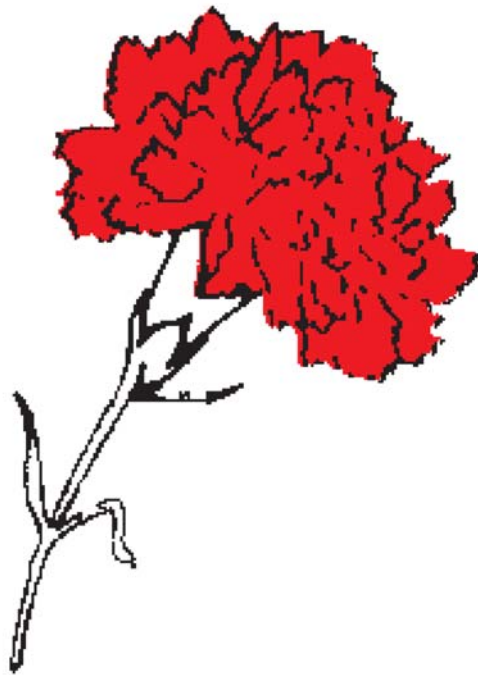


City of Alliance, Ohio

“The Carnation City”



Annual Comprehensive Financial Report

For the Year Ended December 31, 2022



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

City Council
City of Alliance
504 E. Main St.
Alliance, OH 44601

We have reviewed the *Independent Auditor's Report* of the City of Alliance, Stark County, prepared by Julian & Grube, Inc., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

September 06, 2023

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CITY OF ALLIANCE, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022

KEVIN KNOWLES
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE

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CITY OF ALLIANCE, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022

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INTRODUCTORY SECTION



The City of

Alliance, OHIO, 44601-2415

"The Carnation City"

504 East Main Street • Suite 110



KEVIN KNOWLES

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Fax 330-829-2243

e-mail: auditor@neo.rr.com

Web Page: www.cityofalliance.com

June 21, 2023

Honorable Citizens of Alliance
and Members of City Council
Alliance, Ohio 44601

Transmittal Letter

The Annual Comprehensive Financial Report of the City of Alliance, Ohio (the "City") is hereby presented. This report represents the official report of the City of Alliance's operations and financial position for the year ended December 31, 2022 and has been developed to accurately detail the status of City finances to Alliance residents and elected officials, investment banks, underwriters and all other interested parties. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Accounting Principles Generally Accepted in the United States of America (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Alliance's MD&A can be found immediately following the Independent Auditors' Report.

Reporting Entity

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement (GASB) No. 14, "*The Financial Reporting Entity*" as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*" and GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*". In evaluating how to define the City for financial reporting purposes, management has considered all agencies, departments and organizations making up the City of Alliance (the primary government) and its potential component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Alliance, this includes the departments and agencies that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services. The Alliance City Health Department is a component unit of the City.

The City of Alliance

The City of Alliance is located primarily in the northeastern portion of Stark County, with a small area in the southwestern portion of Mahoning County, in Northeastern Ohio on the headwaters of the Mahoning River. The City is approximately 18 miles northeast of Canton, the Stark County seat, approximately 55 miles southeast of Cleveland and approximately 79 miles northwest of Pittsburgh, Pennsylvania. It was incorporated as a village in 1854 and became a city in 1889.

The City is in the Canton Metropolitan Statistical Area (MSA), comprised of the Ohio counties of Carroll and Stark, which is the 128th largest of 366 MSA's in the United States (based on the 2010 census). The City's population of 21,672 placed it as the third largest city in the County. The City's area is 8.677 square miles, of which approximately 8.6 square miles are located in Stark County and .077 square miles are located in Mahoning County.

The City is served by diversified transportation facilities, including five State and U.S. highways, which provide easy access to Interstate Highways 76, 77, and 80 (the Ohio Turnpike). It is adjacent to areas served by Norfolk-Southern Corp., and Amtrak, which provides freight and passenger rail services through a station located in the City. Passenger air service is available at the Akron-Canton Regional Airport located 25 miles west of the City, the Youngstown/Warren Regional Municipal Airport located 35 miles northeast of the City and Cleveland Hopkins International Airport located 55 miles northwest of the City.

Public Transportation is provided by Stark Area Regional Transit Authority (SARTA) which offers fixed route and curb service within and between the cities of Stark County.

The City is provided with banking and financial services by six commercial banks and banking associations operating a total of eight offices within the City (each with principal offices located elsewhere) and five credit unions.

One daily newspaper serves the City. The City is within the broadcast area of numerous television stations and AM and FM radio stations. Time Warner Cable and AT&T provide multi-channel cable TV service.

The University of Mount Union, a private four-year university with a total enrollment of approximately 2,200 students, is located in the City. Stark State College operates a satellite center within the City. In addition, within commuting distance are several public and private two-year and four-year colleges and universities, including the University of Akron, Kent State University, Northeastern Ohio College of Medicine located in Rootstown Township, Portage County, Walsh University located in the City of North Canton, Stark County, Malone College located in the City of Canton, Stark County, and Stark State College of Technology located in Jackson Township, Stark County.

The City is served by Alliance Community Hospital (ACH), a 204-bed non-profit hospital founded in 1901. Another 78-nursing home/transitional care beds are found in the attached, long-term care facility, Community Care Center. ACH is fully accredited by the Joint Commission on Accreditation of Health care Organizations (JCAHO) and offers a quality medical staff of more than 150 active and covering physicians.

Various recreational and cultural facilities are immediately available to City residents. The City operates a park system of 13 parks and parklands encompassing 190 acres with facilities that include tennis courts, baseball diamonds, basketball and volleyball courts and soccer fields. The City has a city owned pool at the Robertson Community Center.

In addition, 2,700 acres of recreational areas including lakes, reservoirs, trails and parks are located in the surrounding areas.

"Carnation Days", an annual festival, is celebrated throughout the City for ten days each August. Activities include a festival pageant, parade, concessions and games, musical events, and arts and crafts.

A Senior Citizens Center is located in the City. It offers a multitude of services and social activities for people over sixty and retirees of the community.

The City is also home to the “Carnation City Players” that produces and presents theatrical productions in the Firehouse Theater several times each season.

Water service within the City is provided by the City’s water system and is purchased directly by consumers. Sewage collection and disposal is handled by the City’s sewage system. Through the City’s electric aggregation, First Energy (formerly the Ohio Edison Company) provides electricity and through the City’s gas aggregation, natural gas is provided by Columbia Gas of Ohio, Inc. The local provider of telephone service is AT&T.

City Government

The City operates under and is governed by the mayor-council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws.

Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, for two-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President, who is elected by the voters for a two-year term.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The other elected officials are the City Auditor, the City Treasurer, and the City Director of Law, each elected to a four-year term, and the Clerk of Courts and Judge, each elected to a six-year term.

The Mayor appoints the directors of City departments. The major appointed official is the Director of Public Service and Safety. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees and the City Income Tax Administrator who is appointed by the City Auditor. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council.

Financial Matters

The City's fiscal year corresponds with the calendar year. The main sources of City revenue have been from property and income taxes, charges for services, and State distributions. The responsibilities for the major functions of the City are divided among the Mayor, the City Auditor and the Council.

The City Auditor is the City's fiscal and chief accounting officer. Among his duties are to keep the books and accurate statements of all moneys received and expended and of all taxes and assessments; at the end of each fiscal year, or more often if requested by the Council, to examine all accounts of City officers and departments and not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item to be drawn upon for any other purpose, or a voucher to be paid unless sufficient funds are in the City treasury to the credit of the fund on which the voucher is drawn. The City Treasurer is responsible for receiving, maintaining custody of and disbursing all City funds.

Investments and deposits of City funds are governed by the Uniform Depository Law (Chapter 135 of the Ohio Revised Code) applicable to all subdivisions. An investment board, comprised of the Mayor, the City Auditor, the Law Director, the Treasurer and a member of the business community, is responsible for those investments and deposits. Under recent and current practices, investments are made primarily in federal agency securities, U.S. Government money market mutual funds, commercial paper, Negotiable Certificates of Deposit (CD's), Municipal Bonds, U.S. Treasury Notes, and STAR Ohio (State Treasury Asset Reserve of Ohio), an investment pool for all Ohio political subdivisions, under the custody and management of the Treasurer of the State of Ohio. Investments in 2022 consist of STAR Ohio and a portfolio of investments through Meeder Investment Management.

Other important financial functions include general financial recommendations and planning by the Mayor; budget preparation by the Mayor with assistance of the City Auditor; and express approval of appropriations by the Council. For property taxation purposes, assessment of real property is performed by the Stark and Mahoning County Auditors, subject to supervision by the State Tax Commissioner, and assessment of public utility and tangible personal property is performed by the State Tax Commissioner. Property taxes and assessments are billed and collected by county officials in Stark and Mahoning Counties.

Economic Conditions and Financial Outlook

The City of Alliance, like many local government entities are dealing with revenue reductions, due to the elimination and decline of various sources, including the State of Ohio Estate Tax, Local Government Funding as well as the phase-out of payments made by the State to local governments for revenues once collected on tangible personal property and certain types of electricity generation. The combined effects of these losses along with increased costs, such as employee healthcare, wages and benefits, have been factors in the decline.

Prior to 2019, the City experienced a steady decline in its general fund cash balance, in part due to a structural deficit as expenses have consistently exceeded revenues. The general fund balance cash shrunk from a high of \$3.9 million in 2011 to a cash carryover of \$445,233 at December 31, 2018. This has rebounded in the past three years and the cash carryover at December 31, 2021 was \$2,346,903. At December 31, 2022 this amount increased to \$3,773,448. In 2017 Moody's downgraded the City's rating on its outstanding general obligation debt from A1 to A2. This came after downgrading the City from Aa3 to A1 in 2015. The City's finances were boosted in 2020 by utilizing \$1.2 million dollars of CARES Act funds towards payroll.

The City has attempted to reduce expenditures by attrition and incorporating part-time staff in virtually all departments. The City has incorporated modifications to its self-funded health care program which includes a wellness component, increased employee contributions, and spousal carveout with all bargaining units.

The Income Tax Department has increased collection efforts pursuing back taxes via civil and criminal court action. The City has also partnered with the Cleveland Income Tax Agency to pursue individuals that have not filed City income tax. The Tax Department also began certifying delinquent tax account to the Ohio Attorney General's office. The City's income tax collections are still feeling the effects due to the idling of Alliance Castings, the City's 4th largest employer in terms of withholding.

The City was placed in Fiscal Caution by the Auditor of State of Ohio based on low carryover balances especially in the General Fund. The State later elevated the City to Fiscal Watch due to City Council not approving a required recovery plan in the required timeframe.

Long-Term Financial Planning

The City will continue pursuing opportunities for development and economic growth through annexations, Tax Increment Financing (TIF), Cooperative Economic Development Areas (CEDA) and Joint Economic Development Districts (JEDD). The City's Planning and Development Department looks to provide assistance to local businesses through its Urban Development Action Grant (UDAG) program. The combination of these efforts target improving the City's tax base. The City will continue employing innovative and creative measures to reduce expenses to counter declining revenues.

City of Alliance recognized for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) recognized the City of Alliance for its 2021 Annual Comprehensive Financial Report. The City's report was honored after an impartial panel judged it to meet the high standards of the program, including demonstrating a constructive "spirit of full disclosure" to clearly communicate its accurate financial story and motivate potential users and user groups to read the report.

Major Initiatives

Expansion, attracting new business and maintaining the City's infrastructure remain an ongoing commitment. In an effort to continue to provide cost effective, quality services the City continues with the maintenance of sanitary sewers, water improvements, storm water improvements, road paving projects, and general infrastructure improvements.

American Rescue Plan Act (ARPA) Funds

The City received a total of \$15.87 million of American Rescue Plan Act (ARPA) funds in 2021-2022. Early uses included paving and capital expenses.

- Responding to the public health and negative economic impacts of the pandemic
- Providing premium pay to essential workers
- Providing government services to the extent of revenue loss due to the pandemic
- Making necessary investments in water, sewer, and broadband infrastructure

ODNR Parks Grant

The City received \$250,000.00 in grant funding to be used to for upgrades to the City Skate Park and to repurpose a maintenance building into a rentable facility for the public. Work is scheduled to be completed in 2023.

Meijer's coming to Alliance

Groundbreaking began on a new Meijer Superstore at the former Carnation Mall site. It is estimated to open mid-2024. Developers estimate between 250 and 270 full time equivalent jobs.

Lead Line Replacement

The City has obtained two \$1 million dollar grants to assist residents in replacing lead service lines. The program is available to residents to replace the section from the curb stop into the house at no cost.

Phase 1 Improvements to Wastewater Treatment Plant

The project involves replacing certain existing treatment units and an expansion to the secondary treatment system capacity of the plant to match the capacity of the primary treatment system. The work includes improvements to the RAS system, flow splitting and conveyance. The project includes expanding the capacity of the disinfection facility to match the new peak flow capacity of 32 MGD. Estimated cost of 14 million with funding through OPWC grant and a OWDA loan.

Contract Negotiations

All agreements for the 13 various unions representing City employees are all under contract with the exception of the FOP Police Supervisors.

Financial Information

The City's accounting system is organized on a "fund basis" in which each fund is a distinct self-balancing accounting entity. The City's day-to-day accounting and budgetary records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records are converted to the modified and full accrual basis for all applicable funds. On the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when measurable and incurred. The basis of accounting and presentation of the various funds utilized by the City are fully described in Note 2 of the basic financial statements.

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance; all are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level for all funds with salaries and wages appropriated separately by department. Any budgetary modifications at this level may only be made by resolution of the City Council.

The City's fully automated financial system also maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making purchases, creates the encumbrance against the current budget. Purchase orders which result in an overrun of budget are not released until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the purchase is canceled.

The City Auditor continually monitors the encumbrances and expenditures against the budget appropriations and against the County Auditor's certificate of estimated resources. Using the budget prepared by the City the preceding July and including the carry over balances less carry over encumbrances at year end, the County Auditor arrives at and issues the certificate of estimated resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's Certificate.

Internal Accounting and Reporting Control

As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to the present internal accounting controls and procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to ensure that the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss resulting from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognizes that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Awards

The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Alliance, Ohio for its Annual Comprehensive Financial Report for the year ended December 31, 2021. 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 Comprehensive Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Alliance, Ohio has received a Certificate of Achievement for the last twenty-two consecutive years (1999-2021). We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting it to the GFOA.

Independent Audit

The firm of Julian & Grube, Inc., has audited the basic financial statements of the City, and the Auditor's Report is included herein. In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Annual Comprehensive Financial Report.

Acknowledgments

I would like to express my sincerest gratitude to the dedicated staff of the City of Alliance Auditor's office for their effort in the compilation of this report, as well as their continued commitment to providing the City of Alliance with accurate fiscal reporting. I would like to recognize the Administration, City Council, and all departments of the City of Alliance for their cooperation throughout this process.

Also, the City would like to express its appreciation to Julian & Grube, Inc., for their assistance with the preparation of this Annual Comprehensive Financial Report.

Respectfully Submitted,



Kevin G. Knowles
City Auditor

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CITY OF ALLIANCE, OHIO

City Officials

December 31, 2022

Mayor	Alan Andreani
President of Council	Art Garnes
Councilman - Ward I	Sheila K. Cherry
Councilman - Ward II	Cindy King
Councilman - Ward III	Dr. Edward Lohnes
Councilman - Ward IV	Jim Edwards
Council-at-Large	Andrew Grove
Council-at-Large	Kris Bugara
Council-at-Large	Phillip Mastroianni
Clerk of Council	Gerald T. Yost
Law Director	Caity Weyer
Judge	Andrew Zumbar
Clerk of Court	Mary Anne Carper
Civil Service	Joyce Lamb, W. John Gross, Renee Young

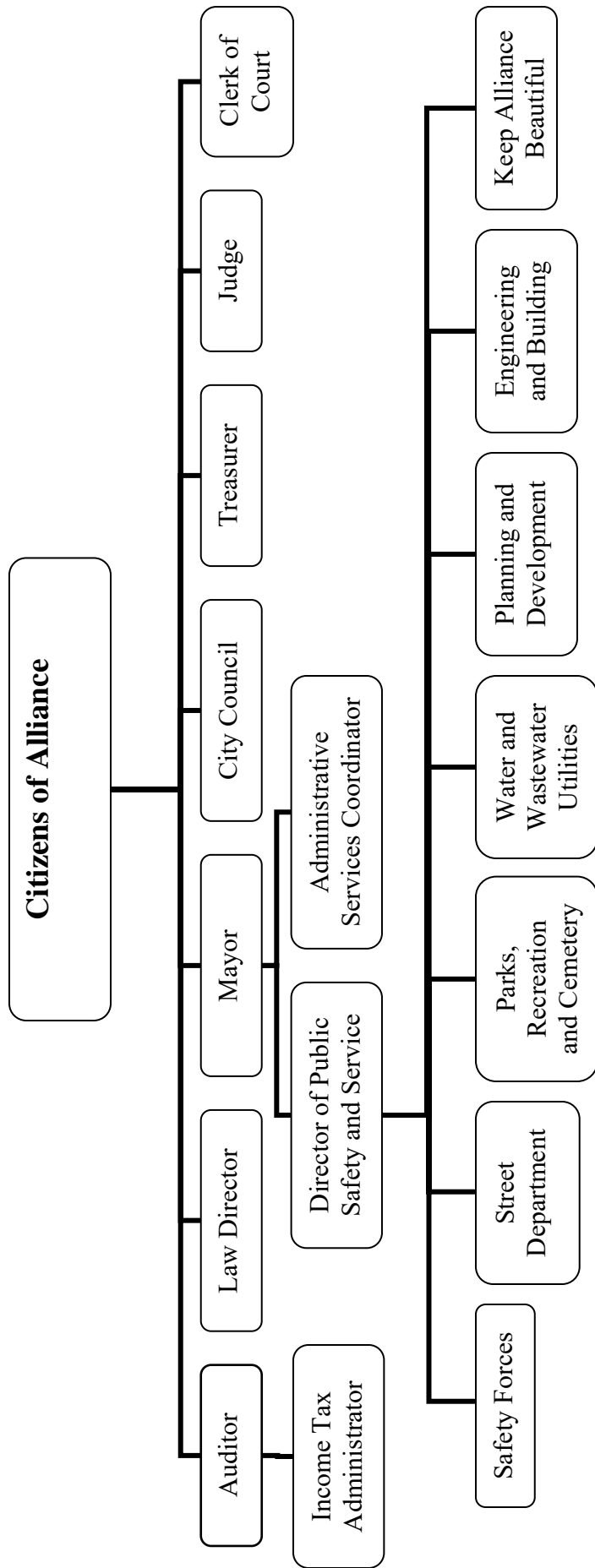
Finance

Auditor	Kevin Knowles
Treasurer	Dennis Clunk
Income Tax Administrator	David Brown

Public Safety and Service

Director of Public Safety and Service	Michael Dreger
Fire Chief	Jason Hunt
Police Chief	Scott Griffith
Director of Parks, Cemetery and Public Lands	Kimberly Cox
Water Plant	Amy Elliot
Wastewater Plant	Kim Laquatra
Water and Wastewater Distribution	Doug Hastings
Utility Billing and Collection	Angie Weir
Health and Human Services	Randy Flint
Planning and Development	Joe Mazzola
Senior Citizens Center	Helen Miller
Street Department	John Bertolini
Engineering	Vince Mueser

City of Alliance, Ohio Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Alliance
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

Independent Auditor's Report

City of Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of the City Council and Mayor:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, Stark County, Ohio, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Local Fiscal Recovery Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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 of Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alliance'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 of Alliance's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alliance'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

GAAP requires that the management's discussion and analysis, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Alliance's basic financial statements. The accompanying 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2023 on our consideration of the City of Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alliance's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Alliance's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 21, 2023

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CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

The management's discussion and analysis of the City of Alliance's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- The total net position of the City increased \$8,515,561. Net position of governmental activities increased \$5,611,232 or 37.75% and net position of business-type activities increased \$2,904,329 or 8.84%.
- General revenues accounted for \$15,953,997 or 70.28% of total governmental activities revenue. Program specific revenues accounted for \$6,746,062 or 29.72% of total governmental activities revenue.
- The City had \$17,088,827 in expenses related to governmental activities; \$6,746,062 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$10,342,765 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$15,953,997.
- The general fund had revenues of \$13,215,225 in 2022. This represents an increase of \$868,128 from 2021. The expenditures and other financing uses of the general fund, which totaled \$13,102,566 in 2022, decreased \$496,392 from 2021. The net increase in fund balance for the general fund was \$112,659 or 2.83%.
- The local fiscal recovery major fund had \$2,132,488 in revenues and \$2,132,488 in expenditures in 2022.
- The capital improvements major fund had \$1,935,134 in revenues and \$2,250,669 in expenditures in 2022. The net decrease in fund balance for the capital improvements fund was \$315,535 or 17.06%.
- Net position for the business-type activities, which are made up of the water, sewer, community center, and community improvement funds, increased \$2,904,329 from a net position balance of \$32,849,695 in 2021 to a net position balance of \$35,754,024 in 2022.
- The water fund had \$5,758,653 in operating revenues and \$4,953,133 in operating expenses in 2022. The water fund also had non-operating revenues of \$1,124,970 and non-operating expenses of \$20,215. The net position of the water fund increased \$1,910,275 or 10.66%.
- The sewer fund had \$4,845,801 in operating revenues and \$3,994,062 in operating expenses in 2022. The sewer fund also had non-operating revenues of \$87,449 and non-operating expenses of \$37,612. The net position of the sewer fund increased \$901,576 or 6.21%.

Using this Annual Comprehensive Financial Report

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

The statement of net position and statement of activities provide information about the activities of the 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.

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows, using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take 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 restricting revenue growth, facility conditions, required community programs and other factors.

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

Governmental Activities - Most of the City's programs and services are reported here including police, fire, street and highway maintenance, HUD program operations, community and economic development and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, community center, and community improvement funds are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

Governmental Funds

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

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

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, community center, and community improvement funds. The City reports the water and sewer funds as major enterprise funds. These major funds are presented separately in the proprietary fund financial statements. The internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The internal service fund is used to account for a self-insurance program for medical and dental benefits.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type.

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The 2021 amounts were restated in the table below due to the implementation of GASB Statement No. 87 (see Note 3.A. for detail). The table below provides a summary of the City's net position at December 31, 2022 compared to December 31, 2021.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>						
Current assets	\$ 35,824,815	\$ 28,299,465	\$ 16,167,652	\$ 15,412,204	\$ 51,992,467	\$ 43,711,669
Capital assets, net	<u>22,884,991</u>	<u>20,249,567</u>	<u>36,756,966</u>	<u>32,562,978</u>	<u>59,641,957</u>	<u>52,812,545</u>
Total assets	<u>58,709,806</u>	<u>48,549,032</u>	<u>52,924,618</u>	<u>47,975,182</u>	<u>111,634,424</u>	<u>96,524,214</u>
<u>Deferred outflows of resources</u>						
Pension	4,500,546	2,297,195	743,807	416,054	5,244,353	2,713,249
OPEB	<u>1,103,283</u>	<u>1,390,758</u>	<u>8,055</u>	<u>173,751</u>	<u>1,111,338</u>	<u>1,564,509</u>
Total deferred outflows of resources	<u>5,603,829</u>	<u>3,687,953</u>	<u>751,862</u>	<u>589,805</u>	<u>6,355,691</u>	<u>4,277,758</u>
<u>Liabilities</u>						
Current liabilities	14,919,578	8,644,469	858,175	679,549	15,777,753	9,324,018
Long-term liabilities:						
Due within one year	826,746	828,295	617,935	871,542	1,444,681	1,699,837
Net pension liability	13,502,225	15,824,063	1,627,925	2,738,429	15,130,150	18,562,492
Net OPEB liability	2,026,742	1,935,985	-	-	2,026,742	1,935,985
Other amounts	<u>2,189,582</u>	<u>2,309,695</u>	<u>12,191,939</u>	<u>9,107,265</u>	<u>14,381,521</u>	<u>11,416,960</u>
Total liabilities	<u>33,464,873</u>	<u>29,542,507</u>	<u>15,295,974</u>	<u>13,396,785</u>	<u>48,760,847</u>	<u>42,939,292</u>
<u>Deferred inflows of resources</u>						
Property taxes	2,018,354	2,010,030	-	-	2,018,354	2,010,030
Leases	19,424	38,848	-	-	19,424	38,848
Pension	6,709,417	3,546,674	2,017,775	1,277,341	8,727,192	4,824,015
OPEB	<u>1,624,767</u>	<u>2,233,358</u>	<u>608,707</u>	<u>1,041,166</u>	<u>2,233,474</u>	<u>3,274,524</u>
Total deferred inflows of resources	<u>10,371,962</u>	<u>7,828,910</u>	<u>2,626,482</u>	<u>2,318,507</u>	<u>12,998,444</u>	<u>10,147,417</u>
<u>Net Position</u>						
Net investment in capital assets	22,097,589	19,889,769	24,552,475	23,264,663	46,650,064	43,154,432
Restricted	6,259,760	5,212,905	1,637,978	1,939,734	7,897,738	7,152,639
Unrestricted (deficit)	<u>(7,880,549)</u>	<u>(10,237,106)</u>	<u>9,563,571</u>	<u>7,645,298</u>	<u>1,683,022</u>	<u>(2,591,808)</u>
Total net position	<u>\$ 20,476,800</u>	<u>\$ 14,865,568</u>	<u>\$ 35,754,024</u>	<u>\$ 32,849,695</u>	<u>\$ 56,230,824</u>	<u>\$ 47,715,263</u>

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

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

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

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability/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.

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2022, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$56,230,824. At year-end, net position for governmental activities was a balance of \$20,476,800 and net position for business-type activities was a balance of \$35,754,024.

CITY OF ALLIANCE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

The net pension liability/asset and net OPEB liability/asset, as well as the deferred inflows and outflows of resources related to pension and OPEB fluctuated considerably. These liabilities represent the City's share of the two state retirement systems' present value of estimated future pension benefits less the assets available to pay those benefits. This will fluctuate annually based on a number of factors including investment returns, actuarial assumptions used, and the City's proportionate share of the net pension and net OPEB cost. As a result 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 the net pension asset, the net OPEB asset and deferred outflows related to pension and OPEB. The result would be net position at December 31, 2022 of \$37,970,408 for governmental activities and \$38,617,420 for business-type activities.

Other than pensions and OPEB, significant changes for governmental activities include an increase in current assets, which is mostly due to higher cash balances, increased income taxes receivable, accounts receivable and special assessments receivable. Net capital assets increased as current year additions exceeded depreciation expense. Current liabilities increased due to unearned revenue related to the local fiscal recovery fund.

The business-type activities also had an increase in current assets mainly due to an increase in accounts and intergovernmental receivable. The increase in net capital assets is primarily due to the continued construction of the Phase I wastewater improvements. Current liabilities for the business-type activities increased due higher accrued wages and accounts payable. Long-term liabilities (other than pension and OPEB) increased as a new OWDA loan was issued during 2022.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At December 31, 2022, capital assets represented 53.43% of total assets. Capital assets include land, easements and right of ways, construction in progress (CIP), land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure and intangible right to use assets. Net investment in capital assets at December 31, 2022, was \$22,097,589 and \$24,552,475 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's 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 governmental net position, \$6,259,760, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is a deficit of \$7,880,549.

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CITY OF ALLIANCE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

The table below shows the changes in net position for 2021 and 2022.

Change in Net Position

	Governmental Activities 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021	Total 2022	Total 2021
Revenues:						
Program revenues:						
Charges for services and sales	\$ 1,506,486	\$ 1,386,933	\$ 12,118,307	\$ 11,737,297	\$ 13,624,793	\$ 13,124,230
Operating grants and contributions	4,296,131	2,830,709	-	-	4,296,131	2,830,709
Capital grants and contributions	943,445	802,751	-	-	943,445	802,751
Total program revenues	6,746,062	5,020,393	12,118,307	11,737,297	18,864,369	16,757,690
General revenues:						
Property taxes	2,174,212	1,987,158	-	-	2,174,212	1,987,158
Income taxes	13,490,189	11,613,495	538,160	459,654	14,028,349	12,073,149
Unrestricted grants	854,146	881,192	497,778	-	1,351,924	881,192
Investment earnings	161,955	34,639	176,481	116,218	338,436	150,857
Fair value adjustment	(1,623,203)	(350,628)	-	-	(1,623,203)	(350,628)
Miscellaneous	896,698	806,627	-	-	896,698	806,627
Total general revenues	15,953,997	14,972,483	1,212,419	575,872	17,166,416	15,548,355
Total revenues	22,700,059	19,992,876	13,330,726	12,313,169	36,030,785	32,306,045
Expenses:						
General government	3,349,511	1,930,292	-	-	3,349,511	1,930,292
Security of persons and property	9,296,692	8,455,029	-	-	9,296,692	8,455,029
Public health services	626,899	530,164	-	-	626,899	530,164
Transportation	2,115,308	2,191,524	-	-	2,115,308	2,191,524
Community environment	701,128	1,137,043	-	-	701,128	1,137,043
Basic utility services	40,661	34,356	-	-	40,661	34,356
Leisure time activities	946,390	455,427	-	-	946,390	455,427
Interest and fiscal charges	12,238	12,715	-	-	12,238	12,715
Water	-	-	5,004,734	4,126,886	5,004,734	4,126,886
Sewer	-	-	4,072,982	3,264,203	4,072,982	3,264,203
Robertson Community Center	-	-	61,370	39,488	61,370	39,488
Community Improvement	-	-	1,287,311	1,359,907	1,287,311	1,359,907
Total expenses	17,088,827	14,746,550	10,426,397	8,790,484	27,515,224	23,537,034
Change in net position	5,611,232	5,246,326	2,904,329	3,522,685	8,515,561	8,769,011
Net position at beginning year	14,865,568	9,619,242	32,849,695	29,327,010	47,715,263	38,946,252
Net position at end of year	\$ 20,476,800	\$ 14,865,568	\$ 35,754,024	\$ 32,849,695	\$ 56,230,824	\$ 47,715,263

Governmental Activities

Governmental activities net position increased \$5,611,232 in 2022.

Total revenues increased mostly as a result of an increase in charges for services, operating grants and contributions, capital grants and contributions, income taxes, and miscellaneous general revenues.

CITY OF ALLIANCE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

Expenses of the governmental activities increased \$2,342,277 or 15.88%. This increase is primarily the result of lower than normal expenses in 2021 due to the decrease in OPEB expense for the Ohio Public Employees Retirement System (OPERS). The 2022 governmental activities expenses are comparable to the 2020 governmental activities expenses.

General government expenses totaled \$3,349,511. General government expenses were partially funded by \$1,086,393 in direct charges to users of the services and \$2,164,508 in operating grants and contributions. Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$9,296,692 of the total expenses of the City. These expenses were partially funded by \$184,961 in direct charges to users of the services and \$98,208 in operating grants and contributions.

The State and federal government contributed to the City a total of \$4,296,131 in operating grants and contributions and \$943,445 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Capital grants and contributions in 2022 subsidized transportation programs.

General revenues totaled \$15,953,997 and amounted to 70.28% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$15,664,401. Another primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and homestead and rollback, making up \$854,146.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services 2022	Net Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2021
Program expenses:				
General government	\$ 3,349,511	\$ 98,610	\$ 1,930,292	\$ 856,835
Security of persons and property	9,296,692	9,013,523	8,455,029	8,078,839
Public health services	626,899	515,421	530,164	452,044
Transportation	2,115,308	(153,055)	2,191,524	(57,008)
Community environment	701,128	(89,367)	1,137,043	(82,985)
Basic utility services	40,661	40,661	34,356	34,356
Leisure time activities	946,390	904,734	455,427	431,361
Interest and fiscal charges	<u>12,238</u>	<u>12,238</u>	<u>12,715</u>	<u>12,715</u>
Total expenses	<u>\$ 17,088,827</u>	<u>\$ 10,342,765</u>	<u>\$ 14,746,550</u>	<u>\$ 9,726,157</u>

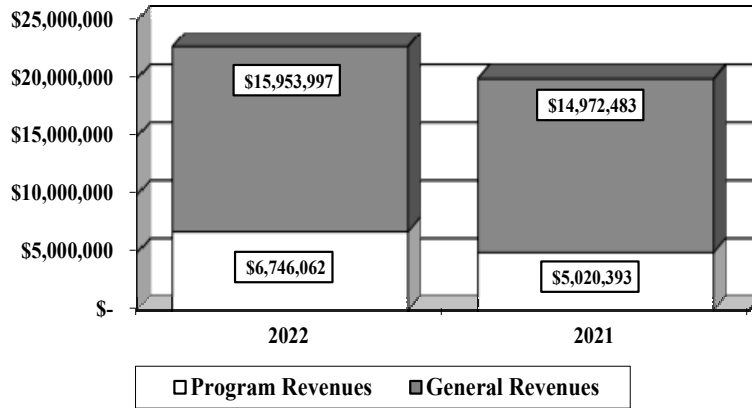
The dependence upon general revenues for governmental activities is apparent, with only 39.48% of expenses supported through program revenues in 2022.

CITY OF ALLIANCE, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

The graph below shows the City’s general revenues and program revenues for 2021 and 2022.

Governmental Activities – General and Program Revenues

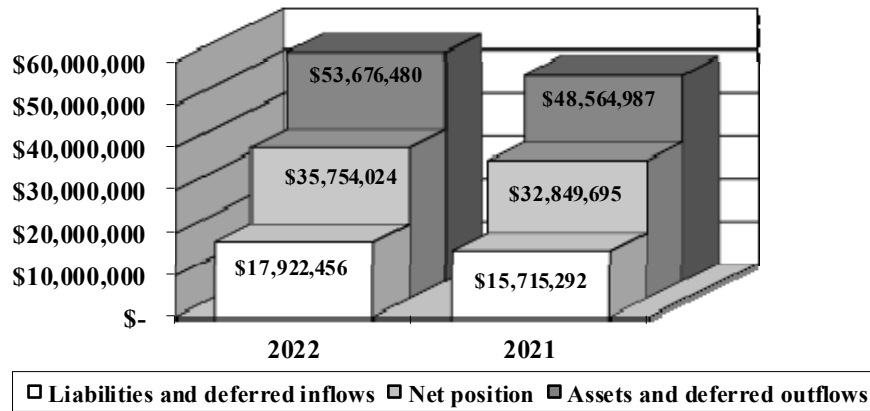


Business-Type Activities

Business-type activities include the water, sewer, community center, and community improvement enterprise funds. These programs had program revenues of \$12,118,307, general revenues of \$1,212,419 and expenses of \$10,426,397 for 2022.

The graph that follows shows the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at year-end.

Net Position in Business – Type Activities



Financial Analysis of the Government’s Major Funds

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

Governmental Funds

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

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

The City's governmental funds reported a combined fund balance of \$13,499,335 which is \$753,142 greater than last year's total of \$12,746,193. The schedule that follows indicates the fund balances and the total change in fund balances as of December 31, 2022 and 2021 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> <u>12/31/2022</u>	<u>Fund Balances</u> <u>12/31/2021</u>	<u>Change</u>
Major funds:			
General fund	\$ 4,097,560	\$ 3,984,901	\$ 112,659
Local fiscal recovery fund	-	-	-
Capital improvements fund	1,534,139	1,849,674	(315,535)
Other nonmajor governmental funds	<u>7,867,636</u>	<u>6,911,618</u>	<u>956,018</u>
Total	<u>\$ 13,499,335</u>	<u>\$ 12,746,193</u>	<u>\$ 753,142</u>

General Fund

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

	<u>2022</u> <u>Amount</u>	<u>2021</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
Revenues:				
Taxes	\$ 12,093,025	\$ 10,434,990	\$ 1,658,035	15.89 %
Charges for services	280,049	211,105	68,944	32.66 %
Licenses, permits and fees	261,877	212,077	49,800	23.48 %
Fines and forfeitures	411,423	441,922	(30,499)	(6.90) %
Intergovernmental	798,520	746,624	51,896	6.95 %
Investment income	118,547	37,983	80,564	212.11 %
Rentals	36,337	28,702	7,635	26.60 %
Other	<u>(784,553)</u>	<u>229,892</u>	<u>(1,014,445)</u>	<u>(441.27) %</u>
Total	<u>\$ 13,215,225</u>	<u>\$ 12,343,295</u>	<u>\$ 871,930</u>	7.06 %

Revenues of the general fund increased \$871,930 or 7.06%. Taxes revenue consists of income, property and other taxes, all of which increased in 2022 due to an increase in collections. The increase of \$68,944 or 32.66% in charges for services is due to increased reimbursement collections during 2022. The increase of \$49,800 or 23.48% in licenses and permits is due to increased building permit and refill permit revenues. Intergovernmental revenue increased \$51,896 or 6.95% due mainly to an increase in grant revenue received from the state. Investment income increased \$80,564 or 212.11% due to increased interest rates during 2022. Other revenues decreased as a result of the fair value adjustment for the City's investments.

