

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Richard A. Mallonn II • Auditor, Canton, Ohio



For The Year Ended December 31, 2022



OHIO AUDITOR OF STATE  
KEITH FABER



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City of Canton  
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We have reviewed the *Independent Auditor's Report* of the City of Canton, 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 Canton 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 08, 2023

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

RICHARD A. MALLONN II  
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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CANTON, OHIO





# **RICHARD A. MALLONN II**

## **CANTON CITY AUDITOR**

City Hall, Canton, Ohio 44702

Phone: (330) 489-3226

June 21, 2023

To Council Members and Citizens of the City of Canton:

The Annual Comprehensive Financial Report (Annual Report) of the City of Canton as of December 31, 2022 is hereby submitted. This letter and the following report represent the City's continuing commitment to excellence in financial reporting. The purpose of this letter is to acquaint the reader with the Annual Report. Responsibility for both the accuracy of the data, 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 City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2022, have been audited by the certified public accounting firm of Julian & Grube, Inc. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards and included a financial compliance evaluation, as well as a review of the internal accounting controls. The Auditor's opinion has been included in the report.

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 MD&A can be found on page 5 of this report.

### **City Organization and Background**

The City is located in and is the County Seat of Stark County in northeastern Ohio, approximately 58 miles southeast of Cleveland, 23 miles south of Akron, and 94 miles west of Pittsburgh, Pennsylvania. It was incorporated as a village in 1822, and became a city in 1838.

The City's 2022 population of 69,671 placed it as the largest city in the County and the eighth largest in the State.

The City operates under and is governed by the mayor-council form of government. The City operates as a Statutory Municipal Corporation as defined by the Ohio Revised Code.

The City's legislative authority is vested in a twelve-member Council of whom three are elected at-large and nine are elected from their respective ward, for a term of two years. The presiding officer is the President of Council, who is elected at-large by the voters for a two-year term. The President of Council is called upon to vote on legislation in order to break a tie vote. The Council affixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating business and trades, and other municipal purposes. The Council affirms, by resolution, the individuals appointed by the Mayor to serve on the various boards and commissions for the City. 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 Law Director, each elected to a four-year term.

The Mayor appoints the directors of City departments other than the Income Tax Department. The major officials appointed by the Mayor are the, Directors of Public Service and Public Safety, Director of Economic Development, Planning Director, the Fire Chief, the Police Chief and the City Engineer. 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, Auditor, Treasurer, and Law Director and their respective officers and employees. The City Treasurer appoints the Director of Income Tax who serves at his pleasure. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

### *City Services*

**General Government Functions:** The City provides police protection, firefighting and prevention, EMS services, street maintenance and repairs, parks and recreation. Funding for these operations is derived primarily from taxes in addition to small amounts of revenue generated from user fees. These operations could not be sustained without a steady flow of tax revenue.

**Proprietary Operations:** The City operates Water, Sewer, Refuse Departments and Building Inspections. The revenue generated from Water, Sewer and Building Departments were sufficient to meet all expenses in 2022.

### **Reporting Entity**

The City has reviewed its reporting entity definition to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34". In defining the City for financial reporting purposes, management has identified all agencies, departments and organizations making up the City of Canton the primary government and its potential component units. The City presents the Canton Community Improvement Corporation (CCIC) and the Board of Health as discretely presented component units.

Neither the Canton City School District, Plain Local School District, Osnaburg School District, nor Canton Local School District has been included in the accompanying financial statements. These districts serve the citizens of Canton; however, the boards are not appointed by the City, nor are they fiscally dependent on the City.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations. Canton Tomorrow, Inc. and the Downtown Canton Special Improvement District are disclosed as joint ventures.

### **Financial Information**

#### *Accounting Policies and Budgetary Control*

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetables. The major documents prepared are the alternative Tax Budget, the Certificate of Estimated Resources and the Appropriations 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 the custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items within each department within each fund for most funds with a only a few budgeted to the fund level. Any budgetary modifications at this level or above may only be made by resolution of the City Council. Budgetary control at this level provides some flexibility in moving appropriations within their account groups to meet expenses.

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. Request for purchase orders, which would result in an overrun of budget, are not honored 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 requisition is canceled.

The City Auditor monitors all expenditures for accuracy, appropriateness and compliance. The City Auditor monitors expenditures to encumbrances to assure that each obligation incurred was entered into after the appropriate purchase order was issued. The City Auditor will exercise his discretion to issue "then and now certificates" for obligations incurred prior to obtaining a purchase order. This certificate is authorized by the Ohio Revised Code for obligations that do not exceed three thousand dollars. This certificate simply stated means: "then" meaning at the time the obligation was made and "now" meaning as of the date of the certificate there were sufficient appropriations free from prior obligations necessary to meet this obligation in question. The City Auditor requires an ordinance from Council authorizing a "Moral Obligation", for obligations incurred prior to obtaining a purchase order that exceeds this authority.

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 cash balances less carry over encumbrances at year end, the County Auditor arrives at and issues the Certificate of Estimated Resources for the City. The City Auditor submits amendments to the Certificate of Estimated Resources to the County Auditor as deemed appropriate throughout the year. 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 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 insure 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 the safeguarding of assets against loss resulting from unauthorized use or disposition; and 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 the cost of a control should not exceed the benefits likely to be derived from its implementation, and the evaluation of costs and benefits should require estimates and judgments by management. We believe the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

#### **Local Economy**

Twenty-Six commercial banks (branches), savings and loan associations and credit unions are located in the City. One daily newspaper serves the City. The City is within the broadcast area of twenty television stations and one hundred sixteen AM and FM radio stations. Spectrum, Direct TV and Dish provide TV services.

The City is home to a number of steel industrial manufacturers and suppliers. The City has benefited from the consistent financial success of the Timken Company. Although a small portion of its office operations has been moved to a location outside the city, the City remains optimistic of continued positive impact from The Timken Company and TimkenSteel resulting from the split that occurred from the Timken Company in late 2014. The City continues to benefit from the diversity of its business base including: MK Morse Company, Fresh Mark Incorporated, Republic Engineered Products, Aultman, Cleveland Clinic Mercy Hospitals and the startup of operations at the newly built Amazon Fulfillment Center is essential in order to create a climate for financial stability.

Malone University, a private four-year college, and Aultman College of Nursing are located in the City. University of Mount Union and Walsh University, private four-year schools, Stark State College of Technology, a public two-year school, and a branch of Kent State University, Ashland University, Brown Mackie College and Ross College also are located in the County. Within commuting distance are several public and private two-year and four-year colleges and universities, including Kent State University in Kent and a branch of Kent State University in Tuscarawas County, Cleveland State University, Cuyahoga Community College, John Carroll University, Baldwin-Wallace College and Case Western Reserve University in the Cleveland metropolitan area, the University of Akron in Akron, Herzog University Akron, the College of Wooster in Wooster, Hiram College in Hiram, Youngstown State University in Youngstown, Allegheny Wesleyan College, Lake College and Lakeland Community College in Lake County and Franciscan University an Eastern Gateway Community College in Steubenville.

The City is served by two acute care hospitals located in the City: Aultman Hospital (1,032 beds) and Mercy Medical Center (476 beds) which became Cleveland Clinic Mercy Hospital, and two additional acute care hospitals located in the County: In 2018 Alliance Community Hospital became Aultman Alliance Community Hospital (204 beds including 78 nursing home/transition-care beds for long-term care). Massillon Psychiatric Center (Heartland Behavioral Healthcare Hospital), a 156-bed public adult psychiatric hospital operated by the State, is also located in the County. In 2010, Aultman Hospital completed a three year \$80 million dollar expansion project, the largest in its history. The project included a new four-story 380,000 square foot addition that houses a new Aultman Heart Program, Emergency/Trauma Program, Women's Program (including Labor & Delivery) and the Neonatal Intensive Care Unit. Aultman also operates Aultman College which is located within the campus of the Hospital. A new building housing (Aultman Center for Education) was constructed in 2012 and is utilized for the College of Nursing and Health Sciences. Aultman in support of the City's Comprehensive Plan, has been working collaboratively with the City of Canton, Community Building Partnership and Stark Community Foundation to advance the goals of transforming its campus and revitalizing the neighborhood. During 2021, Aultman broke ground on a \$28 million Timken Family Cancer Center, a 58,270 square foot facility that was completed and opened in the summer of 2022. This facility brings cancer treatment services under one roof. In late 2021, Aultman became the first hospital in Stark County to offer the Paxman Scalp Cooling System – also known as “cold cap” – to help reduce hair loss for patients undergoing chemotherapy treatment. In 2009, Mercy Medical Center unveiled its new state of the art 24-unit Mercy Intensive Care Unit. The \$20.5-million-dollar project was started in 2007 and also includes an expansion of the surgery center parking garage and relocation of the hospital's helipad to the roof of the new structure. In 2013, Mercy began a \$14.5 million renovation-expansion in the emergency department increasing the beds from 33 to 48 which opened late 2014. In 2022 Cleveland Clinic Mercy partnered with Hall of Fame Resort and Entertainment Company, the only resort, entertainment and media company centered around the power of professional football, signed a multi-year agreement to make it the official healthcare provider of the Hall of Fame Village Sports Complex and Tom Benson Hall of Fame Stadium to provide medical services to program participants at the Hall of Fame Village year-round. Both Aultman and Mercy continues to add valuable medical resources such as state of the art equipment/procedures to its hospital campuses. Also, both Aultman Hospital and Mercy Medical Center continue to play a pivotal role in the financial stability of the City of Canton and come in as two of our top employers.

The Canton Park System (Park System) maintains 62 parks and covers approximately 825 acres. In addition, the City constructed and owns the 5,700-seat Thurman Munson Memorial Stadium with \$5 million dollar renovations completed in 2022. In 2013, the citizens of Canton voted on a park levy which at that time generated approximately \$2.4 million dollars annually to assist with the maintenance and capital investment into the City's 62 parks. During 2022 the levy generated approximately \$3.8 million. The renewal levy was voted on and passed by the voters of the City and included new language to combine both the Canton Parks with the Canton Joint Recreation District. The



merger process of these two entities was finalized in April 2018. In 2020, the Canton Park System assumed operation of the Peel Coleman South East Community Center. The Park System continues to add valuable upgrades to its park lands to enhance the usefulness and functionality of its Park System. The Park System renewal levy was passed in May 2021.

