611,812	557,852	565,102	569,888	591,483	541,236
12,601,782	12,129,066	11,159,835	7,815,510	7,961,439	7,679,283
6,019,747	6,214,372	5,391,794	4,319,159	4,542,872	4,176,906
314,214	1,209,242	1,194,518	790,084	225,647	263,281
2,457,699	2,414,694	2,408,821	2,179,994	1,873,124	1,751,080
1,203,220	1,345,243	923,474	994,644	1,050,523	977,026
1,145,903	1,393,235	1,085,410	992,340	1,072,425	1,129,197
5,143,061	5,359,868	7,232,856	5,982,009	4,853,612	5,802,086
189,883	149,715	198,328	259,189	(1,431)	184,401
-	-	-	-	-	-
1,734,169	2,240,524	1,075,204	1,145,250	973,777	944,060
<u>33,602,769</u>	<u>35,176,165</u>	<u>33,414,486</u>	<u>27,213,550</u>	<u>25,299,796</u>	<u>25,715,104</u>
5,827,286	5,754,747	5,447,833	5,225,064	4,918,939	5,066,185
6,788,655	6,068,768	5,816,249	5,603,879	5,478,660	5,512,695
257,495	271,686	267,254	271,810	252,367	244,688
348,265	328,937	292,412	282,640	291,026	310,763
1,116,125	464,583	520,098	445,443	490,240	455,973
4,813,221	3,911,191	2,776,759	3,671,076	2,288,489	3,060,559
4,460,176	4,716,823	4,702,816	4,712,716	3,277,176	3,178,728
1,075,569	1,003,382	984,633	1,077,058	1,016,432	981,662
4,234,648	3,398,846	3,245,649	2,618,712	2,566,204	2,829,493
260,282	176,294	152,549	181,625	88,357	128,727
2,626,928	4,134,785	4,174,274	1,164,442	547,247	803,610
2,115,337	2,110,185	2,098,519	2,423,334	1,959,320	1,500,472
488,384	518,537	907,334	812,248	930,235	896,912
<u>34,412,371</u>	<u>32,858,764</u>	<u>31,386,379</u>	<u>28,490,047</u>	<u>24,104,692</u>	<u>24,970,467</u>
(809,602)	2,317,401	2,028,107	(1,276,497)	1,195,104	744,637
-	-	-	-	-	-
-	-	7,549,069	370,000	-	-
-	-	180,931	45,000	-	-
-	-	-	-	2,680,000	-
-	-	205,835	-	-	-
-	-	5,682	-	-	-
-	-	(7,730,000)	-	-	-
59,187	16,230	45,512	6,361	35,493	1,161
-	24,895	-	-	-	-
5,309,815	5,446,133	4,717,900	2,913,091	3,414,520	3,257,469
<u>(5,020,389)</u>	<u>(5,421,810)</u>	<u>(4,992,253)</u>	<u>(2,856,149)</u>	<u>(3,291,051)</u>	<u>(2,961,277)</u>
348,613	65,448	(17,324)	478,303	2,838,962	297,353
<u>\$ (460,989)</u>	<u>\$ 2,382,849</u>	<u>\$ 2,010,783</u>	<u>\$ (798,194)</u>	<u>\$ 4,034,066</u>	<u>\$ 1,041,990</u>
8.34%	8.45%	11.21%	11.70%	12.33%	10.61%

City of Sandusky
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial/ Public Utility			
2021	\$ 301,684,540	\$ 146,638,730	\$ 1,280,923,628	\$ 26,302,380	\$ 29,889,068
2020	299,439,120	146,339,600	1,273,653,485	24,480,490	27,818,739
2019	298,977,110	144,580,430	1,267,307,257	23,240,630	26,409,807
2018	299,814,860	140,123,460	1,256,966,628	21,783,450	24,753,920
2017	299,623,060	140,052,250	1,256,215,171	20,622,650	23,434,830
2016	299,888,000	140,247,000	1,257,528,571	18,654,000	21,197,727
2015	304,128,000	137,324,000	1,261,291,428	17,826,000	20,256,818
2014	305,909,000	137,297,000	1,266,302,857	16,854,000	19,152,273
2013	307,005,000	138,009,000	1,271,468,571	15,219,000	17,294,318
2012	325,473,000	145,320,000	1,345,122,857	14,018,000	15,929,545

Source: Erie County Auditor

Note: Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. The assessed value of public utility personal property ranges from 25 of actual value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed.

(continued)

(continued)

<u>Total</u>		Percentage of Total Assessed Value to Total Estimated Actual Value	Tax Rate
<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
\$ 474,625,650	\$ 1,310,812,696	36.21%	\$5.18
470,259,210	1,301,472,224	36.13	5.18
466,798,170	1,293,717,064	36.08	5.18
461,721,770	1,281,720,548	36.02	5.25
460,297,960	1,279,650,001	35.97	5.25
458,789,000	1,278,726,298	35.88	5.25
459,278,000	1,281,548,246	35.84	5.25
460,060,000	1,285,455,130	35.79	5.25
460,233,000	1,288,762,889	35.71	5.25
484,811,000	1,361,052,402	35.62	5.25

City of Sandusky
Property Tax Rates
Direct and Overlapping Governments
Per \$1,000 of Assessed Value
Last Ten Years

Year	2021	2020	2019	2018
City of Sandusky				
Voted Millage				
1998 Library Bond - 23 Years	\$0.9300	\$0.9300	\$0.9300	\$1.0000
Unvoted Millage				
General	3.6500	3.6500	3.6500	3.6500
Fire Pension	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000
Total Unvoted Millage	4.2500	4.2500	4.2500	4.2500
Total Millage	5.1800	5.1800	5.1800	5.2500
Erie County	7.6000	9.1000	9.1000	9.0000
Sandusky City School District	85.0000	84.9500	85.0200	57.9562

Source: Erie County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property tax rate can be increased only by a majority vote of the City's residents.

Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Overlapping rates are those of local and county governments that apply to property owners within the City. Property tax rates for all overlapping governments are based upon the original voted levy.

(continued)

(continued)

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
3.6500	3.6500	3.6500	3.6500	3.6500	3.6500
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
4.2500	4.2500	4.2500	4.2500	4.2500	4.2500
5.2500	5.2500	5.2500	5.2500	5.2500	5.2500
9.1000	9.1000	8.9000	8.8000	8.8000	8.8000
85.0650	80.5250	82.0250	80.5250	80.5250	75.4100



City of Sandusky
Real Property Tax Levies and Collections
Last Ten Years

Year	Current Tax Levy (1)	Current Collections	Percentage of Current Collections to Current Tax Levy	Delinquent Charges	Delinquent Collections	Total Collections	Percentage of Total Collections to Current Tax Levy
2021	\$ 3,755,439	\$ 3,611,953	96.18%	\$ 192,774	\$ 126,645	\$ 3,738,598	99.55%
2020	3,056,346	2,900,753	94.91	188,655	132,969	3,033,722	99.26
2019	2,984,353	2,869,057	96.14	232,806	164,907	3,033,964	101.66
2018	3,041,904	2,855,607	93.88	226,275	148,469	3,004,076	98.76
2017	3,068,593	2,901,384	94.55	235,814	131,207	3,032,591	98.83
2016	3,005,680	2,840,752	94.51	260,215	126,964	2,967,716	98.74
2015	3,038,324	2,903,143	95.55	233,276	151,470	3,054,613	100.54
2014	3,038,646	2,895,623	95.29	390,445	148,768	3,044,391	100.19
2013	3,079,702	2,918,017	94.75	404,560	148,793	3,066,810	99.58
2012	3,087,085	2,602,352	84.30	466,638	157,080	2,759,432	89.39

Source: Erie County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County's current reporting system does not track delinquent tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

City of Sandusky
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2021		
		Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Cedar Fair	Theme Park	\$ 34,608,010	1	7.29%
Ohio Edison Company	Utility	14,813,200	2	3.13
American Transmissions Systems	Manufacturing	7,139,360	3	1.50
Norfolk & Western Railway	Railroad	4,583,470	4	0.97
Columbia Gas	Utility	5,823,780	5	1.23
Firelands Regional Health System	Hospital	3,431,310	6	0.72
Key Real Estate LTD	Realty			
S & S Realty	Realty	3,179,700	7	0.67
K & M Interiors	Interior Design	3,029,950	8	0.64
Providence Care Center	Nursing Home	1,678,220	9	0.35
Sandusky Housing	Realty	1,950,440	10	0.41
CNL Income Sandusky Marina	Port Facilities			
Myers Industries, Inc.	Manufacturing/Assembly			
Columbia Gas	Utility			
	Total	80,237,440		16.91
	All Other Taxpayers	394,388,210		83.09
	Total Assessed Valuation	<u>\$ 474,625,650</u>		<u>100.00%</u>

Source: Erie County Auditor

(continued)

(continued)