CITY OF ALLIANCE, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

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

	<u>2022</u> <u>Amount</u>	<u>2021</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
Expenditures:				
General government	\$ 3,188,772	\$ 3,261,173	\$ (72,401)	(2.22) %
Security of persons and property	8,274,904	7,684,941	589,963	7.68 %
Public health and welfare	499,030	451,689	47,341	10.48 %
Transportation	-	1,151,806	(1,151,806)	(100.00) %
Community environment	97,935	96,952	983	1.01 %
Leisure time activities	-	1,050	(1,050)	(100.00) %
Basic utility services	53,975	64,297	(10,322)	(16.05) %
Debt service	5,932	-	5,932	100.00 %
Total	<u>\$ 12,120,548</u>	<u>\$ 12,711,908</u>	<u>\$ (591,360)</u>	<u>(4.65) %</u>

Expenditures of the general fund decreased \$591,360 or 4.65%. Security of persons and property expenditures increased as a result of increased police salaries and wages in 2022, and during 2021, the City was able to use CARES Act money to reimburse police salaries and wages that are normally paid from the general fund resulting in a decrease in 2021. Transportation expenditures decreased due to the street construction and maintenance expenditures paid out of the general fund during 2021 and the project was completed during 2021. Debt service expenditures increased during 2022 due to the payments on a lease agreement from the implementation of GASB Statement No. 87.

Local Fiscal Recovery Fund

The local fiscal recovery fund is reported as a major fund and had \$2,132,488 in revenues and \$2,132,488 in expenditures in 2022.

Capital Improvements Fund

The capital improvements fund is reported as a major fund and had \$1,935,134 in revenues and \$2,250,669 in expenditures in 2022. The capital improvements fund decreased \$315,535 from a fund balance of \$1,849,674 to a fund balance of \$1,534,139.

Budgeting Highlights – General Fund

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

In the general fund, the actual revenues and other financing sources of \$13,816,968 was more than the final budget amount of \$13,385,586. Actual expenditures and other financing uses of \$12,412,491 were lower than the final budget amount of \$13,151,402. The decrease of \$738,911 from final budgeted amounts to actual expenditures and other financing uses is due mainly to decreased spending for general government and security of persons and property. Budgeted expenditures and other financing uses were increased \$328,162 from the original to the final budget, mostly to account for additional transfers and advances to other funds. Budgeted revenues were increased \$1,189,766 from the original to the final budget in order to more closely reflect higher collections of income taxes and intergovernmental revenue.

CITY OF ALLIANCE, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Proprietary Funds

The City’s proprietary fund financial statements provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds. The only interfund activities reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

The City’s business-type funds reported a combined net position of \$35,834,676, which is \$2,977,023 more than last year’s total of \$32,857,653.

The schedule below indicates the net position and the total change in net position as of December 31, 2022 and 2021 for all major and nonmajor business-type funds.

	<u>Net Position</u> <u>12/31/22</u>	<u>Net Position</u> <u>12/31/21</u>	<u>Change</u>
Major funds:			
Water	\$ 19,830,397	\$ 17,920,122	\$ 1,910,275
Sewer	15,409,936	14,508,360	901,576
Nonmajor funds	<u>594,343</u>	<u>429,171</u>	<u>165,172</u>
 Total	 <u>\$ 35,834,676</u>	 <u>\$ 32,857,653</u>	 <u>\$ 2,977,023</u>

Water

Net position of the City’s water fund increased \$1,910,275 or 10.66% during 2022 from \$17,920,122 to \$19,830,397. The table below compares the revenues, expenses, and other changes in net position for the past two years.

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CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>		<u>Change</u>
<u>Operating revenues</u>				
Charges for services	\$ 5,637,674	\$ 5,283,068	\$ 354,606	6.71 %
Other	<u>120,979</u>	<u>180,187</u>	<u>(59,208)</u>	(32.86) %
Total operating revenues	<u>5,758,653</u>	<u>5,463,255</u>	<u>295,398</u>	5.41 %
<u>Operating expenses</u>				
Salaries and benefits	1,545,884	1,462,701	83,183	5.69 %
Fringe benefits	(26,068)	(633,317)	607,249	(95.88) %
Contractual services	702,237	776,701	(74,464)	(9.59) %
Materials and supplies	2,022,605	1,792,722	229,883	12.82 %
Depreciation	699,203	679,749	19,454	2.86 %
Other	<u>9,272</u>	<u>3,284</u>	<u>5,988</u>	182.34 %
Total operating expenses	<u>4,953,133</u>	<u>4,081,840</u>	<u>871,293</u>	21.35 %
<u>Other changes in net position</u>				
Municipal income tax	538,160	459,654	78,506	17.08 %
Intergovernmental revenue	497,778	-	497,778	100.00 %
Interest and fiscal charges	(20,215)	(21,565)	1,350	(6.26) %
Interest revenue	<u>89,032</u>	<u>57,452</u>	<u>31,580</u>	54.97 %
Total other changes in net position	<u>\$ 1,104,755</u>	<u>\$ 495,541</u>	<u>\$ 609,214</u>	122.94 %

Operating revenues of the water fund increased \$295,398 or 5.41%. This increase is the result of an increase in fees being collected in the water fund offset by a decrease in other operating revenues. Operating expenses increased \$871,293 or 21.35% due mainly to increased fringe benefits expenses in 2022 as a result in the decrease in OPEB expense for the Ohio Public Employees Retirement System (OPERS) during 2021.

Sewer

Net position of the City's sewer fund increased \$901,576 or 6.21% during 2022 from \$14,508,360 to \$15,409,936. The table below compares the revenues, expenses, and other changes in net position for the past two years.

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CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>		<u>Change</u>
<u>Operating revenues</u>				
Charges for services	\$ 4,817,011	\$ 4,780,296	\$ 36,715	0.77 %
Licenses and permits	11,353	13,448	(2,095)	(15.58) %
Other	<u>17,437</u>	<u>8,770</u>	<u>8,667</u>	98.83 %
Total operating revenues	<u>4,845,801</u>	<u>4,802,514</u>	<u>43,287</u>	0.90 %
<u>Operating expenses</u>				
Salaries and benefits	1,577,217	1,502,642	74,575	4.96 %
Fringe benefits	27,577	(609,420)	636,997	(104.53) %
Contractual services	752,719	782,612	(29,893)	(3.82) %
Materials and supplies	738,753	588,866	149,887	25.45 %
Depreciation	895,535	895,282	253	0.03 %
Other	<u>2,261</u>	<u>3,280</u>	<u>(1,019)</u>	(31.07) %
Total operating expenses	<u>3,994,062</u>	<u>3,163,262</u>	<u>830,800</u>	26.26 %
<u>Other changes in net position</u>				
Interest revenue	87,449	58,766	28,683	48.81 %
Interest and fiscal charges	<u>(37,612)</u>	<u>(74,948)</u>	<u>37,336</u>	(49.82) %
Total other changes in net position	<u>\$ 49,837</u>	<u>\$ (16,182)</u>	<u>\$ 66,019</u>	(407.98) %

Operating revenues of the sewer fund increased \$43,287 or 0.90%. This increase can mainly be attributed to an increase in usage from the prior year and an increase in other operating revenues. Operating expenses increased \$830,800 or 26.26% due mainly to increased fringe benefits expenses in 2022 as a result in the decrease in OPEB expense for the Ohio Public Employees Retirement System (OPERS) during 2021.

Capital Assets and Debt Administration

Capital Assets

At December 31, 2022, the City had \$59,641,957 (net of accumulated depreciation/amortization) invested in land, easements and right of ways, construction in progress (CIP), land improvements, buildings and improvements, furniture, fixtures, and equipment, vehicles, infrastructure, and intangible right to use assets. Of this total, \$22,884,991 was reported in governmental activities and \$36,756,966 was reported in business-type activities. See Note 7 in the basic financial statements for additional capital asset disclosures.

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CITY OF ALLIANCE, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)**

The following table shows December 31, 2022 balances compared to December 31, 2021. The amounts at December 31, 2021 have been restated as described in Note 3.A.

**Capital Assets at December 31
(Net of Depreciation/Amortization)**

	Governmental Activities <u>2022</u>	Governmental Activities <u>2021</u>	Business-type Activities <u>2022</u>	Business-type Activities <u>2021</u>	Total <u>2022</u>	Total <u>2021</u>
Land	\$ 3,397,787	\$ 3,397,787	\$ 1,159,437	\$ 1,159,437	\$ 4,557,224	\$ 4,557,224
Easements and right of ways	116,018	116,018	-	-	116,018	116,018
Buildings, structures and improvements	5,271,317	5,244,842	12,566,624	13,029,866	17,837,941	18,274,708
Furniture, fixtures and equipment	2,096,222	1,456,857	6,376,866	6,371,018	8,473,088	7,827,875
Vehicles	2,527,846	1,990,651	-	-	2,527,846	1,990,651
Infrastructure	5,677,080	6,183,297	-	-	5,677,080	6,183,297
Land improvements	-	-	113,328	117,260	113,328	117,260
Water and sewer lines	-	-	11,445,465	10,817,177	11,445,465	10,817,177
Construction in progress	3,787,462	1,840,805	5,085,867	1,068,220	8,873,329	2,909,025
Intangible right to use - leased equipment	11,259	19,310	9,379	-	20,638	19,310
Total	\$ 22,884,991	\$ 20,249,567	\$ 36,756,966	\$ 32,562,978	\$ 59,641,957	\$ 52,812,545

The overall increase for governmental activities is a result of capital asset additions of \$4,208,873 exceeding depreciation/amortization expense of \$1,573,449. For the governmental activities, the most significant capital asset activity during the year primarily involved various street improvement projects, most of which are still ongoing and reported as construction in progress (CIP). For the business-type activities, the overall increase is a result of net capital asset additions of \$5,801,395 exceeding depreciation/amortization expense of \$1,607,407. For the business-type activities, the most significant capital asset activity during the year was primarily involved the City's sewer treatment improvement project which is reported as construction in progress (CIP) at December 31, 2022.

The City's largest governmental capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, curbs, annexed roadways, street lighting, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of maintaining and improving these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 24.81% of the City's total governmental capital assets.

The City's largest business-type capital asset category is the buildings and improvements. The net book value of the City's building and improvements (cost less accumulated depreciation) represents approximately 34.19% of the City's total business-type capital assets.

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

Debt Administration

The City had the following long-term debt obligations outstanding at December 31, 2022 and 2021. The amounts at December 31, 2022 have been restated as described in Note 3.A.

	Governmental Activities 2022	Restated Governmental Activities 2021
Police and fire pension liability	\$ 231,347	\$ 245,224
Leases payable	11,445	19,310
SIB Loan	23,928	47,153
OPWC loan	<u>280,002</u>	<u>293,335</u>
Total long-term obligations	<u>\$ 546,722</u>	<u>\$ 605,022</u>
	Business-type Activities 2022	Business-type Activities 2021
General obligation bonds	\$ 625,090	\$ 685,100
Leases payable	9,425	-
OPWC loans	1,228,175	1,319,076
OWDA loans	<u>10,264,411</u>	<u>7,294,139</u>
Total long-term obligations	<u>\$ 12,127,101</u>	<u>\$ 9,298,315</u>

Additions to long-term debt in 2022 included an OWDA loan in the amount of \$3,463,758 for Phase I of the wastewater improvement project and a lease obligation in business-type activities in the amount of \$10,563.

See Note 11 in the basic financial statements for additional disclosures and detail regarding the City's debt activity.

Economic Conditions and Financial Outlook

The City of Alliance, like many local government entities are dealing with revenue reductions, due to the elimination and decline of various sources, including the State of Ohio Estate Tax, Local Government Funding as well as the phase-out of payments made by the State to local governments for revenues once collected on tangible personal property and certain types of electricity generation. The combined effects of these losses along with increased costs, such as employee healthcare, wages and benefits, have been factors in the decline.

The City has experienced a continual decline in its general fund cash balance, in part due to a structural deficit as expenses have consistently exceeded revenues. The general fund balance has shrunk from a high of \$3.9 million in 2011 to a cash carryover of \$445,233 at December 31, 2018. The City's finances were boosted in 2020 by utilizing \$1.2 million dollars of CARES Act funds towards safety forces payroll. The City was awarded \$15 million of American Rescue Plan Act (ARPA) funds in 2021/2022. The City has used the funding for primarily paving and capital needs to date. The general fund carryover cash balance for 2023 was \$3,773,448 aided by ARPA funds and increased income tax collections. 2022 income tax collections were 14.26% higher than 2021.

The City has attempted to reduce expenditures by attrition and incorporating part-time staff in virtually all departments. The City has incorporated modifications to its self-funded health care program which includes a wellness component, increased employee contributions, and spousal carveout with all bargaining units.

CITY OF ALLIANCE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2022 (UNAUDITED)

The Income Tax Department has increased collection efforts pursuing back taxes via civil and criminal court action. The City has also partnered with the Cleveland Income Tax Agency to pursue individuals that have not filed City income tax. The Tax Department also began certifying delinquent tax account to the Ohio Attorney General's office.

Alliance voters passed a five-year 3.0 mill Parks and Recreation property tax levy in 2018. The levy allowed for Park expenses to be removed from the City's general fund. The levy is up for renewal in May of 2023.

The City was placed in fiscal caution by the Auditor of State of Ohio based on low carryover balances especially in the General Fund. The State later elevated the City to Fiscal Watch due to City Council not approving a required recovery plan in the required timeframe.

Long-Term Financial Planning

The City will continue pursuing opportunities for development and economic growth through annexations, Tax Increment Financing (TIF), Cooperative Economic Development Areas (CEDA) and Joint Economic Development Districts (JEDD). The City's Planning and Development Department looks to provide assistance to local businesses through its Urban Development Action Grant (UDAG) program. The combination of these efforts target improving the City's tax base. The City will continue employing innovative and creative measures to reduce expenses to counter declining revenues.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate accountability for the money it receives. Any questions concerning any of the information provided in this report or requests for additional information should be addressed to the Alliance City Auditor, Kevin Knowles. You may also visit our website at <http://www.cityofalliance.com> or email us at auditor@allianceoh.gov.

BASIC
FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Alliance City Health Department
Assets:				
Equity in pooled cash and cash equivalents	\$ 25,485,377	\$ 11,270,698	\$ 36,756,075	\$ 88,658
Cash in segregated accounts	36,101	-	36,101	-
Receivables:				
Municipal income taxes	2,702,085	109,963	2,812,048	-
Property and other taxes	2,420,585	-	2,420,585	-
Accounts	165,171	1,142,836	1,308,007	243
Special assessments	1,825,458	-	1,825,458	-
Intergovernmental	1,485,264	253,213	1,738,477	1,757
Accrued interest	143,554	-	143,554	-
Loans	408,861	-	408,861	-
Leases	19,586	-	19,586	-
Internal balance	80,652	(80,652)	-	-
Prepayments	201,322	87,078	288,400	10,183
Materials and supplies inventory	85,085	1,107,389	1,192,474	-
Net pension asset	80,901	67,529	148,430	13,039
Net OPEB asset	684,813	571,620	1,256,433	110,376
Restricted assets:				
Equity in pooled cash and cash equivalents	-	1,637,978	1,637,978	-
Capital assets:				
Non-depreciable/amortized capital assets	7,301,267	6,245,304	13,546,571	-
Depreciable/amortized capital assets, net	15,583,724	30,511,662	46,095,386	24,787
Total capital assets, net	22,884,991	36,756,966	59,641,957	24,787
Total assets	58,709,806	52,924,618	111,634,424	249,043
Deferred outflows of resources:				
Pension	4,500,546	743,807	5,244,353	146,778
OPEB	1,103,283	8,055	1,111,338	3,253
Total deferred outflows of resources	5,603,829	751,862	6,355,691	150,031
Total assets and deferred outflows of resources	64,313,635	53,676,480	117,990,115	399,074
Liabilities:				
Accounts payable	238,168	634,699	872,867	2,391
Contracts payable	472,027	82,303	554,330	-
Accrued wages and benefits payable	177,865	63,758	241,623	13,435
Claims payable	371,846	-	371,846	-
Due to other governments	153,004	40,244	193,248	16,603
Accrued interest payable	920	37,171	38,091	-
Deposits held and due to others	259,123	-	259,123	-
Unearned revenue	13,246,625	-	13,246,625	-
Long-term liabilities:				
Due within one year	826,746	617,935	1,444,681	74,547
Due in more than one year:				
Net pension liability	13,502,225	1,627,925	15,130,150	314,342
Net OPEB liability	2,026,742	-	2,026,742	-
Other amounts due in more than one year	2,189,582	12,191,939	14,381,521	150,297
Total liabilities	33,464,873	15,295,974	48,760,847	571,615
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	2,018,354	-	2,018,354	-
Leases	19,424	-	19,424	-
Pension	6,709,417	2,017,775	8,727,192	385,018
OPEB	1,624,767	608,707	2,233,474	114,041
Total deferred inflows of resources	10,371,962	2,626,482	12,998,444	499,059
Total liabilities and deferred inflows of resources	43,836,835	17,922,456	61,759,291	1,070,674
Net position:				
Net investment in capital assets	22,097,589	24,552,475	46,650,064	24,787
Restricted for:				
Debt service	43,850	-	43,850	-
Capital projects	89,397	-	89,397	-
Transportation projects	356,649	-	356,649	-
Public service programs	879,941	-	879,941	82,239
Community development programs	3,435,510	-	3,435,510	-
Security programs	159,909	-	159,909	-
Other purposes	1,294,504	-	1,294,504	-
Replacement and surplus reserve	-	1,637,978	1,637,978	-
Unrestricted (deficit)	(7,880,549)	9,563,571	1,683,022	(778,626)
Total net position (deficit)	\$ 20,476,800	\$ 35,754,024	\$ 56,230,824	(671,600)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 3,349,511	\$ 1,086,393	\$ 2,164,508	\$ -
Security of persons and property	9,296,692	184,961	98,208	-
Public health and welfare	626,899	99,128	12,350	-
Transportation	2,115,308	-	1,324,918	943,445
Community environment	701,128	94,453	696,042	-
Basic utility services	40,661	-	-	-
Leisure time activities	946,390	41,551	105	-
Interest and fiscal charges	12,238	-	-	-
Total governmental activities	<u>17,088,827</u>	<u>1,506,486</u>	<u>4,296,131</u>	<u>943,445</u>
Business-type activities:				
Water	5,004,734	5,758,653	-	-
Sewer	4,072,982	4,845,801	-	-
Robertson Community Center	61,370	62,338	-	-
Community Improvement	1,287,311	1,451,515	-	-
Total business-type activities	<u>10,426,397</u>	<u>12,118,307</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 27,515,224</u>	<u>\$ 13,624,793</u>	<u>\$ 4,296,131</u>	<u>\$ 943,445</u>
Component Unit:				
Alliance City Health Department	<u>\$ 773,892</u>	<u>\$ 142,672</u>	<u>\$ 819,104</u>	<u>\$ -</u>

General revenues:

Property taxes levied for:

General purposes

Police pension

Fire pension

Park levy

Municipal income taxes levied for:

General purposes

Transportation projects

Capital improvements

Water department

Grants and entitlements not restricted

to specific programs

Investment earnings

Fair value adjustment

Miscellaneous

Total general revenues

Change in net position

Net position (deficit) at beginning of year

Net position (deficit) at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Alliance City Health Department
\$ (98,610)	\$ -	\$ (98,610)	\$ -
(9,013,523)	-	(9,013,523)	-
(515,421)	-	(515,421)	-
153,055	-	153,055	-
89,367	-	89,367	-
(40,661)	-	(40,661)	-
(904,734)	-	(904,734)	-
(12,238)	-	(12,238)	-
<u>(10,342,765)</u>	<u>-</u>	<u>(10,342,765)</u>	<u>-</u>
-	753,919	753,919	-
-	772,819	772,819	-
-	968	968	-
-	164,204	164,204	-
<u>-</u>	<u>1,691,910</u>	<u>1,691,910</u>	<u>-</u>
<u>(10,342,765)</u>	<u>1,691,910</u>	<u>(8,650,855)</u>	<u>-</u>
			187,884
1,114,479	-	1,114,479	-
102,360	-	102,360	-
102,360	-	102,360	-
855,013	-	855,013	-
11,175,960	-	11,175,960	-
968,827	-	968,827	-
1,345,402	-	1,345,402	-
-	538,160	538,160	-
854,146	497,778	1,351,924	3,967
161,955	176,481	338,436	-
(1,623,203)	-	(1,623,203)	-
896,698	-	896,698	-
<u>15,953,997</u>	<u>1,212,419</u>	<u>17,166,416</u>	<u>3,967</u>
5,611,232	2,904,329	8,515,561	191,851
14,865,568	32,849,695	47,715,263	(863,451)
<u>\$ 20,476,800</u>	<u>\$ 35,754,024</u>	<u>\$ 56,230,824</u>	<u>\$ (671,600)</u>

CITY OF ALLIANCE, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Local Fiscal Recovery	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	\$ 2,833,523	\$ 13,418,826	\$ 1,649,108	\$ 7,398,351	\$ 25,299,808
Cash in segregated accounts	36,101	-	-	-	36,101
Receivables (net of allowances for uncollectibles):					
Municipal income taxes	2,234,739	-	274,909	192,437	2,702,085
Property and other taxes	1,253,437	-	-	1,167,148	2,420,585
Accounts	61,578	-	8,234	33,549	103,361
Intergovernmental	411,871	-	318,356	750,273	1,480,500
Special assessments	1,798,361	-	-	27,097	1,825,458
Accrued interest	143,554	-	-	-	143,554
Leases	19,586	-	-	-	19,586
Due from other funds	26,641	-	-	-	26,641
Loans	-	-	-	408,861	408,861
Advances from other funds	5,626	-	-	-	5,626
Interfund loans receivable	158,009	-	-	-	158,009
Prepayments	166,145	-	-	35,177	201,322
Materials and supplies inventory	23,883	-	-	61,202	85,085
Total assets	\$ 9,173,054	\$ 13,418,826	\$ 2,250,607	\$ 10,074,095	\$ 34,916,582
Liabilities:					
Accounts payable	\$ 128,997	\$ 15,461	\$ 13,926	\$ 79,784	\$ 238,168
Contracts payable	-	156,740	237,725	77,562	472,027
Accrued wages and benefits payable	151,971	-	-	25,894	177,865
Interfund loans payable	-	-	-	158,009	158,009
Due to other funds	-	-	-	26,641	26,641
Due to other governments	40,519	-	-	112,485	153,004
Advances to other funds	-	-	-	5,626	5,626
Deposits held and due to others	259,123	-	-	-	259,123
Unearned revenue	-	13,246,625	-	-	13,246,625
Total liabilities	580,610	13,418,826	251,651	486,001	14,737,088
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	987,958	-	-	1,030,396	2,018,354
Income tax revenue not available	1,157,039	-	146,461	102,523	1,406,023
Delinquent property tax revenue not available	232,198	-	-	136,752	368,950
Accrued interest not available	63,401	-	-	-	63,401
Special assessments revenue not available	1,798,361	-	-	27,097	1,825,458
Intergovernmental revenue not available	236,503	-	318,356	423,690	978,549
Leases	19,424	-	-	-	19,424
Total deferred inflows of resources	4,494,884	-	464,817	1,720,458	6,680,159
Total liabilities and deferred inflows of resources	5,075,494	13,418,826	716,468	2,206,459	21,417,247
Fund balances:					
Nonspendable	333,042	-	-	96,379	429,421
Restricted	3,652	-	-	6,514,812	6,518,464
Committed	126,868	-	1,534,139	1,447,579	3,108,586
Assigned	463,548	-	-	-	463,548
Unassigned (deficit)	3,170,450	-	-	(191,134)	2,979,316
Total fund balances	4,097,560	-	1,534,139	7,867,636	13,499,335
Total liabilities, deferred inflows of resources and fund balances	\$ 9,173,054	\$ 13,418,826	\$ 2,250,607	\$ 10,074,095	\$ 34,916,582

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2022

Total governmental fund balances		\$	13,499,335
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			22,884,991
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.			
Municipal income taxes receivable	\$	1,406,023	
Property and other taxes receivable		368,950	
Accrued interest receivable		63,401	
Special assessments receivable		1,825,458	
Intergovernmental receivable		978,549	
Total		4,642,381	4,642,381
An internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. The net position of the internal service fund, including an internal balance of \$7,958, is:			(39,051)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(920)
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows of resources are not reported in governmental funds.			
Net pension asset		80,901	
Deferred outflows of resources		4,500,546	
Deferred inflows of resources		(6,709,417)	
Net pension liability		(13,502,225)	
Total		(15,630,195)	(15,630,195)
The net OPEB asset and net OPEB liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows of resources are not reported in governmental funds.			
Net OPEB asset		684,813	
Deferred outflows of resources		1,103,283	
Deferred inflows of resources		(1,624,767)	
Net OPEB liability		(2,026,742)	
Total		(1,863,413)	(1,863,413)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:			
Police and fire pension liability		(231,347)	
Loans payable		(303,930)	
Leases payable		(11,445)	
Compensated absences		(2,469,606)	
Total		(3,016,328)	(3,016,328)
Net position of governmental activities		\$	20,476,800

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	Local Fiscal Recovery	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Municipal income taxes	\$ 10,988,656	\$ -	\$ 1,321,692	\$ 925,184	\$ 13,235,532
Property and other taxes	1,104,369	-	-	1,077,264	2,181,633
Charges for services	280,049	-	-	154,080	434,129
Licenses, permits and fees	261,877	-	-	61,297	323,174
Fines and forfeitures	411,423	-	-	167,543	578,966
Intergovernmental	798,520	2,132,488	597,837	2,099,037	5,627,882
Investment income	118,547	-	-	79,873	198,420
Rental income	36,337	-	-	-	36,337
Fair value adjustment	(1,623,203)	-	-	-	(1,623,203)
Other	838,650	-	15,605	342,775	1,197,030
Total revenues	<u>13,215,225</u>	<u>2,132,488</u>	<u>1,935,134</u>	<u>4,907,053</u>	<u>22,189,900</u>
Expenditures:					
Current:					
General government	3,188,772	214,863	-	179,132	3,582,767
Security of persons and property	8,274,904	-	-	1,432,785	9,707,689
Public health and welfare	499,030	-	-	169,260	668,290
Transportation	-	-	-	1,086,043	1,086,043
Community environment	97,935	-	-	689,263	787,198
Leisure time activities	-	-	-	990,254	990,254
Basic utility services	53,975	-	-	-	53,975
Capital outlay	-	1,917,625	2,211,774	360,641	4,490,040
Debt service:					
Principal retirement	5,552	-	37,611	15,137	58,300
Interest and fiscal charges	380	-	1,284	10,538	12,202
Total expenditures	<u>12,120,548</u>	<u>2,132,488</u>	<u>2,250,669</u>	<u>4,933,053</u>	<u>21,436,758</u>
Excess (deficiency) of revenues over (under) expenditures	1,094,677	-	(315,535)	(26,000)	753,142
Other financing sources (uses):					
Transfers in	-	-	-	989,395	989,395
Transfers (out)	(982,018)	-	-	(7,377)	(989,395)
Total other financing sources (uses)	<u>(982,018)</u>	<u>-</u>	<u>-</u>	<u>982,018</u>	<u>-</u>
Net change in fund balances	112,659	-	(315,535)	956,018	753,142
Fund balances at beginning of year	<u>3,984,901</u>	<u>-</u>	<u>1,849,674</u>	<u>6,911,618</u>	<u>12,746,193</u>
Fund balances at end of year	<u>\$ 4,097,560</u>	<u>\$ -</u>	<u>\$ 1,534,139</u>	<u>\$ 7,867,636</u>	<u>\$ 13,499,335</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Net change in fund balances - total governmental funds	\$	753,142
<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/amortization expense. This is the amount by which capital outlays exceed depreciation/amortization expense in the current period.		
Capital asset additions	\$ 4,208,873	
Current year depreciation/amortization	<u>(1,573,449)</u>	
Total		2,635,424
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Municipal income taxes	227,611	
Property taxes	(7,421)	
Intergovernmental revenues	168,569	
Investment income	43,408	
Special assessments	<u>77,992</u>	
Total		510,159
Repayment of loan and lease principal and police and fire pension liability are expenditures in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		58,300
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		
		(36)
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows of resources.		
Pension	1,535,561	
OPEB	<u>27,532</u>	
Total		1,563,093
Except for amounts reported as deferred inflows/outflows of resources, changes in the net pension asset/liability and net OPEB asset/liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(156,440)	
OPEB	<u>490,932</u>	
Total		334,492
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		63,362
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund, less \$72,694 allocated to the business-type activities, is allocated among the governmental activities.		
		<u>(306,704)</u>
Change in net position of governmental activities	\$	<u>5,611,232</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Municipal income taxes	\$ 9,373,916	\$ 10,200,000	\$ 10,479,349	\$ 279,349
Property and other taxes	1,013,837	1,103,182	1,103,182	-
Charges for services	224,150	243,903	273,741	29,838
Licenses, permits and fees	142,564	155,128	189,457	34,329
Fines and forfeitures	365,363	397,561	408,025	10,464
Intergovernmental	756,450	823,113	802,214	(20,899)
Investment income	44,113	48,000	55,675	7,675
Rental income	25,365	27,600	38,476	10,876
Other	250,062	272,099	351,849	79,750
Total revenues	<u>12,195,820</u>	<u>13,270,586</u>	<u>13,701,968</u>	<u>431,382</u>
Expenditures:				
Current:				
General government:				
Mayor:				
Salaries and wages	112,000	112,000	100,777	11,223
Fringe benefits	43,755	44,095	42,132	1,963
Contractual services	2,330	2,330	2,155	175
Materials and supplies	1,816	1,816	1,169	647
Total mayor	<u>159,901</u>	<u>160,241</u>	<u>146,233</u>	<u>14,008</u>
Senior center:				
Salaries and wages	42,000	42,405	42,405	-
Fringe benefits	23,554	23,779	23,381	398
Total senior center	<u>65,554</u>	<u>66,184</u>	<u>65,786</u>	<u>398</u>
Auditor:				
Salaries and wages	113,389	112,984	107,606	5,378
Fringe benefits	44,925	45,305	44,706	599
Contractual services	16,574	17,371	16,938	433
Materials and supplies	6,016	5,466	4,182	1,284
Total auditor	<u>180,904</u>	<u>181,126</u>	<u>173,432</u>	<u>7,694</u>
Treasurer:				
Salaries and wages	4,390	4,390	4,381	9
Fringe benefits	816	833	822	11
Materials and supplies	611	611	611	-
Total treasurer	<u>5,817</u>	<u>5,834</u>	<u>5,814</u>	<u>20</u>
Law director:				
Salaries and wages	237,000	237,000	228,727	8,273
Fringe benefits	64,130	64,870	60,667	4,203
Contractual services	5,673	5,673	3,195	2,478
Materials and supplies	2,800	2,800	1,364	1,436
Total law director	<u>309,603</u>	<u>310,343</u>	<u>293,953</u>	<u>16,390</u>
City council:				
Salaries and wages	35,317	35,317	35,314	3
Fringe benefits	6,195	6,688	6,542	146
Total city council	<u>41,512</u>	<u>42,005</u>	<u>41,856</u>	<u>149</u>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Clerk of council:				
Salaries and wages	\$ 9,700	\$ 9,700	\$ 9,673	\$ 27
Fringe benefits	1,738	1,763	1,734	29
Contractual services	8,300	8,300	1,897	6,403
Materials and supplies	500	500	-	500
Total clerk of council	<u>20,238</u>	<u>20,263</u>	<u>13,304</u>	<u>6,959</u>
Judge and probation:				
Salaries and wages	273,000	273,000	243,010	29,990
Fringe benefits	105,730	106,556	98,159	8,397
Contractual services	3,917	3,717	3,295	422
Materials and supplies	6,500	6,700	4,462	2,238
Total judge and probation	<u>389,147</u>	<u>389,973</u>	<u>348,926</u>	<u>41,047</u>
Clerk of courts:				
Salaries and wages	282,500	282,500	257,777	24,723
Fringe benefits	125,329	131,979	124,001	7,978
Contractual services	57,819	57,819	23,033	34,786
Materials and supplies	23,500	23,500	15,693	7,807
Total clerk of courts	<u>489,148</u>	<u>495,798</u>	<u>420,504</u>	<u>75,294</u>
Civil service:				
Salaries and wages	16,750	16,750	15,993	757
Fringe benefits	2,865	2,865	2,638	227
Materials and supplies	7,000	23,375	23,198	177
Total civil service	<u>26,615</u>	<u>42,990</u>	<u>41,829</u>	<u>1,161</u>
Engineering:				
Salaries and wages	112,000	112,000	91,352	20,648
Fringe benefits	33,120	33,736	27,933	5,803
Contractual services	30,005	30,005	13,073	16,932
Materials and supplies	7,361	7,361	2,642	4,719
Total engineering	<u>182,486</u>	<u>183,102</u>	<u>135,000</u>	<u>48,102</u>
State examiner:				
Contractual services	17,000	17,000	15,917	1,083
Total state examiner	<u>17,000</u>	<u>17,000</u>	<u>15,917</u>	<u>1,083</u>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Land and buildings:				
Salaries and wages	\$ 48,000	\$ 48,000	\$ 45,441	\$ 2,559
Fringe benefits	23,065	23,065	22,326	739
Contractual services	368,124	350,650	288,842	61,808
Total land and buildings	<u>439,189</u>	<u>421,715</u>	<u>356,609</u>	<u>65,106</u>
General administration:				
Salaries and wages	48,000	48,000	29,014	18,986
Fringe benefits	16,275	16,275	12,589	3,686
Contractual services	145,384	151,396	135,646	15,750
Materials and supplies	21,000	36,000	32,796	3,204
Other	26,600	28,601	25,837	2,764
Total general administration	<u>257,259</u>	<u>280,272</u>	<u>235,882</u>	<u>44,390</u>
Total general government	<u>2,584,373</u>	<u>2,616,846</u>	<u>2,295,045</u>	<u>321,801</u>
Security of persons and property:				
Police:				
Salaries and wages	3,208,000	3,223,303	3,128,408	94,895
Fringe benefits	727,741	726,217	701,728	24,489
Contractual services	235,645	241,944	235,825	6,119
Materials and supplies	146,686	172,444	162,557	9,887
Total police	<u>4,318,072</u>	<u>4,363,908</u>	<u>4,228,518</u>	<u>135,390</u>
Fire:				
Salaries and wages	2,406,540	2,406,540	2,376,519	30,021
Fringe benefits	564,804	564,804	535,802	29,002
Contractual services	184,084	219,950	176,547	43,403
Materials and supplies	42,245	52,830	46,578	6,252
Total fire	<u>3,197,673</u>	<u>3,244,124</u>	<u>3,135,446</u>	<u>108,678</u>
Safety administration:				
Salaries and wages	460,500	474,446	470,965	3,481
Fringe benefits	199,245	195,299	192,760	2,539
Contractual services	381,815	381,815	331,238	50,577
Total safety administration	<u>1,041,560</u>	<u>1,051,560</u>	<u>994,963</u>	<u>56,597</u>
Prisoner support:				
Contractual services	24,500	24,500	3,003	21,497
Total prisoner support	<u>24,500</u>	<u>24,500</u>	<u>3,003</u>	<u>21,497</u>
Total security of persons and property	<u>8,581,805</u>	<u>8,684,092</u>	<u>8,361,930</u>	<u>322,162</u>

Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public health services:				
Health administration:				
Contractual services	\$ 498,050	\$ 498,050	\$ 498,050	\$ -
Total health administration	<u>498,050</u>	<u>498,050</u>	<u>498,050</u>	<u>-</u>
Total public health services	<u>498,050</u>	<u>498,050</u>	<u>498,050</u>	<u>-</u>
Community environment:				
Tree care:				
Contractual services	5,000	5,497	5,496	1
Total tree care	<u>5,000</u>	<u>5,497</u>	<u>5,496</u>	<u>1</u>
Zoning and building:				
Salaries and wages	115,000	110,415	66,096	44,319
Fringe benefits	28,550	28,550	18,973	9,577
Contractual services	12,308	12,258	6,243	6,015
Materials and supplies	4,940	4,493	2,010	2,483
Total zoning and building	<u>160,798</u>	<u>155,716</u>	<u>93,322</u>	<u>62,394</u>
Total community environment	<u>165,798</u>	<u>161,213</u>	<u>98,818</u>	<u>62,395</u>
Basic utility services:				
Storm sewer:				
Salaries and wages	40,500	40,500	33,692	6,808
Fringe benefits	32,714	32,714	24,938	7,776
Total storm sewer	<u>73,214</u>	<u>73,214</u>	<u>58,630</u>	<u>14,584</u>
Total basic utility services	<u>73,214</u>	<u>73,214</u>	<u>58,630</u>	<u>14,584</u>
Total expenditures	<u>11,903,240</u>	<u>12,033,415</u>	<u>11,312,473</u>	<u>720,942</u>
Excess of revenues over expenditures	<u>292,580</u>	<u>1,237,171</u>	<u>2,389,495</u>	<u>1,152,324</u>
Other financing sources (uses):				
Transfers out	(920,000)	(999,987)	(982,018)	17,969
Advances in	-	115,000	115,000	-
Advances out	-	(118,000)	(118,000)	-
Total other financing sources (uses)	<u>(920,000)</u>	<u>(1,002,987)</u>	<u>(985,018)</u>	<u>17,969</u>
Net change in fund balance	(627,420)	234,184	1,404,477	1,170,293
Fund balance at beginning of year	2,322,789	2,322,789	2,322,789	-
Prior year encumbrances appropriated	<u>24,114</u>	<u>24,114</u>	<u>24,114</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,719,483</u>	<u>\$ 2,581,087</u>	<u>\$ 3,751,380</u>	<u>\$ 1,170,293</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LOCAL FISCAL RECOVERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 7,693,704	\$ 7,693,705	\$ 1
Investment income	8,000	8,000	-	(8,000)
Total revenues	8,000	7,701,704	7,693,705	(7,999)
Expenditures:				
Current:				
General government:				
Salaries and wages	1,200,000	1,200,000	-	1,200,000
Materials and supplies	100,000	250,000	215,898	34,102
Capital outlay	3,700,260	4,130,261	2,746,274	1,383,987
Total expenditures	5,000,260	5,580,261	2,962,172	2,618,089
Net change in fund balance	(4,992,260)	2,121,443	4,731,533	2,610,090
Fund balance at beginning of year	7,686,968	7,686,968	7,686,968	-
Prior year encumbrances appropriated	260	260	260	-
Fund balance at end of year	\$ 2,694,968	\$ 9,808,671	\$ 12,418,761	\$ 2,610,090

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF ALLIANCE, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Nonmajor Enterprise Funds	Total	
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 4,763,236	\$ 5,943,854	\$ 563,608	\$ 11,270,698	\$ 185,569
Receivables (net of allowance for uncollectibles):					
Accounts	656,929	485,907	-	1,142,836	61,810
Municipal income taxes	109,963	-	-	109,963	-
Due from other governments	253,213	-	-	253,213	4,764
Prepayments	43,188	43,602	288	87,078	-
Materials and supplies inventory	976,598	130,791	-	1,107,389	-
Total current assets	<u>6,803,127</u>	<u>6,604,154</u>	<u>563,896</u>	<u>13,971,177</u>	<u>252,143</u>
Noncurrent assets:					
Net pension asset	33,125	33,974	430	67,529	-
Net OPEB asset	280,396	287,581	3,643	571,620	-
Restricted assets:					
Equity in pooled cash and cash equivalents	1,637,978	-	-	1,637,978	-
Capital assets:					
Non-depreciable capital assets	834,002	5,411,302	-	6,245,304	-
Depreciable capital assets, net	16,257,102	14,097,099	157,461	30,511,662	-
Total capital assets, net	<u>17,091,104</u>	<u>19,508,401</u>	<u>157,461</u>	<u>36,756,966</u>	<u>-</u>
Total noncurrent assets	<u>19,042,603</u>	<u>19,829,956</u>	<u>161,534</u>	<u>39,034,093</u>	<u>-</u>
Total assets	<u>25,845,730</u>	<u>26,434,110</u>	<u>725,430</u>	<u>53,005,270</u>	<u>252,143</u>
Deferred outflows of resources:					
Pension	375,164	356,027	12,616	743,807	-
OPEB	3,584	1,190	3,281	8,055	-
Total deferred outflows of resources	<u>378,748</u>	<u>357,217</u>	<u>15,897</u>	<u>751,862</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 26,224,478</u>	<u>\$ 26,791,327</u>	<u>\$ 741,327</u>	<u>\$ 53,757,132</u>	<u>\$ 252,143</u>

- Continued

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS (CONTINUED)
 DECEMBER 31, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Nonmajor Enterprise Funds	Total	
Liabilities:					
Current liabilities:					
Accounts payable	\$ 365,004	\$ 151,328	\$ 118,367	\$ 634,699	\$ -
Contracts payable	-	82,303	-	82,303	-
Accrued wages and benefits payable	29,990	33,768	-	63,758	-
Compensated absences payable	161,537	129,535	-	291,072	-
Due to other governments	18,537	19,938	1,769	40,244	-
Accrued interest payable	1,574	35,597	-	37,171	-
Claims payable	-	-	-	-	371,846
General obligation bonds payable - current	60,010	-	-	60,010	-
OWDA loans payable - current	69,877	104,091	-	173,968	-
OPWC loans payable - current	37,105	53,797	-	90,902	-
Leases payable - current	1,983	-	-	1,983	-
Total current liabilities	<u>745,617</u>	<u>610,357</u>	<u>120,136</u>	<u>1,476,110</u>	<u>371,846</u>
Long-term liabilities:					
General obligation bonds payable	565,080	-	-	565,080	-
OPWC loans payable	779,196	358,077	-	1,137,273	-
Compensated absences payable	174,643	217,058	-	391,701	-
OWDA loans payable	2,054,208	8,036,235	-	10,090,443	-
Leases payable	7,442	-	-	7,442	-
Net pension liability	798,544	819,006	10,375	1,627,925	-
Total long-term liabilities	<u>4,379,113</u>	<u>9,430,376</u>	<u>10,375</u>	<u>13,819,864</u>	<u>-</u>
Total liabilities	<u>5,124,730</u>	<u>10,040,733</u>	<u>130,511</u>	<u>15,295,974</u>	<u>371,846</u>
Deferred inflows of resources:					
Pension	978,229	1,026,838	12,708	2,017,775	-
OPEB	291,122	313,820	3,765	608,707	-
Total deferred inflows of resources	<u>1,269,351</u>	<u>1,340,658</u>	<u>16,473</u>	<u>2,626,482</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>6,394,081</u>	<u>11,381,391</u>	<u>146,984</u>	<u>17,922,456</u>	<u>371,846</u>
Net position:					
Net investment in capital assets	13,516,203	10,878,811	157,461	24,552,475	-
Restricted for:					
Replacement and surplus reserve	1,637,978	-	-	1,637,978	-
Unrestricted (deficit)	<u>4,676,216</u>	<u>4,531,125</u>	<u>436,882</u>	<u>9,644,223</u>	<u>(119,703)</u>
Total net position (deficit)	<u>\$ 19,830,397</u>	<u>\$ 15,409,936</u>	<u>\$ 594,343</u>	<u>35,834,676</u>	<u>\$ (119,703)</u>
Adjustment to reflect the consolidation of the internal service fund's activities related to enterprise funds				<u>(80,652)</u>	
Net position of business-type activities				<u>\$ 35,754,024</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Nonmajor Enterprise Funds	Total	
Operating revenues:					
Charges for services	\$ 5,637,674	\$ 4,817,011	\$ 1,447,899	\$ 11,902,584	\$ 2,716,864
Licenses, permits and fees	-	11,353	-	11,353	-
Other	120,979	17,437	65,954	204,370	294,766
Total operating revenues	<u>5,758,653</u>	<u>4,845,801</u>	<u>1,513,853</u>	<u>12,118,307</u>	<u>3,011,630</u>
Operating expenses:					
Salaries	1,545,884	1,577,217	19,527	3,142,628	-
Fringe benefits	(26,068)	27,577	120	1,629	-
Contract services	702,237	752,719	1,302,148	2,757,104	-
Materials and supplies	2,022,605	738,753	14,217	2,775,575	-
Depreciation	699,203	895,535	12,669	1,607,407	-
Claims	-	-	-	-	3,391,028
Other	9,272	2,261	-	11,533	-
Total operating expenses	<u>4,953,133</u>	<u>3,994,062</u>	<u>1,348,681</u>	<u>10,295,876</u>	<u>3,391,028</u>
Operating income (loss)	<u>805,520</u>	<u>851,739</u>	<u>165,172</u>	<u>1,822,431</u>	<u>(379,398)</u>
Nonoperating revenues (expenses):					
Interest revenue	89,032	87,449	-	176,481	-
Interest expense and fiscal charges	(20,215)	(37,612)	-	(57,827)	-
Intergovernmental	497,778	-	-	497,778	-
Municipal income tax revenue	538,160	-	-	538,160	-
Total nonoperating revenues (expenses)	<u>1,104,755</u>	<u>49,837</u>	<u>-</u>	<u>1,154,592</u>	<u>-</u>
Change in net position	1,910,275	901,576	165,172	2,977,023	(379,398)
Net position at beginning of year	<u>17,920,122</u>	<u>14,508,360</u>	<u>429,171</u>		<u>259,695</u>
Net position (deficit) at end of year	<u>\$ 19,830,397</u>	<u>\$ 15,409,936</u>	<u>\$ 594,343</u>		<u>\$ (119,703)</u>
Adjustment to reflect the consolidation of the internal service fund's activities related to enterprise funds				(72,694)	
Change in net position of business-type activities				<u>\$ 2,904,329</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF ALLIANCE, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Nonmajor Enterprise Funds	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 5,418,878	\$ 4,756,639	\$ 1,447,899	\$ 11,623,416	\$ -
Cash received from licenses and permits	-	11,353	-	11,353	-
Cash received from other operations	101,726	17,437	65,954	185,117	290,463
Cash received from interfund services provided	-	-	-	-	2,716,864
Cash payments for salaries	(1,541,961)	(1,568,228)	(19,527)	(3,129,716)	-
Cash payments for fringe benefits	(292,140)	(289,397)	(2,965)	(584,502)	-
Cash payments for interfund services	(289,676)	(362,604)	-	(652,280)	-
Cash payments for contractual services	(744,332)	(755,958)	(1,299,541)	(2,799,831)	-
Cash payments for materials and supplies	(2,439,947)	(743,606)	(14,217)	(3,197,770)	-
Cash payments for claims	-	-	-	-	(3,193,199)
Cash payments for other expenses	(9,272)	(2,261)	-	(11,533)	-
Net cash provided by (used in) operating activities	203,276	1,063,375	177,603	1,444,254	(185,872)
Cash flows from noncapital financing activities:					
Cash received from municipal income taxes	530,600	-	-	530,600	-
Cash received from OWDA grant	244,565	-	-	244,565	-
Net cash provided by noncapital financing activities	775,165	-	-	775,165	-
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(1,145,600)	(4,557,908)	(5,021)	(5,708,529)	-
Proceeds from OWDA loan	-	3,463,758	-	3,463,758	-
Principal retirement on general obligation bonds	(60,000)	-	-	(60,000)	-
Principal retirement on OPWC loans	(37,105)	(53,796)	-	(90,901)	-
Principal retirement on OWDA loans	(155,232)	(338,254)	-	(493,486)	-
Principal retirement on leases	(1,138)	-	-	(1,138)	-
Interest and fiscal charges	(20,334)	(44,159)	-	(64,493)	-
Net cash used in capital and related financing activities	(1,419,409)	(1,530,359)	(5,021)	(2,954,789)	-
Cash flows from investing activities:					
Interest received	89,032	87,449	-	176,481	-
Net cash provided by investing activities	89,032	87,449	-	176,481	-
Net increase (decrease) in cash and cash equivalents	(351,936)	(379,535)	172,582	(558,889)	(185,872)
Cash and cash equivalents at beginning of year	6,753,150	6,323,389	391,026	13,467,565	371,441
Cash and cash equivalents at end of year	<u>\$ 6,401,214</u>	<u>\$ 5,943,854</u>	<u>\$ 563,608</u>	<u>\$ 12,908,676</u>	<u>\$ 185,569</u>

- Continued

CITY OF ALLIANCE, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Fund
	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 805,520	\$ 851,739	\$ 165,172	\$ 1,822,431	\$ (379,398)
Adjustments:					
Depreciation	699,203	895,535	12,669	1,607,407	-
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
Accounts receivable	(238,049)	(60,372)	-	(298,421)	(4,168)
Intergovernmental receivable	-	-	-	-	(135)
Materials and supplies inventory	(525,219)	(26,594)	-	(551,813)	-
Prepayments	(6,618)	(5,045)	(25)	(11,688)	-
Net pension asset	(7,841)	(7,272)	(190)	(15,303)	-
Net OPEB asset	(124,225)	(122,648)	(2,160)	(249,033)	-
Deferred outflows - pension	(183,702)	(144,864)	813	(327,753)	-
Deferred outflows - OPEB	74,225	86,977	4,494	165,696	-
Accounts payable	65,855	20,728	2,626	89,209	-
Accrued wages and benefits	3,923	8,989	-	12,912	-
Due to other governments	359	298	201	858	-
Compensated absences payable	(14,827)	17,108	-	2,281	-
Net pension liability	(527,191)	(581,102)	(2,211)	(1,110,504)	-
Deferred inflows - pension	381,717	357,716	1,001	740,434	-
Deferred inflows - OPEB	(199,854)	(227,818)	(4,787)	(432,459)	-
Claims payable	-	-	-	-	197,829
Net cash provided by (used in) operating activities	<u>\$ 203,276</u>	<u>\$ 1,063,375</u>	<u>\$ 177,603</u>	<u>\$ 1,444,254</u>	<u>\$ (185,872)</u>

Noncash capital and related financing activities:

At December 31, 2022, capital assets purchased on account for the Sewer fund amounted to \$82,303.

During 2022 the Water fund entered into a lease transaction in the amount of \$10,563 for the right to use leased equipment.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	<u>Custodial</u>
Assets:	
Cash and cash equivalents in segregated accounts	<u>\$ 5,195</u>
Total assets	<u>5,195</u>
Liabilities:	
Due to other governments	<u>5,195</u>
Total liabilities	<u><u>\$ 5,195</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF ALLIANCE, OHIO
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Custodial
Additions:	
Fines and forfeitures collected for other governments	\$ 1,142,856
Total additions	1,142,856
Deductions:	
Fines and forfeitures distributed to other governments	1,142,856
Total deductions	1,142,856
Change in net position	-
Net position at beginning of year	-
Net position at end of year	\$ -

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF ALLIANCE, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - DESCRIPTION OF THE CITY

The City of Alliance (the "City") is a statutory municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a part-time Council and full-time Mayor form of government. The Mayor, Council, Auditor, Treasurer, Judge, Clerk of Court and Law Director are elected.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes those departments and agencies that provide the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services.

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; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) 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 for the organization. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

Based on the foregoing criteria, the financial activities of the following potential component unit has been reflected in the accompanying basic financial statements as:

DISCRETELY PRESENTED COMPONENT UNIT

The component unit column in the combined financial statements identifies the financial data of the City's component unit: Alliance City Health Department. It is reported separately to emphasize that it is legally separate from the City.

Alliance City Health Department (the "Health Department") - is a legally separate health department. The Health Department's services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates. The City appoints a voting majority of the Board and the City has a financial benefit/burden relationship with the Health Department.

Separately issued financial statements can be obtained from the Health Department by contacting Kevin Knowles, Alliance City Auditor, 504 E. Main Street, Alliance, Ohio 44601.

Information related to the Health Department is presented in Note 19.

The City is associated with the Stark County Council of Governments, the Stark County Regional Planning Commission, and the Stark Area Regional Transit Authority, which are defined as jointly governed organizations. The City does not have any financial interest in or responsibility for these organizations (see Note 16).

The City is also associated with the Alliance Area Development Foundation (the "Foundation"). The Foundation is a not-for-profit corporation. The board of trustees consists of contributing trustees and elected trustees. The contributing trustees select the elected trustees. In 2022, the Mayor was an Ex-Officio non-voting member. The Foundation's goal is to retain companies, enhance company growth and capture new business for the Alliance area. The Foundation has been excluded from the reporting entity.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

A. Basis of Presentation

The City's Basic Financial Statements ("BFS") consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service fund are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. On the statement of activities, interfund services provided and used are not eliminated in the process of consolidation.

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

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

Local fiscal recovery fund - The local fiscal recovery fund accounts for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

Capital improvements fund - The capital improvements fund accounts for income tax monies received for the purpose of the acquisition of capital assets.

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

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

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

Water fund - This fund accounts for the provision of water treatment and distribution to residential and commercial users in the City.

Sewer fund - This fund accounts for sanitary sewer services provided to residential and commercial users in the City.

The nonmajor enterprise fund of the City are used to account for Robertson Community Center operations and garbage collection services.

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

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

C. Measurement Focus and Basis of Accounting

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Fiduciary funds are accounted for using a flow of economic resources measurement focus.

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 and custodial funds also 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 of resources and in the presentation of expenses versus expenditures.

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

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

Unearned Revenue - Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because the amounts have not yet been earned. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related the City's net pension (asset)/liability and net OPEB (asset)/liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance 2023 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, special assessments, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to rental revenue in a systematic and rational manner over the term of the lease.

See Notes 12 and 13 for deferred inflows of resources related to the City's net pension (asset)/liability and net OPEB (asset)/liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

E. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that the appropriations cannot exceed estimated resources, as certified. All funds, except for custodial funds, are required to be budgeted and appropriated. The legal level of budgetary control is at the personal services and other level within each department within each fund. The City has chosen to show information at the object level of detail. Budgetary modifications at the legal level of control may only be made by resolution of the City Council.

Tax Budget - The Tax Budget is submitted to the County Auditor, Secretary of the County Budget Commission, by August 20 of each year for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the amended official certificate of estimated resources in effect when final appropriations were passed by Council. 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.

Appropriations - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the legal level of budgetary control. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations may not exceed current estimated resources, as certified. The allocation of appropriations among funds may be modified during the year by an ordinance of Council. During the year, several supplemental appropriation measures were passed. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts passed during the year, including all amendments and modifications. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years.

Encumbrances - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the level adopted by Council. On the GAAP basis, encumbrances outstanding at year end are reported as part of restricted, committed, or assigned classifications of fund balance in the governmental fund financial statements.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

F. Cash and Cash Equivalents

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

During 2022, investments were limited to federal agency securities, a U.S. Government money market mutual fund, commercial paper, the State Treasury Asset Reserve of Ohio (STAR Ohio), negotiable certificates of deposit, municipal bonds, and U.S. Treasury Notes. Except for the U.S. Government money market mutual fund and STAR Ohio, as discussed below, investments are reported at fair value which is based on quoted market prices.

During 2022, the City invested in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The City also measures its investment in the U.S. Government money market mutual fund at the NAV value per share. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by provisions of the Ohio Revised Code. Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2022 was \$118,547, which includes \$80,358 assigned from other City funds.

Restricted cash and cash equivalents in the water fund represent balances set-aside for the water replacement and a water surplus reserve. These amounts are restricted in their use and are presented as "restricted assets: equity in pooled cash and cash equivalents" in the water fund.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

The City has segregated bank accounts for monies held separate from the City's central bank account. These monies are presented in the statement of fiduciary net position as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury. The City maintains a separate bank account held at the police department that receives certain monies from the Stark County Clerk of Courts and the Alliance Municipal Court. These monies are presented in the statement of net position as "cash in segregated accounts".

G. Interfund Assets and Liabilities

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year is classified as "interfund loans receivable/payable" for the current portion of interfund loans. The non-current portion of interfund loans is classified as "advances to/from other funds". Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

H. Inventories

Inventories of governmental funds are stated at cost while the inventories of the proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies. The costs of inventory items are recorded as expenditures in the governmental fund types and as expenses in the proprietary fund types when used.

On the governmental fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance which indicates that it does not constitute available spendable resources even though it is a component of current assets.

I. Restricted Assets

Restricted assets in the enterprise funds and business-type activities include cash and cash equivalents set aside for the replacement and improvement of capital assets originally acquired with bond proceeds.

J. Bond Issuance Costs, Bond Premium/Discount and Accounting Gain/Loss

On government-wide financial statements and in the enterprise funds, issuance costs are expensed during the year in which they incurred.

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

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

On the governmental-wide financial statements and proprietary fund financial statements, bond premiums are recognized in the current period. The reconciliation between the bond's face value and the amount reported on the statement of net position is presented in Note 11.B.

K. Prepayments

Payments made to vendors for services that will benefit the City beyond December 31, 2022 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

On the governmental fund financial statements, prepaid items are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of current assets.

L. Capital Assets and Depreciation/Amortization

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and not capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$5,000.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as that used for general capital assets. Donated capital assets are recorded at acquisition cost.

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Improvements to fund capital assets are capitalized and depreciated/amortized over the remaining useful lives of the related capital assets.

Public domain ("infrastructure") general capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized.

All capital assets are depreciated/amortized except for land, easements and right of ways and construction in progress. Depreciation/amortization of capital assets is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings, structures and improvements	10 - 40 years
Furniture, fixtures and equipment	5 - 15 years
Vehicles	5 - 20 years
Water and sewer lines	50 - 60 years
Infrastructure	5 - 50 years
Intangible right to use - leased equipment	5 years

The City reported intangible right to use assets related to leased equipment. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

M. Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. 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 termination method. An accrual for sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have resigned or retired will be paid.

N. Fund Balance

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City Auditor to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

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

O. Interfund Activity

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

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

P. Estimates

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

Q. Fair Value Measurements

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.

CITY OF ALLIANCE, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

R. Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the financial statements only to the extent that they are normally due for payment during the current year. Bonds, loans, leases and long-term notes that will be paid from governmental funds are recognized as a liability in 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.

S. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component "net investment in capital assets" consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. Net position restricted for other purposes consist primarily of municipal court computerization, State misdemeanor programs, indigent drivers program, Brownfield programs, municipal court security and municipal court legal research.

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

T. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The City's proprietary funds had no contributions of capital in 2022.

U. Pensions/Other Postemployment Benefits (OPEB)

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

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. The City had no extraordinary items or special items in 2022.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2022, the City has implemented GASB Statement No. 87, "Leases", GASB Implementation Guide 2019-3, "Leases", GASB Implementation Guide 2020-1, "Implementation Guide Update - 2020", GASB Statement No. 91, "Conduit Debt Obligations", GASB Statement No. 92, "Omnibus 2020", GASB Statement No. 93, "Replacement of Interbank Offered Rates", GASB Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32" and certain paragraphs of GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

These changes were incorporated in the City's 2022 financial statements. The City recognized \$38,848 in governmental activities in leases receivable at January 1, 2022, due to the implementation of GASB 87; however, this entire amount was offset by deferred inflows of resources for leases. The City also recognized \$19,310 in governmental activities in leases payable at January 1, 2022; however, this entire amount was offset by the intangible asset, right to use lease - equipment.

GASB Implementation Guide 2020-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2020-1 did not have an effect on the financial statements of the City.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the City.

GASB Statement No. 92 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The implementation of GASB Statement No. 92 did not have an effect on the financial statements of the City.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The implementation of GASB Statement No. 93 did not have an effect on the financial statements of the City.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 97 is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the City.

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

B. Deficit Fund Balances/Net Position

Fund balances/net position at December 31, 2022 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
HUD Grant	\$ 94,026
Fire Pension	32,071
Police Pension	33,094
FEMA	30,000
Internal service fund	119,703

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficits resulted from adjustments for accrued liabilities.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (d) Investments are reported at fair value (GAAP basis) rather than cost basis (budget basis);
- (e) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	<u>General fund</u>	<u>Local Fiscal Recovery fund</u>
Budget basis	\$ 1,404,477	\$ 4,731,533
Net adjustment for revenue accruals	(1,501,296)	(5,561,217)
Net adjustment for expenditure accruals	94,251	(170,381)
Net adjustments for other financing sources and uses	3,000	-
Funds budgeted elsewhere	90,159	-
Adjustments for encumbrances	<u>22,068</u>	<u>1,000,065</u>
GAAP basis	<u>\$ 112,659</u>	<u>\$ -</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the City income tax fund, gasoline revolving fund, supply revolving fund and auditor transfer fund.

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that the City 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.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

The City's monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

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

A. Cash and Cash Equivalents in Segregated Accounts

At year end, the City had \$5,195 in cash held in segregated accounts for Municipal Court operations. This amount is included in deposits with financial institutions below.

Additionally, the City had \$36,101 in cash held in segregated accounts at the police department for mandatory drug fines. This amount is included in deposits with financial institutions below.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

B. Deposits with Financial Institutions

At December 31, 2022, the carrying amount of all City deposits was \$1,839,962 and the bank balance of all City deposits was \$2,242,871. Of the bank balance, \$286,101 was covered by the FDIC, \$1,720,269 was covered by the Ohio Pooled Collateral System and \$236,501 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2022, the City's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

C. Investments

As of December 31, 2022, the City had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	Investment Maturities				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair Value:</i>						
Commercial Paper	\$ 3,599,069	\$ 2,673,143	\$ 925,926	\$ -	\$ -	\$ -
FFCB	3,828,900	-	145,980	1,197,065	330,267	2,155,588
FHLB	5,103,114	346,105	-	-	1,043,675	3,713,334
FHLMC	1,772,344	-	-	470,270	-	1,302,074
FNMA	2,601,026	-	-	-	-	2,601,026
FAMC	445,040	-	-	-	-	445,040
Negotiable CDs	5,621,000	884,151	1,888,878	1,681,325	-	1,166,646
U.S. Treasury Notes	11,342,514	649,187	336,739	1,163,129	1,612,739	7,580,720
Municipal Bonds	977,016	248,680	312,518	415,818	-	-
<i>Amortized Cost:</i>						
U.S. Government money market mutual fund	80,883	80,883	-	-	-	-
STAR Ohio	<u>1,313,139</u>	<u>1,313,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 36,684,045</u>	<u>\$ 6,195,288</u>	<u>\$ 3,610,041</u>	<u>\$ 4,927,607</u>	<u>\$ 2,986,681</u>	<u>\$ 18,964,428</u>

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

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and commercial paper are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the City's name. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

Credit Risk: The Standard & Poor's (S&P) and Moody's ratings are identified in the table below for each of the City's investments.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2022:

Measurement/ <u>Investment type</u>	Measurement		Ratings	
	<u>Amount</u>	<u>% of Total</u>	<u>S&P</u>	<u>Moody's</u>
<i>Fair Value:</i>				
Commercial Paper	\$ 3,599,069	9.81	A-1/A-1+	P-1
FFCB	3,828,900	10.44	AA+	Aaa
FHLB	5,103,114	13.91	AA+	Aaa
FHLMC	1,772,344	4.83	AA+	Aaa
FNMA	2,601,026	7.09	AA+	Aaa
FAMC	445,040	1.21	Not Rated	Not Rated
Negotiable CDs	5,621,000	15.33	Not Rated	Not Rated
US Treasury Note	11,342,514	30.92	AA+	Aaa
Municipal Bonds	977,016	2.66	AAA	Aaa/Aa2
<i>Amortized Cost:</i>				
U.S. Government money market mutual fund	80,883	0.22	AAAm	Aaa-mf
STAR Ohio	1,313,139	3.58	AAAm	Not Rated
Total	\$ 36,684,045	100.00		

D. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and cash equivalents as reported on the statement of net position as of December 31, 2022:

Cash and investments per note

Carrying amount of deposits	\$ 1,798,666
Investments	36,684,045
Cash in segregated accounts	41,296
Total	\$ 38,524,007

Cash and cash equivalents per statements of net position

Governmental activities	\$ 25,521,478
Business-type activities	12,908,676
Fiduciary funds	5,195
Health Department (Component Unit)	88,658
Total	\$ 38,524,007

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 6 - RECEIVABLES

Receivables at December 31, 2022 consisted of taxes, accounts (billings for user charged services), loans (community development block grant and urban development action monies loaned to local businesses and low to moderate income homeowners), intergovernmental receivables arising from grants, entitlements and shared revenues, accrued interest, special assessments, and leases. All receivables are expected to be collected within one year, except loans which are repaid over a period of five to fifteen years, and special assessments which are collected over the life of the assessment.

A. Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Alliance. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2022 and for which there is an enforceable legal claim. In the governmental funds, the current portion of the receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2022 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2022 was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural	\$ 224,416,470
Commercial/industrial/mineral	131,030,400
Public utility personal property	<u>17,774,270</u>
Total assessed value	<u>\$ 373,221,140</u>

B. Loans Receivable

Loans receivable represent the principal owed to the City for community development block grants and urban development action grants. The loans bear interest at annual rates between two and six percent. The loans are to be repaid over periods ranging from five to fifteen years. Total loans receivable at December 31, 2022 were \$408,861.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 6 – RECEIVABLES – (Continued)

C. Income Taxes

Employers within the City are required to withhold income taxes on employee compensation and remit the taxes to the City either monthly or quarterly, as required. Corporations are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds in 2022, after income tax department expenditures, are to be credited to the following funds at the following percentages: 79 percent to the general fund, 10 percent to the capital improvements fund, 7 percent to the street income tax construction fund (a nonmajor governmental fund) and 4 percent to the water fund. On the fund financial statements, total income taxes receivable for 2022 was \$2,702,085 in the governmental funds and \$109,963 in the water fund.

D. Special Assessments

Special assessments include annually assessed demolition assessments and assessments for debt obligations.

Demolition special assessments are levied against all property owners which benefit from the demolitions while special assessments for debt obligations are levied against specific property owners who primarily benefited from the project.

The City’s demolition assessments are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year. At December 31, 2022, the total special assessments receivable was \$1,825,458.

E. Lease Receivable

The City has entered into a building space lease agreement which commenced on October 1, 1994 and ended on June 30, 1995. The lease automatically renews for two year periods. Payments are made monthly and are reported in the general fund.

The City reported leases receivable of \$19,586 in the general fund at December 31, 2022. For 2022, the City recognized interest revenue of \$571.

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

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 19,586	\$ 214	\$ 19,800

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CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 - CAPITAL ASSETS

Due to the implementation of GASB Statement No. 87 (see Note 3.A.) for detail, the City has reported capital assets for the right to use leased equipment which are reflected in the schedule below. Capital asset activity for 2022 is as follows:

<u>Governmental activities:</u>	Restated Balance 12/31/21	Additions	Deductions	Balance 12/31/22
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 3,397,787	\$ -	\$ -	\$ 3,397,787
Easements and right of ways	116,018	-	-	116,018
Construction in progress	1,840,805	2,555,091	(608,434)	3,787,462
Total capital assets, not being depreciated/amortized	<u>5,354,610</u>	<u>2,555,091</u>	<u>(608,434)</u>	<u>7,301,267</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings, structures and improvements	10,493,037	375,121	-	10,868,158
Furniture, fixtures and equipment	5,598,062	816,968	-	6,415,030
Vehicles	4,841,037	760,566	-	5,601,603
Infrastructure	37,963,193	309,561	-	38,272,754
Intangible right to use - leased equipment	19,310	-	-	19,310
Total capital assets, being depreciated/amortized	<u>58,914,639</u>	<u>2,262,216</u>	<u>-</u>	<u>61,176,855</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings, structures and improvements	(5,248,195)	(348,646)	-	(5,596,841)
Furniture, fixtures and equipment	(4,141,205)	(177,603)	-	(4,318,808)
Vehicles	(2,850,386)	(223,371)	-	(3,073,757)
Infrastructure	(31,779,896)	(815,778)	-	(32,595,674)
Intangible right to use - leased equipment	-	(8,051)	-	(8,051)
Total accumulated depreciation/amortization	<u>(44,019,682)</u>	<u>(1,573,449)</u>	<u>-</u>	<u>(45,593,131)</u>
Total capital assets, being depreciated/amortized net	<u>14,894,957</u>	<u>688,767</u>	<u>-</u>	<u>15,583,724</u>
Governmental activities capital assets, net	<u>\$ 20,249,567</u>	<u>\$ 3,243,858</u>	<u>\$ (608,434)</u>	<u>\$ 22,884,991</u>

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

<u>Governmental activities:</u>	
General government	\$ 235,923
Security of persons and property	310,150
Public health services	845
Transportation	860,584
Community environment	9,958
Basic utility services	2,503
Leisure time activities	153,486
Total depreciation/amortization expense - governmental activities	<u>\$ 1,573,449</u>

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 - CAPITAL ASSETS - (Continued)

	Balance 12/31/21	Additions	Deductions	Balance 12/31/22
<u>Business-type activities:</u>				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 1,159,437	\$ -	\$ -	\$ 1,159,437
Construction in progress	1,068,220	4,208,476	(190,829)	5,085,867
Total capital assets, not being depreciated/amortized	<u>2,227,657</u>	<u>4,208,476</u>	<u>(190,829)</u>	<u>6,245,304</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	1,530,940	5,021	-	1,535,961
Buildings, structures and improvements	22,058,139	6,000	-	22,064,139
Water and sewer lines	29,033,594	1,176,118	-	30,209,712
Furniture, fixtures and equipment	13,621,915	585,866	-	14,207,781
Intangible right to use - leased equipment	-	10,743	-	10,743
Total capital assets, being depreciated/amortized	<u>66,244,588</u>	<u>1,783,748</u>	<u>-</u>	<u>68,028,336</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(1,413,680)	(8,953)	-	(1,422,633)
Buildings, structures and improvements	(9,028,273)	(469,242)	-	(9,497,515)
Water and sewer lines	(18,216,417)	(547,830)	-	(18,764,247)
Furniture, fixtures and equipment	(7,250,897)	(580,018)	-	(7,830,915)
Intangible right to use - leased equipment	-	(1,364)	-	(1,364)
Total accumulated depreciation/amortization	<u>(35,909,267)</u>	<u>(1,607,407)</u>	<u>-</u>	<u>(37,516,674)</u>
Total capital assets, being depreciated/amortized net	<u>30,335,321</u>	<u>176,341</u>	<u>-</u>	<u>30,511,662</u>
Business-type activities capital assets, net	<u>\$ 32,562,978</u>	<u>\$ 4,384,817</u>	<u>\$ (190,829)</u>	<u>\$ 36,756,966</u>

Depreciation/amortization expense was charged to functions/programs of the City as follows:

<u>Business-type activities:</u>	
Water	\$ 699,203
Sewer	895,535
Robertson Community Center	12,167
Community Improvement	<u>502</u>
Total depreciation/amortization expense - business-type activities	<u>\$ 1,607,407</u>

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CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 8 - RISK MANAGEMENT

A. Liability Insurance

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 2022, the City contracted with Ohio Municipal Joint Self-Insurance Pool for various types of insurance as follows:

<u>Type of Coverage</u>	<u>Deductible</u>	<u>Limit - Aggregate</u>
General Liability	\$ 1,000	\$3,000,000
Wrongful Acts	5,000	3,000,000
Law Enforcement	5,000	1,000,000
Automobile Liability	None	1,000,000
Bond	250	400,000
Crime - Theft	250	10,000
Crime - Forgery/Computer Fraud	250	100,000
Property	2,500	80,108,399
Inland Marine	1,000	3,253,770
Electronic Data Processing Equipment	1,000	593,816
Electronic Data Processing Software	1,000	75,000
Excess Liability	N/A	3,000,000

The excess liability deduction only applies to liability not covered by primary general liability, auto liability, etc. The inland marine limit includes scheduled, unscheduled and emergency portable equipment.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

B. Workers' Compensation

The City participates in the Ohio Municipal League Group Rating Plan (OML) for workers' compensation. The intent of the OML is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the OML. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the OML. Each participant pays its workers' compensation premium to the State based on the rate for the OML rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OML. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the OML. Participation in the OML is limited to cities that can meet the OML's selection criteria. The firm of Aultcare provides administrative, cost control and actuarial services to the OML.

C. Health Insurance

The City has elected to provide health care coverage to its employees through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage that covers claims in excess of \$80,000 per employee. A third party administrator, Aultcare, reviews all claims which are then paid by the City.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 8 - RISK MANAGEMENT – (Continued)

The claims liability of \$371,846 reported in the self-insurance fund at December 31, 2022, is estimated by the third-party administrator and is based on the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last three years follow:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2020	138,884	2,847,437	(2,819,478)	166,843
2021	166,843	3,055,825	(3,048,651)	174,017
2022	174,017	3,391,028	(3,193,199)	371,846

NOTE 9 - INTERFUND TRANSACTIONS

A. Interfund Transfers

Interfund transfers are used to 1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund (a nonmajor governmental fund) as debt service payments become due, 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds, 4) to provide additional resources for current operations or debt service and 5) to return money to the fund from which it was originally provided once a grant/project is complete.

A summary of interfund transfers is as follows:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 982,018
Nonmajor governmental funds	Nonmajor governmental funds	<u>7,377</u>
Total		<u>\$ 989,395</u>

Transfers between governmental funds are eliminated on the government-wide financial statements. All transfers made in 2022 were in accordance with Ohio Revised Code sections 5705.14, 5705.15 and 5705.16.