The City's cultural assets include the Canton Art Institute, the Symphony Orchestra Association, the Canton Civic Opera Association and the Players Guild (through August 2022), all of which are housed in the Cultural Center (Center) for the Arts and host a variety of exhibits, musical and dramatic performances and other cultural events each year. The Center, a gift of the Timken Foundation, is a building complex located on 8-1/2 acres in the center of the City, which cost \$13,000,000 to build in 1971. Adjacent to the center is the City-owned auditorium, an air-conditioned arena-type facility with a seating capacity of 6,000. The Cultural Center and the auditorium accommodate conventions. The City's greater metropolitan area has approximately 36 hotels, motels and bed and breakfasts with over 3,000 rooms.

The Canton Palace Theatre is both the literal and figurative cornerstone of the Downtown Canton Arts District. Harry Harper Ink, Canton native and inventor of the patent medicine, Tonsiline, gave the one million dollars to build the Theatre in 1926. Designed by the noted theatre architect, John Eberson, The Palace is considered an atmospheric theatre, meaning as you sit in the auditorium, you feel as if you are lounging between two Spanish castles, under a Mediterranean blue sky, complete with stars, and floating clouds. The Theatre is home to its original Kilgen Theatre Pipe Organ. This 3 manual, 11 rank instrument is the last remaining Kilgen Theatre Organ still playing in its original home. The famed organist Banks Kennedy opened the theatre November 22, 1926, to a sold out crowd, with the first feature silent film, Tin Hats.

In 2013, the Palace completed a capital project totaling \$1.3 million including new plumbing, roof, windows, service doors, ADA compliant hearing system, live event sound system, and Digital Cinema Projection. The final state of the renovation was completed in 2015 by restoring the current carpet with an original replica. A vital multi-purpose entertainment facility, its marquee burns brightly sixty feet above Market Avenue, welcoming you to enter its grand foyer and become a part of Canton's nostalgic past. Hosting over 300 events a year, with an attendance of over 100,000 guests, the Palace also strives to be an important part of Canton's future as it typically hosts a free movie night during Canton's First Friday family entertainment events each month.

The City's downtown is home to the National First Ladies Library housed in the former home of one time first lady Ida Saxton McKinley. The library presents a history of all the United States first ladies. In 2002, the Library added a \$5.5 million education and research center in the former National City Bank building located nearby the Saxton House. The renovations to the 110-year-old building were paid for through private donations and federal grants. The six story research center houses a 91-seat theater, meeting and exhibit rooms, research and reference materials and office space for the library personnel. In 2011 the Education and Research Center was donated to the National Park Service and then was made a part of the First Ladies National Historic Site. The National First Ladies' Library remains as the managing/operating partner of the site for the National Park Service. The First Ladies Park and the gated parking lot continue to be owned by the National First Ladies' Library.

Also located in the City's downtown area is the main branch of the Stark County District Library. The library is a 2009 winner of the prestigious National Medal for library service. The library's main branch, 9 satellite branches, 6 mobile libraries which are the largest in the state, and 24/7 digital branch holdings number more than 1.8 million items. Base on the concept started by Dolly Parton, due to her father's inability to read, First Lady Dewine, in 2019 started Ohio Governor's Imagination Library to help put books in the hands of children by matching funds to help offset the cost of providing this program. Stark County Library participates in this program. The library offers full-service cards and ecards which allows individual to access over 1 million items and more than 500,000 electronic items such as eBooks, movies, shows, movies and more. The library offers access to over 831,500 items. The library also offers corporate /organization cards which can be used by In addition, the Library provides programs for attendees and provides computer sessions on publicly available computers found in each branch. The library today reimagines itself as 'The Smart Store' where everything is free. It has emerged as a national thought-leader with innovations such as it's no overdue fines policy, the BikeSmart bike sharing network, passport services and Smart School Partnership. It is one of the nine largest library systems in Ohio and serves 12 local school districts.

In 2022, the library revealed its ReImagine plan which is a plan to live out the mission and vision in Stark County, creating inviting spaces that inspire and empower all people to pursue creativity and lifelong learning. It is a multi-year plan to renovate its buildings, upgrading its technology, and creating more flexible spaces for a wide range of use. The Library worked with consultants from Kent State University and Cleveland Urban Design Collaboration to develop a long-term master plan. The plan consists of building a new 70,000 square foot Main Library and a 15,000 square foot Operations Center on the Main Library campus. Expected ground breaking is schedule to begin in 2023.

The City is the home of the National Professional Football Hall of Fame, which attracts more than 200,000 visitors annually. In December 2010, the Hall of Fame's Board of Trustees announced plans for a major expansion and renovation to the museum. The project, called *Future 50 Project*, was the largest in the Hall of Fame's history, costing \$27 million and taking almost two years to complete. The museum building its self was expanded from 83,000 square feet to 118,000 square feet. The largest piece of the expansion was used for a Pro Football Research and Preservation Center. Also 38,000 square feet of existing gallery was renovated, which included a new lobby and visitor orientation theater. A new museum-quality environmental control system was installed to better ensure the safety of the museum's artifacts. The grounds surrounding the Hall of Fame were improved to provide space for special events, rental opportunities and additional parking. The enshrinement ceremony is the main event of the annual week long celebrations and the Hall of Fame completed the facility improvements in time to celebrate the museum's 50<sup>th</sup> anniversary and in time for the Class of 2013's induction ceremonies held on August 3, 2013. Also, the preseason game held that week is the kick-off to the start of the upcoming football season.

In 2015, the Canton City School District, the City of Canton and the Pro Football Hall of Fame began discussions on the improvement of the district campus which includes McKinley High School, the C.T. Branin Natatorium and Fawcett Stadium for the expansion and improvement of the stadium and surrounding areas. This project has evolved into a potential multi-phase construction and expansion of the Pro Football Hall of Fame campus at an estimated cumulative value of \$400 million will include retail shopping and dining facilities. Also, a potential convention and events center will occupy these grounds. Along with an indoor waterpark and an amusement park. As of the submission of this report, the City Canton pledged and financed a bond anticipation note of \$5 million and the state has committed \$10 million in their capital budget. The Hall of Fame has received and the City Schools has accepted a \$10 million donation from Tom Benson for the renaming of the Fawcett Stadium. The \$25 million cited above was part of the phase 1, a \$40 million renovation to the stadium with all phases of renovations being complete in July 2017. Additional private capital will be raised to expedite the projects expected to evolve within the Hall of Fame Village as listed within the master plan. The Hall of Fame Village LLC combined with a publicly traded, special –purpose Acquisition Company to help fund the expansion projects by trading common stock and warrants starting July 2, 2020. The Tom Benson Hall of Fame stadium serves as the football facility for the District High School, area colleges, the Ohio High School Athletic Association state football championship games and the annual Pro Football Hall of Fame game held annually, in conjunction with the Hall of Fame induction ceremony festivities, which sits adjacent to the stadium. Additionally, beginning in 2019, the annual Black College Football Hall of Fame was hosted at Tom Benson Hall of Fame Stadium with Alabama A&M Bulldogs playing the Morehouse Maroon Tigers. The 2023 classic matchup will feature Morehouse College against Virginal Union University Labor Day weekend along with other scheduled weekend celebration and events.

In 2021, the City of Canton and Canton City School District entered into a Joint Facility Development and Use Agreement for 25 years giving the Canton City Schools use of Thurman Munson Memorial Stadium (named after local baseball legend Thurman Munson) without paying fees in exchange for them providing significant stadium improvements. Some of the improvements included scoreboards at both fields, new batting cages and installing turf on the infield of the main field. These initial investments were values at over \$600,000. As part of this agreement the City of Canton agreed to spend up to \$3,500,000 of American Rescue Plan Act (ARPA) revenue loss dollars on artificial turf on field # 2, repair and replace field lights, renovating of locker room areas, renovating concession area, repair and place roof and HVAC systems, repairs to the parking lot and various other amenities throughout the stadium. These improvements will allow the Munson Stadium Complex to be used for competitive league and tournament play. The stadium will be the home of the Canton City School Bulldogs, the Malone University Pioneers and all local senior baseball leagues amounting to over 1,500 games played over 1 season.

Rail passenger service is available through the city of Alliance by Amtrak. In 2003, Canton became a stop on the Cuyahoga Valley Scenic Railroad. The rail system is owned by the National Park Service and provides weekend excursions between Canton and Akron. Greyhound and other independent bus lines provide more complete passenger transportation.

The Stark Area Regional Transit Authority (SARTA), a separate political subdivision, provides daily public transportation in and around the City. The bus service initially was only a citywide service, but became a countywide system with the passage of a .25 percent county sales tax in 1997. The sales tax, renewed in 2002, 2006, and 2011, serves as the primary revenue source for SARTA. On November 8, 2016, voters approved a 10 year .25 county wide sales tax renewal. In addition to the sales tax, SARTA operations are supported, in part, from payments for contract services, State and Federal operating grants, and rider fares. SARTA provides over 2.5 million rides per year in Stark County and through Fixed Route, Proline and Medicaid Services. SARTA has set on course to become the nation's largest bus fleet running on Hydrogen Fuel Cells (HFC) and the largest east of California. The emissions from a hydrogen fuel cells are water. It expects to have 20 buses in its fuel cell fleet. SARTA had implemented a Transit Asset Management Plan (TAMP) and a Transit Development Plan (2020) (TDPs) which looks at the condition of assets to guide the prioritization of funding transit agencies and help improve their efficiency and effectiveness. SARTA has also has been awarded the CALSTART "Blue Sky Award" in 2020 for starting a HFC program and for being a pioneer in using HFC vehicles in public transportation.

Interstate 77 (north-south) and two U.S. highways (U.S. 30 and 62) serve the City. The City is served by four state routes (S.R. 800, 43, 153 and 687).