2012		
Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation
\$ 39,263,700	1	8.10%
10,499,620	2	2.17
4,300,480	3	0.89
3,840,670	4	0.78
3,656,490	5	0.76
3,456,310	6	0.71
2,074,890	9	0.42
1,995,010	10	0.41
2,306,800	8	0.48
2,414,260	7	0.50
73,808,230		15.22
411,002,770		84.78
<u>\$ 484,811,000</u>		<u>100.00%</u>

City of Sandusky
 Personal Income Tax Filers by Income Level
 Last Ten Years

2021				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	256	5.49%	\$ 49,035,013	26.48%
\$75,001 - \$100,000	273	5.85	23,280,552	12.57
\$50,001 - \$75,000	600	12.86	36,191,145	19.54
\$25,001 - \$50,000	1,545	33.11	55,243,337	29.82
\$25,000 and lower	1,992	42.69	21,507,757	11.61
Total	4,666	100.00%	\$ 185,257,804	100.00%

2020				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	452	7.74%	\$ 83,976,772	31.25%
\$75,001 - \$100,000	430	7.36	37,100,363	13.80
\$50,001 - \$75,000	794	13.60	49,929,570	18.57
\$25,001 - \$50,000	1,939	33.21	70,306,463	26.15
\$25,000 and lower	2,224	38.09	27,499,233	10.23
Total	5,839	100.00%	\$ 268,812,401	100.00%

2019				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	456	7.78%	\$ 86,413,835	32.54%
\$75,001 - \$100,000	415	7.08	35,673,870	13.44
\$50,001 - \$75,000	784	13.38	48,013,452	18.08
\$25,001 - \$50,000	1,843	31.45	66,612,085	25.09
\$25,000 and lower	2,362	40.31	28,801,590	10.85
Total	5,860	100.00%	\$ 265,514,832	100.00%

2018				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	423	7.05%	\$ 75,950,350	29.73%
\$75,001 - \$100,000	376	6.26	32,359,428	12.67
\$50,001 - \$75,000	814	13.56	49,647,669	19.43
\$25,001 - \$50,000	1,855	30.91	67,651,763	26.48
\$25,000 and lower	2,534	42.22	29,866,384	11.69
Total	6,002	100.00%	\$ 255,475,594	100.00%

(continued)

City of Sandusky
 Personal Income Tax Filers by Income Level
 Last Ten Years
 (continued)

2017				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	391	6.92%	\$ 71,312,726	29.66%
\$75,001 - \$100,000	391	6.92	33,533,855	13.95
\$50,001 - \$75,000	713	12.62	43,799,646	18.22
\$25,001 - \$50,000	1,775	31.42	64,185,632	26.70
\$25,000 and lower	2,379	42.12	27,583,994	11.47
Total	5,649	100.00%	\$ 240,415,853	100.00%

2016				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	407	6.76%	\$ 79,623,854	31.12%
\$75,001 - \$100,000	399	6.62	34,290,499	13.40
\$50,001 - \$75,000	805	13.36	49,284,292	19.26
\$25,001 - \$50,000	1,710	28.39	61,449,700	24.02
\$25,000 and lower	2,703	44.87	31,205,846	12.20
Total	6,024	100.00%	\$ 255,854,191	100.00%

2015				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	403	6.30%	\$ 79,822,946	30.91%
\$75,001 - \$100,000	372	5.82	31,939,374	12.37
\$50,001 - \$75,000	837	13.09	51,076,079	19.78
\$25,001 - \$50,000	1,707	26.71	61,288,878	23.74
\$25,000 and lower	3,073	48.08	34,073,481	13.20
Total	6,392	100.00%	\$ 258,200,758	100.00%

2014				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	388	6.08%	\$ 76,299,804	29.81%
\$75,001 - \$100,000	374	5.86	32,161,678	12.57
\$50,001 - \$75,000	868	13.60	53,086,760	20.74
\$25,001 - \$50,000	1,689	26.46	61,059,096	23.85
\$25,000 and lower	3,064	48.00	33,363,234	13.03
Total	6,383	100.00%	\$ 255,970,572	100.00%

(continued)

City of Sandusky
 Personal Income Tax Filers by Income Level
 Last Ten Years
 (continued)

2013				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	410	6.40%	\$ 95,092,764	34.11%
\$75,001 - \$100,000	388	6.06	36,544,019	13.11
\$50,001 - \$75,000	853	13.32	52,244,517	18.74
\$25,001 - \$50,000	1,689	26.37	60,602,011	21.74
\$25,000 and lower	3,065	47.85	34,290,337	12.30
Total	6,405	100.00%	\$ 278,773,648	100.00%

2012				
Income Level	Number of Taxpayers	Percentage of Total	Income	Percentage of Total
\$100,001 and higher	380	6.09%	\$ 77,823,120	30.78%
\$75,001 - \$100,000	390	6.25	33,788,858	13.36
\$50,001 - \$75,000	790	12.66	47,968,447	18.97
\$25,001 - \$50,000	1,664	26.66	60,546,655	23.95
\$25,000 and lower	3,018	48.34	32,690,204	12.94
Total	6,242	100.00%	\$ 252,817,284	100.00%

Source: Regional Income Tax Agency (RITA)

City of Sandusky
Water Service by Type of Customer
Last Ten Years

Type of Customer	2021			2020		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	611,333	\$ 2,665,407	\$ 2,149,089	535,433	\$ 2,188,687	\$ 2,120,051
Commercial	520,874	1,933,912	3,938,545	374,341	1,358,061	1,317,646
Industrial	37,590	138,387	115,828	48,223	169,963	168,964
Municipal	63,646	-	-	60,128	-	-
Total	1,233,443	\$ 4,737,706	\$ 6,203,462	1,018,125	\$ 3,716,711	\$ 3,606,661
Monthly Base Rate		\$7.72			\$7.49	
Rate per 100 Cubic Feet		\$3.58			\$3.47	

Source: City Records

(continued)

Note: Rates are based on a 5/8" meter, which is the standard household meter.

Charges to Erie County are not included in payment amounts.

City of Sandusky
Water Service by Type of Customer
Last Ten Years
(continued)

Type of Customer	2019			2018		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	508,089	\$ 2,129,194	\$ 2,065,659	540,405	\$ 2,184,973	\$ 2,102,777
Commercial	564,312	1,955,682	1,917,905	728,184	2,437,005	2,146,846
Industrial	37,897	130,173	128,992	49,625	165,928	157,503
Municipal	56,731	-	-	55,576	-	-
Total	1,167,029	\$ 4,215,049	\$ 4,112,556	1,373,790	\$ 4,787,906	\$ 4,407,126
Monthly Base Rate		\$7.27			\$7.06	
Rate per 100 Cubic Feet		\$3.37			\$3.27	

2017			2016		
Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
521,631	\$ 2,060,669	\$ 2,064,447	550,667	\$ 2,016,974	\$ 1,974,036
625,974	2,042,976	2,006,568	585,476	1,788,569	1,764,504
43,829	141,808	147,642	45,234	136,837	130,350
56,106	-	-	67,545	-	-
<u>1,247,540</u>	<u>\$ 4,245,453</u>	<u>\$ 4,218,657</u>	<u>1,248,922</u>	<u>\$ 3,942,380</u>	<u>\$ 3,868,890</u>
	\$7.06			\$6.85	
	\$3.27			\$3.18	

(continued)

City of Sandusky
Water Service by Type of Customer
Last Ten Years
(continued)

Type of Customer	2015			2014		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	573,013	\$ 1,538,263	\$ 1,494,355	596,980	\$ 1,374,780	\$ 1,333,595
Commercial	600,872	1,391,064	1,396,550	593,452	1,158,914	1,158,064
Industrial	31,485	72,806	70,967	30,094	58,537	59,083
Municipal	74,138	-	-	62,110	-	-
Total	1,279,508	\$ 3,002,133	\$ 2,961,872	1,282,636	\$ 2,592,231	\$ 2,550,742
Monthly Base Rate		\$6.41			\$4.10	
Rate per 100 Cubic Feet		\$2.97			\$1.90	

2013			2012		
Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
551,320	\$ 1,317,439	\$ 1,329,853	548,757	\$ 1,414,656	\$ 1,387,655
510,084	1,158,926	1,150,794	507,931	1,299,733	1,163,057
31,712	60,598	59,041	28,074	57,888	56,826
72,120	-	-	57,723	-	-
<u>1,165,236</u>	<u>\$ 2,536,963</u>	<u>\$ 2,539,688</u>	<u>1,142,485</u>	<u>\$ 2,772,277</u>	<u>\$ 2,607,538</u>
	\$4.10			\$4.10	
	\$1.90			\$1.90	

City of Sandusky
Sewer Service by Type of Customer
Last Ten Years

Type of Customer	2021			2020		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	605,176	\$ 6,163,897	\$ 4,961,737	527,119	\$ 5,050,703	\$ 4,902,349
Commercial	445,300	4,297,341	4,009,058	333,975	3,171,241	3,083,668
Industrial	35,460	365,881	297,588	46,175	434,824	432,187
Municipal	61,262	-	-	58,366	-	-
Total	1,147,198	\$ 10,827,119	\$ 9,268,383	965,635	\$ 8,656,768	\$ 8,418,204
Monthly Base Rate		\$15.69			\$15.23	
Rate per 100 Cubic Feet		\$8.90			\$8.64	

Source: City Records

Note: Rates are based on a 5/8" meter, which is the standard household meter.