B. Due To/From Other Funds

Interfund balances at December 31, 2022 as reported on the fund statements, consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	<u>\$ 26,641</u>

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were not received by December 31. These interfund balances will be repaid once the anticipated revenues are received.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 9 - INTERFUND TRANSACTIONS – (Continued)

Interfund balances between governmental funds are eliminated on the government-wide financial statements. Interfund balances between governmental funds and business-type activities are reported as an internal balance on the government-wide statement of activities.

C. Interfund Loans Receivable/Payable

Interfund loans receivable/payable consisted of the following at December 31, 2022, as reported on the fund financial statements.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ <u>158,009</u>

These balances resulted from the lag time between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

D. Advances To/From Other Funds

The City had long-term interfund loans at December 31, 2022. These loans are not expected to be repaid in the subsequent year. The City has classified these loans as “advances to/from other funds” on the fund financial statements.

The City had the following long-term advances outstanding at year end:

<u>Advance from</u>	<u>Advance to</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ <u>5,626</u>

NOTE 10 - TAX ABATEMENTS

As of December 31, 2022, the City provides tax abatements through Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA’s are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity’s property tax bill.

During 2022 the City’s property tax revenues were reduced by \$11,903 as a result of these agreements.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS

A. Governmental activities

Due to the implementation of GASB Statemen No. 87 (see Note 3.A. for detail), the City has reported obligations for leases payable which are reflected in the schedule below. A schedule of changes in long-term obligations of the City during 2022 follows:

	Restated Balance Outstanding 12/31/21	Additions	Reductions	Balance Outstanding 12/31/22	Amounts Due Within One Year
<u>Governmental activities</u>					
<i>OPWC loans (direct borrowing):</i>					
MLK bridge rehabilitation	\$ 293,335	\$ -	\$ (13,333)	\$ 280,002	\$ 13,333
Total OPWC loans	<u>293,335</u>	<u>-</u>	<u>(13,333)</u>	<u>280,002</u>	<u>13,333</u>
<i>SIB loans (direct borrowing):</i>					
MLK bridge project	47,153	-	(23,225)	23,928	23,928
Total SIB loans	<u>47,153</u>	<u>-</u>	<u>(23,225)</u>	<u>23,928</u>	<u>23,928</u>
<i>Other long-term obligations:</i>					
Leases payable	19,310	-	(7,865)	11,445	6,687
Police and fire pension liability	245,224	-	(13,877)	231,347	14,472
Net pension liability	15,824,063	-	(2,321,838)	13,502,225	-
Net OPEB liability	1,935,985	90,757	-	2,026,742	-
Compensated absences	<u>2,532,968</u>	<u>258,933</u>	<u>(322,295)</u>	<u>2,469,606</u>	<u>768,326</u>
Total governmental activities	<u>\$ 20,898,038</u>	<u>\$ 349,690</u>	<u>\$ (2,702,433)</u>	<u>\$ 18,545,295</u>	<u>\$ 826,746</u>

Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance the renovation of the Dr. Martin Luther King, Jr. viaduct. These loans bear no interest. Principal payments are being made from the capital improvements fund.

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

State Infrastructure Bank (SIB) Loan

The City has entered into SIB Loan agreements to finance the renovation of the Dr. Martin Luther King, Jr. viaduct. These are considered to be direct borrowings since they have terms negotiated directly between the City and the lender and are not offered for public sale. The loans bear a 3.00% interest rate and mature in 2023. Principal and interest payments will be made from the capital improvements fund. During 2022, the City made a principal payment of \$23,225.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Leases Payable

The City has entered into lease agreements for the right to use equipment. Due to the implementation of GASB Statement No. 87, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the general fund, capital improvements fund, and the park levy fund (a nonmajor governmental fund).

The City has entered into lease agreements for copier equipment at varying years and term as follows:

Lease	Lease Commencement Date	Years	Lease End Date	Payment Frequency
Copier equipment	2021	5	2026	Quarterly
Copier equipment	2021	3	2024	Monthly
Copier equipment	2019	5	2024	Monthly
Copier equipment	2020	5	2025	Monthly
Copier equipment	2018	5	2023	Monthly

Police and Fire Pension Liability

The City was required to begin paying past pension for police and fire pension that were incurred when the State of Ohio established the statewide system for police and firefighters in 1967. The City is required to make semi-annual payments on May 31 and November 30 of every year. The liability carries an interest rate of 4.21% and matures on November 30, 2035. The police and fire pension liability will be paid from property tax revenue in the police pension fund (a nonmajor governmental fund) and the fire pension fund (a nonmajor governmental fund).

Net Pension Liability and Net OPEB Liability

See Notes 12 and 13 for more details. The City pays obligations related to employee compensations from the fund benefitting from their service.

Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid, which for the City is primarily the general fund and the street repair and maintenance fund (a nonmajor governmental fund).

Principal and interest requirements to retire governmental long-term obligations outstanding at December 31, 2022 are as follows:

Year Ending December 31,	<u>OPWC Loan - MLK Bridge</u>		<u>2014 SIB Loan - MLK Project</u>	
	Principal	Interest	Principal	Interest
2023	\$ 13,333	\$ -	\$ 23,928	\$ 540
2024	13,333	-	-	-
2025	13,333	-	-	-
2026	13,333	-	-	-
2027	13,333	-	-	-
2028 - 2032	66,665	-	-	-
2033 - 2037	66,665	-	-	-
2038 - 2042	66,665	-	-	-
2043 - 2044	13,342	-	-	-
Total	\$ 280,002	\$ -	\$ 23,928	\$ 540

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31.	Leases Payable		Police and Fire Pension Liability	
	Principal	Interest	Principal	Interest
2023	\$ 6,687	\$ 453	\$ 14,472	\$ 9,674
2024	3,114	234	15,093	9,052
2025	1,161	86	15,741	8,405
2026	483	14	16,417	7,729
2027	-	-	17,121	7,024
2028 - 2032	-	-	97,282	23,447
2033 - 2035	-	-	55,221	3,499
Total	<u>\$ 11,445</u>	<u>\$ 787</u>	<u>\$ 231,347</u>	<u>\$ 68,830</u>

B. Business-type activities

A schedule of changes in long-term obligations of the City during 2022 follows:

	Balance Outstanding 12/31/21	Additions	Reductions	Balance Outstanding 12/31/22	Amounts Due Within One Year
<u>Business-type activities:</u>					
<i>General obligation bonds:</i>					
2012 water works improvement bonds	\$ 685,000	\$ -	\$ (60,000)	\$ 625,000	\$ 60,000
Unamortized premium	100	-	(10)	90	10
Total general obligation bonds	<u>685,100</u>	<u>-</u>	<u>(60,010)</u>	<u>625,090</u>	<u>60,010</u>
<i>OPWC loans (direct borrowing):</i>					
Beeson St. (2004)	41,352	-	(13,785)	27,567	13,785
WWTP clarifier (2006)	28,420	-	(5,684)	22,736	5,684
OPWC loan - raw influent pump replacement (2009)	166,823	-	(20,852)	145,971	20,853
Water UV Light Oxidation (2013)	853,406	-	(37,105)	816,301	37,105
WWTP Class A Biosolids (2018)	229,075	-	(13,475)	215,600	13,475
Total OPWC loans	<u>1,319,076</u>	<u>-</u>	<u>(90,901)</u>	<u>1,228,175</u>	<u>90,902</u>
<i>OWDA loans (direct borrowing):</i>					
Sludge dewatering facility (2016)	5,014,822	-	(338,254)	4,676,568	104,091
Marlington-Alliance Waterline (2017)	633,955	-	(55,875)	578,080	13,650
Carbon Feed System (2018)	712,199	-	(50,399)	661,800	11,869
TTHM Removal System (2021)	933,163	-	(48,958)	884,205	44,358
WWTP Phase I Improvements (2022)	-	3,463,758	-	3,463,758	-
Total OWDA loans	<u>7,294,139</u>	<u>3,463,758</u>	<u>(493,486)</u>	<u>10,264,411</u>	<u>173,968</u>
<i>Other long-term obligations:</i>					
Leases payable	-	10,563	(1,138)	9,425	1,983
Net pension liability	2,738,429	-	(1,110,504)	1,627,925	-
Compensated absences	680,492	102,601	(100,320)	682,773	291,072
Total business-type activities	<u>\$ 12,717,236</u>	<u>\$ 3,576,922</u>	<u>\$ (1,856,359)</u>	<u>\$ 14,437,799</u>	<u>\$ 617,935</u>

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2012 Various Purpose Improvement and Refunding Bonds

On March 26, 2012, the City issued \$2,475,000 in 2012 various purpose improvement bonds. In the water enterprise fund, \$1,245,000 was issued in various improvement bonds for waterworks projects.

The waterworks improvement bonds are comprised of current interest bonds (consisting of \$330,000 of serial bonds and \$915,000 term bonds). The interest rate on the current interest bonds ranges from 1.0% to 3.225%. The bonds were issued for a nineteen year period, with a final stated maturity date of December 1, 2031. The bonds will be retired through the water fund.

The waterworks improvement bonds maturing on December 1, 2024 shall be subject to mandatory redemption requirements on December 1, 2021, December 1, 2022 and December 1, 2023, in the respective principal amounts of \$60,000, \$60,000 and \$60,000 (with the balance of \$65,000 to be paid at maturity on December 1, 2024).

The waterworks improvement bonds maturing on December 1, 2028 shall be subject to mandatory redemption requirements on December 1, 2025, December 1, 2026 and December 1, 2027, in the respective principal amounts of \$65,000, \$65,000 and \$70,000 (with the balance of \$70,000 to be paid at maturity on December 1, 2028).

The waterworks improvement bonds maturing on December 1, 2031 shall be subject to mandatory redemption requirements on December 1, 2029 and December 1, 2030, in the respective principal amounts of \$75,000 and \$75,000 (with the balance of \$80,000 to be paid at maturity on December 1, 2031).

Ohio Public Works Commission (OPWC) Loans

The City has entered into loan agreements with the OPWC to finance various water and sewer improvement projects. These loans bear no interest and are being repaid from user fees generated by the water fund and the sewer fund. Principal payments are made from the water and sewer funds.

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

Ohio Water Development Authority (OWDA) Loans

The City has entered into five loan agreements with the OWDA to finance the construction of a sludge dewatering facility, the Marlinton-Alliance waterline project, a carbon feed system, a TTHM removal system and Phase I improvements of the wastewater facility. These loans accrue interest that will be capitalized as they come due. The interest rates on the loans range from 0% to 1.47%. As of December 31, 2022, the loans are still open and final amortization schedules are not yet available. The estimated repayment schedule has been provided below.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

Sewer Pledged Revenue

The City has pledged future revenues, net of operating expenses, to repay OWDA loans in the sewer fund. The debt is payable solely from net revenues through 2039. Annual principal and interest payments on the debt issues are expected to require 22.97 percent of net revenues. Principal and interest paid for the current year and total net revenues available were \$421,445 and \$1,834,723, respectively.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Water Pledged Revenue

The City has pledged future revenues, net of operating expenses, to repay OWDA loans in the water fund. The debt is payable solely from net revenues through 2039. Annual principal and interest payments on the debt issues are expected to require 9.74 percent of net revenues. Principal and interest paid for the current year and total net revenues available were \$155,232 and \$1,593,755, respectively.

Leases Payable

The City has entered into a lease agreement for the right to use equipment. Due to the implementation of GASB Statement No. 87, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. The lease payments will be paid from the water fund.

The City has entered into a lease agreement for copier equipment at terms as follows:

<u>Lease</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Frequency</u>
Copier equipment	2022	5	2027	Monthly

Net Pension Liability

See Note 12 for detail on the net pension liability.

Compensated absences

Compensated absences will be paid from the water fund and sewer fund.

Asset Retirement Obligation

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

Principal and interest requirements to retire business-type long-term obligations outstanding at December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	<u>2012 Water Works Improvement</u>		<u>OPWC - Beeson Street</u>		<u>OPWC - WWTP Clarifier</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 60,000	\$ 18,700	\$ 13,785	\$ -	\$ 5,684	\$ -
2024	65,000	17,200	13,782	-	5,684	-
2025	65,000	15,575	-	-	5,684	-
2026	65,000	13,625	-	-	5,684	-
2027	70,000	11,675	-	-	-	-
2028 - 2031	300,000	24,687	-	-	-	-
Total	\$ 625,000	\$ 101,462	\$ 27,567	\$ -	\$ 22,736	\$ -

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	OPWC - Raw Influent Pump Replacement		OPWC - WWTP Ultraviolet Light Oxidation		OPWC - WWTP Class A Biosolids	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 20,853	\$ -	\$ 37,105	\$ -	\$ 13,475	\$ -
2024	20,853	-	37,105	-	13,475	-
2025	20,853	-	37,105	-	13,475	-
2026	20,853	-	37,105	-	13,475	-
2027	20,853	-	37,105	-	13,475	-
2028 - 2032	41,706	-	185,525	-	67,375	-
2033 - 2037	-	-	185,525	-	67,375	-
2038 - 2042	-	-	185,525	-	13,475	-
2043 - 2044	-	-	74,201	-	-	-
Total	\$ 145,971	\$ -	\$ 816,301	\$ -	\$ 215,600	\$ -

Year Ending December 31,	OWDA - Sludge Dewatering Facility		OWDA - Marlinton- Alliance Waterline		OWDA - Carbon Feed System	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 104,091	\$ 34,605	\$ 13,650	\$ -	\$ 11,869	\$ -
2024	274,578	66,210	22,578	-	39,390	-
2025	278,630	62,158	22,577	-	39,390	-
2026	282,740	58,048	22,577	-	39,389	-
2027	286,912	53,876	22,577	-	39,390	-
2028 - 2032	1,499,316	204,624	112,888	-	196,949	-
2033 - 2037	1,613,233	90,707	112,886	-	196,949	-
2038 - 2042	337,068	3,720	112,885	-	98,474	-
2043 - 2047	-	-	112,885	-	-	-
2048	-	-	22,577	-	-	-
Total	\$ 4,676,568	\$ 573,948	\$ 578,080	\$ -	\$ 661,800	\$ -

Year Ending December 31,	OWDA - TTHM Removal System		Leases Payable	
	Principal	Interest	Principal	Interest
2023	\$ 44,358	\$ -	\$ 1,983	\$ 171
2024	46,658	-	2,023	131
2025	46,658	-	2,065	90
2026	46,658	-	2,106	48
2027	46,658	-	1,248	9
2028 - 2032	233,291	-	-	-
2033 - 2037	233,291	-	-	-
2038 - 2041	186,633	-	-	-
Total	\$ 884,205	\$ -	\$ 9,425	\$ 449

The estimated repayment schedule for the OWDA loan for wastewater Phase I improvements was not yet available at December 31, 2022.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

C. Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2022, the City's total debt margin was \$39,188,220 and the unvoted debt margin was \$20,527,163.

D. Conduit Debt

The City has issued Industrial Development Revenue Bonds for private-sector entities for the acquisition and construction of facilities deemed to be in the public's interest. Servicing these debts is the sole obligation of the entities which received the debt proceeds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The City provides a limited commitment to maintain the tax-exempt status of the conduit debt. As of December 31, 2022, \$62,210,000 had been issued and \$26,050,000 was still outstanding.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

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

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

The net pension liability/asset and the net OPEB liability/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/OPEB plan's fiduciary net position. The net pension/OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

The remainder of this note includes the pension disclosures. See Note 13 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

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CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

When a traditional plan 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 base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to 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, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2022 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	***	****
2022 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits **	<u>0.0 %</u>	<u>0.0 %</u>	<u>0.0 %</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

*** 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.

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$913,918 for 2022. Of this amount, \$78,778 is reported as due to other governments.

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

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

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

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, 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 3.00% of the member's base pension benefit.

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2022 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2022 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,037,434 for 2022. Of this amount, \$83,194 is reported as due to other governments.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2022, the specific liability of the City was \$231,347 payable in semi-annual payments through the year 2035.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2021, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.04480300%	0.04239000%	0.02283800%	0.18272350%	
Proportion of the net pension liability/asset current measurement date	<u>0.04474000%</u>	<u>0.04003200%</u>	<u>0.02061000%</u>	<u>0.18490720%</u>	
Change in proportionate share	<u>-0.00006300%</u>	<u>-0.00235800%</u>	<u>-0.00222800%</u>	<u>0.00218370%</u>	
Proportionate share of the net pension liability	\$ 3,578,218	\$ -	\$ -	\$ 11,551,932	\$ 15,130,150
Proportionate share of the net pension asset	-	(144,990)	(3,440)	-	(148,430)
Pension expense	(684,438)	(5,231)	(552)	549,325	(140,896)

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ 182,413	\$ 899	\$ 3,394	\$ 333,088	\$ 519,794
Changes of assumptions	447,451	7,285	116	2,111,195	2,566,047
Changes in employer's proportionate percentage/difference between employer contributions	36,137	-	-	171,023	207,160
Contributions subsequent to the measurement date	881,530	19,394	12,994	1,037,434	1,951,352
Total deferred outflows of resources	<u>\$ 1,547,531</u>	<u>\$ 27,578</u>	<u>\$ 16,504</u>	<u>\$ 3,652,740</u>	<u>\$ 5,244,353</u>
Deferred inflows of resources					
Differences between expected and actual experience	\$ 78,479	\$ 16,227	\$ -	\$ 600,541	\$ 695,247
Net difference between projected and actual earnings on pension plan investments	4,256,161	31,082	784	3,028,741	7,316,768
Changes in employer's proportionate percentage/difference between employer contributions	65,619	-	-	649,558	715,177
Total deferred inflows of resources	<u>\$ 4,400,259</u>	<u>\$ 47,309</u>	<u>\$ 784</u>	<u>\$ 4,278,840</u>	<u>\$ 8,727,192</u>

\$1,951,352 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2023.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2023	\$ (589,081)	\$ (9,526)	\$ 343	\$ (220,790)	\$ (819,054)
2024	(1,467,321)	(13,172)	254	(960,651)	(2,440,890)
2025	(1,000,795)	(8,642)	307	(463,187)	(1,472,317)
2026	(677,058)	(6,390)	325	(265,637)	(948,760)
2027	(3)	(848)	423	246,730	246,302
Thereafter	-	(547)	1,074	1	528
Total	\$ (3,734,258)	\$ (39,125)	\$ 2,726	\$ (1,663,534)	\$ (5,434,191)

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, 2021, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2021, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	3.25%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 0.50%, simple through 2021, then 2.15% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In July 2021, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 0.50% simple through 2021 then 2.15% simple to 3.00% simple through 2022 then 2.05% simple.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

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, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	24.00 %	1.03 %
Domestic equities	21.00	3.78
Real estate	11.00	3.66
Private equity	12.00	7.43
International equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00 %	4.21 %

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2021 was 7.20%. 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 benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 9,434,132	\$ 3,578,218	\$ (1,294,679)
Combined Plan	(108,190)	(144,990)	(173,692)
Member-Directed Plan	(3,031)	(3,440)	(3,789)

Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2022, are presented below.

Valuation date	1/1/21 with actuarial liabilities rolled forward to 12/31/21
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

<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 pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy and Guidelines. 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 average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	21.00	3.60
Non-US equity	14.00	4.40
Private markets	8.00	6.80
Core fixed income *	23.00	1.10
High yield fixed income	7.00	3.00
Private credit	5.00	4.50
U.S. inflation linked bonds *	17.00	0.80
Midstream energy infrastructure	5.00	5.00
Real assets	8.00	5.90
Gold	5.00	2.40
Private real estate	12.00	4.80
Total	125.00 %	

Note: assumptions are geometric.

* levered 2x

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Discount Rate - The total pension liability was calculated using the discount rate of 7.50%. A discount rate of 8.00% was used in the previous measurement date. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
City’s proportionate share of the net pension liability	\$ 17,131,355	\$ 11,551,932	\$ 6,905,651

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 12 for a description of the net OPEB liability/asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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 discontinued 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.

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 became 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 2022, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, 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 2022 was 4.00%.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$5,197 for 2022. Of this amount, \$448 is reported as due to other governments.

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 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2022, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$24,699 for 2022. Of this amount, \$1,980 is reported as due to other governments.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

The net OPEB liability/asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net OPEB liability/asset was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.04386700%	0.18272350%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.04363800%</u>	<u>0.18490720%</u>	
Change in proportionate share	<u>-0.00022900%</u>	<u>0.00218370%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 2,026,742	\$ 2,026,742
Proportionate share of the net OPEB asset	(1,256,433)	-	(1,256,433)
OPEB expense	(1,134,829)	130,466	(1,004,363)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 92,199	\$ 92,199
Changes of assumptions	-	897,098	897,098
Changes in employer's proportionate percentage/difference between employer contributions	5,690	86,455	92,145
Contributions subsequent to the measurement date	5,197	24,699	29,896
Total deferred outflows of resources	<u>\$ 10,887</u>	<u>\$ 1,100,451</u>	<u>\$ 1,111,338</u>

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 190,582	\$ 267,866	\$ 458,448
Net difference between projected and actual earnings on OPEB plan investments	598,981	183,082	782,063
Changes of assumptions	508,590	235,396	743,986
Changes in employer's proportionate percentage/ difference between employer contributions	32,001	216,976	248,977
Total deferred inflows of resources	<u>\$ 1,330,154</u>	<u>\$ 903,320</u>	<u>\$ 2,233,474</u>

\$29,896 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability/asset in the year ending December 31, 2023.

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

	OPERS	OP&F	Total
Year Ending December 31:			
2023	\$ (826,482)	\$ 42,855	\$ (783,627)
2024	(281,083)	15,680	(265,403)
2025	(130,876)	33,227	(97,649)
2026	(86,023)	5,590	(80,433)
2027	-	34,136	34,136
Thereafter	-	40,944	40,944
Total	<u>\$ (1,324,464)</u>	<u>\$ 172,432</u>	<u>\$ (1,152,032)</u>

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	3.25%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	3.25 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	6.00%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	1.84%
Prior Measurement date	2.00%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2034
Prior Measurement date	8.50% initial, 3.50% ultimate in 2035
Actuarial Cost Method	Individual Entry Age Normal

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

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

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.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.3% for 2021.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	0.91 %
Domestic equities	25.00	3.78
Real Estate Investment Trusts (REITs)	7.00	3.71
International equities	25.00	4.88
Risk parity	2.00	2.92
Other investments	7.00	1.93
Total	<u>100.00 %</u>	<u>3.45 %</u>

Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2021. A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB asset	\$ 738,901	\$ 1,256,433	\$ 1,685,993

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

- Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of healthcare; the trend starting in 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 1,270,010	\$ 1,256,433	\$ 1,240,326

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	2.84%
Prior measurement date	2.96%
Cost of Living Adjustments	2.20% simple per year

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

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

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

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

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

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

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	21.00	3.60
Non-US equity	14.00	4.40
Private markets	8.00	6.80
Core fixed income *	23.00	1.10
High yield fixed income	7.00	3.00
Private credit	5.00	4.50
U.S. inflation linked bonds *	17.00	0.80
Midstream energy infrastructure	5.00	5.00
Real assets	8.00	5.90
Gold	5.00	2.40
Private real estate	12.00	4.80
Total	125.00 %	

Note: assumptions are geometric.

* levered 2x

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

Discount Rate - For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. For 2020, the total OPEB liability was calculated using the discount rate of 2.96%. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, a municipal bond rate of 2.05% at December 31, 2021 and 2.12% at December 31, 2020 was blended with the long-term rate of 7.50%, which resulted in a blended discount rate of 2.84%.

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 2.84%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.84%), or one percentage point higher (3.84%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 2,547,660	\$ 2,026,742	\$ 1,598,546

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

CITY OF ALLIANCE, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 14 - OTHER EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Vacation accumulation is limited to one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 2.3 hours for every forty hours of service. Upon retirement or death, most employees receive up to 960 hours of such time on credit plus 25% of the next 600 hours on credit for a maximum not to exceed 1,110 hours. Several union contracts have additional language limiting employees hired within the past 15 years to either 960 hours or 25% of all hours on credit, whichever is less, or 25% of all hours on credit not to exceed 240 hours paid.

If any employee leaves the City for any reason, the City will pay the employee a maximum of 240 hours, except for IAFF employees who will be paid a maximum of 480 hours, for the compensatory time. As of December 31, 2022, the total liability for unpaid compensated absences was \$2,469,606 for the governmental activities and \$682,773 for the business-type activities.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

A. Grants

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2022.

B. Litigation

The City is not a party to legal proceedings that, in the opinion of management, would have a material adverse effect on the financial statements.

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

Stark County Council of Governments (SCOG) - The City participates in the Stark County Council of Governments (SCOG), which is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities, villages and townships. The membership elects a nine member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and oversees accounting and finance related activities. Each participant's control is limited to its membership shares. During 2022, the City did not contribute to SCOG. Complete financial statements may be obtained from the Stark County Council of Governments, P.O. Box 21451, Canton, Ohio 44701-1451.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

Stark County Regional Planning Commission - The City participates in the Stark County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 85 member Board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the Board. The principal aim of the Commission is to provide comprehensive planning, both long and short range, dealing with the economic and physical environment of Stark County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission’s liabilities. During 2022, the City did not contribute to the Commission. Complete financial statements may be obtained from the Stark County Regional Planning Commission, 201 3rd Street NE, Suite 201, Canton, Ohio 44702.

Stark Area Regional Transit Authority - The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon, and Alliance. A nine member board of trustees oversees the operation of the Authority. Of the nine members, the City appoints one member. Each member’s control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Authority’s liabilities. The Authority provides transportation services in Stark County. Complete financial statements may be obtained from the Stark Area Regional Transit Authority, 1600 Gateway Boulevard, SE, Canton, Ohio 44707.

NOTE 17 - OTHER COMMITMENTS

A. Encumbrances

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 30,982
Local fiscal recovery fund	830,624
Capital improvements fund	561,229
Nonmajor governmental funds	<u>378,270</u>
Total	<u>\$ 1,801,105</u>

B. Contractual Commitments

The City has entered into services agreements with various contractors for upgrades to and maintenance on the City’s water tanks on Clark Street and 23rd Street and the Mid Park tank. The agreements are cancelable upon 90 days written notice after 5 years, 6 years and 7 years for Clark Street, 23rd Street and Mid Park, respectively. Payments are made from the water fund. The following is a schedule of the future minimum payments required under the agreements:

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 17 - OTHER COMMITMENTS – (Continued)

<u>Year</u>	<u>Clark Street</u>	<u>23rd Street</u>	<u>Mid Park</u>	<u>Rosemont</u>	<u>WTP Clar 1</u>	<u>WTP Clar 2</u>	<u>Total</u>
2023	\$ 29,404	\$ 132,608	\$ 130,051	\$ 10,845	\$ 2,388	\$ 212,187	\$ 517,483
2024	30,445	27,724	130,051	11,229	4,896	2,448	206,793
2025	31,523	28,705	28,323	11,626	2,509	5,018	107,704
2026	32,639	29,722	29,326	12,038	5,144	2,572	111,441
2027	33,794	30,774	30,364	12,464	2,636	5,272	115,304
2028	<u>34,990</u>	<u>31,863</u>	<u>31,439</u>	<u>12,905</u>	<u>5,404</u>	<u>2,702</u>	<u>119,303</u>
Total	<u>\$ 192,795</u>	<u>\$ 281,396</u>	<u>\$ 379,554</u>	<u>\$ 71,107</u>	<u>\$ 22,977</u>	<u>\$ 230,199</u>	<u>\$ 1,178,028</u>

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CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 18 - FUND BALANCE

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

Fund balance	General	Local Fiscal Recovery Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ 23,883	\$ -	\$ -	\$ 61,202	\$ 85,085
Prepays	166,145	-	-	35,177	201,322
Unclaimed monies	<u>143,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,014</u>
Total nonspendable	<u>333,042</u>	<u>-</u>	<u>-</u>	<u>96,379</u>	<u>429,421</u>
Restricted:					
Judicial operations	-	-	-	650,768	650,768
Security programs	-	-	-	159,909	159,909
K-9 collections	2,822	-	-	-	2,822
Drones	830	-	-	-	830
Public health service programs	-	-	-	894,454	894,454
Transportation projects	-	-	-	1,163,747	1,163,747
Community environment programs	-	-	-	3,052,470	3,052,470
Leisure time activities	-	-	-	51,356	51,356
Capital projects	-	-	-	89,397	89,397
Long-term loans	-	-	-	408,861	408,861
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,850</u>	<u>43,850</u>
Total restricted	<u>3,652</u>	<u>-</u>	<u>-</u>	<u>6,514,812</u>	<u>6,518,464</u>
Committed:					
General government operations	126,868	-	-	20,652	147,520
Community environment programs	-	-	-	4,144	4,144
Leisure time activities	-	-	-	1,082	1,082
Transportation	-	-	-	7,122	7,122
Capital projects	<u>-</u>	<u>-</u>	<u>1,534,139</u>	<u>1,414,579</u>	<u>2,948,718</u>
Total committed	<u>126,868</u>	<u>-</u>	<u>1,534,139</u>	<u>1,447,579</u>	<u>3,108,586</u>
Assigned:					
General government operations	181,113	-	-	-	181,113
Security programs	6,864	-	-	-	6,864
Community environment programs	766	-	-	-	766
Subsequent year appropriations	<u>274,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>274,805</u>
Total assigned	<u>463,548</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,548</u>
Unassigned (deficit)	<u>3,170,450</u>	<u>-</u>	<u>-</u>	<u>(191,134)</u>	<u>2,979,316</u>
Total fund balances	<u>\$ 4,097,560</u>	<u>\$ -</u>	<u>\$ 1,534,139</u>	<u>\$ 7,867,636</u>	<u>\$ 13,499,335</u>

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT

The Alliance City Health Department Board is directed by a five member Board and a Health Commissioner. The Health Department services include communicable disease investigations, immunization clinics, environmental inspections, food inspections, mosquito control, housing inspection and demolition, vital statistics, public health nursing services, WIC Nutrition Program, and health-related licenses and permits.

The Health Department's management believes these financial statements present all activities for which the Health Department is financially accountable. The Health Department has no component units. The Health Department is a discretely presented component unit of the City of Alliance.

Summary of Significant Accounting Policies

The financial statements of the Health Department have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Health Department's accounting policies are described as follows.

Basis of Presentation - Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the Health Department as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Health Department has no fiduciary funds. The statements distinguish between those activities of the Health Department that are governmental and those that are considered business-type activities. The Health Department has no business-type activities.

The statement of net position presents the financial condition of the governmental activities and business-type activities for the Health Department at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health Department's activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are 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 operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health Department, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Health Department.

Measurement Focus - Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Health Department 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.

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.

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. Nonexchange transactions, in which the Health Department receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal 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 Health Department must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Health Department on a reimbursement basis.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

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

Deferred Outflows of Resources/Deferred Inflows of Resources - In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Health Department, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Health Department, deferred inflows of resources are reported on the government-wide statement of net position for pension and OPEB.

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

Capital Assets - Capital assets are reported in the government-wide financial statements. In accordance with the City’s policy, all capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Health Department maintains a capitalization threshold of \$5,000, in accordance with the City’s policy.

All reported capital assets are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, fixtures and equipment	5 - 20 years

Compensated Absences - Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Health Department will compensate the employees for the benefits through paid time off or some other means. The Health Department 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 termination method. An accrual for sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the Department’s past experience of making termination payments.

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

Net Position - Net position represents the difference between all other elements on the statement of net position. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health Department’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

Deposits and Investments

The City Auditor is the custodian for the Health Department's cash. The City's cash and investment pool holds the Health Department's cash, which is included in the City's carrying amount reported in Note 5.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which the service is consumed.

Capital Assets

Capital asset activity for the year ended December 31, 2022, for the Health Department was as follows:

	Balance			Balance
	<u>12/31/21</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/22</u>
<i>Capital assets, being depreciated:</i>				
Furniture, fixtures and equipment	\$ 62,637	\$ -	\$ -	\$ 62,637
<i>Less: accumulated depreciation:</i>				
Furniture, fixtures and equipment	<u>(33,280)</u>	<u>(4,570)</u>	<u>-</u>	<u>(37,850)</u>
Total capital assets being depreciated, net	<u>29,357</u>	<u>(4,570)</u>	<u>-</u>	<u>24,787</u>
Health Department capital assets, net	<u>\$ 29,357</u>	<u>\$ (4,570)</u>	<u>\$ -</u>	<u>\$ 24,787</u>

Long-Term Obligations

Changes in the Health Department's long-term obligations during the year consisted of the following:

	Balance			Balance	Due Within
	<u>12/31/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/22</u>	<u>One Year</u>
Compensated absences	\$ 219,804	\$ 78,385	\$ (73,345)	\$ 224,844	\$ 74,547
Net pension liability	<u>528,283</u>	<u>-</u>	<u>(213,941)</u>	<u>314,342</u>	<u>-</u>
Total governmental-type long-term obligations	<u>\$ 748,087</u>	<u>\$ 78,385</u>	<u>\$ (287,286)</u>	<u>\$ 539,186</u>	<u>\$ 74,547</u>

Risk Management

The Health Department is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Health Department is included under the City's programs for property and liability and workers' compensation, see Note 8 for detail.

Employee Benefits

The Health Department is included under the City's programs for life/health insurance and compensated absences, see Note 8.C and Note 14 for detail.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

Defined Benefit Pension Plans

Plan descriptions and actuarial information for the Health Department’s defined benefit pension plans are the same as the City’s (see Note 12 for detail).

The Health Department’s contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$80,287 for 2022. Of this amount, \$6,362 is reported as due to other governments.

The net pension liability and net pension asset for OPERS was measured as of December 31, 2021, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Health Department’s proportion of the net pension liability or asset was based on the Health Departments’ 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 of the Health Department:

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.00356800%	0.00337500%	0.00181900%	
Proportion of the net pension liability/asset current measurement date	<u>0.00361300%</u>	<u>0.00323300%</u>	<u>0.00166400%</u>	
Change in proportionate share	<u>0.00004500%</u>	<u>-0.00014200%</u>	<u>-0.00015500%</u>	
Proportionate share of the net pension liability	\$ 314,342	\$ -	\$ -	\$ 314,342
Proportionate share of the net pension asset	-	(12,737)	(302)	(13,039)
Pension expense	(40,969)	(460)	(49)	(41,478)

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CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

At December 31, 2022, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Deferred outflows of resources				
Differences between expected and actual experience	\$ 16,025	\$ 79	\$ 298	\$ 16,402
Changes of assumptions	39,308	640	10	39,958
Changes in employer's proportionate percentage/ difference between employer contributions	10,131	-	-	10,131
Contributions subsequent to the measurement date	77,442	1,704	1,141	80,287
Total deferred outflows of resources	<u>\$ 142,906</u>	<u>\$ 2,423</u>	<u>\$ 1,449</u>	<u>\$ 146,778</u>

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Deferred inflows of resources				
Differences between expected and actual experience	\$ 6,894	\$ 1,426	\$ -	\$ 8,320
Net difference between projected and actual earnings on pension plan investments	373,898	2,731	69	376,698
Total deferred inflows of resources	<u>\$ 380,792</u>	<u>\$ 4,157</u>	<u>\$ 69</u>	<u>\$ 385,018</u>

\$80,287 reported as deferred outflows of resources related to pension resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2023.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
2023	\$ (50,276)	\$ (837)	\$ 30	\$ (51,083)
2024	(121,851)	(1,157)	22	(122,986)
2025	(85,415)	(759)	27	(86,147)
2026	(57,786)	(562)	28	(58,320)
2027	-	(75)	37	(38)
Thereafter	-	(48)	95	47
Total	<u>\$ (315,328)</u>	<u>\$ (3,438)</u>	<u>\$ 239</u>	<u>\$ (318,527)</u>

Sensitivity of the Health Department's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate - The following table presents the Health Department's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the Health Department's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Health Department's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 828,777	\$ 314,342	\$ (113,736)
Combined Plan	(9,504)	(12,737)	(15,259)
Member-Directed Plan	(266)	(302)	(333)

Defined Benefit OPEB Plan

Plan descriptions and actuarial information for the Health Department's defined benefit OPEB plan are the same as the City's (see Note 13 for detail).

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Health Department's contractually required contribution was \$457 for 2022. Of this amount, \$36 is reported as due to other governments.