The Akron-Canton Regional Airport (Airport), a cooperative effort of Stark County and Summit County (in and for which the City does not have any financial interest or legal obligations), has an operational area of 2,700 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The Airport has four airlines offering nonstop service and had 534,257 customers in 2022 a 29% increase from the Airport's 2021 numbers as the world comes out of the health pandemic but still significantly less than its highest numbers of 1.8 million passengers in 2012. In late 2006, the Airport completed its 5-year \$60 million STAR Expansion Project which included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, additional parking, and a terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. In 2007, the Airport invested \$10 million in a new deicing facility. In 2008, the Airport announced its new 10-year \$110 million capital improvement plan called *CAK2018* which is now complete. The plan includes a 600 ft. runway extension and border patrol facility to allow for international flights, expanded aircraft parking, expanded auto parking, a wider entrance road, expanded ticket wing, expanded security screening area, a new aircraft rescue and fire fighting maintenance facility, expand the concourse to allow for three more gates, and partner with the nearby City of Green for a new Industrial Park. The runway extension portion of the project was completed in 2010. The new aircraft rescue, border patrol facility, expanded parking lot, and expanded security-screening area were completed in 2011. In 2012, CAK completed the Firefighting Maintenance Facility (ARFF) and continued to add additional parking. Akron-Canton Airport is excited to embark on the final project of CAK 2018, the gate modernization program. This will include expanding the new concourse at an estimated cost of \$3.65 million, an expanded ticket wing \$2.5 million, and widening of the entrance road \$5.0 million which are in progress. In 2016, the airport unveiled a \$240 million dollar 20-year Master Plan that was approved by the Federal Aviation Administration (FAA) in 2015 which will guide capital investments and improvements at CAK and will include construction projects isolated to the years 2017 through 2020. The Akron-Canton Airport has embarked upon a 5 year strategic plan. The five-year strategic plan (2020-2024) will involve a transparent, inclusive approach to timely execution of objectives and initiatives throughout the organization. This strategy includes an analysis of CAK's competitive situation to others in the industry; a guiding policy for achieving the organization's goals; and specific action plans for implementation of this plan. The strategic plan will cover multiple years and be routinely updated as the industry, economy and environment continue to evolve (more on this Five-Year Strategic Plan can be found on the CAK website).

In April of 2022 the CAK launched a Business Catalyst Program which allows local entrepreneurs to establish a footprint at the airport. This program is aimed at disadvantaged and minority owned business by allowing them to reach thousands of potential customers each week by jump-start business and potentially growing into permanent

retailers at the airport. These entrepreneurs are supplied with businesses terminal space at a trial rate. More information on this program can be found at the CAK website under the Newsroom link.

### **Long-Term Financial Planning**

During 2022 the City has experienced an increase in overall revenue, excluding other financing sources, for the general fund of \$940,015 from 2021. The City as a whole welcomes back an increase in GAAP-basis revenue (total of all program revenues and general revenues from the statement of activities) of \$23,728,542 from 2021 which is after experiencing its first decline in 2020 after nine years of growth. The City's income tax revenue increased by \$4,935,013 and property tax revenue increased by \$704,020. Charges for service (program revenue) increased by \$8,287,669 while operating grants and contributions (program revenue) and capital grants and contributions (program revenue) increased \$11,409,122 and decrease \$1,764,417 respectively.

After Federal Reserves' interest rate reductions in the fourth quarter of 2007 through 2012 which led to net decreases in general fund interest revenue during that period, general fund interest revenue began to slowly increase by \$1,446 in 2013, \$120,885 in 2014, \$227,300 in 2015, \$41,751 in 2016, \$206,765 in 2017, \$50,281 in 2018, and \$557,192 in 2019 due to a more aggressive investment portfolio and improved interest rates on investments such as moving some funds into the State Treasury Asset Reserve (STAR Ohio) who during those times was offering one of the better rates of return. There was a decrease in 2021 by \$397,233 which was due to the market still feeling the hardships of the market lows of the pandemic. However as the Federal Reserve began raising the prime interest rate connected to borrowing during 2022 and the city moved invested funds out of STAR Ohio into a more aggressive approach in the market and interest revenue increased in 2022 by \$733,338.

The immediate U.S. economic future is predicted to be uncertain as prices rise in all categories of goods and services and inflation sets in. The increase in costs has been driven by shortages of goods and a reduced workforce during a pandemic and now a war being fought in the country of Ukraine. The Federal Reserve put forth a number of schedule rate hikes to aid in slowing the economy and easing the rise if inflation. The effects of those rate increases has proven to benefit the economy by reducing inflation and holding off a possible recession. Canton has continued to leverage off the effects of the discovery of oil/natural gas shelf in the southern parts of the area. This discovery of natural gas is still expected to bode well for the regional economy. The local economy will begin seeing benefits of the construction of the one-million-square-foot Amazon Fulfillment Center in Canton, Ohio which is expected to employ upwards to 1,000 workers when fully operational. A slow opening of the facility is expected in the summer of 2023 as hiring has begun. The City's unemployment rate held steady at the end of 2022 at 3.7%. The increase in income tax rate approved by the voters of the City on May 8, 2018 of a .5% has helped in the efforts to address the needs of the City in the areas of neighborhood development, the city's revitalization growth and in infrastructure upgrades. Also, a portion of the revenue generated from the additional income tax increase has been earmark for police and fire which will allow for an increase in workforce staffing levels in those areas.

### **Relevant Financial Policies**

On May 18, 2022, the City issued \$17,317,500 in Series 2022 Various Purpose Improvement Bonds. The bonds were issued to (1) pay the costs of refunding the City's outstanding Various Purpose Notes Series 2022, (2) pay the costs of improving the City's Service Center, (3) to pay the costs of renovating and refurbishing a City salt dome, and (4) to pay the costs of designing, engineering, constructing, furnishing and equipping a building for sanitation operation of the City's service department. The bonds were split \$7,249,186 (note refunding, salt dome, and service center projects) to governmental activities and \$10,068,314 (sanitation building project) business-type activities. The Series 2022 Various Purpose Bonds matures on December 1, 2037 and carries an interest rate of 3.14%. Principal payments are due December 1 of each year and interest payments are due June 1 and December 1 of each year. Payments are made from the capital projects fund and refuse enterprise fund

During 2022, the City continued to make biweekly sick expense premium deposits into its compensated absences claim fund to help offset the cost of current and previous unfunded compensated absences. The City previously changed the premium calculation from 125% of the total cost of the sick leave accrued on biweekly payrolls to 105% for 2010. However, the premium returned to 125% January 1, 2011, remained 125% through 2015. During

2016 the premium was reduced again to 105% and reset to 125% during 2017 and has continued with that rate in 2022.

## **Major Initiatives**

In 2022, the City annexed approximately 91.305 acres and continues to explore further annexation options.

A Downtown Special Improvement District (District) was formed in the City's central business area in 1997 by petition of a majority of the property owners. In March 1997, Canton City Council approved the petition and the District's articles of incorporation and initial services plan. The District has the authority to assess property owners for the cost of public services and improvements that specifically benefit properties and the District. On March 3, 2016 the District filed an application with Council in accordance with Ohio Revised Code Section 4301.82(B) to have certain property designated as an outdoor refreshment area. On April 25, 2016, Council passed an ordinance establishing and designating the Downtown Canton Designated Outdoor Refreshment Area (DORA) in accordance with Revised Code Section 4301.82 which allows alcoholic beverages to be consumed outdoors within the established boundaries and in an official cup as required by law. Canton was one of the first in the state to pass such a law. In 2023, an additional DORA area has been established in the Hall of Fame Village known as the Hall of Fame Village Community Entertainment District.

In 2017, Council passed an ordinance establishing the boundaries of a proposed Downtown Redevelopment District including an Innovation District which falls within a ten acre area within the City. The goal is to establish an Innovation District that will attract well-paying jobs for young people from multi-state areas by providing and attracting diversified business, concentrating on providing retention an expansion outreach, recruiting technology based companies, providing high speed broadband of 100 gigabits per second within the Innovation District area and incentives to attract research and development based companies to name a few. This plan is being implemented in collaboration with the Canton Regional Chamber of Commerce, existing downtown technology companies, and all institutions that have an impact on Canton's downtown economic development including Stark State College, Stark Development Board, Special Improvement District, other agencies and organizations.

In 2015, with the idea of raising funds by collecting donations from the artistic, charitable, business and other community partners, Canton began planning to develop the downtown green space park known as Market Square which would be used as a venue for small events such as concerts, sporting rallies etc. Further exploration and ideas of these partners evolved into a larger project of Phase I, Phase 2 and even a Phase 3. Phase 1 being the design and construction which includes underground utilities, earthwork, hardscape, landscape, lighting a performance stage with cover and a restroom/storage facility. Phase 2 being reconstruction and streetscaping of 3<sup>rd</sup> Street NW and Court Avenue NW areas surrounding the plaza and a large LED screen. Phase 3 includes an iconic sculpture and additional modified features including a café. In May 2020, Council approved the renaming of "Market Square" to Centennial Plaza and to begin construction on the Centennial Plaza Project as previously approved by council at an estimated cost of \$13.2 million which will be funded in part with City Funds from Issue 13 revenues, private sector donations and state grants as set out in the plan with the hopes of having things completed in time for the September 2020 Centennial Celebration of the founding of the NFL in Canton. The property will have interactive activities that will be programmed by the Pro Football Hall of Fame with the intention to try to connect the City and the tourist attraction known as Hall Of Fame Village. Centennial Plaza was completed in 2020 and is now a central location in the downtown area for multi-events and celebration moments. In 2022 the City started on construction of a \$1.6 million dollar public restroom structure that would allow guests participating in downtown events in the plaza the opportunity to use an indoor restroom facility.

In May of 2023, the restroom construction project for visitors of the plaza was completed and open for the June First Friday event.

In 2022 the City pledged 5.8 million dollars from the American Rescue Plan Act (ARPA) to improve and update its City Parks. Willig Field, which sit in the northeast area of the city, received \$2.3 million in funds to turf the infields of its 4 playing fields. The City also allocated \$3.5 million in ARPA funds to put water spray parks in each quadrant of the City along with additional playground amenities.

In 2022 the City of Canton entered into a purchase agreement to buy (4) new Ambulances for the fire department. These vehicles are used almost 24 hours a day and complete over 17,000 service runs annually.

In 2022, the City of Canton and Habitat for Humanity signed an agreement that has the City using \$3.15 million dollars in ARPA funds to create 130 housing related projects which include new home construction, home preservation, home repair and demolition and greenspace improvements in high-poverty neighborhoods. These affordable housing opportunities will be in three Southeast Canton Neighborhoods: Lathrop, Belden and Hartford.