Charges to Erie County are not included in payment amounts.

2019			2018		
Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
510,399	\$ 4,916,893	\$ 4,773,942	532,238	\$ 5,064,423	\$ 4,801,074
484,007	4,327,380	4,236,757	625,743	5,362,251	4,734,925
36,247	338,725	335,692	47,751	425,777	396,341
55,490	-	-	54,696	-	-
<u>1,086,143</u>	<u>\$ 9,582,998</u>	<u>\$ 9,346,391</u>	<u>1,260,428</u>	<u>\$ 10,852,451</u>	<u>\$ 9,932,340</u>
	\$14.79			\$14.36	
	\$8.39			\$8.14	

(continued)

City of Sandusky
Sewer Service by Type of Customer
Last Ten Years
(continued)

Type of Customer	2017			2016		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	512,049	\$ 4,658,701	\$ 4,585,865	543,712	\$ 3,933,676	\$ 3,771,197
Commercial	529,248	4,351,923	4,222,673	499,593	3,301,521	3,260,717
Industrial	41,721	355,815	360,092	43,321	295,258	281,684
Municipal	55,296	-	-	66,957	-	-
Total	1,138,314	\$ 9,366,439	\$ 9,168,630	1,153,583	\$ 7,530,455	\$ 7,313,598
Monthly Base Rate		\$13.67			\$10.94	
Rate per 100 Cubic Feet		\$7.75			\$6.20	

2015			2014		
Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
564,242	\$ 3,069,817	\$ 2,851,418	585,393	\$ 2,668,905	\$ 2,542,241
516,644	2,608,735	2,502,094	505,059	2,085,709	2,065,514
31,889	167,902	156,509	30,591	128,868	128,962
72,950	-	-	60,792	-	-
<u>1,185,725</u>	<u>\$ 5,846,454</u>	<u>\$ 5,510,021</u>	<u>1,181,835</u>	<u>\$ 4,883,482</u>	<u>\$ 4,736,717</u>
	\$8.75			\$7.00	
	\$4.96			\$3.97	

(continued)

City of Sandusky
 Sewer Service by Type of Customer
 Last Ten Years
 (continued)

Type of Customer	2013			2012		
	Consumption (CCF)	Billings	Payments	Consumption (CCF)	Billings	Payments
Residential	551,320	\$ 2,531,256	\$ 2,532,349	548,757	\$ 2,601,336	\$ 2,645,519
Commercial	510,084	2,110,759	2,073,429	507,931	2,106,498	2,095,062
Industrial	31,712	133,237	130,017	28,074	122,333	126,372
Municipal	72,120	-	-	57,723	-	-
Total	1,165,236	\$ 4,775,252	\$ 4,735,795	1,142,485	\$ 4,830,167	\$ 4,866,953
Monthly Base Rate		\$7.00			\$7.00	
Rate per 100 Cubic Feet		\$3.97			\$3.97	

City of Sandusky
Principal Water Customers
Last Ten Years

Customer	2021	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 840,329	17.73%
Firelands Regional Health System	132,868	2.80
Sortino Management and Development	57,637	1.22
Tofts Dairy	36,208	0.76
Sandusky Associates, LLC	32,961	0.70
Bayshore Estates	30,459	0.64
Sandusky Board of Education	19,024	0.40
US Tsubaki	18,315	0.39
North Coast Property Management	16,518	0.35
Westview Estates	14,513	0.31
Total	1,198,832	25.30
Balance from Other Customers	3,538,874	74.70
Total Water Revenue	<u>\$ 4,737,706</u>	<u>100.00%</u>

Customer	2020	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 398,452	8.40%
Firelands Regional Health System	122,886	2.59
Sandusky Associates, LLC	55,568	1.17
U. S. Tsubaki, Inc.	51,404	1.08
Sandusky Foundry Machine	49,391	1.04
Tofts Dairy	31,972	0.67
Okamoto Sandusky Manufacturing	21,250	0.45
Sandusky Board of Education	20,174	0.43
North Coast Property Management	15,663	0.33
Westview Estates	14,796	0.31
Total	781,556	16.50
Balance from Other Customers	2,825,105	83.50
Total Water Revenue	<u>\$ 3,606,661</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Water Customers
Last Ten Years
(continued)

Customer	2019	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 903,261	21.97%
Firelands Regional Health System	117,660	2.86
Sandusky Associates, LLC	50,597	1.23
Radisson Harbour Inn	48,285	1.17
Tofts Dairy	34,421	0.84
Sandusky Board of Education	24,648	0.60
Okamoto Sandusky Manufacturing	18,279	0.44
North Coast Property Management	15,886	0.39
Eastern Realty	13,864	0.34
MHD Corporation	13,676	0.33
Total	1,240,577	30.17
Balance from Other Customers	2,871,979	69.83
Total Water Revenue	<u>\$ 4,112,556</u>	<u>100.00%</u>

Customer	2018	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,166,415	26.46%
Firelands Regional Health System	128,229	2.91
Sandusky Associates, LLC	63,156	1.43
U. S. Tsubaki, Inc.	43,863	1.00
Tofts Dairy	38,958	0.88
Radisson Harbour Inn	29,802	0.68
Sandusky Foundry Machine	25,224	0.57
Okamoto Sandusky Manufacturing	24,603	0.56
Sandusky Board of Education	21,954	0.50
MHD Corporation	20,581	0.47
Total	1,562,785	35.46
Balance from Other Customers	2,844,341	64.54
Total Water Revenue	<u>\$ 4,407,126</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Water Customers
Last Ten Years
(continued)

Customer	2017	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 970,978	23.02%
Firelands Regional Health System	124,064	2.94
Sandusky Associates, LLC	62,372	1.48
U. S. Tsubaki, Inc.	39,794	0.94
Tofts Dairy	37,886	0.90
A & L Metal Processing	22,304	0.53
Sandusky Board of Education	21,986	0.52
MHD Corporation	21,954	0.52
Radisson Harbour Inn	21,668	0.51
Okamoto Sandusky Manufacturing	21,127	0.50
Total	1,344,133	31.86
Balance from Other Customers	2,874,524	68.14
Total Water Revenue	<u>\$ 4,218,657</u>	<u>100.00%</u>

Customer	2016	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 841,343	21.74%
Firelands Regional Health System	110,228	2.84
Sandusky Associates, LLC	60,629	1.57
Tofts Dairy	36,869	0.95
U. S. Tsubaki, Inc.	33,899	0.88
Okamoto Sandusky Manufacturing	25,435	0.66
A & L Metal Processing	19,940	0.52
MHD Corporation	19,376	0.50
Sandusky Board of Education	19,346	0.50
North Coast Property Management	14,594	0.38
Total	1,181,659	30.54
Balance from Other Customers	2,687,231	69.46
Total Water Revenue	<u>\$ 3,868,890</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Water Customers
Last Ten Years
(continued)

Customer	2015	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 688,371	23.25%
Firelands Regional Health System	78,628	2.66
U. S. Tsubaki, Inc.	33,811	1.14
MHD Corporation	24,085	0.81
A & L Metal Processing	18,109	0.61
Sandusky Board of Education	15,541	0.52
Okamoto Sandusky Manufacturing	12,198	0.41
North Coast Property Management	11,069	0.37
Erie County	9,702	0.33
Greentree Inn	8,063	0.27
Total	899,577	30.37
Balance from Other Customers	2,062,295	69.63
Total Water Revenue	<u>\$ 2,961,872</u>	<u>100.00%</u>

Customer	2014	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 541,507	21.23%
Firelands Regional Health System	63,486	2.49
Sandusky Associates, LLC	39,166	1.54
U. S. Tsubaki, Inc.	25,486	1.00
MHD Corporation	13,744	0.54
Sandusky Board of Education	12,946	0.51
Norfolk-Southern Corporation	11,219	0.44
Okamoto Sandusky Manufacturing	10,552	0.41
North Coast Property Management	9,908	0.38
Greentree Inn	9,165	0.36
Total	737,179	28.90
Balance from Other Customers	1,813,563	71.10
Total Water Revenue	<u>\$ 2,550,742</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Water Customers
Last Ten Years
(continued)