The net OPEB asset and total OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The Health Department's proportion of the net OPEB liability/asset was based on the Health Department's share of contributions to the retirement plan relative to the contributions of all participating entities.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

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

	OPERS
Proportion of the net OPEB liability/asset prior measurement date	0.00349300%
Proportion of the net OPEB liability/asset current measurement date	<u>0.00352400%</u>
Change in proportionate share	<u><u>0.00003100%</u></u>
Proportionate share of the net OPEB asset	\$ (110,376)
OPEB expense	(90,072)

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

	OPERS
Deferred outflows of resources	
Changes in employer's proportionate percentage/difference between employer contributions	\$ 2,796
Contributions subsequent to the measurement date	457
Total deferred outflows of resources	<u><u>\$ 3,253</u></u>

	OPERS
Deferred inflows of resources	
Differences between expected and actual experience	\$ 16,742
Net difference between projected and actual earnings on OPEB plan investments	52,620
Changes of assumptions	44,679
Total deferred inflows of resources	<u><u>\$ 114,041</u></u>

\$457 reported as deferred outflows of resources related to OPEB resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB asset in the year ending December 31, 2023.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

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
2023	\$ (70,978)
2024	(21,640)
2025	(11,240)
2026	(7,387)
Total	\$ (111,245)

Sensitivity of the Health Department's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

- The following table presents the proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.00%) or one-percentage-point higher (7.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Health Department's proportionate share of the net OPEB asset	\$ 64,912	\$ 110,376	\$ 148,113

Sensitivity of the Health Department's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

- Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of healthcare; the trend starting in 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Health Department's proportionate share of the net OPEB asset	\$ 111,569	\$ 110,376	\$ 108,961

Contingencies

Grants - The Health Department received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect, if any, on the financial condition of the Health Department.

CITY OF ALLIANCE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 19 - ALLIANCE CITY HEALTH DEPARTMENT - (Continued)

Litigation - The Health Department is not party to any legal proceedings that, in the opinion of management, will have a material adverse effect on the financial condition of the Health Department.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.044740%	0.044803%	0.045045%	0.046253%
City's proportionate share of the net pension liability	\$ 3,578,218	\$ 6,106,066	\$ 8,217,876	\$ 11,711,738
City's covered payroll	\$ 5,976,107	\$ 5,758,643	\$ 5,864,329	\$ 5,779,421
City's proportionate share of the net pension liability as a percentage of its covered payroll	59.88%	106.03%	140.13%	202.65%
Plan fiduciary net position as a percentage of the total pension liability	92.62%	86.88%	82.17%	74.70%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.040032%	0.042390%	0.042546%	0.043291%
City's proportionate share of the net pension asset	\$ 144,990	\$ 112,620	\$ 81,888	\$ 44,755
City's covered payroll	\$ 167,964	\$ 172,429	\$ 175,100	\$ 171,243
City's proportionate share of the net pension asset as a percentage of its covered payroll	86.32%	65.31%	46.77%	26.14%
Plan fiduciary net position as a percentage of the total pension asset	169.88%	157.67%	145.28%	126.64%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.020610%	0.022838%	0.028319%	0.027864%
City's proportionate share of the net pension asset	\$ 3,440	\$ 3,832	\$ 988	\$ 587
City's covered payroll	\$ 118,920	\$ 126,600	\$ 155,640	\$ 146,370
City's proportionate share of the net pension asset as a percentage of its covered payroll	2.89%	3.03%	0.63%	0.40%
Plan fiduciary net position as a percentage of the total pension asset	171.84%	188.21%	118.84%	113.42%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014
0.045608%	0.048872%	0.048789%	0.048044%	0.048044%
\$ 7,155,011	\$ 11,097,999	\$ 8,450,870	\$ 5,794,643	\$ 5,663,762
\$ 5,746,500	\$ 6,345,067	\$ 6,022,642	\$ 5,899,225	\$ 5,845,338
124.51%	174.91%	140.32%	98.23%	96.89%
84.66%	77.25%	81.08%	86.45%	86.36%
0.042204%	0.045284%	0.043680%	0.043697%	0.043697%
\$ 57,453	\$ 25,204	\$ 21,256	\$ 16,824	\$ 4,585
\$ 172,846	\$ 176,275	\$ 158,975	\$ 153,433	\$ 119,669
33.24%	14.30%	13.37%	10.97%	3.83%
137.28%	116.55%	116.90%	114.83%	104.56%
0.030049%	0.043375%	0.043228%	n/a	n/a
\$ 1,049	\$ 181	\$ 165	n/a	n/a
\$ 164,700	\$ 178,258	\$ 240,742	n/a	n/a
0.64%	0.10%	0.07%	n/a	n/a
124.45%	103.40%	103.91%	n/a	n/a

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST NINE YEARS			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability	0.18490720%	0.18272350%	0.18989990%	0.20053100%
City's proportionate share of the net pension liability	\$ 11,551,932	\$ 12,456,425	\$ 12,792,672	\$ 16,368,628
City's covered payroll	\$ 4,765,425	\$ 4,506,894	\$ 4,581,775	\$ 4,598,780
City's proportionate share of the net pension liability as a percentage of its covered payroll	242.41%	276.39%	279.21%	355.93%
Plan fiduciary net position as a percentage of the total pension liability	75.03%	70.65%	69.89%	63.07%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014
0.19721500%	0.20455100%	0.20491200%	0.21463130%	0.21463130%
\$ 12,103,989	\$ 12,956,102	\$ 13,182,132	\$ 11,118,796	\$ 10,453,218
\$ 4,093,300	\$ 4,552,466	\$ 4,233,608	\$ 4,341,884	\$ 4,175,541
295.70%	284.60%	311.37%	256.08%	250.34%
70.91%	68.36%	66.77%	72.20%	73.00%

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 881,530	\$ 836,655	\$ 806,210	\$ 821,006
Contributions in relation to the contractually required contribution	<u>(881,530)</u>	<u>(836,655)</u>	<u>(806,210)</u>	<u>(821,006)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 6,296,643	\$ 5,976,107	\$ 5,758,643	\$ 5,864,329
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 19,394	\$ 23,515	\$ 24,140	\$ 24,514
Contributions in relation to the contractually required contribution	<u>(19,394)</u>	<u>(23,515)</u>	<u>(24,140)</u>	<u>(24,514)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 138,529	\$ 167,964	\$ 172,429	\$ 175,100
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 12,993	\$ 11,892	\$ 12,660	\$ 15,564
Contributions in relation to the contractually required contribution	<u>(12,993)</u>	<u>(11,892)</u>	<u>(12,660)</u>	<u>(15,564)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 129,930	\$ 118,920	\$ 126,600	\$ 155,640
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 874,838	\$ 747,045	\$ 761,408	\$ 722,717	\$ 707,907	\$ 759,894
<u>(874,838)</u>	<u>(747,045)</u>	<u>(761,408)</u>	<u>(722,717)</u>	<u>(707,907)</u>	<u>(759,894)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,779,421	\$ 5,746,500	\$ 6,345,067	\$ 6,022,642	\$ 5,899,225	\$ 5,845,338
13.00%	12.00%	12.00%	12.00%	12.00%	13.00%
\$ 25,921	\$ 22,470	\$ 21,153	\$ 19,077	\$ 18,412	\$ 15,557
<u>(25,921)</u>	<u>(22,470)</u>	<u>(21,153)</u>	<u>(19,077)</u>	<u>(18,412)</u>	<u>(15,557)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 171,243	\$ 172,846	\$ 176,275	\$ 158,975	\$ 153,433	\$ 119,669
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
\$ 15,826	\$ 16,470	\$ 21,391	\$ 28,889		
<u>(15,826)</u>	<u>(16,470)</u>	<u>(21,391)</u>	<u>(28,889)</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ 146,370	\$ 164,700	\$ 178,258	\$ 240,742		
10.00%	10.00%	12.00%	12.00%		

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN YEARS			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 521,261	\$ 516,525	\$ 491,779	\$ 504,789
Contributions in relation to the contractually required contribution	<u>(521,261)</u>	<u>(516,525)</u>	<u>(491,779)</u>	<u>(504,789)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,743,479	\$ 2,718,553	\$ 2,588,311	\$ 2,656,784
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 516,173	\$ 481,015	\$ 450,867	\$ 452,373
Contributions in relation to the contractually required contribution	<u>(516,173)</u>	<u>(481,015)</u>	<u>(450,867)</u>	<u>(452,373)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,196,481	\$ 2,046,872	\$ 1,918,583	\$ 1,924,991
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

Note: although the OP&F Pension Fund is a single pension plan, the City has elected to present contributions information for Police and Fire separately.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 509,379	\$ 439,734	\$ 524,512	\$ 475,279	\$ 497,799	\$ 397,100
<u>(509,379)</u>	<u>(439,734)</u>	<u>(524,512)</u>	<u>(475,279)</u>	<u>(497,799)</u>	<u>(397,100)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,680,942	\$ 2,314,389	\$ 2,760,589	\$ 2,501,468	\$ 2,619,995	\$ 2,500,105
19.00%	19.00%	19.00%	19.00%	19.00%	15.88%
\$ 450,692	\$ 418,044	\$ 421,091	\$ 407,053	\$ 404,644	\$ 341,347
<u>(450,692)</u>	<u>(418,044)</u>	<u>(421,091)</u>	<u>(407,053)</u>	<u>(404,644)</u>	<u>(341,347)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,917,838	\$ 1,778,911	\$ 1,791,877	\$ 1,732,140	\$ 1,721,889	\$ 1,674,638
23.50%	23.50%	23.50%	23.50%	23.50%	20.38%

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability/asset	0.043638%	0.043867%	0.044318%	0.045453%
City's proportionate share of the net OPEB liability/(asset)	\$ (1,256,433)	\$ (719,294)	\$ 5,650,109	\$ 5,478,770
City's covered payroll	\$ 6,262,991	\$ 6,057,672	\$ 6,195,069	\$ 6,097,034
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	20.06%	11.87%	91.20%	89.86%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	128.23%	115.57%	47.80%	46.33%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<u>2018</u>	<u>2017</u>
	0.044930%	0.048448%
\$	4,879,067	\$ 4,893,407
\$	6,084,046	\$ 6,699,600
	80.19%	73.04%
	54.14%	54.05%

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability	0.18490720%	0.18272350%	0.18989990%	0.20053100%
City's proportionate share of the net OPEB liability	\$ 2,026,742	\$ 1,935,985	\$ 1,875,780	\$ 1,826,142
City's covered payroll	\$ 4,765,425	\$ 4,506,894	\$ 4,581,775	\$ 4,598,780
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	42.53%	42.96%	40.94%	39.71%
Plan fiduciary net position as a percentage of the total OPEB liability	46.86%	45.42%	47.08%	46.57%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>
0.19721500%	0.20455100%
\$ 11,173,943	\$ 9,709,576
\$ 4,093,300	\$ 4,552,466
272.98%	213.28%
14.13%	15.96%

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN YEARS			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 5,198	\$ 4,757	\$ 5,064	\$ 6,225
Contributions in relation to the contractually required contribution	<u>(5,198)</u>	<u>(4,757)</u>	<u>(5,064)</u>	<u>(6,225)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 6,565,102	\$ 6,262,991	\$ 6,057,672	\$ 6,195,069
Contributions as a percentage of covered payroll	0.08%	0.08%	0.08%	0.10%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 6,331	\$ 65,781	\$ 140,558	\$ 123,632	\$ 120,949	\$ 59,624
<u>(6,331)</u>	<u>(65,781)</u>	<u>(140,558)</u>	<u>(123,632)</u>	<u>(120,949)</u>	<u>(59,624)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,097,034	\$ 6,084,046	\$ 6,699,600	\$ 6,422,359	\$ 6,052,658	\$ 5,965,007
0.10%	1.08%	2.10%	1.93%	2.00%	1.00%

CITY OF ALLIANCE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN YEARS			
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 13,717	\$ 13,593	\$ 12,942	\$ 13,284
Contributions in relation to the contractually required contribution	<u>(13,717)</u>	<u>(13,593)</u>	<u>(12,942)</u>	<u>(13,284)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,743,479	\$ 2,718,553	\$ 2,588,311	\$ 2,656,784
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 10,982	\$ 10,234	\$ 9,593	\$ 9,625
Contributions in relation to the contractually required contribution	<u>(10,982)</u>	<u>(10,234)</u>	<u>(9,593)</u>	<u>(9,625)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,196,481	\$ 2,046,872	\$ 1,918,583	\$ 1,924,991
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Note: although the OP&F Pension Fund is a single pension plan, the City has elected to present contributions information for Police and Fire separately.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 13,405	\$ 11,572	\$ 14,176	\$ 12,845	\$ 13,036	\$ 85,960
<u>(13,405)</u>	<u>(11,572)</u>	<u>(14,176)</u>	<u>(12,845)</u>	<u>(13,036)</u>	<u>(85,960)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,680,942	\$ 2,314,389	\$ 2,760,589	\$ 2,501,468	\$ 2,619,995	\$ 2,500,105
0.50%	0.50%	0.50%	0.50%	0.50%	3.44%
\$ 9,589	\$ 8,895	\$ 8,959	\$ 8,661	\$ 8,564	\$ 61,940
<u>(9,589)</u>	<u>(8,895)</u>	<u>(8,959)</u>	<u>(8,661)</u>	<u>(8,564)</u>	<u>(61,940)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,917,838	\$ 1,778,911	\$ 1,791,877	\$ 1,732,140	\$ 1,721,889	\$ 1,674,638
0.50%	0.50%	0.50%	0.50%	0.50%	3.70%

CITY OF ALLIANCE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2022.

Changes in assumptions :

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2022.

Changes in assumptions :

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

(Continued)

CITY OF ALLIANCE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

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

Changes in assumptions :

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

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

Changes in assumptions :

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

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF ALLIANCE, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 5,933,290	\$ 43,850	\$ 1,421,211	\$ 7,398,351
Receivables (net of allowances for uncollectibles):				
Municipal income taxes	-	-	192,437	192,437
Property and other taxes	1,167,148	-	-	1,167,148
Accounts	31,803	-	1,746	33,549
Intergovernmental	635,626	-	114,647	750,273
Special assessments	-	-	27,097	27,097
Loans	408,861	-	-	408,861
Prepayments	35,177	-	-	35,177
Materials and supplies inventory	61,202	-	-	61,202
Total assets	\$ 8,273,107	\$ 43,850	\$ 1,757,138	\$ 10,074,095
Liabilities:				
Accounts payable	\$ 74,242	\$ -	\$ 5,542	\$ 79,784
Contracts payable	77,562	-	-	77,562
Accrued wages and benefits payable	25,894	-	-	25,894
Interfund loans payable	40,009	-	118,000	158,009
Due to other funds	26,641	-	-	26,641
Due to other governments	112,485	-	-	112,485
Advances to other funds	5,626	-	-	5,626
Total liabilities	362,459	-	123,542	486,001
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	1,030,396	-	-	1,030,396
Income tax revenue not available	-	-	102,523	102,523
Delinquent property tax revenue not available	136,752	-	-	136,752
Special assessments revenue not available	-	-	27,097	27,097
Intergovernmental revenue not available	423,690	-	-	423,690
Total deferred inflows of resources	1,590,838	-	129,620	1,720,458
Total liabilities and deferred inflows of resources	1,953,297	-	253,162	2,206,459
Fund balances:				
Nonspendable	96,379	-	-	96,379
Restricted	6,381,565	43,850	89,397	6,514,812
Committed	33,000	-	1,414,579	1,447,579
Unassigned (deficit)	(191,134)	-	-	(191,134)
Total fund balances	6,319,810	43,850	1,503,976	7,867,636
Total liabilities, deferred inflows of resources and fund balances	\$ 8,273,107	\$ 43,850	\$ 1,757,138	\$ 10,074,095

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income taxes	\$ -	\$ -	\$ 925,184	\$ 925,184
Property and other taxes	1,077,264	-	-	1,077,264
Charges for services	154,080	-	-	154,080
Licenses, permits and fees	40,675	-	20,622	61,297
Fines and forfeitures	165,797	-	1,746	167,543
Intergovernmental	1,984,390	-	114,647	2,099,037
Investment income	79,873	-	-	79,873
Other	342,775	-	-	342,775
Total revenues	<u>3,844,854</u>	<u>-</u>	<u>1,062,199</u>	<u>4,907,053</u>
Expenditures:				
Current:				
General government	179,132	-	-	179,132
Security of persons and property	1,432,785	-	-	1,432,785
Public health and welfare	169,260	-	-	169,260
Transportation	1,086,043	-	-	1,086,043
Community environment	689,263	-	-	689,263
Leisure time activities	990,254	-	-	990,254
Capital outlay	-	-	360,641	360,641
Debt service:				
Principal retirement	15,137	-	-	15,137
Interest and fiscal charges	10,538	-	-	10,538
Total expenditures	<u>4,572,412</u>	<u>-</u>	<u>360,641</u>	<u>4,933,053</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(727,558)</u>	<u>-</u>	<u>701,558</u>	<u>(26,000)</u>
Other financing sources (uses):				
Transfers in	989,395	-	-	989,395
Transfers (out)	(7,377)	-	-	(7,377)
Total other financing sources (uses)	<u>982,018</u>	<u>-</u>	<u>-</u>	<u>982,018</u>
Net change in fund balances	254,460	-	701,558	956,018
Fund balances at beginning of year	<u>6,065,350</u>	<u>43,850</u>	<u>802,418</u>	<u>6,911,618</u>
Fund balances at end of year	<u>\$ 6,319,810</u>	<u>\$ 43,850</u>	<u>\$ 1,503,976</u>	<u>\$ 7,867,636</u>

CITY OF ALLIANCE, OHIO

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Street Repair and Maintenance Fund

This fund accounts for 92.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

State Highway Fund

This fund accounts for 7.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

Law Enforcement Block Grant Fund

This fund accounts for monies received from fines related to drug cases. Expenditures are used for the education of the community.

Motor Vehicle License Fund

This fund accounts for the City's share of the motor vehicle license tax levied by the City.

Municipal Court Computerization Fund

This fund accounts for court fees and fines used for the purchase and maintenance of computers for the municipal court.

Health Fund

This fund accounts for monies received from State and Federal grant funds used for various health education, prevention and treatment programs in the City.

Litter Control Fund

This fund accounts for monies received from the State to be used for litter prevention in the City.

State Misdemeanant Grant Fund

This fund accounts for monies received for payment of the Misdemeanant Community Sanctions Coordinator Project Program. Sanction Coordinators work one on one with individuals to fulfill their obligation to the court.

Cemetery Fund

This fund accounts for monies received from the sale of cemetery lots, burial permits, and general funds for burial services and upkeep of the City Cemetery.

HUD Grant Fund

This fund accounts for Federal grant monies received directly from the U.S. Department of Housing and Urban Development through its Community Development Block Grants/Entitlement Grants program.

Revolving Loan Fund

This fund accounts for intergovernmental grants and principal and interest received from previous revolving loans intended to spur economic development in the City.

Community Development Block Grant (CDBG) Housing Rehab Loan Fund

This fund accounts for intergovernmental grants and principal and interest received from previous housing rehabilitation project loans within the City.

Fire Pension Fund

This fund accounts for property taxes collected to pay for a portion of the employer's share of fire pension benefits.

(continued)

CITY OF ALLIANCE, OHIO

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - continued

Police Pension Fund

This fund accounts for property taxes collected to pay for a portion of the employer's share of police pension benefits.

Park Levy Fund

This fund accounts for proceeds of a voted 5 year property tax levy to be used for the expenses of the parks and recreation department.

FEMA Fund

This fund accounts for grants from the Federal Emergency Management Agency (FEMA): Staffing for Adequate Fire and Emergency Response (SAFER) Grant and Fire Prevention and Safety (FP&S) Grant.

Carnation Cable Channel Fund

This fund accounts for monies received from cable franchise fees prescribed by City Ordinance for local cable access.

Other

Smaller Special Revenue Funds maintained by the City. These funds are as follows:

- L.E. Professional Training Fund*
- Byrne Justice Assistance Grant Fund*
- Federal Equitable Sharing Fund*
- Indigent Driver Interlock and Alcohol Monitoring Fund*
- Indigent Driver Alcohol Treatment Fund*
- Enforcement and Education Fund*
- Municipal Court Legal Research Fund*
- E-Cite Fund*
- Alliance Area Senior Citizens Fund*
- Home Administration Fund*
- Tax Incentive Review Fund*
- Land Use Study Fund*
- Court ADR Fund*
- Court Security Grant Fund*
- Municipal Court Security Fund*
- Court Immobilization Fund*
- OneOhio Grant Fund*
- Parking Lot Maintenance Fund*
- Land Reutilization Fund*
- Park Resources Fund*

Funds Included in the General Fund

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

City Income Tax Fund

This fund accounts for the City's income tax collections and related expenditures.

Gasoline Revolving Fund

This fund accounts for the City's diesel fuel tanks and related expenditures.

Supply Revolving Fund

This fund accounts for services provided related to repairs and maintenance.

Auditor Transfer Fund

This fund accounts for unclaimed funds, fire loss deposits, property foreclosure deposits, and contributions.

CITY OF ALLIANCE, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	<u>Street Repair and Maintenance</u>	<u>State Highway</u>	<u>Law Enforcement Block Grant</u>	<u>Motor Vehicle License</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 855,852	\$ 145,927	\$ 64,151	\$ 72,521
Receivables (net of allowances for uncollectibles):				
Property and other taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	527,618	42,780	-	-
Loans	-	-	-	-
Prepayments	-	-	-	19,749
Materials and supplies inventory	61,202	-	-	-
Total assets	<u>\$ 1,444,672</u>	<u>\$ 188,707</u>	<u>\$ 64,151</u>	<u>\$ 92,270</u>
Liabilities:				
Accounts payable	\$ 2,539	\$ 89	\$ 1,325	\$ 1,801
Contracts payable	77,562	-	-	-
Accrued wages and benefits payable	10,679	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	6,184	-	2,000	-
Advances to other funds	-	-	-	-
Total liabilities	<u>96,964</u>	<u>89</u>	<u>3,325</u>	<u>1,801</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	353,439	28,658	-	-
Total deferred inflows of resources	<u>353,439</u>	<u>28,658</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>450,403</u>	<u>28,747</u>	<u>3,325</u>	<u>1,801</u>
Fund balances:				
Nonspendable	61,202	-	-	19,749
Restricted	933,067	159,960	60,826	70,720
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>994,269</u>	<u>159,960</u>	<u>60,826</u>	<u>90,469</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,444,672</u>	<u>\$ 188,707</u>	<u>\$ 64,151</u>	<u>\$ 92,270</u>

<u>Municipal Court Computerization</u>	<u>Health</u>	<u>Litter Control</u>	<u>State Misdemeanant Grant</u>	<u>Cemetery</u>	<u>HUD Grant</u>
\$ 110,378	\$ 4,423	\$ 13,198	\$ 10,568	\$ 869,769	\$ -
-	-	-	-	-	-
5,224	-	-	-	-	-
-	-	6,434	-	-	-
-	-	-	-	-	-
-	-	236	-	2,320	1,943
-	-	-	-	-	-
<u>\$ 115,602</u>	<u>\$ 4,423</u>	<u>\$ 19,868</u>	<u>\$ 10,568</u>	<u>\$ 872,089</u>	<u>\$ 1,943</u>
\$ 455	\$ -	\$ -	\$ -	\$ 1,646	\$ 59,329
-	-	-	-	-	-
-	-	334	-	1,641	2,540
-	-	11,000	-	-	-
-	-	-	-	-	26,641
-	-	749	-	1,339	7,459
-	-	-	-	-	-
<u>455</u>	<u>-</u>	<u>12,083</u>	<u>-</u>	<u>4,626</u>	<u>95,969</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>455</u>	<u>-</u>	<u>12,083</u>	<u>-</u>	<u>4,626</u>	<u>95,969</u>
-	-	236	-	2,320	1,943
115,147	4,423	7,549	10,568	865,143	-
-	-	-	-	-	-
-	-	-	-	-	(95,969)
<u>115,147</u>	<u>4,423</u>	<u>7,785</u>	<u>10,568</u>	<u>867,463</u>	<u>(94,026)</u>
<u>\$ 115,602</u>	<u>\$ 4,423</u>	<u>\$ 19,868</u>	<u>\$ 10,568</u>	<u>\$ 872,089</u>	<u>\$ 1,943</u>

Continued

CITY OF ALLIANCE, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2022

	Revolving Loan	Community Development Block Grant	Fire Pension	Police Pension
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,998,161	\$ 40,228	\$ 10,000	\$ 10,000
Receivables (net of allowances for uncollectibles):				
Property and other taxes	-	-	103,573	103,573
Accounts	-	-	-	-
Intergovernmental	-	-	4,181	4,181
Loans	408,861	-	-	-
Prepayments	405	-	-	-
Materials and supplies inventory	-	-	-	-
Total assets	<u>\$ 3,407,427</u>	<u>\$ 40,228</u>	<u>\$ 117,754</u>	<u>\$ 117,754</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	380	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	234	-	42,071	43,094
Advances to other funds	-	-	-	-
Total liabilities	<u>614</u>	<u>-</u>	<u>42,071</u>	<u>43,094</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	103,573	103,573
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	4,181	4,181
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>107,754</u>	<u>107,754</u>
Total liabilities and deferred inflows of resources	<u>614</u>	<u>-</u>	<u>149,825</u>	<u>150,848</u>
Fund balances:				
Nonspendable	405	-	-	-
Restricted	3,406,408	40,228	-	-
Committed	-	-	-	-
Unassigned (deficit)	-	-	(32,071)	(33,094)
Total fund balances (deficit)	<u>3,406,813</u>	<u>40,228</u>	<u>(32,071)</u>	<u>(33,094)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,407,427</u>	<u>\$ 40,228</u>	<u>\$ 117,754</u>	<u>\$ 117,754</u>

Park Levy	FEMA	Carnation Cable Channel	Other	Total
\$ 74,040	\$ -	\$ -	\$ 654,074	\$ 5,933,290
960,002	-	-	-	1,167,148
-	-	20,652	5,927	31,803
33,231	-	-	17,201	635,626
-	-	-	-	408,861
7,338	-	-	3,186	35,177
-	-	-	-	61,202
<u>\$ 1,074,611</u>	<u>\$ -</u>	<u>\$ 20,652</u>	<u>\$ 680,388</u>	<u>\$ 8,273,107</u>
\$ 5,615	\$ -	\$ -	\$ 1,443	\$ 74,242
-	-	-	-	77,562
8,931	-	-	1,389	25,894
-	30,000	-	(991)	40,009
-	-	-	-	26,641
8,138	-	-	1,217	112,485
-	-	-	5,626	5,626
<u>22,684</u>	<u>30,000</u>	<u>-</u>	<u>8,684</u>	<u>362,459</u>
823,250	-	-	-	1,030,396
136,752	-	-	-	136,752
33,231	-	-	-	423,690
<u>993,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,590,838</u>
<u>1,015,917</u>	<u>30,000</u>	<u>-</u>	<u>8,684</u>	<u>1,953,297</u>
7,338	-	-	3,186	96,379
51,356	-	-	656,170	6,381,565
-	-	20,652	12,348	33,000
-	(30,000)	-	-	(191,134)
<u>58,694</u>	<u>(30,000)</u>	<u>20,652</u>	<u>671,704</u>	<u>6,319,810</u>
<u>\$ 1,074,611</u>	<u>\$ -</u>	<u>\$ 20,652</u>	<u>\$ 680,388</u>	<u>\$ 8,273,107</u>

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Street Repair and Maintenance	State Highway	Law Enforcement Block Grant	Motor Vehicle License
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	30,881	-
Intergovernmental	1,070,336	86,784	-	215,023
Investment income	11,369	1,833	974	-
Other	14,660	-	-	-
Total revenues	<u>1,096,365</u>	<u>88,617</u>	<u>31,855</u>	<u>215,023</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	68,700	-	39,497	-
Public health and welfare	-	-	-	-
Transportation	830,844	10,869	-	244,330
Community environment	-	-	-	-
Leisure time activities	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>899,544</u>	<u>10,869</u>	<u>39,497</u>	<u>244,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>196,821</u>	<u>77,748</u>	<u>(7,642)</u>	<u>(29,307)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	196,821	77,748	(7,642)	(29,307)
Fund balances (deficit) at beginning of year	797,448	82,212	68,468	119,776
Fund balances (deficit) at end of year	<u>\$ 994,269</u>	<u>\$ 159,960</u>	<u>\$ 60,826</u>	<u>\$ 90,469</u>

Municipal Court Computerization	Health	Litter Control	State Misdemeanant Grant	Cemetery	HUD Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	40,675	-
56,053	-	-	-	-	-
-	-	36,287	-	-	471,861
-	-	-	-	12,350	-
213	-	131	-	33,565	-
<u>56,266</u>	<u>-</u>	<u>36,418</u>	<u>-</u>	<u>86,590</u>	<u>471,861</u>
63,549	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	169,260	-
-	-	-	-	-	-
-	-	73,758	-	-	521,355
-	-	-	-	-	-
-	-	-	-	-	-
<u>63,549</u>	<u>-</u>	<u>73,758</u>	<u>-</u>	<u>169,260</u>	<u>521,355</u>
(7,283)	-	(37,340)	-	(82,670)	(49,494)
-	-	45,000	-	100,000	-
-	-	-	-	-	-
-	-	45,000	-	100,000	-
(7,283)	-	7,660	-	17,330	(49,494)
122,430	4,423	125	10,568	850,133	(44,532)
<u>\$ 115,147</u>	<u>\$ 4,423</u>	<u>\$ 7,785</u>	<u>\$ 10,568</u>	<u>\$ 867,463</u>	<u>\$ (94,026)</u>

Continued

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Revolving Loan</u>	<u>Community Development Block Grant</u>	<u>Fire Pension</u>	<u>Police Pension</u>
Revenues:				
Property and other taxes	\$ -	\$ -	\$ 102,360	\$ 102,360
Charges for services	-	-	-	-
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	11,119	11,119
Investment income	51,862	738	-	-
Other	139,117	15,760	-	-
Total revenues	<u>190,979</u>	<u>16,498</u>	<u>113,479</u>	<u>113,479</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	559,613	572,766
Public health and welfare	-	-	-	-
Transportation	-	-	-	-
Community environment	77,491	16,659	-	-
Leisure time activities	-	-	-	-
Debt service:				
Principal retirement	-	-	7,876	6,001
Interest and fiscal charges	-	-	5,829	4,441
Total expenditures	<u>77,491</u>	<u>16,659</u>	<u>573,318</u>	<u>583,208</u>
Excess (deficiency) of revenues over (under) expenditures	<u>113,488</u>	<u>(161)</u>	<u>(459,839)</u>	<u>(469,729)</u>
Other financing sources (uses):				
Transfers in	-	-	417,764	426,631
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>417,764</u>	<u>426,631</u>
Net change in fund balances	113,488	(161)	(42,075)	(43,098)
Fund balances (deficit) at beginning of year	3,293,325	40,389	10,004	10,004
Fund balances (deficit) at end of year	<u>\$ 3,406,813</u>	<u>\$ 40,228</u>	<u>\$ (32,071)</u>	<u>\$ (33,094)</u>

<u>Park Levy</u>	<u>FEMA</u>	<u>Carnation Cable Channel</u>	<u>Other</u>	<u>Total</u>
\$ 872,544	\$ -	\$ -	\$ -	\$ 1,077,264
-	-	-	154,080	154,080
-	-	-	-	40,675
-	-	-	78,863	165,797
24,455	45,308	-	12,098	1,984,390
-	-	-	747	79,873
105	-	107,417	31,807	342,775
<u>897,104</u>	<u>45,308</u>	<u>107,417</u>	<u>277,595</u>	<u>3,844,854</u>
-	-	86,765	28,818	179,132
-	37,931	-	154,278	1,432,785
-	-	-	-	169,260
-	-	-	-	1,086,043
-	-	-	-	689,263
990,254	-	-	-	990,254
1,260	-	-	-	15,137
268	-	-	-	10,538
<u>991,782</u>	<u>37,931</u>	<u>86,765</u>	<u>183,096</u>	<u>4,572,412</u>
<u>(94,678)</u>	<u>7,377</u>	<u>20,652</u>	<u>94,499</u>	<u>(727,558)</u>
-	-	-	-	989,395
-	(7,377)	-	-	(7,377)
-	(7,377)	-	-	982,018
(94,678)	-	20,652	94,499	254,460
153,372	(30,000)	-	577,205	\$ 6,065,350
<u>\$ 58,694</u>	<u>\$ (30,000)</u>	<u>\$ 20,652</u>	<u>\$ 671,704</u>	<u>\$ 6,319,810</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET REPAIR AND MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,075,000	\$ 1,072,954	\$ (2,046)
Investment income	3,800	11,369	7,569
Other	2,000	14,778	12,778
Total revenues	<u>1,080,800</u>	<u>1,099,101</u>	<u>18,301</u>
Expenditures:			
Current:			
Security of persons and property:			
Street security:			
Salaries and wages	41,300	39,008	2,292
Fringe benefits	7,336	6,825	511
Contractual services	26,000	24,761	1,239
Total security of persons and property	<u>74,636</u>	<u>70,594</u>	<u>4,042</u>
Transportation:			
Street transportation:			
Salaries and wages	631,000	555,349	75,651
Fringe benefits	117,750	98,954	18,796
Contractual services	10,833	7,755	3,078
Materials and supplies	87,632	81,301	6,331
Capital outlay	316,500	257,867	58,633
Total transportation	<u>1,163,715</u>	<u>1,001,226</u>	<u>162,489</u>
Total expenditures	<u>1,238,351</u>	<u>1,071,820</u>	<u>166,531</u>
Net change in fund balance	(157,551)	27,281	184,832
Fund balance at beginning of year	319,168	319,168	-
Prior year encumbrances appropriated	258,665	258,665	-
Fund balance at end of year	<u>\$ 420,282</u>	<u>\$ 605,114</u>	<u>\$ 184,832</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

STATE HIGHWAY FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 88,000	\$ 86,996	\$ (1,004)
Investment income	500	1,833	1,333
Total revenues	<u>88,500</u>	<u>88,829</u>	<u>329</u>
Expenditures:			
Current:			
Transportation:			
Capital outlay	<u>60,000</u>	<u>12,780</u>	<u>47,220</u>
Total expenditures	<u>60,000</u>	<u>12,780</u>	<u>47,220</u>
Net change in fund balance	28,500	76,049	47,549
Fund balance at beginning of year	<u>67,878</u>	<u>67,878</u>	<u>-</u>
Fund balance at end of year	<u>\$ 96,378</u>	<u>\$ 143,927</u>	<u>\$ 47,549</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 45,000	\$ 30,881	\$ (14,119)
Investment income	400	974	574
Total revenues	<u>45,400</u>	<u>31,855</u>	<u>(13,545)</u>
Expenditures:			
Current:			
Security of persons and property:			
Police:			
Materials and supplies	45,428	41,239	4,189
Capital outlay	52,000	51,000	1,000
Total expenditures	<u>97,428</u>	<u>92,239</u>	<u>5,189</u>
Net change in fund balance	(52,028)	(60,384)	(8,356)
Fund balance at beginning of year	69,350	69,350	-
Prior year encumbrances appropriated	428	428	-
Fund balance at end of year	<u>\$ 17,750</u>	<u>\$ 9,394</u>	<u>\$ (8,356)</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE LICENSE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 239,000	\$ 233,528	\$ (5,472)
Total revenues	<u>239,000</u>	<u>233,528</u>	<u>(5,472)</u>
Expenditures:			
Current:			
Transportation:			
Street maintenance:			
Fringe benefits	19,000	13,093	5,907
Contractual services	136,163	129,296	6,867
Capital outlay	137,762	115,311	22,451
Total expenditures	<u>292,925</u>	<u>257,700</u>	<u>35,225</u>
Net change in fund balance	(53,925)	(24,172)	29,753
Fund balance at beginning of year	69,763	69,763	-
Prior year encumbrances appropriated	20,725	20,725	-
Fund balance at end of year	<u>\$ 36,563</u>	<u>\$ 66,316</u>	<u>\$ 29,753</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT COMPUTERIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 53,000	\$ 54,915	\$ 1,915
Other	-	213	213
Total revenues	<u>53,000</u>	<u>55,128</u>	<u>2,128</u>
Expenditures:			
Current:			
General government:			
Clerk of courts:			
Contractual services	65,060	47,937	17,123
Materials and supplies	21,434	15,961	5,473
Capital outlay	15,000	453	14,547
Total expenditures	<u>101,494</u>	<u>64,351</u>	<u>37,143</u>
Net change in fund balance	(48,494)	(9,223)	39,271
Fund balance at beginning of year	115,752	115,752	-
Prior year encumbrances appropriated	3,494	3,494	-
Fund balance at end of year	<u><u>\$ 70,752</u></u>	<u><u>\$ 110,023</u></u>	<u><u>\$ 39,271</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

HEALTH FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	<u>4,423</u>	<u>4,423</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,423</u>	<u>\$ 4,423</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