In 2004, the City chose to consolidate all of its previous community reinvestment areas into one area known as the Central Neighborhoods Community Reinvestment Area. (CRA) The area covers the City's central downtown business district, significant portions of the City's northeast and southeast quadrants, and portions of the southwest and northwest quadrants closest to the City's downtown. Residential properties in the Central Neighborhoods Community Reinvestment Area can receive 100 percent abatement per year for ten years on the increased value of all qualifying improvements, restoration and construction. Commercial properties in the area can receive 100 percent abatement for the increased value all qualifying improvements, restoration and construction for the first 5 years and a 20 percent reduction per year over the remaining five-year period. The construction must be over \$50,000 for commercial projects and \$5,000 for residential projects to qualify.

In 2020, the City of Canton sought to further encourage revitalization of the existing neighborhoods and housing stock while promoting the development of new structures. The City proceeded to expand the CRA program to include the entire City of Canton, thereby providing temporary tax abatement of increased real property taxes on qualifying residential, commercial or industrial real property improvements within the area. This could be residential remodeling/renovations or new residential construction as well as new commercial/industrial construction or expansion projects. The abatement allows owners to pay taxes solely on the pre-improvement assessed value of their residential property for 15 years after improvements are completed. Property owners will not be required to pay property taxes on any increase in value that resulted from renovation or new construction on the property for a period of 15 years. Additionally, The City of Canton's Commercial/Industrial abatements are offered on a per project basis, subject to the approval of the affected School District, to companies that are looking to either construct a new facility or expand a current facility, and require significant investment into real property value. The abatement offered can be up to 100% and up to a 15-year period, with approval of the affected School District. The City of Canton can offer an abatement of up to 50% and up to a 15-year period, without the approval of the affected School District. Beneficially, with the increased potential for tax abatements offered, the City of Canton believes this will lead to positive neighborhood impact with new home construction and renovation increasing the values of surrounding properties and fill in vacant lots, population growth through new housing bringing new families into Canton and grow demand for schools, businesses, and other community services, and this activity will help limit funding cuts to schools and other property tax funded organizations as they will continue to receive all tax revenues they currently receive and are likely to see increases in revenue as overall property values increase.

The City of Canton has started a number of programs which aid in economic, community, and tourism development. The Designated Outdoor Refreshment Area (DORA), established in 2016, is an area of 69 acres of land in Downtown Canton which allows for individuals to stroll through downtown with a drink in hand. Designated DORA cups were designed specifically for businesses participating and beverages intended for consumption outside of the establishment must be contained in the official plastic DORA cup. 21 downtown businesses participate in the DORA.

In 2020, the City of Canton initiated its Energy Special Improvement District (ESID) which allows for the Property Assessed Clean Energy (PACE) financing of commercial or industrial properties. This program allows for the financing of energy efficiency improvements the special assessments against the property. This financing can be used for costs such as roofs, HVAC, solar, LED lighting, and others.

The City of Canton has uniquely positioned itself central to the creation of Tourism Development Districts (TDD). The TDD was first used in 2017 for the Hall of Fame Village TDD, then twice in 2020 with the Downtown Canton TDD and Hall of Fame Fitness TDD, and a fourth time in 2021 for the Centennial Plaza TDD. These districts assess a special tax (2%) on all receipts of wholesale and retail sales of tangible personal property from doing business within the district.

Lastly, the City of Canton has established an area known as a Community Entertainment District (CED). The designation of this area allows for the additional issuance of up to 15 D-5J liquor licenses within the district. The intent of this is to promote the growth of additional food and bar establishments within the City of Canton. Additionally, there is a second CED being established for the Hall of Fame Village.

In 2013, the City established two HUD Neighborhood Revitalization Strategy Areas – the Eastside and Central NRSAs. During 2022, the City expended over \$1,000,000 in Federal Community Development Block Grant (CDBG) Program funds on NRSA activities, including housing rehabilitation, youth enrichment programs, programs to prepare youth for college and give minority youth exposure to career opportunities in college. Thirty two (32) housing projects were completed in both the Eastside and Central target areas. The City requested renewal of its two NRSA areas when it submitted its 2020-2023 Consolidated Plan. The renewal was approved for another five-year period. Since the NRSA was established in 2013, the City has invested over \$7 million in the NRSA areas.

In 2020, Habitat, in partnership with the City, began a renewal project in the Eastside NRSA. The project included acquisition of two (2) homes and rehabilitation of three (3) homes. They also created a green space at Allen Ave SE & John Ct SE. Habitat also built five (5) new homes in 2022 and provided HUD-Certified Housing Counseling to the homebuyers.

Funding was awarded by the City and through the Community Development Department to convert the former Lehman High School into a 62-unit independent living facility for senior citizens. Lehman was converted to a middle school in 1976 and closed in 2006. The project was completed in June of 2023 and has begun housing tenants.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2022, the City completed: \$6.6 million of road paving, resurfacing and road stabilization projects throughout the City. Some of the larger engineering projects in various stages of planning, development, and construction include: 41<sup>ST</sup> St. Reconstruction, West Tuscarawas Corridor, 11<sup>th</sup> Street SE Realignment Project, 3<sup>th</sup> St. Resurfacing, 30<sup>th</sup> St, 36<sup>th</sup> Street Road and Storm Sewer PH 1 & 2, Colonial Blvd PH 1 & 2, and 39<sup>th</sup> and Steese Street. The City have also started a Road Stabilization Project that is being tested as an alternative against regular paving methods.

In 2022, there were \$2.047 million of water projects completed. There were numerous projects for water lines in varying stages of planning, development and construction including: Edgefield II, 34<sup>th</sup> St. NW, Harvard Water Main Project, Harter Heights Water Main Replacement, Cleveland Ave & Market Ave Water Main Extensions, and Fairmount Phase II. The Water department has also started the Sugar Creek Water Treatment Plant & Cromer Reservoir improvement projects in conjunction with the state relocating water lines on State Route 62.

In 2022, the City's Water Reclamation Department continued its progress in the \$92.0 million replacement of its Water Reclamation Facilities and membrane. The membrane purchase, installation, and corresponding construction, is estimated to continue in 2022 and nearing completion in 2023. Through December 2022, the City had expended \$88.1 million of the \$92.0 million project.

The year 2022 continued to be a difficult year for many residents of the City due to a world pandemic. The City of Canton received American Rescue Plan Assistance (ARPA) funds from the federal government in which some of these funds will be used to fund construction projects, provide small business grants, and provide funding to low-to-moderate income neighborhoods and families to help bring about affordable housing programs to those residents.

## **Debt Administration**

At the end of 2022, the gross indebtedness of the City was \$113,267,722. The gross indebtedness of the City was \$104,341,348 at the end of 2021. During 2022, the City continued drawing down for Sugar Creek WTP, and Cromer Reservoir loans totaling \$1,506,338. In 2022, the City received \$35,346 from the 2010 Water Reclamation Facility (WRF) phosphorus/nitrogen removal project loan, and \$0 from the 2014 WRF phosphorus – MBR equipment loan. These projects will take almost seven years to complete at an estimated cost of over \$92 million. At December 31, 2022, the City had \$85,001,669 in OWDA loans outstanding in the enterprise funds and business-type activities and \$24,695 in OWDA loans outstanding in the governmental activities. During 2022, the City

received loan proceeds from the Ohio Public Works Commission (OPWC) to finance various projects. The City received \$849,163 in OPWC loan proceeds in the enterprise funds and business-type activities and \$0 in OPWC loan proceeds in the governmental activities. At December 31, 2022, the City had \$3,801,950 in OPWC loans outstanding in the enterprise funds and business-type activities and \$3,499,980 in OPWC loans outstanding in the governmental activities. The City had \$594,601 in long-term State Infrastructure Bank (SIB) Loans outstanding as of December 31, 2022, all of which are reported in the governmental activities.

In 2022, the City issued \$17,317,500 in Series 2022 Various Purpose Improvement Bonds. The bonds were issued to (1) pay the costs of refunding the City's outstanding Various Purpose Notes, (2) pay the costs of improving the City's Service Center, (3) to pay the costs of renovating and refurbishing a City salt dome, and (4) to pay the costs of designing, engineering, constructing, furnishing and equipping a building for sanitation operation of the City's service department. The bonds were split \$7,249,186 (note refunding, salt dome, and service center projects) to governmental activities and \$10,068,314 (sanitation building project) business-type activities. The Series 2022 Various Purpose Bonds matures on December 1, 2037 and carries an interest rate of 3.14%.

In 2018, Moody's Investor Services made no change to its stable outlook for the City. However, in 2012 Moody's Investor Services confirmed the City's rating of A1 and changed its negative outlook to stable. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating Service also downgraded the City from AA- to A+ but said its outlook is stable. Neither Moody's Investor Services nor Fitch Rating Services has rated the City since 2018 as there has been no outstanding bonds since and last rating was A- at that time. The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the "direct debt limitation" (by Ohio Revised Code Section 133.05). The total principal amount of voted and unvoted nonexempt net indebtedness of the City may not exceed 10.5 percent of its assessed value of real and personal property, and in addition, the net principal amount of unvoted nonexempt debt may not exceed 5.5 percent of the same total assessed value. The City's overall legal debt margin was \$95,358,427 and an unvoted debt margin of \$46,551,220 as of December 31, 2022.

#### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Canton for its Annual Comprehensive Financial Report as of December 31, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report whose contents conform to program standards, as well as satisfy both generally accepted accounting principles and applicable legal requirements.

#### **Acknowledgements**

Special recognition for the preparation of this report is made to contributing department heads, Treasurer's staff, my own Auditor's office staff and City Council for their continuing support and commitment to responsible fiscal reporting. Special acknowledgement is given to my administrative staff: Dwayne Knight, Christine Bagley, Heather Locke-Williams, and John Slebodnik for their continued dedication and commitment to sound financial reporting in the preparation of this report.