Customer	2013	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 530,669	20.89%
Firelands Regional Health System	59,116	2.33
Sandusky Associates, LLC	40,686	1.60
MHD Corporation	23,280	0.92
U. S. Tsubaki, Inc.	22,446	0.88
Sandusky Board of Education	11,996	0.47
Westwood Management	10,202	0.40
North Coast Property Management	10,096	0.40
Greentree Inn	9,811	0.39
A & L Metal Processing	9,393	0.37
Total	727,695	28.65
Balance from Other Customers	1,811,993	71.35
Total Water Revenue	<u>\$ 2,539,688</u>	<u>100.00%</u>

Customer	2012	
	Water Revenue	
	Amount	Percentage
Cedar Fair	\$ 519,759	19.92%
Firelands Regional Health System	61,966	2.38
Sandusky Associates, LLC	34,226	1.31
U. S. Tsubaki, Inc.	27,006	1.04
MHD Corporation	12,338	0.47
Greentree Inn	10,115	0.39
Westwood Management	9,697	0.37
Erie Metro Housing	9,526	0.37
Sandusky Board of Education	9,336	0.36
Providence Care Center	9,127	0.35
Total	703,096	26.96
Balance from Other Customers	1,904,442	73.04
Total Water Revenue	<u>\$ 2,607,538</u>	<u>100.00%</u>

Source: City Utility Department

City of Sandusky
Principal Sewer Customers
Last Ten Years

Customer	2021	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,674,722	15.45%
Firelands Regional Health System	327,621	3.03
Sortino Management and Development	147,233	1.36
Tofts Dairy	69,479	0.64
Sandusky Associates, LLC	83,488	0.77
Bayshore Estates	77,526	0.72
Sandusky Board of Education	45,135	0.42
North Coast Property Management	44,156	0.41
Westview Estates	36,933	0.34
A & L Metal Processing	36,327	0.34
Total	2,542,620	23.48
Balance from Other Customers	8,284,499	76.52
Total Sewer Revenue	<u>\$ 10,827,119</u>	<u>100.00%</u>

Customer	2020	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 984,521	9.08%
Firelands Regional Health System	300,162	2.77
Sandusky Associates, LLC	141,359	1.31
Sandusky Foundry Machine	127,427	1.18
Tofts Dairy	60,061	0.55
Okamoto Sandusky Manufacturing	53,298	0.49
Sandusky Board of Education	41,672	0.38
North Coast Property Management	41,999	0.39
Westview Estates	37,668	0.35
Radisson Harbour Inn	33,414	0.31
Total	1,821,581	16.82
Balance from Other Customers	6,596,623	83.18
Total Sewer Revenue	<u>\$ 8,418,204</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Sewer Customers
Last Ten Years
(continued)

Customer	2019	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,911,477	20.46%
Firelands Regional Health System	282,667	3.02
Sandusky Associates, LLC	128,879	1.38
Radisson Harbour Inn	123,022	1.32
Tofts Dairy	70,195	0.75
Okamoto Sandusky Manufacturing	49,761	0.53
Sandusky Board of Education	52,334	0.56
North Coast Property Management	42,462	0.45
Eastern Realty	34,897	0.37
MHD Corporation	34,516	0.37
Total	2,730,210	29.21
Balance from Other Customers	6,616,181	70.79
Total Sewer Revenue	<u>\$ 9,346,391</u>	<u>100.00%</u>

Customer	2018	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 2,340,991	23.58%
Firelands Regional Health System	312,997	3.15
Sandusky Associates, LLC	160,046	1.61
Tofts Dairy	79,852	0.80
Radisson Harbour Inn	75,554	0.76
Okamoto Sandusky Manufacturing	67,882	0.68
Sandusky Foundry Machine	65,622	0.66
MHD Corporation	52,014	0.52
A & L Metal Processing	51,948	0.52
Sandusky Board of Education	51,296	0.52
Total	3,258,202	32.80
Balance from Other Customers	6,674,138	67.20
Total Sewer Revenue	<u>\$ 9,932,340</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Sewer Customers
Last Ten Years
(continued)

Customer	2017	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,493,791	16.30%
Firelands Regional Health System	217,987	2.38
Sandusky Associates, LLC	128,583	1.40
Tofts Dairy	63,927	0.70
Okamoto Sandusky Manufacturing	57,828	0.63
A & L Metal Processing	42,599	0.46
MHD Corporation	41,004	0.45
Sandusky Board of Education	33,165	0.36
North Coast Property Management	32,483	0.35
Radisson Harbour Inn	31,439	0.34
Total	2,142,806	23.37
Balance from Other Customers	7,025,824	76.63
Total Sewer Revenue	<u>\$ 9,168,630</u>	<u>100.00%</u>

Customer	2016	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,493,791	20.43%
Firelands Regional Health System	217,987	2.99
Sandusky Associates, LLC	128,583	1.76
Tofts Dairy	63,927	0.87
Okamoto Sandusky Manufacturing	57,828	0.79
A & L Metal Processing	42,599	0.58
MHD Corporation	41,004	0.56
Sandusky Board of Education	33,165	0.45
North Coast Property Management	32,483	0.44
Radisson Harbour Inn	31,439	0.43
Total	2,142,806	29.30
Balance from Other Customers	5,170,792	70.70
Total Sewer Revenue	<u>\$ 7,313,598</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Sewer Customers
Last Ten Years
(continued)

Customer	2015	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 1,212,006	21.99%
Firelands Regional Health System	159,245	2.89
MHD Corporation	50,655	0.92
A & L Metal Processing	38,296	0.70
Okamoto Sandusky Manufacturing	28,189	0.51
Sandusky Board of Education	26,427	0.48
North Coast Property Management	24,243	0.44
Erie County	20,780	0.38
Greentree Inn	17,127	0.31
Providence Care Center	15,204	0.28
Total	1,592,172	28.90
Balance from Other Customers	3,917,849	71.10
Total Sewer Revenue	<u>\$ 5,510,021</u>	<u>100.00%</u>

Customer	2014	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 943,181	19.91%
Firelands Regional Health System	127,169	2.69
Sandusky Associates, LLC	82,348	1.74
MHD Corporation	28,851	0.61
Okamoto Sandusky Manufacturing	23,314	0.49
North Coast Property Management	21,259	0.45
Greentree Inn	19,283	0.41
Sandusky Board of Education	19,272	0.40
Erie Metro Housing	16,176	0.34
Myers Industries, Inc.	2,152	0.05
Total	1,283,005	27.09
Balance from Other Customers	3,453,712	72.91
Total Sewer Revenue	<u>\$ 4,736,717</u>	<u>100.00%</u>

(continued)

City of Sandusky
Principal Sewer Customers
Last Ten Years
(continued)

Customer	2013	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 926,309	19.55%
Firelands Regional Health System	89,811	1.90
Sandusky Associates, LLC	85,524	1.81
MHD Corporation	48,833	1.03
Sandusky Board of Education	25,330	0.53
North Coast Property Management	21,607	0.46
Westwood Management	21,332	0.45
Greentree Inn	20,454	0.43
A & L Metal Processing	19,760	0.42
Providence Care Center	16,028	0.34
Total	1,274,988	26.92
Balance from Other Customers	3,460,807	73.08
Total Sewer Revenue	<u>\$ 4,735,795</u>	<u>100.00%</u>

Customer	2012	
	Sewer Revenue	
	Amount	Percentage
Cedar Fair	\$ 920,514	18.92%
Firelands Regional Health System	96,084	1.98
Sandusky Associates, LLC	69,247	1.42
MHD Corporation	25,913	0.53
Westwood Management	20,287	0.42
Erie Metro Housing	20,146	0.41
Sandusky Board of Education	20,019	0.41
North Coast Property Management	19,621	0.40
Providence Care Center	19,203	0.39
Greentree Inn	15,631	0.32
Total	1,226,665	25.20
Balance from Other Customers	3,640,288	74.80
Total Sewer Revenue	<u>\$ 4,866,953</u>	<u>100.00%</u>

Source: City Utility Department

City of Sandusky
 Number of Water and Sewer Customers by Type
 Last Ten Years

Year	Water		Sewer		Total	
	Residential	Commercial	Residential	Commercial	Residential	Commercial
2021	8,442	1,047	8,404	1,018	16,846	2,065
2020	8,412	1,035	8,370	1,011	16,782	2,046
2019	8,247	1,015	8,224	993	16,471	2,008
2018	8,382	1,030	8,340	1,004	16,722	2,034
2017	8,316	1,035	8,280	1,012	16,596	2,047
2016	8,375	1,041	8,324	1,018	16,699	2,059
2015	8,340	1,039	8,294	1,018	16,634	2,057
2014	8,208	1,168	8,166	1,143	16,374	2,311
2013	8,345	1,036	8,319	1,020	16,664	2,056
2012	8,389	1,027	8,357	1,014	16,746	2,041

Source: City Utility Department



City of Sandusky
Water Produced and Consumed and Wastewater Treated
Last Ten Years