LITTER CONTROL FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 44,005	\$ 41,547	\$ (2,458)
Other	-	131	131
Total revenues	<u>44,005</u>	<u>41,678</u>	<u>(2,327)</u>
Expenditures:			
Current:			
Community environment:			
Litter control:			
Salaries and wages	41,000	38,335	2,665
Fringe benefits	7,380	6,613	767
Materials and supplies	34,218	34,069	149
Total expenditures	<u>82,598</u>	<u>79,017</u>	<u>3,581</u>
Excess of expenditures over revenues	<u>(38,593)</u>	<u>(37,339)</u>	<u>1,254</u>
Other financing sources:			
Transfers in	45,000	45,000	-
Total other financing sources	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Net change in fund balance	6,407	7,661	1,254
Fund balance at beginning of year	5,537	5,537	-
Fund balance at end of year	<u>\$ 11,944</u>	<u>\$ 13,198</u>	<u>\$ 1,254</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE MISDEMEANANT GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	\$ 10,568	\$ 10,568	\$ -
Fund balance at end of year	<u>\$ 10,568</u>	<u>\$ 10,568</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CEMETERY FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	\$ 30,000	\$ 40,675	\$ 10,675
Investment income	8,000	12,350	4,350
Other	30,000	33,565	3,565
Total revenues	<u>68,000</u>	<u>86,590</u>	<u>18,590</u>
Expenditures:			
Current:			
Public health services:			
Cemetery:			
Salaries and wages	119,168	110,469	8,699
Fringe benefits	35,366	32,466	2,900
Contractual services	21,448	18,335	3,113
Materials and supplies	8,239	7,829	410
Other	600	600	-
Total expenditures	<u>184,821</u>	<u>169,699</u>	<u>15,122</u>
Excess of expenditures over revenues	<u>(116,821)</u>	<u>(83,109)</u>	<u>33,712</u>
Other financing sources:			
Transfers in	105,000	100,000	(5,000)
Total other financing sources	<u>105,000</u>	<u>100,000</u>	<u>(5,000)</u>
Net change in fund balance	(11,821)	16,891	28,712
Fund balance at beginning of year	852,479	852,479	-
Prior year encumbrances appropriated	87	87	-
Fund balance at end of year	<u><u>\$ 840,745</u></u>	<u><u>\$ 869,457</u></u>	<u><u>\$ 28,712</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

HUD GRANT FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 665,933	\$ 503,590	\$ (162,343)
Total revenues	<u>665,933</u>	<u>503,590</u>	<u>(162,343)</u>
Expenditures:			
Current:			
Community environment:			
HUD:			
Salaries and wages	122,433	122,367	66
Fringe benefits	74,657	49,770	24,887
Contractual services	134,430	116,592	17,838
Materials and supplies	12,797	4,079	8,718
Capital outlay	22,812	1,935	20,877
Other	225,932	193,790	32,142
Total expenditures	<u>593,061</u>	<u>488,533</u>	<u>104,528</u>
Net change in fund balance	72,872	15,057	(57,815)
Fund balance (deficit) at beginning of year	(123,376)	(123,376)	-
Prior year encumbrances appropriated	66,601	66,601	-
Fund balance (deficit) at end of year	<u>\$ 16,097</u>	<u>\$ (41,718)</u>	<u>\$ (57,815)</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

REVOLVING LOAN FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Investment income	\$ 37,000	\$ 51,862	\$ 14,862
Other	190,000	225,737	35,737
Total revenues	<u>227,000</u>	<u>277,599</u>	<u>50,599</u>
Expenditures:			
Current:			
Community environment:			
UDAG:			
Salaries and wages	19,235	19,235	-
Fringe benefits	7,205	5,767	1,438
Contractual services	442,900	38,117	404,783
Capital outlay	2,216,000	18,857	2,197,143
Total expenditures	<u>2,685,340</u>	<u>81,976</u>	<u>2,603,364</u>
Net change in fund balance	(2,458,340)	195,623	2,653,963
Fund balance at beginning of year	2,777,732	2,777,732	-
Prior year encumbrances appropriated	23,400	23,400	-
Fund balance at end of year	<u>\$ 342,792</u>	<u>\$ 2,996,755</u>	<u>\$ 2,653,963</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHAB LOAN FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Investment income	\$ 400	\$ 738	\$ 338
Other	15,760	15,760	-
Total revenues	<u>16,160</u>	<u>16,498</u>	<u>338</u>
Expenditures:			
Current:			
Community environment:			
CDBG:			
Capital outlay	55,000	16,659	38,341
Total expenditures	<u>55,000</u>	<u>16,659</u>	<u>38,341</u>
Net change in fund balance	(38,840)	(161)	38,679
Fund balance at beginning of year	40,389	40,389	-
Fund balance at end of year	<u>\$ 1,549</u>	<u>\$ 40,228</u>	<u>\$ 38,679</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FIRE PENSION FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other taxes	\$ 101,000	\$ 102,360	\$ 1,360
Intergovernmental	10,000	11,119	1,119
Total revenues	<u>111,000</u>	<u>113,479</u>	<u>2,479</u>
Expenditures:			
Current:			
Security of persons and property:			
Fire:			
Fringe benefits	529,420	529,420	-
Contractual services	1,827	1,827	-
Total expenditures	<u>531,247</u>	<u>531,247</u>	<u>-</u>
Excess of expenditures over revenues	<u>(420,247)</u>	<u>(417,768)</u>	<u>2,479</u>
Other financing sources:			
Transfers in	417,764	417,764	-
Total other financing sources	<u>417,764</u>	<u>417,764</u>	<u>-</u>
Net change in fund balance	(2,483)	(4)	2,479
Fund balance at beginning of year	10,004	10,004	-
Fund balance at end of year	<u>\$ 7,521</u>	<u>\$ 10,000</u>	<u>\$ 2,479</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

POLICE PENSION FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other taxes	\$ 101,000	\$ 102,360	\$ 1,360
Intergovernmental	10,000	11,119	1,119
Total revenues	<u>111,000</u>	<u>113,479</u>	<u>2,479</u>
Expenditures:			
Current:			
Security of persons and property:			
Police:			
Fringe benefits	538,287	538,287	-
Contractual services	1,827	1,827	-
Total expenditures	<u>540,114</u>	<u>540,114</u>	<u>-</u>
Excess of expenditures over revenues	<u>(429,114)</u>	<u>(426,635)</u>	<u>2,479</u>
Other financing sources:			
Transfers in	450,000	426,631	(23,369)
Total other financing sources	<u>450,000</u>	<u>426,631</u>	<u>(23,369)</u>
Net change in fund balance	20,886	(4)	(20,890)
Fund balance at beginning of year	10,004	10,004	-
Fund balance at end of year	<u>\$ 30,890</u>	<u>\$ 10,000</u>	<u>\$ (20,890)</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK LEVY FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other taxes	\$ 858,075	\$ 872,544	\$ 14,469
Intergovernmental	30,733	24,455	(6,278)
Other	-	105	105
Total revenues	<u>888,808</u>	<u>897,104</u>	<u>8,296</u>
Expenditures:			
Current:			
Leisure time activities:			
Park Levy:			
Salaries and wages	539,315	511,585	27,730
Fringe benefits	159,633	151,913	7,720
Contractual services	123,908	108,072	15,836
Materials and supplies	70,101	63,140	6,961
Capital outlay	165,708	161,069	4,639
Total expenditures	<u>1,058,665</u>	<u>995,779</u>	<u>62,886</u>
Net change in fund balance	(169,857)	(98,675)	71,182
Fund balance at beginning of year	159,303	159,303	-
Prior year encumbrances appropriated	10,567	10,567	-
Fund balance at end of year	<u>\$ 13</u>	<u>\$ 71,195</u>	<u>\$ 71,182</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FEMA FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 45,308	\$ 45,308	\$ -
Total revenues	<u>45,308</u>	<u>45,308</u>	<u>-</u>
Expenditures:			
Current:			
Security of persons and property:			
Fire:			
Salaries and wages	31,660	31,660	-
Fringe benefits	6,271	6,271	-
Total expenditures	<u>37,931</u>	<u>37,931</u>	<u>-</u>
Excess of revenues over expenditures	<u>7,377</u>	<u>7,377</u>	<u>-</u>
Other financing uses:			
Transfers out	(7,377)	(7,377)	-
Total other financing uses	<u>(7,377)</u>	<u>(7,377)</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CARNATION CABLE CHANNEL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 87,578	\$ 87,578	\$ -
Total revenues	<u>87,578</u>	<u>87,578</u>	<u>-</u>
Expenditures:			
Current:			
General government:			
Carnation Cable:			
Other	87,578	87,578	-
Total expenditures	<u>87,578</u>	<u>87,578</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

L.E. PROFESSIONAL TRAINING FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 152,500	\$ 154,080	\$ 1,580
Intergovernmental	10,020	11,600	1,580
Total revenues	<u>162,520</u>	<u>165,680</u>	<u>3,160</u>
Expenditures:			
Current:			
Security of persons and property:			
Police:			
Salaries and wages	135,739	125,557	10,182
Fringe benefits	4,859	4,857	2
Contractual services	15,000	12,506	2,494
Materials and supplies	14,100	13,627	473
Total expenditures	<u>169,698</u>	<u>156,547</u>	<u>13,151</u>
Net change in fund balance	(7,178)	9,133	16,311
Fund balance at beginning of year	12,663	12,663	-
Prior year encumbrances appropriated	598	598	-
Fund balance at end of year	<u>\$ 6,083</u>	<u>\$ 22,394</u>	<u>\$ 16,311</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BYRNE JUSTICE ASSISTANCE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 7,243	\$ 5,133	\$ (2,110)
Investment income	-	51	51
Total revenues	<u>7,243</u>	<u>5,184</u>	<u>(2,059)</u>
Expenditures:			
Current:			
Security of persons and property:			
Police:			
Capital outlay	8,962	5,133	3,829
Total expenditures	<u>8,962</u>	<u>5,133</u>	<u>3,829</u>
Net change in fund balance	(1,719)	51	1,770
Fund balance at beginning of year	4,697	4,697	-
Fund balance at end of year	<u>\$ 2,978</u>	<u>\$ 4,748</u>	<u>\$ 1,770</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL EQUITABLE SHARING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 1,000	\$ -	\$ (1,000)
Investment income	200	696	496
Total revenues	<u>1,200</u>	<u>696</u>	<u>(504)</u>
Expenditures:			
Current:			
Security of persons and property:			
Police:			
Materials and supplies	47,500	1,800	45,700
Total expenditures	<u>47,500</u>	<u>1,800</u>	<u>45,700</u>
Net change in fund balance	(46,300)	(1,104)	45,196
Fund balance at beginning of year	47,559	47,559	-
Fund balance at end of year	<u>\$ 1,259</u>	<u>\$ 46,455</u>	<u>\$ 45,196</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS INTERLOCK AND ALCOHOL MONITORING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 11,280	\$ 12,515	\$ 1,235
Total revenues	<u>11,280</u>	<u>12,515</u>	<u>1,235</u>
 Net change in fund balance	 11,280	 12,515	 1,235
 Fund balance at beginning of year	 -	 -	 -
Fund balance at end of year	<u>\$ 11,280</u>	<u>\$ 12,515</u>	<u>\$ 1,235</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVER ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 12,800	\$ 11,187	\$ (1,613)
Total revenues	<u>12,800</u>	<u>11,187</u>	<u>(1,613)</u>
Expenditures:			
Current:			
General government:			
Clerk of courts:			
Materials and supplies	25,000	-	25,000
Total expenditures	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net change in fund balance	(12,200)	11,187	23,387
Fund balance at beginning of year	291,188	291,188	-
Fund balance at end of year	<u>\$ 278,988</u>	<u>\$ 302,375</u>	<u>\$ 23,387</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 2,300	\$ 2,583	\$ 283
Total revenues	<u>2,300</u>	<u>2,583</u>	<u>283</u>
Expenditures:			
Current:			
General government:			
Clerk of courts:			
Materials and supplies	4,000	3,000	1,000
Total expenditures	<u>4,000</u>	<u>3,000</u>	<u>1,000</u>
Net change in fund balance	(1,700)	(417)	1,283
Fund balance at beginning of year	11,436	11,436	-
Fund balance at end of year	<u>\$ 9,736</u>	<u>\$ 11,019</u>	<u>\$ 1,283</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT LEGAL RESEARCH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 15,000	\$ 14,759	\$ (241)
Total revenues	<u>15,000</u>	<u>14,759</u>	<u>(241)</u>
Expenditures:			
Current:			
General government:			
Municipal court:			
Materials and supplies	20,434	6,184	14,250
Capital outlay	25,000	1,954	23,046
Total expenditures	<u>45,434</u>	<u>8,138</u>	<u>37,296</u>
Net change in fund balance	(30,434)	6,621	37,055
Fund balance at beginning of year	51,008	51,008	-
Prior year encumbrances appropriated	434	434	-
Fund balance at end of year	<u>\$ 21,008</u>	<u>\$ 58,063</u>	<u>\$ 37,055</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

E-CITE FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 2,200	\$ 2,611	\$ 411
Total revenues	<u>2,200</u>	<u>2,611</u>	<u>411</u>
 Expenditures:			
Current:			
General government:			
Judge:			
Materials and supplies	3,000	1,308	1,692
Total expenditures	<u>3,000</u>	<u>1,308</u>	<u>1,692</u>
 Net change in fund balance	(800)	1,303	2,103
 Fund balance at beginning of year	14,257	14,257	-
Fund balance at end of year	<u>\$ 13,457</u>	<u>\$ 15,560</u>	<u>\$ 2,103</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALLIANCE AREA SENIOR CITIZENS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 4,500	\$ 4,500	\$ -
Total revenues	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Expenditures:			
Current:			
General government:			
Senior center:			
Salaries and wages	10,500	10,500	-
Fringe benefits	<u>1,670</u>	<u>612</u>	<u>1,058</u>
Total expenditures	<u>12,170</u>	<u>11,112</u>	<u>1,058</u>
Net change in fund balance	(7,670)	(6,612)	1,058
Fund balance at beginning of year	9,382	9,382	-
Fund balance at end of year	<u>\$ 1,712</u>	<u>\$ 2,770</u>	<u>\$ 1,058</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HOME ADMINISTRATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 4,491	\$ 4,491	\$ -
Fund balance at end of year	<u>\$ 4,491</u>	<u>\$ 4,491</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCENTIVE REVIEW FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Fund balance at beginning of year	\$ 1,000	\$ 1,000	\$ -
Fund balance at end of year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

LAND USE STUDY FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund balance at beginning of year	\$ 4,144	\$ 4,144	\$ -
Fund balance at end of year	<u>\$ 4,144</u>	<u>\$ 4,144</u>	<u>\$ -</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COURT ADR FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 7,800	\$ 8,765	\$ 965
Total revenues	<u>7,800</u>	<u>8,765</u>	<u>965</u>
 Expenditures:			
Current:			
General government:			
Municipal court:			
Contractual services	2,000	1,950	50
Total expenditures	<u>2,000</u>	<u>1,950</u>	<u>50</u>
 Net change in fund balance	5,800	6,815	1,015
 Fund balance at beginning of year	22,225	22,225	-
Fund balance at end of year	<u>\$ 28,025</u>	<u>\$ 29,040</u>	<u>\$ 1,015</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

COURT SECURITY GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 26,000	\$ -	\$ (26,000)
Total revenues	<u>26,000</u>	<u>-</u>	<u>(26,000)</u>
 Expenditures:			
Current:			
General government:			
Judge:			
Capital outlay	\$ 2	\$ -	\$ 2
Total expenditures	<u>2</u>	<u>-</u>	<u>2</u>
 Net change in fund balance	25,998	-	(25,998)
 Fund balance at beginning of year	<u>2</u>	<u>2</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 26,000</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ (25,998)</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT SECURITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 32,500	\$ 25,517	\$ (6,983)
Total revenues	<u>32,500</u>	<u>25,517</u>	<u>(6,983)</u>
Expenditures:			
Current:			
General government:			
Municipal court:			
Fringe benefits	1,232	1,231	1
Contractual services	4,000	-	4,000
Capital outlay	14,000	-	14,000
Total expenditures	<u>19,232</u>	<u>1,231</u>	<u>18,001</u>
Net change in fund balance	13,268	24,286	11,018
Fund balance at beginning of year	76,089	76,089	-
Fund balance at end of year	<u>\$ 89,357</u>	<u>\$ 100,375</u>	<u>\$ 11,018</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT IMMOBILIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 300	\$ 500	\$ 200
Total revenues	<u>300</u>	<u>500</u>	<u>200</u>
 Expenditures:			
Current:			
General government:			
Municipal court:			
Materials and supplies	10,000	1,467	8,533
Total expenditures	<u>10,000</u>	<u>1,467</u>	<u>8,533</u>
 Net change in fund balance	(9,700)	(967)	8,733
 Fund balance at beginning of year	16,276	16,276	-
Fund balance at end of year	<u>\$ 6,576</u>	<u>\$ 15,309</u>	<u>\$ 8,733</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

ONEOHIO GRANT FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 7,687	\$ 7,687	\$ -
Total revenues	<u>7,687</u>	<u>7,687</u>	<u>-</u>
 Net change in fund balance	7,687	7,687	-
 Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ 7,687</u></u>	<u><u>\$ 7,687</u></u>	<u><u>\$ -</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARKING LOT MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 1,400	\$ 1,180	\$ (220)
Total revenues	<u>1,400</u>	<u>1,180</u>	<u>(220)</u>
Expenditures:			
Current:			
General Government:			
Parking facilities:			
Contractual services	6,391	-	6,391
Total expenditures	<u>6,391</u>	<u>-</u>	<u>6,391</u>
Net change in fund balance	(4,991)	1,180	6,171
Fund balance at beginning of year	5,942	5,942	-
Fund balance at end of year	<u>\$ 951</u>	<u>\$ 7,122</u>	<u>\$ 6,171</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

LAND REUTILIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Leisure time activities:			
Land reutilization:			
Contractual services	\$ 983	\$ -	\$ 983
Total expenditures	<u>983</u>	<u>-</u>	<u>983</u>
Net change in fund balance	(983)	-	983
Fund balance at beginning of year	983	983	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 983</u>	<u>\$ 983</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

PARK RESOURCES FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
General government:			
Capital outlay	\$ 99	\$ -	\$ 99
Total expenditures	<u>99</u>	<u>-</u>	<u>99</u>
Net change in fund balance	(99)	-	99
Fund balance at beginning of year	99	99	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 99</u>	<u>\$ 99</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CITY INCOME TAX FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal income taxes	\$ 13,792,916	\$ 13,787,545	\$ (5,371)
Other	1,100	3,044	1,944
Total revenues	<u>13,794,016</u>	<u>13,790,589</u>	<u>(3,427)</u>
Expenditures:			
Current:			
General government:			
Income tax:			
Salaries and wages	153,475	150,056	3,419
Fringe benefits	57,127	56,449	678
Contractual services	51,455	29,685	21,770
Materials and supplies	7,916	6,092	1,824
Capital outlay	5,647	5,647	-
Other	254,229	254,228	1
Total expenditures	<u>529,849</u>	<u>502,157</u>	<u>27,692</u>
Excess of revenues over expenditures	<u>13,264,167</u>	<u>13,288,432</u>	<u>24,265</u>
Other financing uses:			
Transfers out	(13,264,999)	(13,264,999)	-
Total other financing uses	<u>(13,264,999)</u>	<u>(13,264,999)</u>	<u>-</u>
Net change in fund balance	(832)	23,433	24,265
Fund balance at beginning of year	112,393	112,393	-
Prior year encumbrances appropriated	146	146	-
Fund balance at end of year	<u>\$ 111,707</u>	<u>\$ 135,972</u>	<u>\$ 24,265</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GASOLINE REVOLVING FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 88,000	\$ 88,709	\$ 709
Total revenues	<u>88,000</u>	<u>88,709</u>	<u>709</u>
Expenditures:			
Current:			
General government:			
Revolving:			
Materials and supplies	89,139	89,139	-
Total expenditures	<u>89,139</u>	<u>89,139</u>	<u>-</u>
Net change in fund balance	(1,139)	(430)	709
Fund balance at beginning of year	2,583	2,583	-
Prior year encumbrances appropriated	2,289	2,289	-
Fund balance at end of year	<u>\$ 3,733</u>	<u>\$ 4,442</u>	<u>\$ 709</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SUPPLY REVOLVING FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 190,605	\$ 237,460	\$ 46,855
Total revenues	<u>190,605</u>	<u>237,460</u>	<u>46,855</u>
Expenditures:			
Current:			
General government:			
Maintenance:			
Contractual services	5,000	-	5,000
Materials and supplies	338,674	248,342	90,332
Capital outlay	15,000	4,728	10,272
Total expenditures	<u>358,674</u>	<u>253,070</u>	<u>105,604</u>
Deficiency of revenues under expenditures	<u>(168,069)</u>	<u>(15,610)</u>	<u>152,459</u>
Other financing sources:			
Transfers in	10,000	-	(10,000)
Total other financing sources	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Net change in fund balance	(158,069)	(15,610)	142,459
Fund balance at beginning of year	155,395	155,395	-
Prior year encumbrances appropriated	22,068	22,068	-
Fund balance at end of year	<u>\$ 19,394</u>	<u>\$ 161,853</u>	<u>\$ 142,459</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

AUDITOR TRANSFER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses, permits and fees	\$ 95,000	\$ 72,000	\$ (23,000)
Other	30,500	90,794	60,294
Total revenues	<u>125,500</u>	<u>162,794</u>	<u>37,294</u>
Expenditures:			
Current:			
General government:			
Auditor:			
Materials and supplies	20,000	12,541	7,459
Other	377,000	117,102	259,898
Total expenditures	<u>397,000</u>	<u>129,643</u>	<u>267,357</u>
Net change in fund balance	(271,500)	33,151	304,651
Fund balance at beginning of year	372,638	372,638	-
Fund balance at end of year	<u>\$ 101,138</u>	<u>\$ 405,789</u>	<u>\$ 304,651</u>

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CITY OF ALLIANCE, OHIO

FUND DESCRIPTION - NONMAJOR GOVERNMENTAL FUND

Debt Service Fund

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

DEBT SERVICE FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Debt service:			
Principal retirement:			
Bond	\$ 610,510	\$ 610,510	\$ -
Interest and fiscal charges:			
Bond	106,000	105,311	689
Total expenditures	<u>716,510</u>	<u>715,821</u>	<u>689</u>
Excess of expenditures over revenues	<u>(716,510)</u>	<u>(715,821)</u>	<u>689</u>
 Other financing sources:			
Transfers in	716,000	715,821	(179)
Total other financing sources	<u>716,000</u>	<u>715,821</u>	<u>(179)</u>
 Net change in fund balance	(510)	-	510
 Fund balance at beginning of year	43,850	43,850	-
Fund balance at end of year	<u>\$ 43,340</u>	<u>\$ 43,850</u>	<u>\$ 510</u>

CITY OF ALLIANCE, OHIO

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Major Capital Project Funds

Capital Improvements Fund

This fund accounts for income tax monies received for the purpose of the acquisition of capital assets.

Nonmajor Capital Project Funds

Street Income Tax Construction Fund

This fund accounts for income tax monies used for improvements to various City roads.

Municipal Road Fund

This fund accounts for specific tax or other earmarked monies designated to finance annual street maintenance projects.

Municipal Court Special Projects Fund

This fund accounts for the monies received for the purpose of expenditures related to the capital acquisitions, improvements and replacements and any and all other special projects determined by the court or as authorized by law.

CITY OF ALLIANCE, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2022

	Street Income Tax Construction	Municipal Road	Muni. Court Special Projects	Total
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,330,107	\$ 3,353	\$ 87,751	\$ 1,421,211
Receivables (net of allowances for uncollectibles):				
Municipal income taxes	192,437	-	-	192,437
Accounts	-	-	1,746	1,746
Intergovernmental	-	114,647	-	114,647
Special assessments	27,097	-	-	27,097
Total assets	<u>\$ 1,549,641</u>	<u>\$ 118,000</u>	<u>\$ 89,497</u>	<u>\$ 1,757,138</u>
Liabilities:				
Accounts payable	\$ 5,442	\$ -	\$ 100	\$ 5,542
Interfund loans payable	-	118,000	-	118,000
Total liabilities	<u>5,442</u>	<u>118,000</u>	<u>100</u>	<u>123,542</u>
Deferred inflows of resources:				
Income tax revenue not available	102,523	-	-	102,523
Special assessments revenue not available	27,097	-	-	27,097
Total deferred inflows of resources	<u>129,620</u>	<u>-</u>	<u>-</u>	<u>129,620</u>
Total liabilities and deferred inflows of resources	<u>135,062</u>	<u>118,000</u>	<u>100</u>	<u>253,162</u>
Fund balances:				
Restricted	-	-	89,397	89,397
Committed	1,414,579	-	-	1,414,579
Total fund balances	<u>1,414,579</u>	<u>-</u>	<u>89,397</u>	<u>1,503,976</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,549,641</u>	<u>\$ 118,000</u>	<u>\$ 89,497</u>	<u>\$ 1,757,138</u>

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Street Income Tax Construction	Municipal Road	Muni. Court Special Projects	Total
Revenues:				
Municipal income taxes	\$ 925,184	\$ -	\$ -	\$ 925,184
Licenses, permits and fees	-	-	20,622	20,622
Fines and forfeitures	-	-	1,746	1,746
Intergovernmental	-	114,647	-	114,647
Total revenues	<u>925,184</u>	<u>114,647</u>	<u>22,368</u>	<u>1,062,199</u>
Expenditures:				
Capital outlay	<u>239,029</u>	<u>114,647</u>	<u>6,965</u>	<u>360,641</u>
Total expenditures	<u>239,029</u>	<u>114,647</u>	<u>6,965</u>	<u>360,641</u>
Net change in fund balances	686,155	-	15,403	701,558
Fund balances at beginning of year	<u>728,424</u>	<u>-</u>	<u>73,994</u>	<u>802,418</u>
Fund balances at end of year	<u><u>\$ 1,414,579</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 89,397</u></u>	<u><u>\$ 1,503,976</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CAPITAL IMPROVEMENTS FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 761,100	\$ 712,837	\$ (48,263)
Other	-	7,371	7,371
Total revenues	<u>761,100</u>	<u>720,208</u>	<u>(40,892)</u>
Expenditures:			
Capital outlay:			
Capital improvements:			
Capital outlay	3,204,755	2,562,580	642,175
Total expenditures	<u>3,204,755</u>	<u>2,562,580</u>	<u>642,175</u>
Excess of expenditures over revenues	<u>(2,443,655)</u>	<u>(1,842,372)</u>	<u>601,283</u>
Other financing sources (uses):			
Transfers in	1,315,000	1,326,500	11,500
Transfers (out)	(37,801)	(37,800)	1
Total other financing sources (uses)	<u>1,277,199</u>	<u>1,288,700</u>	<u>11,501</u>
Net change in fund balance	(1,166,456)	(553,672)	612,784
Fund balance at beginning of year	305,185	305,185	-
Prior year encumbrances appropriated	1,320,517	1,320,517	-
Fund balance at end of year	<u>\$ 459,246</u>	<u>\$ 1,072,030</u>	<u>\$ 612,784</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

STREET INCOME TAX CONSTRUCTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Capital outlay:			
Street income tax:			
Fringe benefits	\$ 150,000	\$ -	\$ 150,000
Capital outlay	500,000	285,587	214,413
Total expenditures	<u>650,000</u>	<u>285,587</u>	<u>364,413</u>
Excess of expenditures over revenues	<u>(650,000)</u>	<u>(285,587)</u>	<u>364,413</u>
Other financing sources:			
Transfers in	<u>920,000</u>	<u>928,550</u>	<u>8,550</u>
Total other financing sources:	<u>920,000</u>	<u>928,550</u>	<u>8,550</u>
Net change in fund balance	270,000	642,963	372,963
Fund balance at beginning of year	635,144	635,144	-
Fund balance at end of year	<u><u>\$ 905,144</u></u>	<u><u>\$ 1,278,107</u></u>	<u><u>\$ 372,963</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

MUNICIPAL ROAD FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 115,000	\$ 115,000	\$ -
Total revenues	<u>115,000</u>	<u>115,000</u>	<u>-</u>
Expenditures:			
Current:			
Capital outlay:			
Capital outlay	\$ 118,000	\$ 118,000	\$ -
Total expenditures	<u>118,000</u>	<u>118,000</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Other financing sources (uses):			
Advance in	118,000	118,000	-
Advance out	<u>(115,000)</u>	<u>(115,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MUNICIPAL COURT SPECIAL PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses, permits, and fees	\$ 21,000	\$ 22,036	\$ 1,036
Total revenues	<u>21,000</u>	<u>22,036</u>	<u>1,036</u>
Expenditures:			
Current:			
Capital outlay:			
Capital improvements:			
Contractual services	5,000	-	5,000
Capital outlay	115,000	6,865	108,135
Total expenditures	<u>120,000</u>	<u>6,865</u>	<u>113,135</u>
Net change in fund balance	(99,000)	15,171	114,171
Fund balance at beginning of year	72,580	72,580	-
Fund balance at end of year	<u>\$ (26,420)</u>	<u>\$ 87,751</u>	<u>\$ 114,171</u>

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CITY OF ALLIANCE, OHIO

FUND DESCRIPTIONS

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector business enterprises where the intent is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

Major Enterprise Funds

Water Fund

This fund accounts for revenues generated from charges for the distribution of water to residential and commercial users of the City.

Sewer Fund

This fund accounts for revenues generated from charges for sanitary services provided to residential and commercial users of the City.

Nonmajor Enterprise Funds

Robertson Community Center Fund

This fund accounts for revenues generated from charges for use of the facilities at the Robertson Community Center.

Community Improvement Fund

This fund accounts for revenues generated from charges for garbage collection services.

CITY OF ALLIANCE, OHIO
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Robertson Community Center	Community Improvement	Totals
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 104,297	\$ 459,311	\$ 563,608
Prepayments	288	-	288
Total current assets	<u>104,585</u>	<u>459,311</u>	<u>563,896</u>
Noncurrent assets:			
Net pension asset	430	-	430
Net OPEB asset	3,643	-	3,643
Depreciable capital assets (net of accumulated depreciation)	152,942	4,519	157,461
Total noncurrent assets	<u>157,015</u>	<u>4,519</u>	<u>161,534</u>
Total assets	<u>261,600</u>	<u>463,830</u>	<u>725,430</u>
Deferred outflows of resources:			
Pension	12,616	-	12,616
OPEB	3,281	-	3,281
Total deferred outflows of resources	<u>15,897</u>	<u>-</u>	<u>15,897</u>
Total assets deferred outflows of resources	<u>\$ 277,497</u>	<u>\$ 463,830</u>	<u>\$ 741,327</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 483	\$ 117,884	\$ 118,367
Due to other governments	1,769	-	1,769
Total current liabilities	<u>2,252</u>	<u>117,884</u>	<u>120,136</u>
Long-term liabilities:			
Net pension liability	<u>10,375</u>	<u>-</u>	<u>10,375</u>
Total liabilities	<u>12,627</u>	<u>117,884</u>	<u>130,511</u>
Deferred inflows of resources:			
Pension	12,708	-	12,708
OPEB	3,765	-	3,765
Total deferred inflows of resources	<u>16,473</u>	<u>-</u>	<u>16,473</u>
Total liabilities and deferred inflows of resources	<u>29,100</u>	<u>117,884</u>	<u>146,984</u>
Net position:			
Net investment in capital assets	152,942	4,519	157,461
Unrestricted	95,455	341,427	436,882
Total net position	<u>\$ 248,397</u>	<u>\$ 345,946</u>	<u>\$ 594,343</u>

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Robertson Community Center	Community Improvement	Totals
Operating revenues:			
Charges for services	\$ -	\$ 1,447,899	\$ 1,447,899
Other	62,338	3,616	65,954
Total operating revenues	<u>62,338</u>	<u>1,451,515</u>	<u>1,513,853</u>
Operating expenses:			
Salaries	19,366	161	19,527
Fringe benefits	95	25	120
Contract services	15,976	1,286,172	1,302,148
Materials and supplies	13,766	451	14,217
Depreciation	12,167	502	12,669
Total operating expenses	<u>61,370</u>	<u>1,287,311</u>	<u>1,348,681</u>
Change in net position	968	164,204	165,172
Net position at beginning of year	<u>247,429</u>	<u>181,742</u>	<u>429,171</u>
Net position at end of year	<u>\$ 248,397</u>	<u>\$ 345,946</u>	<u>\$ 594,343</u>

CITY OF ALLIANCE, OHIO

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Robertson Community Center	Community Improvement	Totals
Cash flows from operating activities:			
Cash received from customers	\$ -	\$ 1,447,899	\$ 1,447,899
Cash received from other operations	62,338	3,616	65,954
Cash payments for salaries	(19,366)	(161)	(19,527)
Cash payments for fringe benefits	(2,940)	(25)	(2,965)
Cash payments for contractual services	(15,959)	(1,283,582)	(1,299,541)
Cash payments for materials and supplies	(13,766)	(451)	(14,217)
Net cash provided by operating activities	<u>10,307</u>	<u>167,296</u>	<u>177,603</u>
Cash flows from capital and related financing activities:			
Aquisition of capital assets	-	(5,021)	(5,021)
Net cash used in capital and related financing activities	<u>-</u>	<u>(5,021)</u>	<u>(5,021)</u>
Net increase in cash and cash equivalents	10,307	162,275	172,582
Cash and cash equivalents at beginning of year	93,990	297,036	391,026
Cash and cash equivalents at end of year	<u>\$ 104,297</u>	<u>\$ 459,311</u>	<u>\$ 563,608</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 968	\$ 164,204	\$ 165,172
Adjustments:			
Depreciation	12,167	502	12,669
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
Prepayments	(25)	-	(25)
Net pension asset	(190)	-	(190)
Net OPEB asset	(2,160)	-	(2,160)
Deferred outflows - pension	813	-	813
Deferred outflows - OPEB	4,494	-	4,494
Accounts payable	36	2,590	2,626
Due to other governments	201	-	201
Net pension liability	(2,211)	-	(2,211)
Deferred outflows - pension	1,001	-	1,001
Deferred outflows - OPEB	(4,787)	-	(4,787)
Net cash provided by operating activities	<u>\$ 10,307</u>	<u>\$ 167,296</u>	<u>\$ 177,603</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

WATER FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Operating revenues:			
Charges for services	\$ 5,486,000	\$ 5,418,878	\$ (67,122)
Other	106,500	101,726	(4,774)
Total operating revenues	<u>5,592,500</u>	<u>5,520,604</u>	<u>(71,896)</u>
Operating expenses:			
Salaries and benefits	1,744,681	1,541,961	202,720
Fringe benefits	663,390	581,241	82,149
Contract services	1,221,279	845,125	376,154
Materials and supplies	1,716,206	1,362,861	353,345
Capital outlay	3,173,463	2,495,751	677,712
Other	10,316	9,272	1,044
Total operating expenses	<u>8,529,335</u>	<u>6,836,211</u>	<u>1,693,124</u>
Operating loss	<u>(2,936,835)</u>	<u>(1,315,607)</u>	<u>1,621,228</u>
Nonoperating revenues:			
Interest revenue	39,500	89,032	49,532
Intergovernmental revenue	213,840	213,840	-
Total nonoperating revenues	<u>253,340</u>	<u>302,872</u>	<u>49,532</u>
Loss before transfers	<u>(2,683,495)</u>	<u>(1,012,735)</u>	<u>1,670,760</u>
Transfers in	1,595,000	1,630,600	35,600
Transfers (out)	<u>(1,451,000)</u>	<u>(1,341,812)</u>	<u>109,188</u>
Net change in net position	<u>(2,539,495)</u>	<u>(723,947)</u>	<u>1,815,548</u>
Net position beginning of year	6,056,744	6,056,744	-
Prior year encumbrances appropriated	696,406	696,406	-
Net position end of year	<u>\$ 4,213,655</u>	<u>\$ 6,029,203</u>	<u>\$ 1,815,548</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

SEWER FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Operating revenues:			
Charges for services	\$ 4,700,000	\$ 4,756,639	\$ 56,639
Licenses, permits and fees	18,000	11,353	(6,647)
Other	-	17,437	17,437
Total operating revenues	<u>4,718,000</u>	<u>4,785,429</u>	<u>67,429</u>
Operating expenses:			
Salaries and benefits	1,648,633	1,568,228	80,405
Fringe benefits	689,568	652,001	37,567
Contract services	1,274,410	814,261	460,149
Materials and supplies	796,729	419,530	377,199
Capital outlay	2,576,766	2,514,107	62,659
Other	10,000	2,261	7,739
Total operating expenses	<u>6,996,106</u>	<u>5,970,388</u>	<u>1,025,718</u>
Operating loss	<u>(2,278,106)</u>	<u>(1,184,959)</u>	<u>1,093,147</u>
Nonoperating revenues:			
Interest revenue	70,000	87,449	17,449
Loss before transfers	<u>(2,208,106)</u>	<u>(1,097,510)</u>	<u>1,110,596</u>
Transfers in	1,700,000	1,700,000	-
Transfers (out)	<u>(2,160,000)</u>	<u>(2,136,209)</u>	<u>23,791</u>
Net change in net position	<u>(2,668,106)</u>	<u>(1,533,719)</u>	<u>1,134,387</u>
Net position beginning of year	4,719,828	4,719,828	-
Prior year encumbrances appropriated	1,603,561	1,603,561	-
Net position end of year	<u>\$ 3,655,283</u>	<u>\$ 4,789,670</u>	<u>\$ 1,134,387</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ROBERTSON COMMUNITY CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Operating revenues:			
Other	\$ 41,500	\$ 62,338	\$ 20,838
Total operating revenues	<u>41,500</u>	<u>62,338</u>	<u>20,838</u>
Operating expenses:			
Salaries and benefits	21,131	19,366	1,765
Fringe benefits	3,630	2,940	690
Contract services	20,098	16,342	3,756
Materials and supplies	11,341	8,779	2,562
Capital outlay	5,000	4,987	13
Total operating expenses	<u>61,200</u>	<u>52,414</u>	<u>8,786</u>
Net change in net position	(19,700)	9,924	29,624
Net position beginning of year	93,701	93,701	-
Prior year encumbrances appropriated	289	289	-
Net position end of year	<u>\$ 74,290</u>	<u>\$ 103,914</u>	<u>\$ 29,624</u>

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Operating revenues:			
Charges for services	\$ 1,425,000	\$ 1,447,899	\$ 22,899
Other	2,000	3,616	1,616
Total operating revenues	<u>1,427,000</u>	<u>1,451,515</u>	<u>24,515</u>
Operating expenses:			
Salaries and benefits	14,800	161	14,639
Fringe benefits	2,518	25	2,493
Contract services	1,564,138	1,283,582	280,556
Materials and supplies	10,000	5,472	4,528
Capital outlay	50,000	-	50,000
Total operating expenses	<u>1,641,456</u>	<u>1,289,240</u>	<u>352,216</u>
Net change in net position	(214,456)	162,275	376,731
Net position beginning of year	282,898	282,898	-
Prior year encumbrances appropriated	14,138	14,138	-
Net position end of year	<u>\$ 82,580</u>	<u>\$ 459,311</u>	<u>\$ 376,731</u>

CITY OF ALLIANCE, OHIO

FUND DESCRIPTION

Internal Service Fund

The internal service fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. Specifically, the internal service fund accounts for a medical benefit self-insurance program for employees of the City.