Sincerely,



Richard A Mallonn II  
City Auditor





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Canton  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

**CITY OF CANTON  
STARK COUNTY, OHIO**

***CITY OFFICIALS***  
*FOR THE YEAR ENDED DECEMBER 31, 2022*

*Mayor*

Thomas M. Bernabei

*Council Members*

William Sherer II, President

James Babcock  
Peter Ferguson  
Bill Smuckler  
Kevin Hall  
Robert Fisher  
Jason Scaglione

Gregory Hawk  
Louis Giavasis  
John Mariol II  
Frank Morris  
Chris Smith  
Brenda Kimbrough

*City Auditor*

Richard A. Mallonn II

*City Treasurer*

Kim Perez

*Law Director*

Jason P. Reese

*Director of Income Tax*

Cynthia Allensworth

*Director of Public Service*

John Highman

*Director of Public Safety*

Andrea Perry

*Fire Chief*

Kwameshallahu Bennett

*Police Chief*

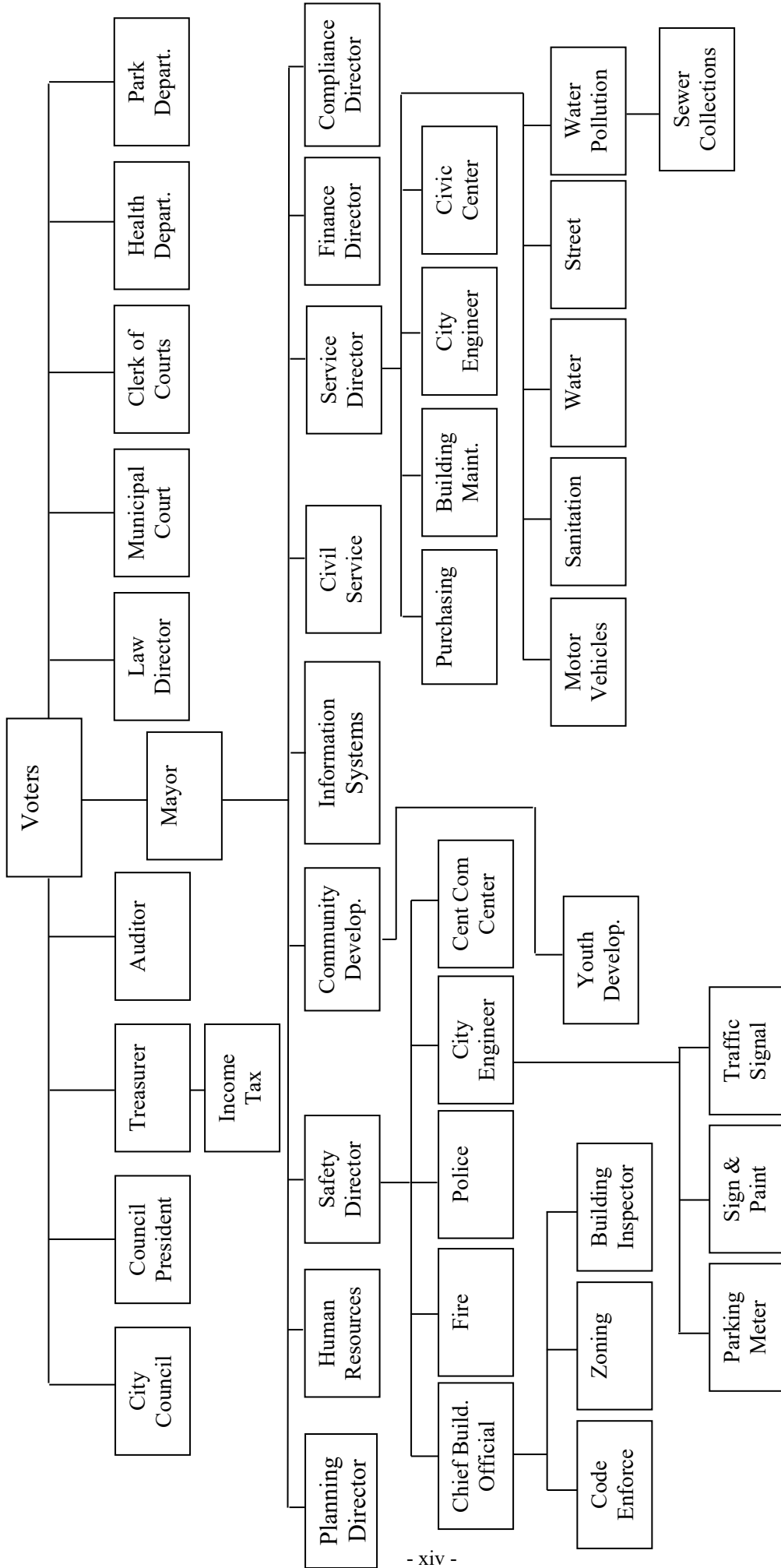
John Gabbard

*City Engineer*

James Benekos

CITY OF CANTON  
STARK COUNTY, OHIO

ORGANIZATIONAL CHART



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**FINANCIAL**  
City of Canton, Ohio

**CANTON, OHIO**





## Independent Auditor's Report

City of Canton  
Stark County, Ohio  
218 Cleveland Avenue SW  
Canton, Ohio 44702

To the Members of 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 units, each major fund, and the aggregate remaining fund information of the City of Canton, 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 Canton'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 units, each major fund, and the aggregate remaining fund information of the City of Canton, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Community and Economic Development, and American Rescue Plan Act funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Emphasis of Matter*

As described in Note 3 to the financial statements, the City of Canton restated beginning net position for Custodial funds to properly account for removing the Board of Health component unit activity. Our opinions are not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Canton'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 Canton's ability to continue as a going concern for a reasonable period of time.

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



***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Canton'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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual 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 Canton'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 Canton'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 Canton's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
June 21, 2023

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

The management's discussion and analysis (MD&A) of the City of Canton'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 transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### FINANCIAL HIGHLIGHTS

- The City's net position increased \$38.8 million as a result of this year's operations. Net position of the business-type activities increased by \$20.2 million from 2021's net position, or 12.20%, and net position of governmental activities increased by \$18.6 million, or 13.05% from 2021's net position.
- General revenues accounted for \$94.9 million, or 69.24%, of total governmental activities revenue. Program specific revenues accounted for \$42.1 million, or 30.76%, of total governmental activities revenue.
- The City had \$118.4 million in expenses related to governmental activities; \$42.1 million of these expenses was offset by program specific charges for services and sales, grants or contributions. The remaining expenses of the governmental activities of \$76.3 million were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$94.9 million.
- The City's business-type activities consist of water, sewer, refuse, and building code operations. The City had \$42.4 million in expenses related to business-type activities. All of these expenses were offset by \$62.2 million of program specific charges for services and sales, grants or contributions. Program revenues were sufficient to cover expenses of the business-type activities in 2022. General revenues of the business-type activities were \$0.4 million for 2022. Overall, total revenues of the business-type activities exceeded expenses by \$19.8 million.
- The general fund had revenues and other financing sources of \$72.4 million in 2022. This represents an increase of \$0.6 million from 2021 revenues. The expenditures and other financing uses of the general fund, which totaled \$76.0 million in 2022, increased \$6.4 million from 2021. The net decrease in fund balance for the general fund was \$3.7 million, or 17.70%.
- The City received no rating change in 2022; Moody's maintains a stable outlook on the City's debt.
- The City reported operating income of \$0.1 million in its compensated absences claim internal service fund. The total liability for compensated absences decreased \$0.3 million from \$8.3 million at December 31, 2021 to \$8.0 million at December 31, 2022. During 2022, the City continued to deposit premiums equal to 125% of earned benefits of employees into the fund. The compensated absences claim internal service fund had a deficit net position of \$7.4 million at December 31, 2022.

#### USING THIS ANNUAL FINANCIAL REPORT

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

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For 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 CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Reporting the City as a Whole**

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

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2022?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual 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 this 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 basic services are reported here, including the police, fire, street and highway maintenance, capital improvement, vehicle acquisition, parks and recreation, and general administrative. Income taxes, property taxes, undivided local government, ambulance user fees and state and federal grants finance most of these activities.

*Business-Type Activities:* The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer, refuse and building code operations are reported here.

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

*Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into 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. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (Ex. parking deck fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development).

***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. Governmental funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
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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.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, the community and economic development fund, the American rescue plan act, the capital projects fund and the motor vehicles purchase 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***

When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as a statement of cash flows. We use internal service funds, health insurance, worker's compensation insurance, and compensated absences claim funds, (the other component of proprietary funds) to report activities that provide a service to the City's other programs and activities.

***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 statement 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. Private-purpose trust and custodial funds are the City's fiduciary fund types.

***Required Supplementary Information (RSI)***

The RSI contains information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and Ohio Police and Fire Retirement System (OP&F) net pension liability, net pension asset, net OPEB liability, net OPEB asset, and the City's schedule of contributions to OPERS and OP&F.

***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.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Government-Wide Financial Analysis**

The table below (Table 1) provides a summary of the City's net position at December 31, 2022 and 2021. Certain amounts at December 31, 2021 have been restated as described in Note 3.A.

**Table 1**  
Net Position  
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
		Restated		Restated		Restated
	2022	2021	2022	2021	2022	2021
<u>Assets</u>						
Current and other assets	\$ 159.2	\$ 130.3	\$ 75.5	\$ 60.5	\$ 234.7	\$ 190.8
Capital assets, net	188.7	178.8	232.7	222.7	421.4	401.5
Total assets	347.9	309.1	308.2	283.2	656.1	592.3
Deferred outflows of resources	29.5	21.5	4.2	2.7	33.7	24.2
<u>Liabilities</u>						
Current and other liabilities	\$ 73.1	\$ 47.3	\$ 15.0	\$ 12.0	\$ 88.1	\$ 59.3
Long-term liabilities:						
Due in more than one year	17.2	16.3	91.2	85.3	108.4	101.6
Net pension liability	67.9	79.7	7.6	12.0	75.5	91.7
Net OPEB liability	9.9	9.4	-	-	9.9	9.4
Total liabilities	168.1	152.7	113.8	109.3	281.9	262.0
Deferred inflows of resources	48.4	35.6	12.9	11.1	61.3	46.7
<u>Net position</u>						
Net investment in capital assets	178.5	167.8	142.0	130.0	320.5	297.8
Restricted	34.5	28.3	-	-	34.5	28.3
Unrestricted	(52.1)	(53.8)	43.7	35.5	(8.4)	(18.3)
Total net position	\$ 160.9	\$ 142.3	\$ 185.7	\$ 165.5	\$ 346.6	\$ 307.8

The City applies Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68" which significantly revised accounting for pension costs and liabilities. 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 the net pension liability/asset to the reported net position and subtracting deferred outflows related to pension.

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

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability/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, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2022, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$346.6 million. At year-end, net position was \$160.9 million and \$185.7 million for the governmental activities and the business-type activities, respectively.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets, net represented 64.23% of total assets. Capital assets include land, construction in progress, buildings and structures, vehicles, equipment, intangible right to use assets, and infrastructure. The net investment in capital assets at December 31, 2022, was \$178.5 million and \$142.0 million 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 are not used to liquidate these liabilities.