Year	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water City Usage	Gallons of Water Unbilled	Average Percent Unbilled	Gallons of Wastewater Treated
2021	3,316,429,000	2,680,018,607	875,025,360	106,935,597	19.17%	5,589,769,000
2020	3,203,741,200	2,405,440,616	754,306,388	86,428,426	23.37%	7,284,652,000
2019	3,380,801,200	2,703,997,407	828,597,748	157,683,603	20.02	7,444,353,000
2018	3,602,715,200	2,828,658,972	940,660,864	173,732,596	21.49	7,025,804,000
2017	3,500,746,100	2,806,477,070	940,989,236	139,969,270	19.83	5,997,373,000
2016	3,322,261,545	2,642,588,574	921,968,344	142,446,326	20.46	5,150,653,000
2015	3,298,592,130	2,635,860,027	921,046,060	240,900,163	20.12	5,131,900,000
2014	3,304,447,404	2,489,943,910	841,352,644	153,627,237	5.81	4,625,400,000
2013	3,323,608,000	2,336,032,624	724,070,810	324,043,324	12.18	4,696,100,000
2012	3,420,350,900	2,509,011,164	806,177,308	43,260,580	1.69	4,400,500,000

Source: City Utility Department

City of Sandusky
Ratios of Outstanding Debt by Type
Last Ten Years

Governmental Activities					
Year	General Obligation Bonds	Revenue Bonds	Special Assessment Bonds	Loans Payable	Capital Leases
2021	\$ 2,388,684	\$ 9,499,645	\$ 1,267,664	\$ 122,514	\$ -
2020	3,212,017	10,010,000	1,421,342	-	-
2019	4,829,910	-	1,569,791	-	-
2018	6,374,928	410,000	1,738,654	-	-
2017	7,884,798	810,000	1,934,288	-	8,299
2016	9,314,227	1,200,000	2,125,599	110,599	16,597
2015	10,713,509	1,580,000	2,356,309	216,646	-
2014	12,148,290	1,950,000	2,627,833	318,327	-
2013	13,443,350	2,310,000	2,903,175	415,821	-
2012	14,677,706	-	3,183,334	509,301	-

Source: City Records

(1) See schedule on S-56 for population and personal income.

(continued)

(continued)

Business-Type Activities						
General Obligation Revenue Bonds	OWDA Loans	Loans Payable	Total Debt	Per Capita (1)	Percentage of Personal Income (1)	
\$ 1,020,000	\$ 45,432,837	\$ -	\$ 59,731,344	\$ 2,383	10.19%	
1,110,000	47,203,145	-	62,956,504	2,509	10.73	
1,195,000	39,394,393	-	46,989,094	1,822	7.94	
1,275,000	42,144,494	-	51,943,076	2,014	9.11	
1,350,000	45,262,928	-	57,250,313	2,220	10.67	
1,425,000	46,379,503	68,723	60,640,248	2,351	10.73	
1,500,000	41,713,399	134,616	58,214,479	2,257	10.39	
1,570,000	44,107,382	197,796	62,919,628	2,439	11.23	
1,588,285	46,436,047	258,374	67,355,052	2,611	13.06	
1,649,180	48,063,420	316,459	68,399,400	2,652	13.02	

City of Sandusky
Ratio of General Bonded Debt to
Estimated Actual Value and General Bonded Debt Per Capita
Last Ten Years

Year	Population	Estimated Actual Value	Gross Bonded Debt	Bonded Debt Per Capita	Ratio of Bonded Debt to Estimated Actual Value
2021	25,065	\$ 1,310,812,696	\$ 3,408,684	\$135.99	0.26%
2020	25,095	1,301,472,224	4,322,017	172.23	0.33
2019	25,793	1,293,717,064	6,024,910	233.59	0.47
2018	25,793	1,281,720,548	7,649,928	296.59	0.60
2017	25,793	1,279,650,001	9,234,798	358.04	0.72
2016	25,793	1,278,726,298	10,739,227	416.36	0.84
2015	25,793	1,281,548,246	12,213,509	473.52	0.95
2014	25,793	1,285,455,130	13,718,290	531.86	1.07
2013	25,793	1,288,762,889	15,031,635	582.78	1.17
2012	25,793	1,361,052,402	16,326,886	633.00	1.20

Source: City Records

Erie County Auditor

(1) See schedule on S-13 for estimated actual value.

Note: Resources have not been externally restricted for the repayment of debt.

City of Sandusky
 Computation of Direct and Overlapping Debt for Governmental Activities
 December 31, 2021

	Debt Outstanding	Percent Applicable to City of Sandusky (1)	Amount Applicable to City of Sandusky
City of Sandusky			
2011 Library Refunding	\$ 828,684	100.00%	\$ 828,684
2014 Various Purpose Refunding	60,000	100.00	60,000
2015 Various Purpose Bonds Refunding	1,500,000	100.00	1,500,000
2020 Urban Renewal	7,390,000	100.00	7,390,000
2020 Economic Development	2,109,645	100.00	2,109,645
Special Assessment Bonds	1,267,664	100.00	1,267,664
OPWC Loan	122,514	100.00	122,514
	<u>13,278,507</u>		<u>13,278,507</u>
Total City of Sandusky			
Erie County	5,577,759	19.61	1,093,799
Sandusky City School District	31,368,509	100.00	31,368,509
	<u>36,946,268</u>		<u>32,462,308</u>
Total Overlapping			
Total	<u>\$ 50,224,775</u>		<u>\$ 45,740,815</u>

Source: City Records and Erie County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision. The valuations used were for the 2021 collection year.

City of Sandusky
Computation of Legal Debt Margin
Last Ten Years

	2021	2020	2019
Total Assessed Valuation	\$ 474,625,650	\$ 470,259,210	\$ 466,798,170
Overall Debt Limitation - 10.5 Percent of Assessed Valuation	49,835,693	49,377,217	49,013,808
Gross Indebtedness	66,944,996	70,933,144	55,679,393
Less Debt Outside Limitation			
Revenue Bonds	9,499,645	10,010,000	-
Special Assessment Bonds	1,215,000	1,362,699	1,505,399
General Obligation Revenue Bonds	1,020,000	1,110,000	1,195,000
OWDA Loans	45,432,837	47,203,145	39,394,393
OPWC Loans	122,514	-	-
Net Indebtedness	9,655,000	11,247,300	13,584,601
Less Fund Balance in Debt Service Fund	151,111	37,232	139,195
Net Debt Within 10.5 Percent Limitation	9,503,889	11,210,068	13,445,406
Legal Debt Margin Within 10.5 Percent Limitation	\$ 40,331,804	\$ 38,167,149	\$ 35,568,402
Legal Debt Margin as a Percentage of the Overall Debt Limitation	80.93%	77.30%	72.57%
Unvoted Debt Limitation - 5.5 Percent of Assessed Valuation	\$ 26,104,411	\$ 25,864,257	\$ 25,673,899
Gross Indebtedness	66,944,996	70,933,144	55,679,393
Less Debt Outside Limitation			
Revenue Bonds	9,499,645	10,010,000	-
Special Assessment Bonds	1,215,000	1,362,699	1,505,399
General Obligation Revenue Bonds	1,020,000	1,110,000	1,195,000
OWDA Loans	45,432,837	47,203,145	39,394,393
OPWC Loans	122,514	-	-
Net Indebtedness	9,777,514	11,247,300	13,584,601
Less Fund Balance in Debt Service Fund	151,111	37,232	139,195
Net Debt Within 5.5 Percent Limitation	9,626,403	11,210,068	13,445,406
Legal Debt Margin Within 5.5 Percent Limitation	\$ 16,478,008	\$ 14,654,189	\$ 12,228,493
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	63.12%	56.66%	47.63%

Source: City Records

(continued)

(continued)