CITY OF ALLIANCE, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Operating revenues:			
Charges for services	\$ 2,790,000	\$ 2,716,864	\$ (73,136)
Other	240,000	290,463	50,463
Total operating revenues	<u>3,030,000</u>	<u>3,007,327</u>	<u>(22,673)</u>
Operating expenses:			
Claims	3,238,736	3,195,211	43,525
Total operating expenses	<u>3,238,736</u>	<u>3,195,211</u>	<u>43,525</u>
Net change in net position	(208,736)	(187,884)	20,852
Net position beginning of year	367,705	367,705	-
Prior year encumbrances appropriated	3,736	3,736	-
Net position end of year	<u>\$ 162,705</u>	<u>\$ 183,557</u>	<u>\$ 20,852</u>

CITY OF ALLIANCE, OHIO

FUND DESCRIPTION

Custodial Fund

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

Municipal Court Fund

This fund accounts for monies received from the municipal court which are distributed to various agencies.

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STATISTICAL SECTION

CITY OF ALLIANCE, OHIO
STATISTICAL SECTION

This part of the City of Alliance's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	223-232
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the income tax.	233
Debt Capacity 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.	234-240
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	241-242
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	243-250

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

CITY OF ALLIANCE, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019
Governmental activities				
Net investment in capital assets	\$ 22,097,589	\$ 19,889,769	\$ 18,214,085	\$ 17,381,872
Restricted for:				
Debt service	43,850	43,850	45,655	66,957
Capital projects	89,397	73,994	55,024	38,390
Transportation projects	356,649	229,948	190,262	143,503
Public service programs	879,941	676,087	555,986	548,571
Community development programs	3,435,510	3,313,037	3,447,536	3,327,370
Police and fire pension	-	-	-	-
Security programs	159,909	227,825	209,657	218,959
Other purposes	1,294,504	648,164	837,277	466,429
Unrestricted (deficit)	(7,880,549)	(10,237,106)	(13,936,240)	(16,370,181)
Total governmental activities net position	<u>\$ 20,476,800</u>	<u>\$ 14,865,568</u>	<u>\$ 9,619,242</u>	<u>\$ 5,821,870</u>
Business-type activities				
Net investment in capital assets	\$ 24,552,475	\$ 23,264,663	\$ 23,113,403	\$ 20,478,007
Restricted:				
Debt service	-	-	4	225,734
Replacement and surplus reserve	1,637,978	1,939,734	1,866,743	1,652,595
Unrestricted	9,563,571	7,645,298	4,346,860	5,310,928
Total business-type activities net position	<u>\$ 35,754,024</u>	<u>\$ 32,849,695</u>	<u>\$ 29,327,010</u>	<u>\$ 27,667,264</u>
Total primary government				
Net investment in capital assets	\$ 46,650,064	\$ 43,154,432	\$ 41,327,488	\$ 37,859,879
Restricted for:				
Capital projects	89,397	73,994	55,024	38,390
Debt service	43,850	43,850	45,659	292,691
Replacement and surplus reserve	1,637,978	1,939,734	1,866,743	1,652,595
Transportation projects	356,649	229,948	190,262	143,503
Public service programs	879,941	676,087	555,986	548,571
Community environment programs	3,435,510	3,313,037	3,447,536	3,327,370
Security programs	159,909	227,825	209,657	218,959
Police and fire pension	-	-	-	-
Other purposes	1,294,504	648,164	837,277	466,429
Unrestricted (deficit)	1,683,022	(2,591,808)	(9,589,380)	(11,059,253)
Total primary government net position	<u>\$ 56,230,824</u>	<u>\$ 47,715,263</u>	<u>\$ 38,946,252</u>	<u>\$ 33,489,134</u>

Source: City financial records.

Notes: The net position at December 31, 2014 has been restated for the implementation of GASB Statement No. 68 and 71.
The net position at December 31, 2017 has been restated for the implementation of GASB Statement No. 75.
The net position at December 31, 2019 has been restated for the implementation of GASB Statement No. 84.

	2018	2017	2016	2015	2014	2013
\$	17,926,582	\$ 18,803,807	\$ 19,802,449	\$ 19,340,616	\$ 19,325,774	\$ 19,528,061
	66,216	65,369	64,617	145,057	425,849	191,036
	15,879	-	-	-	86,105	936,012
	206,857	156,417	89,780	117,694	357,951	375,369
	843,181	982,136	1,016,857	1,048,390	1,175,610	759,389
	3,233,795	2,854,058	3,184,299	3,184,160	3,329,142	3,318,742
	20,000	66,555	34,220	24,686	38,397	69,984
	290,587	347,508	344,515	355,439	392,320	232,414
	288,369	189,666	302,795	148,897	119,585	903,606
	(26,438,433)	(25,204,668)	(10,943,407)	(8,403,601)	(7,859,134)	2,743,270
\$	<u>(3,546,967)</u>	<u>(1,739,152)</u>	<u>13,896,125</u>	<u>15,961,338</u>	<u>17,391,599</u>	<u>29,057,883</u>
\$	18,528,115	\$ 17,053,900	\$ 15,854,399	\$ 14,314,561	\$ 13,620,315	\$ 12,266,157
	407,837	439,150	449,748	520,304	548,950	573,116
	1,063,822	1,132,890	866,353	878,195	522,362	1,152,065
	6,205,777	6,240,242	8,420,942	8,390,452	7,305,450	9,757,719
\$	<u>26,205,551</u>	<u>24,866,182</u>	<u>25,591,442</u>	<u>24,103,512</u>	<u>21,997,077</u>	<u>23,749,057</u>
\$	36,454,697	\$ 35,857,707	\$ 35,656,848	\$ 33,655,177	\$ 32,946,089	\$ 31,794,218
	15,879	-	-	-	86,105	936,012
	474,053	504,519	514,365	665,361	974,799	764,152
	1,063,822	1,132,890	866,353	878,195	522,362	1,152,065
	206,857	156,417	89,780	117,694	357,951	375,369
	843,181	982,136	1,016,857	1,048,390	1,175,610	759,389
	3,233,795	2,854,058	3,184,299	3,184,160	3,329,142	3,318,742
	290,587	347,508	344,515	355,439	392,320	232,414
	20,000	66,555	34,220	24,686	38,397	69,984
	288,369	189,666	302,795	148,897	119,585	903,606
	(20,232,656)	(18,964,426)	(2,522,465)	(13,149)	(553,684)	12,500,989
\$	<u>22,658,584</u>	<u>23,127,030</u>	<u>39,487,567</u>	<u>40,064,850</u>	<u>39,388,676</u>	<u>52,806,940</u>

CITY OF ALLIANCE, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 1,086,393	\$ 1,026,462	\$ 1,435,730	\$ 1,401,813
Security of persons and property	184,961	168,575	156,181	180,066
Public health and welfare	99,128	70,240	87,783	77,246
Transportation	-	-	-	-
Community environment	94,453	97,590	113,156	168,148
Leisure time activities	41,551	24,066	15,594	30,502
Subtotal - charges for services	<u>1,506,486</u>	<u>1,386,933</u>	<u>1,808,444</u>	<u>1,857,775</u>
Operating grants and contributions:				
General government	2,164,508	46,995	32,639	31,100
Security of persons and property	98,208	207,615	1,940,143	205,603
Public health and welfare	12,350	7,880	-	-
Transportation	1,324,918	1,445,781	1,439,406	1,156,195
Community environment	696,042	1,122,438	839,337	1,522,364
Leisure time activities	105	-	-	-
Subtotal - operating grants and contributions	<u>4,296,131</u>	<u>2,830,709</u>	<u>4,251,525</u>	<u>2,915,262</u>
Capital grants and contributions:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Transportation	943,445	802,751	1,622,699	350,218
Leisure time activities	-	-	-	212,700
Subtotal - capital grants and contributions	<u>943,445</u>	<u>802,751</u>	<u>1,622,699</u>	<u>562,918</u>
Total governmental activities program revenues	<u>6,746,062</u>	<u>5,020,393</u>	<u>7,682,668</u>	<u>5,335,955</u>
Business-type activities:				
Charges for services:				
Water	5,758,653	5,463,255	5,547,357	5,682,228
Sewer	4,845,801	4,802,514	5,047,117	5,096,377
Robertson Community Center	62,338	49,956	11,169	49,807
Community Improvement	1,451,515	1,421,572	1,351,111	1,302,326
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>12,118,307</u>	<u>11,737,297</u>	<u>11,956,754</u>	<u>12,130,738</u>
Total primary government	<u>\$ 18,864,369</u>	<u>\$ 16,757,690</u>	<u>\$ 19,639,422</u>	<u>\$ 17,466,693</u>
Expenses:				
Governmental activities:				
General government	\$ 3,349,511	\$ 1,930,292	\$ 3,794,432	\$ 4,094,336
Security of persons and property	9,296,692	8,455,029	9,749,781	1,187,041
Public health and welfare	626,899	530,164	907,648	724,395
Transportation	2,115,308	2,191,524	2,414,065	2,824,884
Community environment	701,128	1,137,043	1,054,128	1,138,812
Basic utility services	40,661	34,356	74,544	79,816
Leisure time activities	946,390	455,427	875,940	1,009,135
Interest and fiscal charges	12,238	12,715	13,924	15,093
Total governmental activities expenses	<u>17,088,827</u>	<u>14,746,550</u>	<u>18,884,462</u>	<u>11,073,512</u>

2018	2017	2016	2015	2014	2013
\$ 1,554,322	\$ 1,043,042	\$ 1,282,857	\$ 1,657,019	\$ 1,572,870	\$ 1,090,395
220,814	164,757	107,598	76,764	65,939	464,505
180,031	169,774	179,096	200,787	161,864	162,282
-	-	-	-	272	-
168,491	129,587	124,538	158,407	59,609	64,284
31,343	26,935	28,699	7,420	26,106	24,022
<u>2,155,001</u>	<u>1,534,095</u>	<u>1,722,788</u>	<u>2,100,397</u>	<u>1,886,660</u>	<u>1,805,488</u>
40,235	100,439	520,850	49,925	56,207	199,541
116,727	54,318	68,815	88,367	119,213	185,490
165,934	136,102	127,350	122,410	133,115	148,884
989,818	1,062,884	939,324	986,928	975,748	997,472
1,842,178	1,249,650	1,086,050	731,338	999,489	645,228
-	-	-	-	-	-
<u>3,154,892</u>	<u>2,603,393</u>	<u>2,742,389</u>	<u>1,978,968</u>	<u>2,283,772</u>	<u>2,176,615</u>
-	-	-	12,500	263	-
15,000	-	-	-	-	-
218,320	366,748	1,279,658	331,606	543,314	660,617
-	305,627	-	-	-	-
<u>233,320</u>	<u>672,375</u>	<u>1,279,658</u>	<u>344,106</u>	<u>543,577</u>	<u>660,617</u>
<u>5,543,213</u>	<u>4,809,863</u>	<u>5,744,835</u>	<u>4,423,471</u>	<u>4,714,009</u>	<u>4,642,720</u>
5,692,737	5,026,836	5,336,229	5,244,227	5,027,585	5,080,395
4,964,122	4,398,714	4,446,894	4,546,914	4,245,435	4,516,682
48,031	48,188	54,348	44,928	47,494	43,062
1,255,875	526,604	-	-	-	-
269,500	675,292	-	-	-	-
<u>12,230,265</u>	<u>10,675,634</u>	<u>9,837,471</u>	<u>9,836,069</u>	<u>9,320,514</u>	<u>9,640,139</u>
<u>\$ 17,773,478</u>	<u>\$ 15,485,497</u>	<u>\$ 15,582,306</u>	<u>\$ 14,259,540</u>	<u>\$ 14,034,523</u>	<u>\$ 14,282,859</u>
\$ 3,617,085	\$ 3,688,938	\$ 4,360,652	\$ 3,786,152	\$ 3,530,481	\$ 3,429,427
10,483,887	9,688,773	9,647,261	9,005,619	8,983,758	8,727,248
1,058,035	1,099,398	1,038,202	952,886	944,102	961,188
2,295,904	2,411,821	2,582,067	2,584,976	1,946,535	1,852,335
1,583,160	1,699,760	1,410,889	941,453	1,132,317	1,419,894
47,541	65,837	61,731	41,870	68,828	72,018
739,664	777,138	765,229	748,255	741,638	711,074
16,497	19,154	26,933	28,195	39,947	45,757
<u>19,841,773</u>	<u>19,450,819</u>	<u>19,892,964</u>	<u>18,089,406</u>	<u>17,387,606</u>	<u>17,218,941</u>

CITY OF ALLIANCE, OHIO

CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Business-type activities:				
Water	\$ 5,004,734	\$ 4,126,886	\$ 4,373,005	\$ 4,576,875
Sewer	4,072,982	3,264,203	5,020,317	5,409,140
Robertson Community Center	61,370	39,488	14,561	83,696
Community Improvement	<u>1,287,311</u>	<u>1,359,907</u>	<u>1,488,547</u>	<u>1,233,768</u>
Total business-type activities expenses	<u>10,426,397</u>	<u>8,790,484</u>	<u>10,896,430</u>	<u>11,303,479</u>
Total primary government	<u>\$ 27,515,224</u>	<u>\$ 23,537,034</u>	<u>\$ 29,780,892</u>	<u>\$ 22,376,991</u>
Net (expense) revenue:				
Governmental activities	\$ (10,342,765)	\$ (9,726,157)	\$ (11,201,794)	\$ (5,737,557)
Business-type activities	<u>1,691,910</u>	<u>2,946,813</u>	<u>1,060,324</u>	<u>827,259</u>
Total primary government net expense	<u>\$ (8,650,855)</u>	<u>\$ (6,779,344)</u>	<u>\$ (10,141,470)</u>	<u>\$ (4,910,298)</u>
General revenues and other changes in net position:				
Governmental activities:				
Municipal income taxes	\$ 13,490,189	\$ 11,613,495	\$ 10,136,657	\$ 10,702,325
Property and other local taxes	2,174,212	1,987,158	2,020,389	1,988,388
Grants and entitlements				
not restricted to specific programs	854,146	881,192	546,126	649,164
Investment earnings	161,955	34,639	30,624	22,766
Gain (loss) on fair value adjustment	(1,623,203)	(350,628)	206,711	199,082
Gain on sale of capital assets	-	184,087	-	-
Miscellaneous	896,698	622,540	2,058,659	518,124
Transfers	-	-	-	-
Special item	-	-	-	1,025,474
Total governmental activities	<u>15,953,997</u>	<u>14,972,483</u>	<u>14,999,166</u>	<u>15,105,323</u>
Business-type activities:				
Municipal income taxes	538,160	459,654	397,548	432,114
Grants and entitlements				
not restricted to specific programs	497,778	-	-	-
Investment earnings	176,481	116,218	201,874	202,340
Transfers	-	-	-	-
Total business-type activities	<u>1,212,419</u>	<u>575,872</u>	<u>599,422</u>	<u>634,454</u>
Total primary government	<u>\$ 17,166,416</u>	<u>\$ 15,548,355</u>	<u>\$ 15,598,588</u>	<u>\$ 15,739,777</u>
Change in net position:				
Governmental activities	\$ 5,611,232	\$ 5,246,326	\$ 3,797,372	\$ 9,367,766
Business-type activities	<u>2,904,329</u>	<u>3,522,685</u>	<u>1,659,746</u>	<u>1,461,713</u>
Total primary government	<u>\$ 8,515,561</u>	<u>\$ 8,769,011</u>	<u>\$ 5,457,118</u>	<u>\$ 10,829,479</u>

Source: City financial records.

2018	2017	2016	2015	2014	2013
\$ 5,060,457	\$ 4,721,033	\$ 4,574,627	\$ 4,222,774	\$ 4,490,494	\$ 4,518,463
5,086,176	4,729,283	4,194,853	3,932,292	4,364,930	4,186,816
65,137	350,405	63,466	54,428	60,546	55,503
1,243,119	80,802	-	-	-	-
11,454,889	9,881,523	8,832,946	8,209,494	8,915,970	8,760,782
<u>\$ 31,296,662</u>	<u>\$ 29,332,342</u>	<u>\$ 28,725,910</u>	<u>\$ 26,298,900</u>	<u>\$ 26,303,576</u>	<u>\$ 25,979,723</u>
\$ (14,298,560)	\$ (14,640,956)	\$ (14,148,129)	\$ (13,665,935)	\$ (12,673,597)	\$ (12,576,221)
775,376	794,111	1,004,525	1,626,575	404,544	879,357
<u>\$ (13,523,184)</u>	<u>\$ (13,846,845)</u>	<u>\$ (13,143,604)</u>	<u>\$ (12,039,360)</u>	<u>\$ (12,269,053)</u>	<u>\$ (11,696,864)</u>
\$ 10,366,624	\$ 9,728,707	\$ 10,156,552	\$ 10,305,849	\$ 10,739,033	\$ 10,118,478
1,057,126	934,726	955,825	893,577	905,285	917,317
659,829	547,218	606,027	630,859	592,068	967,436
26,599	23,077	18,684	18,707	25,442	4,166
17,869	(68,725)	(8,977)	14,262	-	-
-	-	-	-	-	-
362,698	329,524	354,805	372,420	537,100	246,946
-	-	-	-	546,889	-
-	-	-	-	-	-
12,490,745	11,494,527	12,082,916	12,235,674	13,345,817	12,254,343
405,720	380,242	399,981	404,207	420,332	394,602
-	-	-	-	-	-
158,273	128,274	83,424	75,653	115,162	9,165
-	-	-	-	(546,889)	-
563,993	508,516	483,405	479,860	(11,395)	403,767
<u>\$ 13,054,738</u>	<u>\$ 12,003,043</u>	<u>\$ 12,566,321</u>	<u>\$ 12,715,534</u>	<u>\$ 13,334,422</u>	<u>\$ 12,658,110</u>
\$ (1,807,815)	\$ (3,146,429)	\$ (2,065,213)	\$ (1,430,261)	\$ 672,220	\$ (321,878)
1,339,369	1,302,627	1,487,930	2,106,435	393,149	1,283,124
<u>\$ (468,446)</u>	<u>\$ (1,843,802)</u>	<u>\$ (577,283)</u>	<u>\$ 676,174</u>	<u>\$ 1,065,369</u>	<u>\$ 961,246</u>

CITY OF ALLIANCE, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General fund:				
Nonspendable	\$ 333,042	\$ 245,012	\$ 296,770	\$ 329,865
Restricted	3,652	7,741	13,243	8,193
Committed	126,868	104,255	121,422	87,828
Assigned	463,548	895,850	2,090,115	799,469
Unassigned	<u>3,170,450</u>	<u>2,732,043</u>	<u>2,715,212</u>	<u>1,702,053</u>
Total general fund	<u>4,097,560</u>	<u>3,984,901</u>	<u>5,236,762</u>	<u>2,927,408</u>
All other governmental funds:				
Nonspendable	96,379	93,131	91,247	117,310
Restricted	6,514,812	6,155,579	6,102,424	5,769,013
Committed	2,981,718	2,589,266	1,263,896	648,707
Assigned	-	-	-	-
Unassigned (deficit)	<u>(191,134)</u>	<u>(76,684)</u>	<u>(18,210)</u>	<u>(119,965)</u>
Total all other governmental funds	<u>9,401,775</u>	<u>8,761,292</u>	<u>7,439,357</u>	<u>6,415,065</u>
Total governmental funds	<u>\$ 13,499,335</u>	<u>\$ 12,746,193</u>	<u>\$ 12,676,119</u>	<u>\$ 9,342,473</u>

Source: City financial records.

Note: The City implemented GASB 54 in 2011.
The City implemented GASB 84 in 2020.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 246,779	\$ 262,989	\$ 256,700	\$ 386,149	\$ 98,029	\$ 100,473
10,710	7,719	4,586	-	-	-
180,757	87,966	27,592	59,451	103,593	86,927
245,393	877,671	186,256	1,299,804	1,566,149	1,380,734
<u>1,083,006</u>	<u>-</u>	<u>916,477</u>	<u>1,159,618</u>	<u>1,130,672</u>	<u>1,237,121</u>
<u>1,766,645</u>	<u>1,236,345</u>	<u>1,391,611</u>	<u>2,905,022</u>	<u>2,898,443</u>	<u>2,805,255</u>
87,916	75,111	109,983	53,784	31,068	15,867
5,468,424	5,033,095	5,125,523	5,372,753	5,859,314	5,671,080
223,888	455,388	787,042	760,187	1,057,921	825,390
-	-	-	-	1,000	1,000
<u>(116,568)</u>	<u>(12,107)</u>	<u>(203,737)</u>	<u>(352,810)</u>	<u>-</u>	<u>(3,292)</u>
<u>5,663,660</u>	<u>5,551,487</u>	<u>5,818,811</u>	<u>5,833,914</u>	<u>6,949,303</u>	<u>6,510,045</u>
<u>\$ 7,430,305</u>	<u>\$ 6,787,832</u>	<u>\$ 7,210,422</u>	<u>\$ 8,738,936</u>	<u>\$ 9,847,746</u>	<u>\$ 9,315,300</u>

CITY OF ALLIANCE, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues				
Municipal income taxes	\$ 13,235,532	\$ 11,585,481	\$ 10,152,933	\$ 10,652,126
Property and other taxes	2,181,633	1,988,868	1,975,539	1,880,731
Charges for services	434,129	328,234	515,061	620,870
Licenses, permits and fees	323,174	269,645	292,027	373,359
Fines and forfeitures	578,966	606,796	576,797	651,658
Intergovernmental	5,627,882	3,790,249	6,029,425	3,831,182
Special assessments	-	-	-	-
Investment income	198,420	92,452	336,694	314,876
Rental income	36,337	28,702	14,794	24,446
Contributions and donations	-	-	-	6,457
Fair value adjustment	(1,623,203)	(350,628)	-	-
Other	1,197,030	1,105,119	2,374,391	719,049
Total revenues	<u>22,189,900</u>	<u>19,444,918</u>	<u>22,267,661</u>	<u>19,074,754</u>
Expenditures				
Current:				
General government	3,582,767	3,487,217	3,414,288	3,394,151
Security of persons and property	9,707,689	9,221,442	8,898,206	8,728,149
Public health and welfare	668,290	604,717	894,058	679,361
Transportation	1,086,043	2,238,246	1,535,638	1,596,567
Community environment	787,198	1,312,061	1,092,996	1,095,380
Leisure time activities	990,254	843,671	741,445	770,218
Basic utility services	53,975	64,297	67,004	64,144
Capital outlay	4,490,040	1,822,495	2,229,506	697,734
Debt service:				
Principal retirement	58,300	49,183	47,973	53,474
Interest and fiscal charges	12,202	12,764	13,972	15,138
Total expenditures	<u>21,436,758</u>	<u>19,656,093</u>	<u>18,935,086</u>	<u>17,094,316</u>
Excess (deficiency) of revenues over (under) expenditures	753,142	(211,175)	3,332,575	1,980,438
Other financing sources (uses)				
Sale of capital assets	-	281,249	-	-
SIB loan proceeds	-	-	-	-
OPWC loan proceeds	-	-	-	-
Transfers in	989,395	925,630	1,477,454	1,206,019
Transfers (out)	(989,395)	(925,630)	(1,477,454)	(1,206,019)
Total other financing sources (uses)	<u>-</u>	<u>281,249</u>	<u>-</u>	<u>-</u>
Special item				
Transfer of operations	-	-	-	(68,270)
Net change in fund balances	<u>\$ 753,142</u>	<u>\$ 70,074</u>	<u>\$ 3,332,575</u>	<u>\$ 1,912,168</u>
Capital expenditures	\$ 4,208,873	\$ 3,268,206	\$ 2,342,706	\$ 1,076,787
Debt service as a percentage of noncapital expenditures	0.41%	0.38%	0.37%	0.43%

Source: City financial records.

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$	10,357,967	\$ 9,808,805	\$ 10,183,234	\$ 10,272,590	\$ 10,701,172	\$ 10,065,525
	1,053,399	948,761	954,561	897,035	897,977	916,991
	608,412	515,589	376,950	325,908	378,773	428,359
	573,871	429,225	396,001	658,533	225,825	226,663
	654,796	543,521	638,352	831,263	851,808	977,143
	3,662,860	3,629,004	4,153,323	2,758,634	2,796,166	3,390,528
	-	-	-	-	67,295	69,216
	102,375	18,485	58,434	61,429	44,593	44,886
	29,486	36,586	26,313	44,546	74,834	99,211
	4,842	4,645	17,812	10,498	13,092	42,346
	-	-	-	-	-	-
	754,170	599,485	943,409	678,148	1,095,294	657,936
	<u>17,802,178</u>	<u>16,534,106</u>	<u>17,748,389</u>	<u>16,538,584</u>	<u>17,146,829</u>	<u>16,918,804</u>
	3,237,050	3,069,659	3,912,589	3,279,554	3,104,014	3,085,737
	8,727,810	8,368,210	8,582,751	8,420,148	8,618,050	8,548,046
	997,751	955,889	964,767	960,431	926,077	949,521
	1,029,882	848,817	1,287,637	1,304,365	897,753	867,372
	1,534,117	1,620,921	1,366,506	929,267	1,129,378	1,412,050
	597,735	588,435	614,440	626,454	613,020	627,704
	42,758	55,032	55,108	61,384	64,775	68,584
	944,556	1,331,645	2,234,305	1,778,871	1,382,029	1,833,204
	45,679	119,591	283,542	263,673	551,581	324,507
	16,540	18,854	23,503	32,081	42,434	48,033
	<u>17,173,878</u>	<u>16,977,053</u>	<u>19,325,148</u>	<u>17,656,228</u>	<u>17,329,111</u>	<u>17,764,758</u>
	628,300	(442,947)	(1,576,759)	(1,117,644)	(182,282)	(845,954)
	14,173	20,357	48,245	8,834	-	-
	-	-	-	-	167,839	-
	-	-	-	-	-	95,040
	1,056,630	890,824	975,197	823,331	1,734,266	1,243,765
	(1,056,630)	(890,824)	(975,197)	(823,331)	(1,187,377)	(1,243,765)
	<u>14,173</u>	<u>20,357</u>	<u>48,245</u>	<u>8,834</u>	<u>714,728</u>	<u>95,040</u>
	-	-	-	-	-	-
\$	<u>642,473</u>	<u>\$ (422,590)</u>	<u>\$ (1,528,514)</u>	<u>\$ (1,108,810)</u>	<u>\$ 532,446</u>	<u>\$ (750,914)</u>
\$	646,138	\$ 1,087,878	\$ 2,153,633	\$ 1,625,458	\$ 1,189,258	\$ 1,871,185
	0.38%	0.87%	1.79%	1.84%	3.68%	2.34%

CITY OF ALLIANCE, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

Tax Year (1)	Individual		Total Individual	Business	Total	Tax Rate
	Withholding	Non-withholding				
2022	\$ 9,564,408	\$ 1,616,777	\$ 11,181,185	\$ 2,519,861	13,701,046	2.00%
2021	8,966,427	1,395,778	10,362,205	1,629,155	11,991,360	2.00%
2020	7,969,484	1,375,886	9,345,369	886,809	10,232,179	2.00%
2019	8,223,459	1,489,420	9,712,879	1,240,004	10,952,883	2.00%
2018	8,106,422	1,349,692	9,456,114	1,201,548	10,657,662	2.00%
2017	7,945,320	1,360,127	9,305,447	985,722	10,291,169	2.00%
2016	8,960,233	927,033	9,887,266	1,490,436	11,377,702	2.00%
2015	8,065,388	1,474,251	9,539,640	1,116,699	10,656,339	2.00%
2014	8,049,056	1,443,002	9,492,058	1,470,963	10,963,021	2.00%
2013	7,678,323	1,377,277	9,055,600	1,227,886	10,283,486	2.00%

Source: City of Alliance Income Tax Department.

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

(1) Amounts reported above are on the cash basis of accounting.

CITY OF ALLIANCE, OHIO

**INCOME TAX WITHHOLDINGS BY SECTOR
LAST TEN YEARS**

Sector	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Industrial	50%	51%	45%	43%	43%	45%	48%	47%	47%	46%
Medical	15%	13%	18%	18%	17%	18%	17%	17%	17%	17%
Education	14%	13%	15%	15%	14%	14%	13%	13%	12%	12%
Retail	6%	7%	6%	7%	7%	6%	5%	6%	6%	8%
Service	5%	5%	5%	5%	6%	5%	5%	5%	5%	5%
Food/Restaurant	3%	3%	3%	4%	3%	3%	4%	4%	3%	4%
Carnation Mall Area	3%	4%	4%	3%	4%	5%	4%	4%	4%	4%
Financial	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Construction	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%
Other	1%	1%	1%	1%	2%	1%	1%	1%	3%	1%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: City of Alliance Income Tax Department.

CITY OF ALLIANCE, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds/Notes	Special Assessment Bonds	OPWC Loans	SIB Loans	Leases	General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	Leases			
2022	\$ -	\$ -	\$ 280,002	\$ 23,928	\$ 11,445	\$ 625,090	\$ -	\$ 10,264,411	\$ 1,228,175	\$ 9,425	12,442,476	2.50%	574
2021	-	-	293,335	47,153	19,310	685,100	-	7,294,139	1,319,076	-	9,658,113	2.11%	446
2020	-	-	306,668	69,697	-	745,111	-	6,731,394	1,421,735	-	9,274,605	2.36%	412
2019	-	-	320,001	91,579	-	805,121	1,447,258	6,967,255	1,515,303	-	11,146,517	2.84%	495
2018	-	-	340,001	112,820	-	860,131	2,840,553	6,382,842	1,626,088	-	12,162,435	3.10%	540
2017	-	-	353,334	133,437	-	915,141	4,178,848	4,918,213	1,436,678	-	11,935,651	3.04%	530
2016	75,000	-	366,667	153,449	-	970,151	5,467,143	744,614	1,516,768	-	9,293,792	2.37%	413
2015	315,000	-	380,000	167,839	-	1,025,161	6,715,438	-	1,596,858	-	10,200,296	2.60%	453
2014	555,000	-	393,333	167,839	-	1,080,171	7,923,733	-	1,581,084	-	11,701,160	2.98%	520
2013	1,029,591	70,000	400,000	-	-	2,197,181	9,092,028	-	1,555,078	-	14,343,878	3.65%	637

Source: City financial records.

Notes: See the Demographics and Economic Statistics table for population and personal income data. The City implemented GASB 87 in 2022.

CITY OF ALLIANCE, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Year	Population (1)	Assessed Value of Taxable Property (2)	Bonded Debt Outstanding			Ratio of Net Bonded Debt to Assessed Value of Taxable Property	Net Bonded Debt Per Capita
			Gross Bonded Debt (3)	Debt Service Available Balance	Net Bonded Debt		
2022	21,672	\$ 373,221,140	\$ 625,090	\$ 43,850	\$ 581,240	0.16%	26.82
2021	21,672	325,043,390	685,100	43,850	641,250	0.20%	29.59
2020	22,522	325,394,320	745,111	43,850	701,261	0.22%	31.14
2019	22,522	328,137,090	805,121	43,850	761,271	0.23%	33.80
2018	22,522	285,398,790	860,131	43,850	816,281	0.29%	36.24
2017	22,522	280,881,810	915,141	43,850	871,291	0.31%	38.69
2016	22,522	280,881,810	1,045,151	43,850	1,001,301	0.36%	44.46
2015	22,522	278,005,220	1,340,161	126,550	1,213,611	0.44%	53.89
2014	22,522	264,521,390	1,635,171	396,305	1,238,866	0.47%	55.01
2013	22,522	259,506,760	3,226,772	96,408	3,130,364	1.21%	138.99

Sources:

(1) U.S. Census Bureau - 2013-2020 from 2010 Federal Census;
U.S. Census Bureau - 2021-2022 from 2020 Federal Census

(2) County Auditor.

Note: (3) Includes all general obligation bonded debt with the exception of special assessment debt.

CITY OF ALLIANCE, OHIO

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022**

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to City</u>
Direct - City of Alliance			
OPWC loans	\$ 280,002	100.00%	\$ 280,002
SIB loans	23,928	100.00%	23,928
Leases	11,445	100.00%	11,445
	<u>315,375</u>		<u>315,375</u>
Overlapping debt:			
Alliance City Schools	40,000	87.61%	35,044
Marlington Local School District	170,733	18.79%	32,081
Stark County	13,208,690	3.68%	486,080
Mahoning County	29,185,000	0.01%	2,919
	<u>42,604,423</u>		<u>556,124</u>
Total direct and overlapping debt	<u>\$ 42,919,798</u>		<u>\$ 871,499</u>

Source: Ohio Municipal Advisory Council.

Note: (1) Percentages were determined by dividing the overlapping subdivision's assessed valuation within the City by its total valuation.

CITY OF ALLIANCE, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total assessed property value	\$ 373,221,140	\$ 325,043,390	\$ 325,394,320	\$ 328,137,090
Overall legal debt limit (10 1/2 % of assessed valuation)	<u>39,188,220</u>	<u>34,129,556</u>	<u>34,166,404</u>	<u>34,454,394</u>
Debt outstanding:				
General obligation bonds	-	-	-	-
Special assessment bonds	-	-	-	-
SIB loans	23,928	47,153	69,697	91,579
Enterprise general obligation bonds	625,090	685,100	745,111	805,121
OPWC loans	1,508,177	1,612,411	1,421,735	1,515,303
Revenue bonds	-	-	-	1,447,258
Total gross indebtedness	<u>2,157,195</u>	<u>2,344,664</u>	<u>2,236,543</u>	<u>3,859,261</u>
Less:				
Special assessment bonds	-	-	-	-
SIB loans	23,928	47,153	69,697	91,579
Enterprise general obligation bonds	625,090	685,100	745,111	805,121
OPWC loans	1,508,177	1,612,411	1,421,735	1,515,303
Revenue bonds	-	-	-	1,447,258
Total net debt applicable to debt limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin within 10 1/2 % limitation	<u>\$ 39,188,220</u>	<u>\$ 34,129,556</u>	<u>\$ 34,166,404</u>	<u>\$ 34,454,394</u>
Legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%
Unvoted debt limitation (5 1/2 % of assessed valuation)	<u>\$ 20,527,163</u>	<u>\$ 17,877,386</u>	<u>\$ 17,896,688</u>	<u>\$ 18,047,540</u>
Total gross indebtedness	2,157,195	2,344,664	2,236,543	3,859,261
Less:				
Special assessment bonds	-	-	-	-
SIB loans	23,928	47,153	69,697	91,579
Enterprise general obligation bonds	625,090	685,100	745,111	805,121
OPWC loans	1,508,177	1,612,411	1,421,735	1,515,303
Revenue bonds	-	-	-	1,447,258
Net debt within 5 1/2 % limitations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin within 5 1/2 % limitations	<u>\$ 20,527,163</u>	<u>\$ 17,877,386</u>	<u>\$ 17,896,688</u>	<u>\$ 18,047,540</u>
Unvoted legal debt margin as a percentage of the unvoted debt limitation	100.00%	100.00%	100.00%	100.00%

Source: City financial records.