Long-term liabilities decreased due to the City paying down its debt obligations. The City reports a liability for its share of the net pension liability and net OPEB liability which are outside of the control of the City. The City contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to City employees, not the City. The pension and OPEB liabilities will fluctuate annually due to a number of factors including investment returns, actuarial assumptions used, and the City's proportionate share of net pension and net OPEB costs. 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 deferred outflows related to pension and OPEB and the net pension asset. Had the City not applied the requirements of GASB 68 and GASB 75, the total net position for the governmental activities and business-type activities would have been as follows for 2022 and 2021 (in millions):

	Governmental Activities <u>2022</u>	Governmental Activities <u>2021</u>	Business-Type Activities <u>2022</u>	Business-Type Activities <u>2021</u>
Total net position (with GASB 68/GASB 75)	160.9	142.3	185.7	165.5
GASB 68 calculations:				
Add: Deferred inflows related to pension	33.3	17.1	9.6	6.0
Add: Net pension liability	67.9	79.7	7.6	12.0
Less: Net pension asset	(0.6)	(0.4)	(0.4)	(0.3)
Less: Deferred outflows related to pension	(23.7)	(13.6)	(4.1)	(1.9)
GASB 75 calculations:				
Add: Deferred inflows related to OPEB	8.1	11.2	3.0	4.8
Add: Net OPEB liability	9.9	9.4	-	-
Less: Net OPEB asset	(4.1)	(2.3)	(2.7)	(1.4)
Less: Deferred outflows related to OPEB	(5.8)	(7.9)	(0.1)	(0.8)
Total net position (without GASB 68/GASB 75)	<u>245.9</u>	<u>235.5</u>	<u>198.6</u>	<u>183.9</u>

As of December 31, 2022, the City is not able to report positive balances in all three categories of net position for its governmental activities and for the government as a whole (governmental activities and business-type activities). A portion of the City's net position, \$34.5 million represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$8.3 million. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements.



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

The table below (Table 2) shows the changes in net position for fiscal year 2022 and 2021.

**Table 2**  
Change in Net Position  
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2021	2020
<u>Revenues</u>						
Program revenues:						
Charges for services and sales	\$ 14.2	\$ 13.9	\$ 57.3	\$ 49.2	\$ 71.5	\$ 63.1
Operating grants and contributions	26.0	14.5	-	0.1	26.0	14.6
Capital grants and contributions	2.0	2.7	5.0	6.0	7.0	8.7
Total program revenues	<u>42.2</u>	<u>31.1</u>	<u>62.3</u>	<u>55.3</u>	<u>104.5</u>	<u>86.4</u>
General revenues:						
City income taxes	73.5	68.6	-	-	73.5	68.6
Property taxes	6.5	5.8	-	-	6.5	5.8
Intergovernmental (grants and entitlements)	7.7	7.8	-	-	7.7	7.8
PILOTS	1.6	1.6	-	-	1.6	1.6
Other local taxes	1.0	0.5	-	-	1.0	0.5
Interest and investment earnings	(2.8)	(0.3)	0.1	-	(2.7)	(0.3)
Other	7.3	5.3	0.3	0.2	7.6	5.5
Total general revenues	<u>94.8</u>	<u>89.3</u>	<u>0.4</u>	<u>0.2</u>	<u>95.2</u>	<u>89.5</u>
Total revenues	<u>137.0</u>	<u>120.4</u>	<u>62.7</u>	<u>55.5</u>	<u>199.7</u>	<u>175.9</u>
<u>Expenses</u>						
Program expenses:						
General government	40.7	22.3	-	-	40.7	22.3
Security of persons and property	44.6	41.5	-	-	44.6	41.5
Transportation	13.6	11.4	-	-	13.6	11.4
Community environment	9.8	7.0	-	-	9.8	7.0
Leisure time activities	9.5	6.5	-	-	9.5	6.5
Interest and fiscal charges	0.2	0.3	-	-	0.2	0.3
Water	-	-	16.9	12.9	16.9	12.9
Sewer	-	-	16.0	14.4	16.0	14.4
Refuse	-	-	6.7	6.2	6.7	6.2
Building	-	-	2.9	1.3	2.9	1.3
Total program expenses	<u>118.4</u>	<u>89.0</u>	<u>42.5</u>	<u>34.8</u>	<u>160.9</u>	<u>123.8</u>
Increase (decrease) in net position	18.6	31.4	20.2	20.7	38.8	52.1
Net position at beginning of year	142.3	110.9	165.5	144.8	307.8	255.7
Net position at end of year	<u>\$ 160.9</u>	<u>\$ 142.3</u>	<u>\$ 185.7</u>	<u>\$ 165.5</u>	<u>\$ 346.6</u>	<u>\$ 307.8</u>

**Governmental Activities**

The 2.5% income tax is the largest revenue source for the City. Designated by ordinance, the capital projects fund receives 18% of net income tax received. In addition, the motor vehicle purchase fund receives 4%, the neighborhood fund receives 2% and the comprehensive fund receives 12% of net income tax received. The remaining 64% is allocated to the general fund and is used for such things as police and fire protection, street maintenance, and other purposes determined by council.

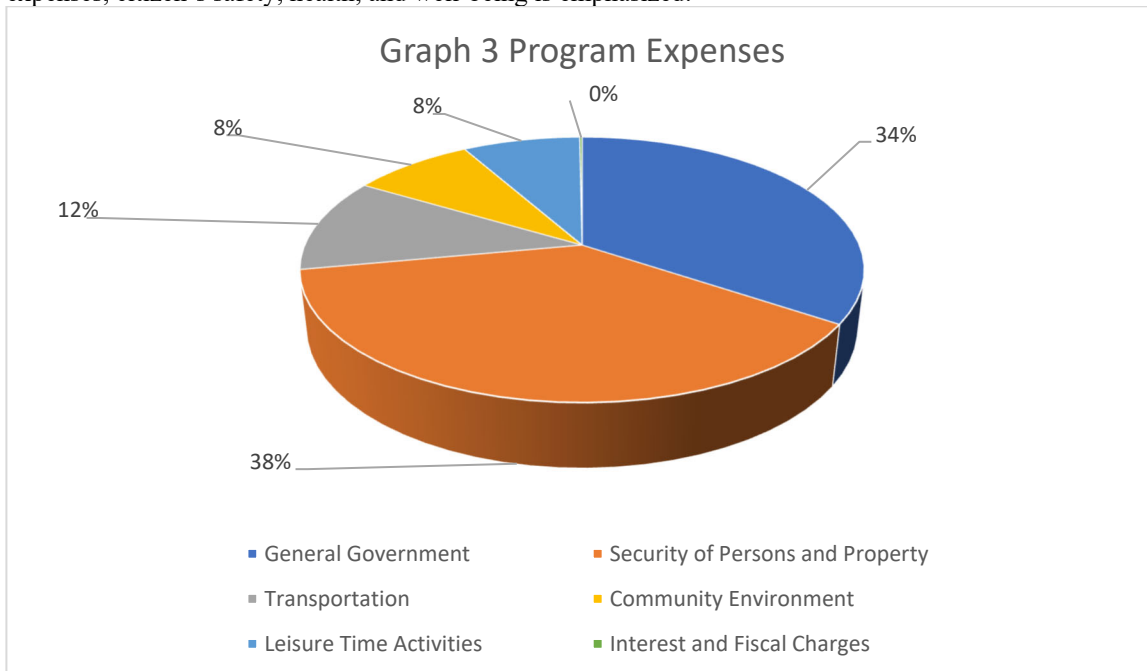
**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

When looking at sources of income to support governmental activities, it should be noted that charges for services are only 10.36% of governmental activities revenue. Revenues provided by sources other than city residents in the form of operating grants and contributions, capital grants and contributions and grants and entitlements not restricted to specific programs comprise another 26.06%. The remaining revenues are primarily generated locally through property taxes (4.74%) and income taxes (53.65%).

Overall, governmental activities revenues increased \$16.6 million primarily due to the City recognizing \$13.4 million in ARPA grant revenues. Income taxes increased as the economy continued to see more people return to work generating more income tax revenue for the City. Operating grants and contributions increased due to the City recognizing 13.4 million in ARPA grant revenue.

Expenses of the governmental activities increased \$29.4 million or 33.03%. This increase is partially due to the City spending \$14.4 million in ARPA grant funds to improve the City. Additionally, the City's pension expensed increased \$7.9 million due to changes in assumptions made by the pension systems which are outside of the control of the City.

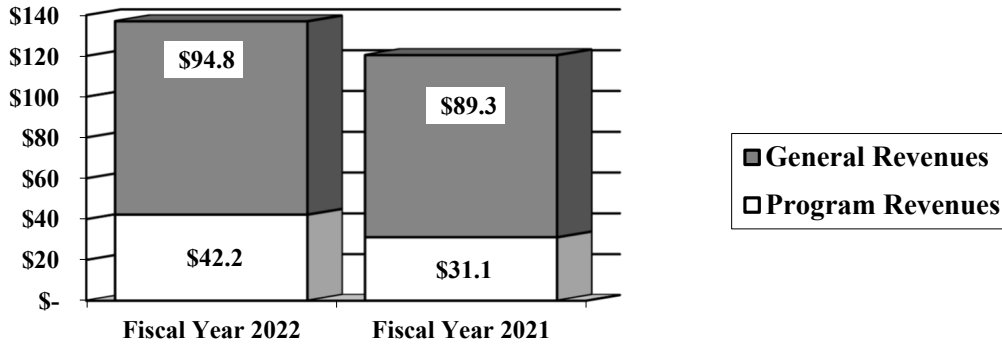
Graph 3 represents the cost of each of the City's governmental programs: security of persons and property, general government, transportation, public health, leisure time activities, community environment, and interest and fiscal charges. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The decrease in the net cost demonstrates the greater ability to recover the cost of the program under the current revenue policies. As indicated by governmental program expenses, citizen's safety, health, and well-being is emphasized.



**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2022 and 2021.

**Graph 4  
Governmental Activities – General and Program Revenues (In Millions)**



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.