2018	2017	2016	2015	2014	2013	2012
<u>\$ 461,721,770</u>	<u>\$ 460,297,960</u>	<u>\$ 458,789,000</u>	<u>\$ 459,278,000</u>	<u>\$ 460,060,000</u>	<u>\$ 460,233,000</u>	<u>\$ 484,811,000</u>
48,480,786	48,331,286	48,172,845	48,224,190	48,306,300	48,324,465	50,905,155
56,763,934	60,001,809	63,739,824	60,044,560	64,847,881	69,424,886	73,103,099
410,000	810,000	1,200,000	1,580,000	1,950,000	2,310,000	-
1,668,972	1,859,546	2,046,119	2,272,092	2,539,063	2,810,036	3,086,009
1,275,000	1,350,000	1,425,000	1,500,000	1,570,000	1,565,000	1,625,000
42,144,494	45,262,928	46,379,503	41,713,399	44,107,382	46,436,047	48,063,420
-	-	-	-	-	-	-
11,265,468	10,719,335	12,689,202	12,979,069	14,681,436	16,303,803	20,328,670
155,899	167,788	152,986	129,875	45,366	57,130	29,134
11,109,569	10,551,547	12,536,216	12,849,194	14,636,070	16,246,673	20,299,536
<u>\$ 37,371,217</u>	<u>\$ 37,779,739</u>	<u>\$ 35,636,629</u>	<u>\$ 35,374,996</u>	<u>\$ 33,670,230</u>	<u>\$ 32,077,792</u>	<u>\$ 30,605,619</u>
77.08%	78.17%	73.98%	73.36%	69.70%	66.38%	60.12%
<u>\$ 25,394,697</u>	<u>\$ 25,316,388</u>	<u>\$ 25,233,395</u>	<u>\$ 25,260,290</u>	<u>\$ 25,303,300</u>	<u>\$ 25,312,815</u>	<u>\$ 26,664,605</u>
56,763,934	60,001,809	63,739,824	60,044,560	64,847,881	69,424,886	73,103,099
410,000	810,000	1,200,000	1,580,000	1,950,000	2,310,000	-
1,668,972	1,859,546	2,046,119	2,272,092	2,539,063	2,810,036	3,086,009
1,275,000	1,350,000	1,425,000	1,500,000	1,570,000	1,565,000	1,625,000
42,144,494	45,262,928	46,379,503	41,713,399	44,107,382	46,436,047	48,063,420
-	-	-	-	-	-	-
11,265,468	10,719,335	12,689,202	12,979,069	14,681,436	16,303,803	20,328,670
155,899	167,788	152,986	129,875	45,366	57,130	29,134
11,109,569	10,551,547	12,536,216	12,849,194	14,636,070	16,246,673	20,299,536
<u>\$ 14,285,128</u>	<u>\$ 14,764,841</u>	<u>\$ 12,697,179</u>	<u>\$ 12,411,096</u>	<u>\$ 10,667,230</u>	<u>\$ 9,066,142</u>	<u>\$ 6,365,069</u>
56.25%	58.32%	50.32%	49.13%	42.16%	35.82%	23.87%



City of Sandusky
Revenue Supported - Bond Coverage
Governmental Activities
Last Eight Years

Year	Payment in Lieu of Taxes Revenue (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2021	\$ 492,625	\$ 310,000	\$ 209,076	\$ 519,076	0.95
2020	503,438	-	-	-	n/a
2019	527,531	410,000	20,336	430,336	1.23
2018	571,170	400,000	31,137	431,137	1.32
2017	575,201	390,000	40,470	430,470	1.34
2016	523,299	380,000	49,597	429,597	1.22
2015	532,265	370,000	59,525	429,525	1.24
2014	537,159	360,000	69,005	429,005	1.25

Source: City Records

(1) Includes only payment in lieu of taxes revenue from the Urban Renewal Debt Retirement debt service fund.

City of Sandusky
 General Obligation - Revenue Supported - Debt Coverage
 Water Enterprise Fund
 Last Ten Years

Year	Operating Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2021	\$ 8,206,740	\$ 4,820,870	\$ 3,385,870	\$ 10,000	\$ 3,050	\$ 13,050	259.45
2020	7,106,278	6,282,856	823,422	5,000	3,203	8,203	100.38
2019	7,536,475	7,309,180	227,295	5,000	3,355	8,355	27.20
2018	7,673,836	6,838,235	835,601	5,000	3,508	8,508	98.21
2017	7,608,677	6,625,048	983,629	5,000	3,660	8,660	113.58
2016	6,563,905	5,576,045	987,860	5,000	3,813	8,813	112.09
2015	5,402,733	4,985,761	416,972	10,000	4,118	14,118	29.53
2014	5,395,434	5,100,326	295,108	140,000	9,140	149,140	1.98
2013	5,330,875	4,681,292	649,583	5,000	5,641	10,641	61.05
2012	5,301,855	4,537,221	764,634	5,000	5,898	10,898	70.16

Source: City Records

(1) Includes depreciation expense, excludes interest expense.

City of Sandusky
 General Obligation - Revenue Supported - Debt Coverage
 Sewer Enterprise Fund
 Last Ten Years

Year	Operating Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2021	\$ 10,968,604	\$ 6,730,992	\$ 4,237,612	\$ 80,000	\$ 30,805	\$ 110,805	38.24
2020	10,399,975	9,109,188	1,290,787	80,000	33,245	113,245	11.40
2019	10,881,750	8,793,839	2,087,911	75,000	35,533	110,533	18.89
2018	12,220,491	8,433,003	3,787,488	70,000	37,668	107,668	35.18
2017	11,359,516	7,705,045	3,654,471	70,000	39,803	109,803	33.28
2016	9,620,724	6,964,106	2,656,618	70,000	41,938	111,938	23.73
2015	7,311,210	6,338,635	972,575	60,000	43,768	103,768	9.37
2014	5,789,026	5,836,218	(47,192)	1,485,000	108,913	1,593,913	(0.03)
2013	5,981,063	5,316,839	664,224	55,000	59,739	114,739	5.79
2012	5,552,003	4,829,487	722,516	99,000	64,335	163,335	4.42

Source: City Records

(1) Includes depreciation expense, excludes interest expense.

City of Sandusky
Demographic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (3)	Personal Income Per Capita (1)	Dwelling Units (1)	Occupied Dwelling Units Households (1)
2021	25,065	\$ 629,582,670	\$ 25,118	\$ 13,586	11,171
2020	25,095	586,946,955	23,389	13,586	10,941
2019	25,793	591,639,834	22,938	13,416	10,913
2018	25,793	569,947,921	22,097	13,455	11,052
2017	25,793	536,313,849	20,793	13,600	11,264
2016	25,793	565,408,353	21,921	13,617	11,333
2015	25,793	560,352,925	21,725	13,706	11,432
2014	25,793	538,635,219	20,883	13,447	11,155
2013	25,793	515,679,449	19,993	13,536	11,138
2012	25,793	525,222,859	20,363	13,386	11,082

Source: (1) U.S. Bureau of the Census

(2) U.S. Department of Labor: Bureau of Labor Statistics

(3) Computation of per capita personal income multiplied by population.

(continued)

(continued)

Persons Per Household (1)	Owner Occupied Units (1)	Median Family Income (1)	Unemployment Rate (2)
2.17	2,798	\$ 41,082	4.6%
2.23	5,512	47,139	8.3
2.25	5,577	36,448	5.6
2.25	5,856	42,495	6.2
2.12	5,854	41,296	6.9
2.15	5,810	42,928	6.0
2.15	5,965	44,441	5.9
2.25	5,786	45,208	7.0
2.27	5,906	43,723	7.9
2.28	5,916	44,615	7.6

City of Sandusky
Principal Employers
Current Year and Nine Years Ago

Employer	Type of Business	2021		
		Number of Employees	Rank	Percentage of Total Employment
Magnum Management Corp.	Entertainment	8,232	1	48.61%
Firelands Regional Health System	Hospital	2,196	2	12.97
Ventra Sandusky LLC	Manufacturing	1,121	3	6.62
Sandusky Board of Education	Education	716	4	4.23
Erie County	Government	672	5	3.97
Providence Care Center	Nursing Home	387	6	2.29
City of Sandusky	Government	330	7	1.95
Lewco, Inc.	Manufacturing	279	8	1.65
John Bean Technology Corp.	Manufacturing	258	9	1.52
North Coast Professional	Medical	168	10	0.99
U.S Tsubaki, Inc	Manufacturing			
Stein Hospice Services	Hospice			
Kyklos Bearings International	Automotive			
Automotive Components Holdings	Automotive			
Sandusky International, Inc.	Manufacturing			
	Total	<u>14,359</u>		<u>84.80%</u>
	Total City Employment	<u>16,933</u>		

Source: Employees based on number of W2's received.

Total City employment is an estimate of total number of employees working in Sandusky.

(continued)

(continued)

2012		
<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
5,627	1	46.11%
2,014	2	16.51
810	3	6.64
590	4	4.84
235	9	1.93
377	5	3.09
346	6	2.84
254	7	2.08
248	8	2.03
145	10	1.19
<u>10,646</u>		<u>87.26%</u>
<u>12,200</u>		

City of Sandusky
Full Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2021	2020	2019
Security of Persons and Property-Police			
Police Patrol	45.0	43.0	48.0
Police Records	2.0	2.0	2.0
Police Reserve	3.0	2.5	2.5
Security of Persons and Property-Fire			
Fire Suppression	45.0	45.0	48.0
Public Health			
Oakland Cemetery	2.5	2.5	3.5
Leisure Time Activities			
Golf Course	5.5	5.5	0.0
Recreation	7.5	7.5	12.5
Community Environment			
Community Development	7.0	10.0	17.5
Building	5.0	4.0	5.0
Horticultural Services	10.0	9.0	11.0
Transportation			
Streets	10.5	10.5	12.5
Traffic and Electrical Maintenance	2.0	2.0	2.0
General Government-Municipal Court			
Court-Criminal	15.0	16.0	16.5
General Government-Other			
City Manager	5.0	3.0	3.0
Personnel Labor Relations	2.0	3.5	5.5
Finance	3.0	2.0	3.0
Law Director	4.5	3.5	4.5
City Commission	8.0	8.0	8.0
Municipal Buildings and Lands	2.0	3.5	5.0
Engineering	6.5	6.0	7.0
Fleet	4.0	4.0	5.0
Basic Utility Services			
Water/Sewer Office	4.0	4.0	5.0
Waterworks Filtration	15.0	14.0	15.0
Waterworks Distribution	11.0	11.0	11.0
Water Pollution Control	18.0	17.0	18.0
Sewer Maintenance	10.0	10.0	11.0
Total	<u>253.0</u>	<u>249.0</u>	<u>282.0</u>

Source: City Records

Method: Using 1.0 for each full-time employee and .5 for each part-time employee as of December 31 of each year.