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

2018	2017	2016	2015	2014	2013
\$ 285,398,790	\$ 280,881,810	\$ 278,005,220	\$ 264,521,390	\$ 259,506,760	\$ 262,059,330
<u>29,966,873</u>	<u>29,492,590</u>	<u>29,190,548</u>	<u>27,774,746</u>	<u>27,248,210</u>	<u>27,516,230</u>
-	-	75,000	315,000	555,000	1,029,591
-	-	-	-	-	70,000
112,820	133,437	153,449	167,839	167,839	-
860,131	915,141	970,151	1,025,161	1,080,171	2,197,181
1,626,088	1,790,012	1,883,435	1,976,858	1,974,417	1,955,078
<u>2,840,553</u>	<u>4,178,848</u>	<u>5,467,143</u>	<u>6,715,438</u>	<u>7,923,733</u>	<u>9,092,028</u>
<u>5,439,592</u>	<u>7,017,438</u>	<u>8,549,178</u>	<u>10,200,296</u>	<u>11,701,160</u>	<u>14,343,878</u>
-	-	-	-	-	70,000
112,820	133,437	153,449	167,839	167,839	-
860,131	915,141	970,151	1,025,161	1,080,171	2,197,181
1,626,088	1,790,012	1,883,435	1,976,858	1,974,417	1,955,078
<u>2,840,553</u>	<u>4,178,848</u>	<u>5,467,143</u>	<u>6,715,438</u>	<u>7,923,733</u>	<u>9,092,028</u>
<u>-</u>	<u>-</u>	<u>75,000</u>	<u>315,000</u>	<u>555,000</u>	<u>1,029,591</u>
<u>\$ 29,966,873</u>	<u>\$ 29,492,590</u>	<u>\$ 29,115,548</u>	<u>\$ 27,459,746</u>	<u>\$ 26,693,210</u>	<u>\$ 26,486,639</u>
100.00%	100.00%	99.74%	98.87%	97.96%	96.26%
<u>\$ 15,696,933</u>	<u>\$ 15,448,500</u>	<u>\$ 15,290,287</u>	<u>\$ 14,548,676</u>	<u>\$ 14,272,872</u>	<u>\$ 14,413,263</u>
5,439,592	7,017,438	8,549,178	10,200,296	11,701,160	14,343,878
-	-	-	-	-	70,000
112,820	133,437	153,449	167,839	-	-
860,131	915,141	970,151	1,025,161	1,080,171	2,197,181
1,626,088	1,790,012	1,883,435	1,976,858	1,974,417	1,955,078
<u>2,840,553</u>	<u>4,178,848</u>	<u>5,467,143</u>	<u>6,715,438</u>	<u>7,923,733</u>	<u>9,092,028</u>
<u>-</u>	<u>-</u>	<u>75,000</u>	<u>315,000</u>	<u>722,839</u>	<u>1,029,591</u>
<u>\$ 15,696,933</u>	<u>\$ 15,448,500</u>	<u>\$ 15,215,287</u>	<u>\$ 14,233,676</u>	<u>\$ 13,550,033</u>	<u>\$ 13,383,672</u>
100.00%	100.00%	99.51%	97.83%	94.94%	92.86%

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CITY OF ALLIANCE, OHIO
PLEDGED REVENUE COVERAGE
WATER REVENUE BONDS
LAST TEN YEARS

<u>Year</u>	<u>Operating Revenues</u>	<u>Direct Operating Expenses (1)</u>	<u>Cash and cash equivalents with fiscal agent</u>	<u>Net Revenues Available for Debt Service</u>	<u>Debt Service</u>		<u>Coverage (2)</u>
					<u>Principal</u>	<u>Interest</u>	
2022	\$ 5,758,653	\$ 4,253,930	\$ -	\$ 1,504,723	\$ -	\$ -	N/A
2021	5,463,255	3,402,091	-	2,061,164	-	-	N/A
2020	5,547,357	3,648,940	4	1,898,421	1,440,000	57,600	1.27
2019	5,682,228	3,816,124	1,680,352	3,546,456	1,385,000	113,000	2.37
2018	5,692,737	4,273,708	1,695,753	3,114,782	1,330,000	166,200	2.08
2017	5,026,836	4,419,831	1,679,224	2,286,229	1,280,000	214,200	1.53
2016	5,336,229	4,223,454	1,226,707	2,339,482	1,240,000	257,600	1.56
2015	5,244,227	3,245,642	1,678,905	3,677,490	1,200,000	299,600	2.45
2014	5,027,585	3,406,534	1,678,985	3,300,036	1,160,000	338,750	2.20
2013	5,080,395	3,365,400	1,678,808	3,393,803	1,125,000	375,313	2.26

Source: City financial records.

Notes:

- (1) Direct operating expenses do not include depreciation and amortization expense.
- (2) The water revenue bonds were retired during 2020.

Net Revenue Available for Debt Service is computed by subtracting direct operating expenses from operating revenues for the reporting period. The Net Revenue Available for Debt Service also includes restricted cash held by a fiscal agent to meet the Rate Covenant as described in the Trust Agreement.

CITY OF ALLIANCE, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Stark County Unemployment Rate (3)</u>
2022	21,672	\$ 497,957,544	\$ 22,977	\$ 44,862	35.9	3.2%
2021	21,672	456,737,400	21,075	36,883	35.9	3.6%
2020	22,522	392,490,894	14,427	32,048	35.9	5.2%
2019	22,522	392,490,894	14,427	32,048	35.9	4.5%
2018	22,522	392,490,894	17,427	32,048	35.9	4.9%
2017	22,522	392,490,894	17,427	32,048	35.9	5.2%
2016	22,522	392,490,894	17,427	32,048	35.9	6.4%
2015	22,522	392,490,894	17,427	32,048	35.9	6.4%
2014	22,522	392,490,894	17,427	32,048	35.9	4.5%
2013	22,522	392,490,894	17,427	32,048	35.9	6.9%

Sources:

(1) U.S. Census Bureau - 2013-2020 from 2010 Federal Census;
U.S. Census Bureau - 2021-2022 from 2020 Federal Census

(3) Ohio Department of Job and Family Services labor market information, annual average.

Notes:

(2) Computation of per capita personal income multiplied by population.

Unemployment rate information is not available for the City; therefore, the Stark County rate is disclosed.

CITY OF ALLIANCE, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

December 31, 2022			
Employer	Employees	Rank	Percentage Employment
University of Mount Union	1,554	1	14.13%
Alliance Comm Hospital	1,189	2	10.81%
Coastal Pet Products	796	3	7.24%
Alliance City Schools	747	4	6.79%
Walmart Associates	430	5	3.91%
Mac Trailer	326	6	2.96%
City of Alliance	310	7	2.82%
Alliance Tubular Products LLC	242	8	2.20%
Wally Armour	128	9	1.16%
Alliance Community Medical	118	10	1.07%
Total	5,840		53.09%
Total City Employment (1)	11,000		

December 31, 2013			
Employer	Employees	Rank	Percentage of Total
University of Mount Union	1,851	1	16.10%
Alliance Community Hospital	1,122	2	9.76%
Coastal Pet Products	897	3	7.80%
Alliance City Schools	846	4	7.36%
Alliance Castings	690	5	6.00%
Walmart Associates	522	6	4.54%
Alliance Tubular Products LLC	345	7	3.00%
City of Alliance	307	8	2.67%
Terry's Tire Town	229	9	1.99%
Alliance Community Medical	74	10	0.64%
Total	6,883		59.86%
Total City Employment (1)	11,500		

Source: City of Alliance Income Tax Department & U.S. Department of Labor.

Notes:

(1) Total City Employment is estimated by the City.

CITY OF ALLIANCE, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2022	2021	2020	2019
General Government				
Council and clerk				
Number of ordinances passed	76	72	84	73
Number of resolutions passed	11	10	11	9
Number of planning commission docket items	37	24	34	30
Zoning board of appeals docket items	20	28	18	8
Finance Department				
Number of checks/vouchers issued	4,144	4,414	4,198	4,180
Number of payroll checks issued (1)	8,586	8,415	8,223	9,102
Interest earnings for fiscal year (cash basis, includes water & sewer)	\$ 303,835	\$ 192,848	\$ 322,116	\$ 316,160
Number of receipts issued	2,342	2,256	2,072	2,500
Number of journal entries issued	920	335	337	224
Number of budget adjustments issued	42	33	27	28
Agency ratings - Moody's Financial Services	A2	A2	A2	A2
Health insurance costs- Medical	\$ 2,484,999	\$ 2,346,072	\$ 2,147,362	\$ 2,345,207
Health insurance costs- Dental	\$ 99,360	\$ 97,511	\$ 86,056	\$ 113,205
Health insurance costs- Administration	\$ 608,841	\$ 605,067	\$ 585,718	\$ 483,822
Health insurance total	\$ 3,193,199	\$ 3,048,651	\$ 2,819,136	\$ 2,942,234
General fund receipts (budgetary-basis)	\$ 13,701,968	\$ 11,894,380	\$ 12,754,306	\$ 12,852,232
General fund expenditures (budgetary-basis)	\$ 11,312,473	\$ 11,635,807	\$ 9,733,338	\$ 10,919,501
General fund cash balance	\$ 3,773,448	\$ 2,346,903	\$ 3,069,464	\$ 1,390,089
Income Tax Department				
Number of individual returns	6,453	6,752	6,647	7,079
Number of business returns	1,294	1,423	1,262	1,247
Number of business withholding accounts	12,159	10,802	10,176	10,293
Annual number of corporate withholding forms processed	4,387	4,235	4,175	4,080
Annual number of estimated payment forms processed	3,123	3,216	3,353	2,584
Annual number of reconciliation of withholdings processed	3,480	3,456	3,423	3,572
Engineer Contracted Services				
Dollar amount of construction overseen by engineer	n/a	n/a	n/a	n/a
Private construction overseen/inspected	\$ 491,816	\$ 1,890,328	\$ 577,955	n/a
Engineering design contracts	n/a	n/a	n/a	n/a
Municipal Court				
Number of civil cases filed	1,184	1,108	1,019	1,494
Number of criminal cases filed	1,918	1,810	1,808	2,069
Number of traffic cases filed	3,007	2,931	2,370	3,234
Total cases filed	6,109	5,849	5,197	6,797
Number of civil cases disposed	1,122	1,063	1,101	1,414
Number of criminal cases disposed	2,080	1,847	1,863	2,136
Number of traffic cases disposed	3,057	2,975	2,379	3,245
Total cases disposed	6,259	5,885	5,343	6,795
Vital Statistics				
Certificates filed	376	429	436	345
Number of births (2)	10	-	-	-
Number of deaths	366	429	436	345
Certificates issued	3,128	3,723	3,264	3,383
Burial permits issued	n/a	501	n/a	363

2018	2017	2016	2015	2014	2013
62	61	69	69	80	75
12	8	13	2	6	11
37	26	35	32	11	27
13	17	32	22	22	4
4,184	4,012	4,188	3,961	3,593	3,830
9,142	7,830	2,126	2,242	2,577	2,522
\$ 206,284	\$ 180,622	\$ 127,697	\$ 104,325	\$ 14,844	\$ 17,116
2,495	2,633	289	292	284	329
173	251	283	201	212	326
40	32	15	20	29	20
A2	A2	A2	A1	Aaa	Aaa
\$ 1,862,967	\$ 1,897,930	\$ 2,227,464	\$ 2,283,972	\$ 1,759,447	\$ 2,202,445
\$ 111,442	\$ 106,401	\$ 116,824	\$ 111,121	\$ 124,595	\$ 123,818
\$ 509,462	\$ 495,409	\$ 455,148	\$ 368,918	\$ 358,408	\$ 310,190
\$ 2,483,871	\$ 2,499,740	\$ 2,799,436	\$ 2,764,011	\$ 2,242,450	\$ 2,636,453
\$ 12,157,619	\$ 11,533,809	\$ 12,057,771	\$ 11,796,835	\$ 11,713,463	\$ 11,188,999
\$ 10,927,448	\$ 10,941,075	\$ 11,585,501	\$ 12,361,924	\$ 10,870,256	\$ 10,663,936
\$ 445,233	\$ 230,043	\$ 373,777	\$ 651,973	\$ 1,197,685	\$ 1,249,079
7,266	7,809	8,045	8,418	8,372	8,070
1,281	1,328	1,389	1,259	1,224	1,304
9,771	9,438	9,238	4,459	4,683	4,989
4,324	3,523	3,447	3,422	3,612	3,451
1,048	2,700	2,851	2,735	2,898	2,680
5,204	3,621	3,608	3,925	3,612	3,550
\$ 540,573	\$ 800,000	\$ 898,839	\$ 953,981	\$ 550,000	\$ 954,950
\$ 809,350	\$ 897,129	\$ 931,250	\$ 857,900	\$ 1,056,500	n/a
\$ 104,649	\$ 160,000	\$ 650	\$ 52,975	\$ 28,600	\$ 20,625
1,443	1,317	1,290	1,389	1,476	1,371
1,943	1,547	2,237	1,995	2,042	2,290
3,475	2,285	3,407	4,544	5,528	4,844
6,861	5,149	6,934	7,928	9,046	8,505
1,410	1,204	1,324	1,396	1,453	1,402
2,022	1,667	2,307	2,058	2,127	2,402
3,523	2,350	3,462	4,581	5,537	4,858
6,955	5,221	7,093	8,035	9,117	8,662
336	314	459	714	694	754
-	-	140	387	385	416
336	314	319	309	309	338
2,993	2,942	2,877	3,176	3,172	3,255
398	364	n/a	323	365	n/a

CITY OF ALLIANCE, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

Function/Program	2022	2021	2020	2019
Civil Service				
Number of police entry tests administered	-	-	1	-
Number of fire entry tests administered	1	1	-	1
Number of police promotional tests administered	3	-	-	-
Number of fire promotional tests administered	1	2	-	-
Number of hires of police officers from certified lists	1	4	-	3
Number of hires of fire/medics from certified lists	3	1	-	6
Number of promotions from police certified lists	6	-	-	-
Number of promotions from fire certified lists	5	2	-	-
Building Department Indicators				
Construction permits issued	162	114	117	170
Estimated value of construction	\$ 2,984,676	\$ 3,809,683	\$ 8,530,358	\$ 13,514,943
Number of permits issued	824	460	847	1,148
Amount of revenue generated from permits	\$ 83,563	\$ 70,582	\$ 96,084	\$ 14,769
Number of contract registrations issued	294	305	299	322
Security of Persons & Property				
Police				
Total calls for services	31,629	32,927	33,948	35,953
Number of traffic citations issued	2,818	3,003	2,359	2,556
Number of parking citations issued	305	312	345	321
Number of criminal arrests	3,601	3,134	3,226	3,341
Number of accident reports completed	482	480	405	458
Felony offenses (F1-F5)	739	728	734	807
Misdemeanor offenses (M1-MM)	2,862	2,406	2,492	2,534
Police dept. auxiliary hours worked	362	317	207	586
DUI arrests	149	163	198	108
Prisoners	1,152	894	1,183	745
Motor vehicle accidents	482	480	405	458
Property damage accidents	482	480	405	458
Fatalities from motor vehicle accidents	-	1	-	-
Gasoline costs of fleet	\$ 104,119	\$ 83,195	\$ 64,145	\$ 76,184
Community diversion program - community service hours	n/a	5,841	n/a	n/a
Fire				
EMS/Rescue calls	2,531	2,275	982	911
Structure fires	29	21	29	31
Fires other than structure	51	55	65	50
Other fire calls (electrical, smoke/odor, hazardous mat.)	-	692	461	489
Total calls for services	2,611	3,043	1,537	1,481
Fire with loss	37	35	54	54
Fires with losses exceeding \$10,000	10	6	6	9
Fire losses	\$ 349,255	\$ 348,262	\$ 225,650	\$ 1,528,530
Fire safety inspections	254	150	161	487
Number of times mutual aid given to fire and EMS	19	5	8	3
Number of times mutual aid received for fire and EMS	7	8	4	3
Fire department receipts from fees & permits	n/a	n/a	n/a	\$ 15,080
Fire department total receipts	n/a	n/a	n/a	\$ 24,773
Public Health and Welfare				
Number of health inspections	n/a	740	749	1,069
Cemetery burials	49	48	51	40
Cemetery cremations	24	27	44	28
Cemetery sale of lots	52	44	67	42
Cemetery receipts	\$ 74,240	\$ 70,240	\$ 71,260	\$ 60,355

2018	2017	2016	2015	2014	2013
-	1	-	1	-	1
-	1	-	1	-	-
-	2	1	1	2	-
-	-	-	1	1	1
2	1	2	3	4	1
3	-	1	2	1	-
-	4	1	3	-	-
4	-	-	3	-	2
223	242	260	252	278	295
\$ 11,917,227	\$ 8,425,614	\$ 12,082,854	\$ 14,100,000	\$ 18,635,280	\$ 26,214,855
1,071	999	939	967	894	720
\$ 120,933	\$ 104,138	\$ 105,491	\$ 103,103	\$ 86,670	\$ 52,130
349	308	272	253	290	308
<hr/>					
48,493	57,259	59,871	58,286	66,082	43,231
2,959	1,345	2,444	4,268	6,188	4,122
333	87	128	505	166	125
3,671	3,057	4,697	3,843	3,248	2,883
535	515	578	572	567	547
691	536	423	641	668	583
2,980	1,836	1,729	2,465	2,580	1,981
535	820	844	834	1,230	1,723
124	125	171	141	220	215
764	1,863	2,413	2,063	2,056	1,498
535	543	578	834	587	557
535	543	99	817	587	557
1	-	2	1	-	1
\$ 76,352	\$ 70,038	\$ 65,464	\$ 76,952	\$ 127,200	\$ 146,593
n/a	n/a	n/a	n/a	n/a	n/a
1,881	2,209	2,184	2,337	2,311	2,142
23	20	32	35	40	39
46	55	46	49	46	39
734	767	729	719	645	620
2,684	3,059	3,021	3,150	3,042	2,840
31	32	51	47	55	21
12	5	9	9	10	7
\$ 329,520	\$ 138,420	\$ 710,007	\$ 477,490	\$ 325,149	\$ 285,280
416	1,069	1,045	1,217	1,090	909
5	2	6	8	16	27
4	8	3	2	4	11
\$ 14,745	\$ 605	\$ 820	\$ 1,040	\$ 630	\$ 920
\$ 14,745	\$ 5,349	\$ 820	\$ 5,418	\$ 3,374	\$ 2,421
<hr/>					
747	n/a	1,009	678	633	910
37	37	46	53	59	80
24	32	18	34	17	22
36	n/a	74	75	35	48
\$ 46,880	\$ 52,350	\$ 48,782	\$ 62,855	\$ 58,665	\$ 52,300

CITY OF ALLIANCE, OHIO

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN YEARS

Function/Program	2022	2021	2020	2019
Leisure Time Activities				
Recreation				
Recreation mens & womens league receipts	\$ -	\$ -	\$ -	\$ -
Other fees	\$ -	\$ -	\$ -	\$ -
Cabin rentals	\$ 34,991	\$ 15,005	\$ 5,845	\$ 21,630
Robertson community center facility rentals	\$ 19,500	\$ 3,275	\$ 10,425	\$ 13,574
Robertson community center swimming pool receipts	\$ 36,338	\$ -	\$ -	\$ 36,232
Total recreation department receipts	\$ 90,829	\$ 18,280	\$ 16,270	\$ 71,436
Basic Utility Services				
Refuse disposal per year (in tons) January - December	8,824	9,472	8,861	8,754
Refuse disposal costs per year January - December	\$ 998,241	\$ 1,348,977	\$ 1,309,880	\$ 1,361,088
Annual recycling tonnage (excluding leaf and compost)	1,081	1,134	749	958
Percentage of waste recycled	12.25%	11.97%	8.45%	10.94%
Transportation				
Total area within corporation limit (square miles)	8,677	8,677	8,677	8,677
Total area within Stark County (square miles)	8,600	8,600	8,600	8,600
Total area within Mahoning County (square miles)	0.077	0.077	0.077	0.077
Total dedicated streets (miles)	106.462	106.462	106.462	106.462
Total paved street (miles)	79.343	79.343	79.343	79.343
Total unpaved street (miles)	27.119	27.119	27.119	27.119
Total number of street intersections	735	735	735	735
Street repair (curb, apron, berms, asphalt) (hours)	4,750	5,300	7,140	4,860
Guardrail repair (hours)	-	-	-	-
Paint striping (hours)	96	1,325	410	1,380
Street sweeper (hours)	345	386	135	402
Cold patch (hours)	1,800	1,650	1,800	2,500
Snow and ice removal regular hours	1,725	1,725	1,245	2,640
Snow and ice removal overtime hours	1,252	368	574	785
Tons of snow melting salt purchased (Nov-Mar)	1,233	1,075	900	631
Cost of salt purchased	\$ 58,853	\$ 76,871	\$ 66,816	\$ 46,845
Sewer and sanitary calls for service	n/a	n/a	n/a	26
After hours sewer calls (hours)	n/a	n/a	n/a	8
Sewer crew (hours)	n/a	n/a	n/a	11,315
Sewer jet, vac-all, other services (hours)	n/a	n/a	n/a	n/a
Landscaping, stump-chipper service (hours)	14	25	201	175
Leaf collection (hours)	1,516	1,540	1,142	1,655
Sign department (hours)	230	320	500	920
Water Department				
Water rates per 1st 300 Cu. ft. of water used (inside City rate)	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36
Water rates per 1st 300 Cu. ft. of water used (outside City rate)	\$ 11.13	\$ 11.13	\$ 11.13	\$ 11.13
Avg. number of water accounts billed monthly (Cu. Ft.)	9,896	9,727	9,744	9,740
Total water collections annually (including P&I)	\$ 5,568,518	\$ 5,545,663	\$ 6,373,484	\$ 5,729,395
Payments for bulk water purchases	\$ 47,052	\$ 61,356	\$ 90,154	\$ 51,684
Wastewater Department				
Wastewater rates per 1st 300 Cu. ft. of water used (inside City rate)	\$ 3.94	\$ 3.86	n/a	\$ 3.74
Wastewater rates per 1st 300 Cu. ft. of water used (outside City rate)	\$ 4.28	\$ 4.20	\$ 4.20	\$ 4.06
Total flow of wastewater treatment plant (billions of gallons)	0.86	1.80	1.71	1.60
Average daily flow (millions of gallons per day)	5.28	5.00	4.70	4.40
Tons of dry sludge removed	1,207	1,359	912	1,884

Source: Various City of Alliance departments.

Notes: (1) Beginning in 2017, this figure includes direct deposit checks.
(2) The Alliance Community Hospital ceased its birth center operations in 2016.

2018	2017	2016	2015	2014	2013
\$ -	\$ -	\$ 760	\$ -	\$ 1,115	\$ 1,470
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 19,200	\$ 18,905	\$ 23,055	\$ 18,920	\$ 30,565	\$ 8,160
\$ 14,165	\$ 12,458	\$ 11,463	\$ 11,284	\$ 12,343	\$ 10,962
\$ 33,866	\$ 35,730	\$ 42,886	\$ 33,643	\$ 34,976	\$ 32,077
\$ 67,231	\$ 67,093	\$ 78,163	\$ 63,847	\$ 78,999	\$ 52,669
8,092	7,353	7,974	6,828	8,095	6,887
\$ 1,130,991	\$ 904,490	\$ 859,771	\$ 863,604	\$ 836,118	\$ 748,953
998	651	559	583	730	579
12.33%	8.85%	7.00%	8.54%	9.02%	8.41%
8,677	8,677	8,677	8,677	8,677	8,677
8,600	8,600	8,600	8,600	8,600	8,600
0.077	0.077	0.077	0.077	0.077	0.077
106.462	106.462	106.462	106.462	106.462	106.462
79.343	79.343	79.343	79.343	79.343	79.343
27.119	27.119	27.119	27.119	27.119	27.119
735	735	735	735	735	735
5,160	6,915	3,305	5,120	3,695	3,095
-	-	3	-	-	37
1,110	310	462	640	932	1,065
1,314	409	213	623	485	378
2,812	409	2,845	3,840	3,453	3,785
2,412	2,563	3,012	3,915	3,820	4,865
600	384	714	882	834	748
2,079	1,603	2,300	2,742	2,990	2,603
\$ 123,696	\$ 65,825	\$ 90,137	\$ 153,970	\$ 82,209	\$ 96,658
18	n/a	51	84	86	100
48	n/a	14	57	75	54
13,636	n/a	21,005	21,490	18,391	19,055
n/a	n/a	1,101	1,359	1,280	1,455
56	131	101	193	89	171
2,176	811	1,445	1,474	1,481	1,041
882	1,568	1,782	1,165	943	1,295
\$ 6.36	\$ 6.35	\$ 5.99	\$ 5.82	\$ 5.65	\$ 5.65
\$ 11.13	\$ 11.13	\$ 10.49	\$ 10.18	\$ 9.89	\$ 9.89
9,752	9,780	9,703	9,640	9,846	9,850
\$ 5,767,277	\$ 5,337,028	\$ 5,400,479	\$ 5,175,035	\$ 5,014,397	\$ 5,091,119
\$ 79,604	\$ 31,371	\$ 47,276	\$ 29,615	\$ 20,394	\$ 27,752
\$ 3.74	\$ 3.67	\$ 3.46	\$ 3.36	\$ 3.20	\$ 3.20
\$ 4.06	\$ 3.99	\$ 3.76	\$ 3.65	\$ 3.48	\$ 3.48
1.72	1.46	1.42	1.90	1.93	1.10
4.80	4.00	3.90	5.20	5.30	3.00
1,977	1,294	730	840	993	960

CITY OF ALLIANCE, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Square footage occupied	57,231	57,231	57,231	57,231	57,231	57,231	57,231	57,321	57,321	57,321
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square footage of building	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600	21,600
Vehicles	43	43	43	43	43	43	43	42	45	45
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Square footage of building	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351	13,351
Vehicles	10	10	10	10	10	10	10	10	10	10
Recreation										
Number of parks	24	24	24	24	24	24	24	24	24	24
Acres of parks	220	220	220	220	220	220	220	220	220	220
Other Public Works										
Streets	107	107	107	107	107	107	107	107	107	107
Traffic lights	39	39	39	39	39	39	39	39	39	39
Wastewater										
Sanitary sewers (miles)	119	119	119	119	119	119	119	119	119	119
Storm sewers (miles)	104	104	104	104	104	104	104	104	104	104
Water Department										
Water lines (miles)	120	120	120	120	120	120	120	120	120	120

Source: Various City of Alliance departments.

CITY OF ALLIANCE, OHIO

**FULL-TIME-EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2022		2021		2020		2019		2018		2017		2016		2015		2014	2013
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT		
General Government																		
Mayor	5.00	3.00	5.00	4.00	4.00	3.00	4.00	3.00	4.00	1.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	4.00
Auditor	5.00	0.00	5.00	0.00	4.50	0.00	4.50	0.00	3.50	0.00	4.50	0.00	4.50	0.00	4.50	0.00	4.50	4.50
Law Director	3.00	2.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	2.00	5.00	4.00	4.50
Council	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	0.00	9.00	4.50	4.50
Judge	7.00	3.00	5.00	4.00	6.00	3.00	6.00	3.00	6.00	1.50	6.00	2.00	6.00	2.00	5.00	2.00	6.50	5.50
Clerk of Courts	8.00	0.00	8.00	0.00	8.00	0.00	8.00	0.00	8.00	0.00	7.00	1.00	7.00	1.00	7.00	1.00	7.50	6.50
Civil Service	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	4.00	2.00	2.00
Engineering	4.00	2.00	4.00	3.00	4.00	3.00	4.00	3.00	4.00	0.50	6.00	3.00	6.00	3.00	6.00	1.50	8.00	6.50
City Hall Maintenance	1.00	1.00	1.00	1.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	2.00	2.00
Income Tax	3.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00	2.50	1.00	2.50	1.00	2.50	1.00	3.50	0.00	3.50	3.50
Treasurer	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.50	0.50
Senior Center & Agency on Aging	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	1.00
Security of Persons and Property																		
Police	37.00	2.00	37.00	0.00	37.00	0.00	37.00	3.00	37.00	3.00	37.00	3.00	40.00	3.00	40.00	3.00	41.00	43.00
Police - auxiliary/guards	0.00	18.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	17.00	0.00	20.00	11.00	10.00
Police - dispatchers/office/other	12.00	4.00	12.00	4.00	12.00	4.00	12.00	4.00	12.00	5.00	12.00	5.00	12.00	5.00	13.00	5.00	14.50	14.00
Fire	30.50	0.00	30.00	1.00	32.00	1.00	33.00	0.00	32.00	0.00	26.00	0.00	28.00	0.00	28.00	0.00	31.00	31.00
Public Health Services																		
Health	10.00	3.00	12.00	8.00	9.00	5.00	9.00	5.00	9.00	2.00	9.00	5.00	9.00	5.00	9.00	2.00	12.50	12.50
Cemetery	1.00	2.00	1.00	2.00	1.00	0.00	1.00	6.00	1.00	6.00	1.00	7.00	1.00	7.00	1.00	2.00	3.00	3.00
Leisure Time Activities																		
Parks and recreation	5.00	6.00	5.00	8.00	5.00	12.00	5.00	13.00	5.00	14.00	5.00	25.00	5.00	25.00	5.00	4.50	23.00	21.00
Litter	0.00	1.00	0.00	1.00	0.00	0.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	1.00	0.00	0.50	0.50	0.50
Community Development																		
Building (CDBG)	5.00	0.00	5.00	1.00	5.00	0.00	5.00	0.00	4.00	0.00	4.00	0.00	4.00	0.00	3.00	0.00	4.00	4.00
Transportation																		
Street maintenance & repair	11.50	0.00	11.00	4.00	11.00	7.00	11.00	6.00	11.00	3.00	11.00	1.00	11.00	1.00	12.00	0.00	12.00	11.00
Basic Utility Services																		
Sewer	23.00	1.50	22.00	4.00	23.00	6.00	24.00	7.00	24.00	5.00	23.00	0.25	23.00	0.25	28.00	0.00	28.50	29.00
Water	24.00	1.50	24.00	1.00	25.00	0.00	25.00	0.00	26.00	0.50	23.00	0.25	23.00	0.25	23.00	0.00	25.50	25.00
Billing and collection	3.00	3.00	3.00	3.00	5.00	3.00	5.00	3.00	5.00	2.00	8.00	0.00	8.00	0.00	6.00	0.00	5.50	5.50
Total	199.00	67.00	196.00	85.00	198.50	85.00	200.50	95.00	198.00	83.50	193.00	92.50	198.00	92.50	202.00	62.50	260.00	254.50

Source: City Payroll Department W-2 Audit Listing.

Note: In 2015, the City began accounting for full-time employees (FT) and part-time employees (PT) separately.

CITY OF ALLIANCE
STARK COUNTY, OHIO

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

**CITY OF ALLIANCE
STARK COUNTY, OHIO**

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CITY OF ALLIANCE
STARK COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	ASSISTANCE LISTING NUMBER	PASSED THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through City of Canton Health Department</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	07620011WA1522	10.557	\$ -	\$ 94,437
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	07620011WA1623	10.557	-	29,106
Total Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)			-	123,543
Total U.S. Department of Agriculture			-	123,543
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct</i>				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	B-17-MC-39-0031	14.218	-	3,760
Community Development Block Grants/Entitlement Grants	B-18-MC-39-0031	14.218	-	10,809
Community Development Block Grants/Entitlement Grants	B-19-MC-39-0031	14.218	-	6,347
Community Development Block Grants/Entitlement Grants	B-20-MC-39-0031	14.218	2,000	2,000
COVID-19 - Community Development Block Grants/Entitlement Grants	COVID-19, B-20-MW-39-0031	14.218	3,385	8,138
Community Development Block Grants/Entitlement Grants	B-21-MC-39-0031	14.218	91,209	411,746
Community Development Block Grants/Entitlement Grants	B-22-MC-39-0031	14.218	-	27,230
Total CDBG - Entitlement Grants Cluster			96,594	470,030
Total U.S. Department of Housing and Urban Development			96,594	470,030
U.S. DEPARTMENT OF JUSTICE				
<i>Passed Through the Ohio Department of Public Safety, Office of Criminal Justice Services</i>				
Edward Byrne Memorial Justice Assistance Grant Program	2021-JG-A03-6463E	16.738	-	5,133
<i>Direct</i>				
Equitable Sharing Program	OH0760100	16.922	-	1,800
Total U.S. Department of Justice			-	6,933
U.S. DEPARTMENT OF TREASURY				
<i>Direct</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	COVID-19, SLFRP3765	21.027	140,000	1,962,106
Total U.S. Department of Treasury			140,000	1,962,106

(Continued)

CITY OF ALLIANCE
 STARK COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	ASSISTANCE LISTING NUMBER	PASSED THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Stark County Combined General Health District</i>				
Immunization Cooperative Agreements	07610012GV0122	93.268	-	5,057
Immunization Cooperative Agreements	07610012GV0223	93.268	-	1,777
COVID-19 - Immunization Cooperative Agreements - Vaccination Grant	COVID-19, 07610012CN0122	93.268	-	18,481
Total Immunization Cooperative Agreements			-	25,315
<i>Passed Through Stark County Combined General Health District</i>				
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - FY21 Enhanced Operations Grant	COVID-19, 07610012EO0121	93.323	-	13,171
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - FY22 Enhanced Operations Grant	COVID-19, 07610012EO0222	93.323	-	3,732
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			-	16,903
<i>Passed Through Stark County Combined General Health District</i>				
Public Health Crisis Response - FY22 Public Health Workforce Grant	07610012WF0122	93.354	-	62,103
<i>Passed Through City of Canton Health Department</i>				
HIV Prevention Activities - Health Department Based	07620012HP1522	93.940	-	7,000
<i>Passed Through Stark County Combined General Health District</i>				
Preventive Health and Health Services Block Grant	07610014IC0422	93.991	-	1,628
Preventive Health and Health Services Block Grant	07610014IC0523	93.991	-	125
Total Preventive Health and Health Services Block Grant			-	1,753
Total U.S. Department of Health and Human Services			-	113,074
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Direct</i>				
Assistance to Firefighters Grant Program	EMW-2019-FG-04782	97.044	-	230,859
COVID-19 - Assistance to Firefighters Grant Program - Supplemental	COVID-19, EMW-2020-FG-00932	97.044	-	46,955
Total Preventive Health and Health Services Block Grant			-	277,814
Total U.S. Department of Homeland Security			-	277,814
Total Expenditures of Federal Awards			\$ 236,594	\$ 2,953,500

The accompanying notes are an integral part of this schedule.

**CITY OF ALLIANCE
STARK COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Alliance (the “City”) under programs of the federal government for the year ended December 31, 2022. 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. Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS INDIRECT COST RATE

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

NOTE 3 – SUBRECIPIENTS

The City passes certain federal awards received from U.S. Department of Housing and Urban Development and the U.S. Department of Treasury to other governments or not-for-profit agencies (subrecipients). As Note 1 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 4 – 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.

NOTE 5 – REPORTING OF EXPENDITURES FOR GRANT DELIVERABLES

The City receives certain Federal grant funds some of which are paid on what is known as the “deliverable” basis. Deliverable grants are grants where funds are received only after certain goals are achieved as opposed to reimbursements for expenditures incurred. The City reports amounts received as expenditures for those grants.

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

City of Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of the City Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, Stark County, Ohio, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements, and have issued our report thereon dated June 21, 2023.

Report on Internal Control over Financial Reporting

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

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

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

City of Alliance

Stark County

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Julian & Grube, Inc.

June 21, 2023

**Independent Auditor’s Report on Compliance for Each 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 Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of the City Council and Mayor:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Alliance’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB), *Compliance Supplement* that could have a direct and material effect on each of the City of Alliance’s major federal programs for the year ended December 31, 2022. The City of Alliance’s major federal programs are identified in the *Summary of Auditor’s Results* section of the accompanying schedule of findings.

In our opinion, the City of Alliance complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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.

City of Alliance

Stark County

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control

Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Alliance, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Alliance's basic financial statements. We issued our unmodified report thereon dated June 21, 2023. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the 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. 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.

June 21, 2023

**CITY OF ALLIANCE
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2022**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR § 200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program(s) (listed):</i>	<ul style="list-style-type: none"> • Coronavirus State and Local Fiscal Recovery Funds – ALN 21.027
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee 2 CFR § 200.520?</i>	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

None.

OHIO AUDITOR OF STATE KEITH FABER



CITY OF ALLIANCE

STARK 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 9/19/2023

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