**Table 5  
Governmental Activities (In Millions)**

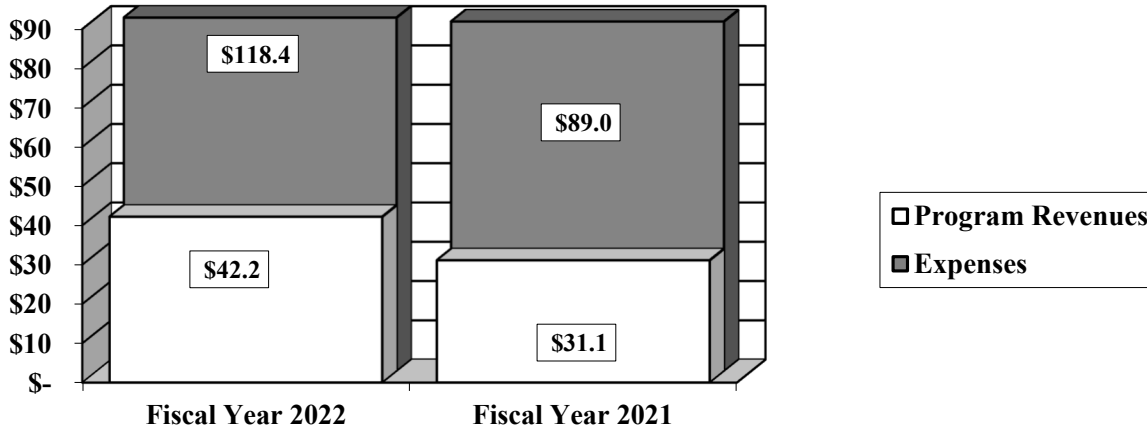
	Total Cost of Services 2022	Net Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2021
Program expenses:				
General government	\$ 40.7	\$ 21.5	\$ 22.3	\$ 11.4
Security of persons and property	44.6	37.2	41.5	33.0
Transportation	13.6	8.0	11.4	5.4
Community environment	9.8	3.5	7.0	2.4
Leisure time activities	9.5	5.9	6.5	5.3
Interest and fiscal charges	0.2	0.2	0.3	0.3
<b>Total</b>	<b>\$ 118.4</b>	<b>\$ 76.3</b>	<b>\$ 89.0</b>	<b>\$ 57.8</b>

The dependence upon general revenues for governmental activities is apparent, with 64.41% of expenses supported through taxes and other general revenues.

**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

The graph below compares the City's governmental activities program revenues and total governmental activities expenses for fiscal year 2022 and 2021.

**Graph 6  
Governmental Activities – Program Revenues vs. Total Expenses (In Millions)**

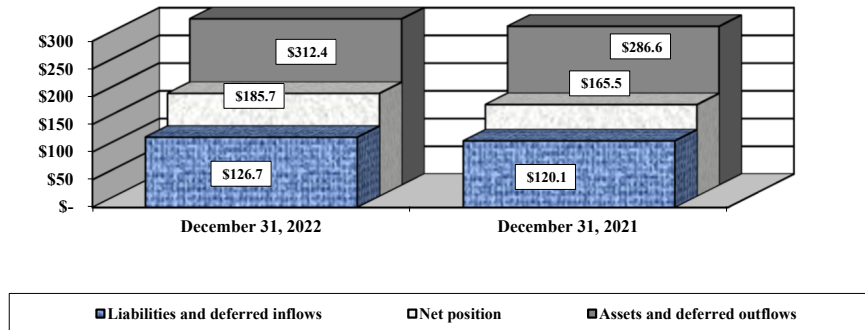


***Business-Type Activities***

The net position of the business-type activities include the water, sewer, refuse and building code enterprise funds. For a description of these funds, see the accompanying notes to the basic financial statements. These programs had program revenues of \$62.3 million and general revenues of \$0.4 million which were sufficient to support the total expenses of \$42.5 million. Total revenues exceeded total expenses by \$19.8 million in 2022. The graph below shows the business-type activities assets, liabilities and deferred inflows and net position at year-end.

**Net Position in Business - Type Activities**

**Graph 7  
Net Position of Business - Type Activities (In Millions)**



The basic financial statements for the major funds are included in this report. Because the focus on business-type activities is a cost of service measurement or capital maintenance, we have included an assessment of the capital asset balances for the business-type activities in Graph 10.

**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

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

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds reported a combined fund balance of \$59.4 million which is \$4.9 million higher than last year's total of \$54.5 million. The schedule below indicates the fund balances as of December 31, 2022 and 2021 for the governmental funds.

**Table 8  
Fund Balances (In Millions)**

	12/31/22	12/31/21	Change
Major funds:			
General	\$ 17.0	\$ 20.7	\$ (3.7)
Community and economic development	2.5	1.7	0.8
Capital projects	9.6	9.0	0.6
Motor vehicle purchase	0.9	0.9	-
Nonmajor governmental funds	29.4	22.2	7.2
Total	<u>\$ 59.4</u>	<u>\$ 54.5</u>	<u>\$ 4.9</u>

***General Fund***

Fund balance of the general fund decreased \$3.7 million from 2021 primarily due to rising inflation affecting the costs of goods and services utilized by the City. Income tax revenues increased due to more people returning to work and the office resulting in more tax revenue for the City. General government expenditures increased as rising inflation caused an increase to normal goods and services purchased by the City to help operations. Expenditures of the general fund increased \$6.0 million from 2021.

***Community and Economic Development Fund***

Fund balance of the community and economic development fund increased \$0.8 million from the prior year. Revenues and other financing sources decreased \$0.3 million from \$5.7 million in 2021 to \$5.4 million in 2022 primarily due to decreased operating grants. Expenditures decreased \$0.1 million from \$4.8 million in 2021 to \$4.7 million in 2022 due to decreased community environment projects. The community and economic development fund had \$0.4 million in economic development loans receivable at December 31, 2022.

***American Rescue Plan Act Fund***

The American Rescue Plan Act (ARPA) fund received \$61.6 million in ARPA grant money from the federal government. The ARPA fund reported \$13.4 million in recognized revenue in 2022 from the ARPA grant funds received. Expenditures were \$14.4 million in 2022 as the City continued spending ARPA money. The remaining balance of grant money of \$48.3 million is reported as unearned revenue and will be recognized as expenditures are incurred.

***Capital Projects Fund***

Fund balance of the capital projects fund increased \$0.6 million from \$9.0 million at December 31, 2021 to \$9.6 million at December 31, 2022. Revenues and other financing sources decreased \$0.5 million from \$12.1 million in 2021 to \$11.6 million in 2022. Expenditures increased \$0.4 million from \$10.6 million in 2021 to \$11.0 million in 2022. Capital outlay expenditures increased as the City continued with projects that began in 2021.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

***Motor Vehicle Purchase Fund***

Fund balance of the motor vehicle purchase fund decreased less than \$0.1 million. Revenues decreased \$0.1 million from 2021 levels at \$2.7 million. Expenditures decreased \$0.1 million from \$2.7 million in 2021 to \$2.6 million in 2022 due to decreased capital purchases as a result of the City purchasing fewer vehicles.

***Nonmajor Governmental Funds***

Fund balance of the nonmajor governmental funds increased \$7.2 million from \$22.2 million at December 31, 2021 to \$29.4 million at December 31, 2022. Revenues and other financing sources increased \$7.1 million from \$30.7 million in 2021 to \$37.8 million in 2022 due to the City issuing \$7.2 million in general obligation bonds in 2022. Expenditures increased \$6.0 million from \$24.5 million in 2021 to \$30.5 million in 2022 due to an increase in transportation expenditures. Transportation expenditures increased due to the City resurfacing more roads and doing routine maintenance on infrastructure.

**General Fund Budgeting Highlights**

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 Alternative 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 custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items. Any budgetary modifications above account level may only be made by resolution of City Council.

The City's fully automated financial system also maintains budgetary control through its requisition/purchase order/encumbrance feature. Department requisitions, which if processed, would result in an overrun of budget are placed into suspense and can only be authorized when additional appropriations are made available through Council ordinance or departmental transfer. The security of the financial system prohibits commitments in excess of appropriations. Requisitions not completed are removed at the close of each month. Requisitions meeting the required criteria are processed by the City Auditor resulting in the required purchase order. The purchase order provides for the reserved encumbrance against the current budget.

The City Auditor continually monitors the encumbrances and expenditures against the budgeted 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.

The City's general fund had original estimated revenues and other financing sources and final estimated revenues and other financing sources of \$75.4 million and \$75.5 million. The actual revenue and other financing sources were less than final budgeted revenue and other financing sources by \$0.8 million.

The general fund variance from original budgeted expenditures and other financing uses to final budgeted expenditures and other financing uses was an increase of \$10.2 million. The primary areas of increase were \$1.3 million in general government. The final budgeted expenditures and other financing uses of \$84.4 million exceeded actual expenditures and other financing uses of \$80.7 million by \$3.7 million. The actual expenditures and other financing uses of \$80.7 million were approximately \$6.5 million higher than the original budgeted expenditures and other financing uses.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Financial Analysis of the Proprietary Funds**

***Proprietary Funds***

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

The water operating fund, the sewer operating fund, and the refuse operating fund had net position increases of \$10.3 million, \$9.1 million, and \$2.1 million, respectively. The building code fund (a nonmajor enterprise fund) had a decrease in net position of \$0.4 million. The water operating fund experienced an increase in operating revenue of 3.01% and the sewer operating fund experienced an increase in operating revenue of 44.13%, respectively from the prior year. The water operating fund had an increase in operating expenses of 29.26% from the prior year while the sewer operating fund had an increase in operating expenses of 11.26% from the prior year. The Refuse Fund's operating revenue increased 3.01% from 2021 while operating expenses increased 0.54% from 2021. These two factors caused the refuse operating fund to report an increase in net position of \$2.1 million in 2022 as compared to an increase in net position of \$2.1 million in 2021. The building code fund's (nonmajor enterprise fund) operating revenues decreased 12.37% from the prior year while operating expenses increased 107.71% from the prior year. These factors caused a decrease in net position of \$0.4 million in 2022 as compared to an increase in net position of \$1.4 million in 2021.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2022, the City had \$421.4 million invested in a variety of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, intangible right to use assets, and water and sewer lines (see following graphs). This amount represents a net increase from prior year.

Major additions for the governmental activities include both projects completed in 2022 and removed from construction in progress as well as projects that remain construction in progress at December 31, 2022. These projects include ongoing major road and storm sewer projects, park equipment additions and renovations, and a major street lighting upgrade.