(continued)

(continued)

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
48.0	48.0	47.0	47.0	45.0	45.0	45.0
2.0	2.0	2.0	2.0	1.0	1.0	1.0
4.5	4.5	4.0	3.0	0.0	4.0	4.0
48.0	48.0	48.0	48.0	48.0	53.0	53.0
3.0	3.5	2.5	2.5	2.0	2.5	2.5
0.0	0.0	0.0	0.5	0.0	0.0	0.5
3.5	2.0	1.0	1.5	1.0	1.0	1.0
17.0	17.0	16.0	10.0	6.0	7.0	6.0
5.0	0.0	0.0	0.0	0.0	0.0	0.0
10.5	11.5	10.5	9.0	7.0	7.5	8.0
11.0	10.0	11.5	11.5	11.0	10.5	10.5
2.0	2.0	2.0	1.0	2.0	2.0	2.0
16.0	16.5	17.0	17.0	14.0	17.0	17.5
3.0	3.0	3.0	2.0	1.0	1.0	1.0
5.0	6.0	4.0	4.0	2.0	3.0	3.0
3.0	3.0	3.0	3.0	3.0	3.0	3.0
3.5	4.5	4.5	5.5	4.0	4.5	4.5
8.0	8.0	8.0	8.0	8.0	8.0	8.0
5.0	5.5	4.0	4.0	2.0	2.5	3.5
7.0	7.0	11.5	10.0	8.0	8.0	7.0
5.0	5.0	5.0	4.0	4.0	4.0	4.0
4.0	4.0	4.0	3.0	3.0	3.0	3.0
15.0	15.0	14.0	13.0	13.0	12.0	13.0
10.5	10.5	10.0	10.0	9.0	9.0	8.0
18.0	17.0	17.0	15.0	15.0	15.0	17.0
11.0	11.0	9.0	10.0	9.0	9.0	9.0
<u>268.5</u>	<u>264.5</u>	<u>258.5</u>	<u>244.5</u>	<u>218.0</u>	<u>232.5</u>	<u>235.0</u>

City of Sandusky
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2021	2020	2019
Security of Persons and Property-Police			
Number of Calls for Service	25,806	21,980	33,848
Number of Traffic Citations and Arrests	2,020	1,191	2,285
Number of Parking Tickets Issued	956	495	454
Accident Severity Breakdown			
Fatalities	1	1	-
Injury	105	107	119
Property Damage	593	562	551
Number of Criminal Arrests	3,161	2,730	3,628
Number of DUI Arrests	243	169	178
Square Miles Served	15.0	14.9	14.9
Original Department Operating Budget (General Fund)	\$ 4,937,420	\$ 5,441,750	\$ 5,674,591
Security of Persons and Property-Fire			
Number of EMS Calls	5,804	5,204	5,398
Number of Fire Calls	855	1,145	902
Net Ambulance Billing Collections	\$ 1,025,832	\$ 936,556	\$ 1,063,211
EMS Response Time (in seconds)	221	214	194
Fire Reponse Time (in seconds)	226	229	218
Number of Times Mutual Aid Given	67	8	35
Number of Times Mutual Aid Received	45	7	53
Square Miles Served	14.0	14.9	14.9
Number of Stations	3	3	3
Original Department Operating Budget (General Fund)	\$ 4,835,020	\$ 5,058,850	\$ 5,203,565
Public Health			
Cemetery Burials	63	144	126
Cemetery Cremations	74	60	47
Cemetery Sale of Lots	135	80	111
Cemetery Charges for Services Receipts	\$ 148,332	\$ 118,416	\$ 114,271
Leisure Time Activities			
Recreation			
Boat Ramp Receipts	\$ -	\$ -	\$ 125
Golf Course Receipts	\$ 225,724	\$ 225,724	\$ 156,218
Recreation Receipts	\$ 63,235	\$ 63,235	\$ 107,818
Sandusky Bay Pavilion Receipts	\$ -	\$ -	\$ -
Paper District Marina Receipts	\$ 49,640	\$ 49,640	\$ 44,500
Reimbursements/Donations	\$ -	\$ -	\$ 5,666
Golf Course-Daily Pay Rounds	9,855	9,983	5,770
Golf Course-Daily Pass Rounds	6,294	5,036	4,740
Golf Course-Annual Pass Sales	89	111	87
Boat Ramp-Number of Daily Passes Sold	-	-	-
Boat Ramp-Number of Season Passes Sold	-	-	-
Boat Ramp-Number of Tournament Days	9	9	17
Paper District Marina-3-Hour Docks	3,534	3,724	3,037
Paper District Marina-Overnight Boat	446	337	513
Paper District Marina-Weekly Boat	-	-	-
Paper District Marina-Jetski Day	-	-	-
Paper District Marina-Jetski Overnight	-	-	27
Paper District Marina-Jetski 10-Day	-	-	-
Paper District Marina-Seasonal Dock (Boat)	27	27	24
Paper District Marina-Seasonal Dock (Jetski)	8	8	6

(continued)

(continued)

2018	2017	2016	2015	2014	2013	2012
34,430	28,957	28,533	34,386	25,192	43,330	36,934
2,314	2,642	3,174	2,050	2,785	4,281	3,922
495	612	757	426	349	396	445
1	-	1	1	-	-	2
114	167	122	120	125	100	127
533	487	475	539	568	514	577
4,198	4,030	4,135	4,256	6,026	6,391	6,094
185	240	223	173	255	237	184
14.9	14.9	14.9	14.9	14.9	14.9	14.9
\$ 5,557,415	\$ 5,509,581	\$ 5,328,569	\$ 5,042,948	\$ 4,665,990	\$ 4,727,118	\$ 4,951,507
4,837	5,014	4,771	4,962	4,904	4,542	4,495
1,456	1,533	1,539	1,241	1,059	897	855
\$ 1,012,586	\$ 980,106	\$ 999,773	\$ 907,778	\$ 850,165	\$ 780,893	\$ 864,791
181	186	189	101	186	175	178
367	239	241	237	255	226	251
30	62	35	31	29	32	23
29	36	32	33	23	23	17
14.9	14.9	14.9	14.9	14.9	14.9	14.9
3	3	3	3	3	3	3
\$ 5,160,045	\$ 4,983,891	\$ 4,688,936	\$ 4,666,999	\$ 4,508,719	\$ 4,294,596	\$ 4,176,776
136	151	154	124	138	138	108
50	47	47	35	38	48	34
136	117	82	93	62	75	74
\$ 127,480	\$ 120,544	\$ 117,474	\$ 106,665	\$ 90,118	\$ 96,550	\$ 74,340
\$ -	\$ -	\$ 5,150	\$ 300	\$ -	\$ 28,763	\$ 21,369
\$ 161,363	\$ 183,747	\$ 172,769	\$ 188,674	\$ 183,990	\$ 162,553	\$ 204,010
\$ 62,011	\$ 59,479	\$ 62,676	\$ 42,286	\$ 46,700	\$ 40,456	\$ 30,954
\$ -	\$ 750	\$ -	\$ 1,000	\$ 790	\$ 10,540	\$ -
\$ 37,200	\$ 9,000	\$ 36,667	\$ 50,848	\$ 44,738	\$ 36,975	\$ 21,369
\$ 11,250	\$ 2,145	\$ 1,317	\$ 1,211	\$ 3,048	\$ 3,483	\$ 3,262
5,771	13,915	6,870	7,638	7,707	7,150	9,801
5,177	6,685	5,076	5,489	6,487	5,983	6,952
85	130	106	102	110	113	120
-	-	-	-	-	2,932	2,501
-	-	-	-	-	80	65
11	6	20	19	22	19	12
2,749	3,015	2,757	1,795	1,811	1,722	722
410	497	420	255	299	334	109
-	-	-	-	-	-	-
-	-	-	14	15	38	17
3	4	6	5	-	6	-
-	-	-	2	-	-	-
22	20	22	10	6	1	-
8	8	8	8	8	5	-

(continued)

City of Sandusky
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2021	2020	2019
Horticulture Services			
Trees Planted	27	92	310
Trees Removed	173	253	320
Trees Trimmed	693	375	415
Stumps Removed	300	130	305
Loads of Wood and Chips to Residents	270	350	600
Number of Regularly Scheduled Work Hours Related to			
Trees Planted	130	100	400
Trees Removed	1,500	1,750	3,000
Trees Trimmed	1,700	1,250	1,680
Stumps Removed	1,000	400	1,000
Storm Cleanup	170	800	120
Plant Propagation	1,300	1,500	1,650
Plant Installation	900	200	1,325
Landscape Maintenance	4,243	2,000	2,500
Fountain and Irrigation Maintenance	310	630	400
Playground Equipment Maintenance	1,099	1,469	1,531
Nursery Maintenance	171	-	-
Baseball Field Maintenance	116	336	610
Public Restroom Maintenance	145	577	700
Holiday Decorations	862	800	750
Christmas Tree Pickup	120	120	120
Transportation			
Cost of Salt Purchased	\$ 95,857	\$ 34,576	\$ 68,822
Number of Regularly Scheduled Work Hours Related to Snow Removal	732	623	358
Sign Department Hours	2,866	2,098	1,750
Guardrail Repair Hours	8	-	12
Street Improvements-Asphalt Overlay (linear feet)		1,935	5,488
Pavement Marking Hours	336	307	860
Cold Patch Hours		377	348
Street Sweeping Hours	362	1,212	1,464
	1,470		
General Government-Court			
Municipal Court			
Number of Civil Cases		1,982	3,137
Number of Criminal Cases	2,358	5,622	8,127
General Government-Other			
Finance			
Agency Ratings-Moody's Financial Services	A1	A1	Aa3
Income Tax			
Number of Individual Returns	9,649	16,904	15,293
Number of Business Returns	1,844	3,800	2,652
Number of Business Withholding Accounts	2,034	18,028	18,984
Amount of Interest and Penalties Collected	\$ 358,058	\$ 250,484	\$ 123,635
Tax Revenue	\$ 12,294,983	\$ 11,314,395	\$ 12,341,766
City Commission			
Number of Ordinances Passed	204	200	225
Number of Resolutions Passed	45	46	46

(continued)

(continued)

2018	2017	2016	2015	2014	2013	2012
65	99	110	40	58	56	65
134	55	136	129	136	113	153
166	88	150	102	235	250	232
107	6	50	62	136	98	177
20	25	25	30	132	132	135
260	276	276	-	135	143	244
804	456	624	-	818	827	688
249	110	40	-	427	476	375
642	633	360	32	137	149	144
220	100	100	350	336	297	491
1,700	1,300	1,200	1,060	1,172	1,112	1,350
1,300	1,000	1,000	700	565	499	731
2,750	2,200	2,000	1,500	1,575	1,521	1,945
2,750	350	400	200	143	164	174
2,620	316	316	225	103	102	120
-	-	-	-	327	371	16
610	610	610	400	117	106	125
700	700	700	680	295	289	286
800	700	206	224	793	732	715
150	225	225	40	87	81	122
\$ 94,549	\$ 37,946	\$ 34,652	\$ 9,847	\$ 45,472	\$ 50,460	\$ 25,307
220	205	491	-	996	1,110	694
2,355	2,128	2,414	2,180	1,561	1,600	1,503
76	80	10	48	3	8	-
6,100	1,863	1,942	4,084	896	1,241	1,331
-	208	1,072	256	555	654	520
1,486	936	1,187	2,512	1,090	1,245	839
839	1,456	1,376	1,160	1,502	1,484	1,425
3,006	2,839	2,865	2,383	2,375	2,622	2,749
9,919	10,179	10,401	10,519	11,716	12,843	11,597
Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3
16,073	16,305	15,619	14,938	15,827	13,682	15,306
3,538	3,104	3,195	3,019	3,382	2,927	2,748
18,595	17,046	15,626	13,979	14,381	14,168	13,387
\$ 121,670	\$ 128,529	\$ 120,705	\$ 115,775	\$ 149,107	\$ 97,234	\$ 100,984
\$ 12,957,559	\$ 12,301,074	\$ 13,121,939	\$ 11,126,894	\$ 7,297,336	\$ 8,303,179	\$ 7,971,818
248	234	236	201	160	146	141
55	59	73	57	54	50	39

(continued)

City of Sandusky
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2021	2020	2019
Municipal Buildings and Lands			
Number of Construction Permits Issued (building, electric, plumbing)	980	814	841
Estimated Value of Construction	\$ 40,589,740	\$ 19,044,269	\$ 24,617,876
Amount of Revenue Generated from Building Department	\$ 267,478	\$ 310,737	\$ 255,792
Civil Service			
Number of Police Entry Tests Administered	1	1	1
Number of Fire Entry Tests Administered	1	-	1
Number of Police Promotional Tests Administered	-	1	1
Number of Fire Promotional Tests Administered	1	-	2
Number of Hires of Police Officers from Certified Lists	8	1	2
Number of Hires of Fire/Medics from Certified Lists	9	2	2
Number of Promotions from Police Certified Lists	3	5	3
Number of Promotions from Fire Certified Lists	1	1	3
Water Department			
Water Base Rate (1)	\$ 7.72	\$ 7.49	\$ 7.27
Sewer Department			
Sewer Base Rate (1)	\$ 15.69	\$ 15.23	\$ 14.79
Total Flow of Wastewater Treatment Plant	5,590	7,285	7,444
Average Daily Flow (millions of gallons per day)	15.31	19.90	20.40
Tons of Dry Sludge Removed	847	1,527	926

Source: City Records

(1) Based on 5/8" meter (base rate)

(continued)

(continued)

2018	2017	2016	2015	2014	2013	2012
917	929	900	803	772	842	927
\$ 14,551,131	\$ 24,530,634	\$ 16,932,873	\$ 8,096,977	\$ 15,478,633	\$ 55,106,730	\$ 16,070,557
\$ 383,056	\$ 242,967	\$ 218,303	\$ 192,458	\$ 170,621	\$ 290,930	\$ 188,287
1	1	-	1	-	-	-
-	1	-	1	-	1	-
1	1	-	-	-	1	-
-	1	-	1	-	2	1
4	5	2	4	-	-	7
-	-	2	3	-	-	4
1	2	-	2	2	-	5
-	-	-	2	4	-	6
\$ 7.06	\$ 7.06	\$ 6.85	\$ 6.41	\$ 4.10	\$ 4.10	\$ 4.10
\$ 14.36	\$ 13.67	\$ 10.94	\$ 8.75	\$ 7.00	\$ 7.00	\$ 7.00
7,026	5,997	5,151	5,132	4,625	4,696	4,401
19.25	16.43	14.10	14.10	12.70	12.90	12.01
1,413	1,141	1,369	1,189	1,211	1,210	1,272

City of Sandusky
Capital Assets by Function/Program
Last Ten Years

Function/Program	2021	2020	2019
Security of Persons and Property-Police			
Stations	1	1	1
Vehicles	23	24	24
Security of Persons and Property-Fire			
Stations	3	3	3
Vehicles	14	14	14
Public Health			
Vehicles	3	3	3
Leisure Time Activities			
Number of Parks	22	22	22
Number of Piers/Pavilions/Plazas	7	7	7
Number of Boat Launch Ramps	1	1	1
Number of Golf Courses	1	1	1
Number of Baseball/Softball Diamonds	17	17	17
Number of Skateboarding Areas	1	1	1
Community Environment			
Vehicles	50	51	51
Transportation			
Bridges	2	2	2
Streets (miles)	113.8	113.8	113.8
Vehicles	22	21	21
General Government-Other			
City Manager Vehicles	1	1	1
Mechanic Vehicles	4	5	5
Engineering Vehicles	6	6	6
Water			
Water Lines (miles)	135.88	135.88	135.88
Vehicles	18	17	17
Sewer			
Sewer Lines (miles)	165.92	165.92	165.92
Vehicles	18	17	17

Source: City Records

(continued)

(continued)

2018	2017	2016	2015	2014	2013	2012
1	1	1	1	1	1	1
23	24	26	26	24	22	27
3	3	3	3	3	3	3
14	15	15	15	15	15	16
3	3	3	2	2	2	3
22	22	20	20	20	20	20
7	7	3	4	4	4	4
1	1	1	1	1	1	1
1	1	1	1	1	1	1
17	17	17	17	17	17	17
1	1	1	1	1	1	1
50	55	42	50	50	46	46
2	2	2	1	1	1	1
113.8	113.8	113.8	113.8	113.7	113.7	113.7
20	19	19	17	17	17	29
1	1	1	0	0	0	5
4	5	4	4	4	4	4
6	3	3	3	3	3	10
135.88	135.88	135.88	134.88	134.88	134.88	134.88
16	14	14	14	12	11	18
165.92	165.92	165.92	164.44	164.15	163.69	163.69
17	16	13	15	16	14	20

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF SANDUSKY

ERIE 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 9/27/2022

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

This report is a matter of public record and is available online at
www.ohioauditor.gov