Additions to Business-Type Activities included additional water and sewer line construction, the continuation of a major renovation project at the City's Water Reclamation Plant, and ongoing restoration work at two of the City's water plants.

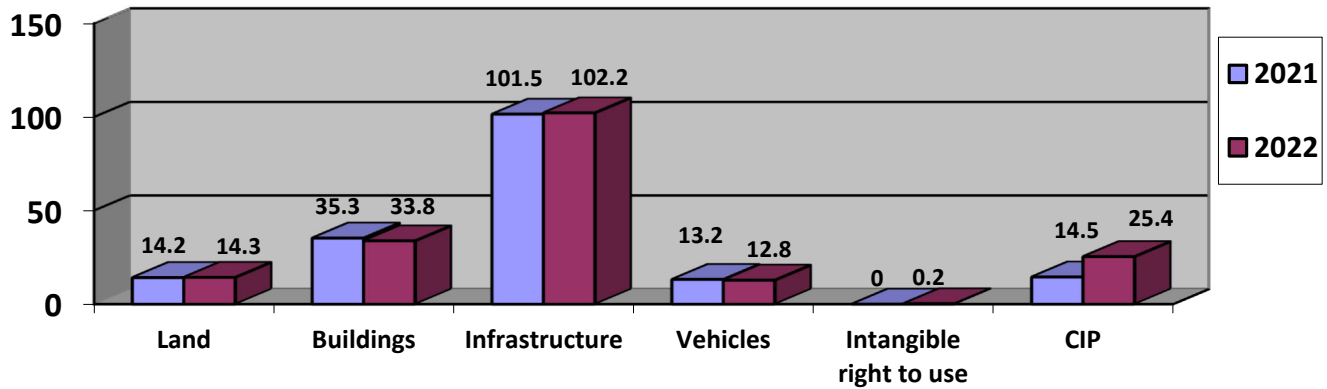
The City's 2022 capital budget anticipates a spending level of \$2.8 million for capital projects. The City will continue to spend the balance remaining of the \$3.4 million generated from the sale of general obligation bonds during 2006 to construct a scaled back version of a scaled back version of a community water park for the youth of the City. The water park plans have been greatly reduced since its inception in 2006. In fact, in 2009, 2010, and 2011 the City spent a portion of the unspent portion of the 2006 issuance, dedicated for both Mallonn Park and the water park, to retire the corresponding years principal and interest due on the aforementioned bonds. In early 2015, the City entered into contracts for a scaled down version of the water park. The prior portion of this issuance expended was used for constructing a fire station, additional building improvement and expansion to City Hall, improve infrastructure and city parks expansion and developments.

More detailed information about the City's capital assets is presented in Note 7 to the basic financial statements.

**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

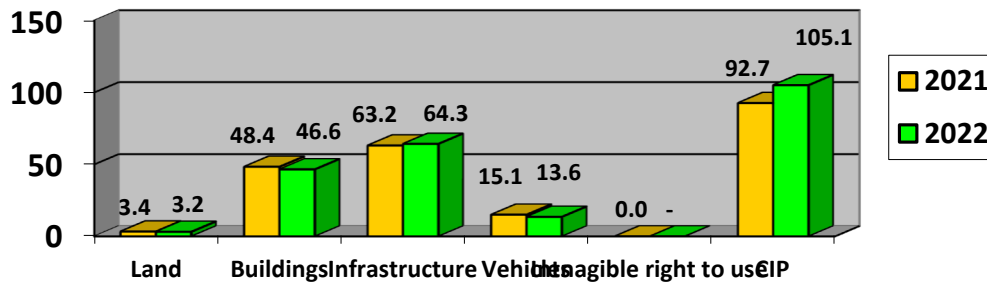
The graph below reflects the City's governmental activities capital assets, net of accumulated depreciation, for December 31, 2022 and 2021:

**Graph 9  
Governmental Capital Assets - Net of Depreciation  
(Dollar Value in Millions)**



The graph below reflects the City's business-type activities capital assets, net of accumulated depreciation, for December 31, 2022 and 2021:

**Graph 10  
Business-Type Capital Assets - Net of Depreciation  
(Dollar Value in Millions)**



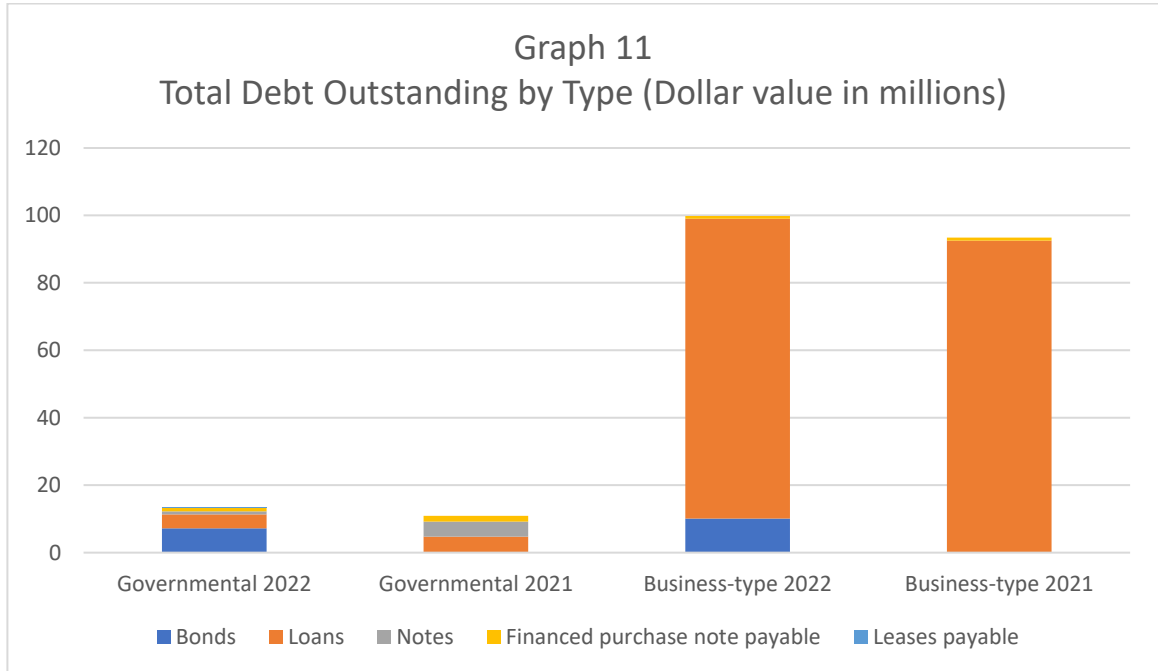


**CITY OF CANTON  
STARK COUNTY, OHIO  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Debt**

At December 31, 2022, the City had outstanding long-term debt obligations in the amount of \$13.5 million up from \$10.9 million in 2021 for the governmental activities this represents a 23.85% increase. The City’s business-type activities debt obligation as of December 31, 2022 was \$99.7 million which is an increase from \$93.4 million in 2021. This represents an increase of 6.75%.

The breakout on debt outstanding, by type, is presented in the table below.



During 2022, the City issued \$4.1 million in notes payable and retired \$7.7 million in notes payable. The balance of the City’s notes payable at December 31, 2022 is \$0.9 million. In 2022, the City issued \$17.3 million in general obligation bonds. See Note 11 to the basic financial statements for more information on the City’s note and bond obligations.

In 2022, no adjustments were made to the City’s credit rating; however, in 2012 Moody’s Investor Services confirmed the City’s rating of A1 and changed its negative outlook to stable. In 2010, Moody’s downgraded the City’s rating to A1 from Aa3 and gave the City negative outlook on a general obligation bond issue. Fitch Rating service did not evaluate the City in 2013; however, Fitch had previously downgraded the City from AA- to A+ but said its outlook is stable. Other obligations include accrued vacation pay and sick leave. More detailed information about the City’s long-term liabilities is presented in Note 9 to the basic financial statements.

**CONTACTING THE CITY’S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Richard A. Mallonn II-City Auditor, City of Canton, 218 Cleveland Ave., Canton, Ohio 44702. (Phone 330-489-3226 or Fax 330-580-2067).

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**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2022

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	CCIC	Board of Health
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 101,955,805	\$ 60,112,529	\$ 162,068,334	\$ 305,085	\$ -
Cash with fiscal agents	3,019	-	3,019	-	5,874,509
Cash in segregated accounts	-	490,167	490,167	-	-
Receivables:					
Income taxes	7,661,391	-	7,661,391	-	-
Property taxes	8,100,428	-	8,100,428	-	-
Accounts	5,776,654	9,291,824	15,068,478	-	83,352
Accrued interest	408,973	35,473	444,446	-	-
Due from other governments	14,708,634	124,359	14,832,993	-	435,486
Loans receivable	12,769,234	-	12,769,234	-	-
Lease receivable	642,319	246,303	888,622	-	-
Due from component units	199,799	-	199,799	-	-
Materials and supplies inventory	413,995	2,806,438	3,220,433	-	-
Prepayments	805,599	243,929	1,049,528	-	57,017
Net OPEB asset	4,079,170	2,742,768	6,821,938	-	656,203
Net pension asset	618,801	416,072	1,034,873	-	99,545
Internal balance	1,049,827	(1,049,827)	-	-	-
Real estate held for development	-	-	-	978,098	-
Capital assets:					
Land and construction in progress	39,731,973	108,332,956	148,064,929	-	-
Depreciable capital assets, net	148,952,013	124,421,611	273,373,624	-	272,453
Total capital assets, net	188,683,986	232,754,567	421,438,553	-	272,453
Total assets	347,877,634	308,214,602	656,092,236	1,283,183	7,478,565
<b>Deferred outflows of resources:</b>					
Pension	23,710,032	4,080,732	27,790,764	-	1,026,972
OPEB	5,758,770	126,755	5,885,525	-	37,282
Total deferred outflows of resources	29,468,802	4,207,487	33,676,289	-	1,064,254
<b>Liabilities:</b>					
Accounts payable	11,381,758	3,676,468	15,058,226	5,919	337,659
Contracts payable	-	1,414,576	1,414,576	-	-
Accrued wages and benefits payable	1,779,662	540,345	2,320,007	-	123,460
Due to other governments	466,104	97,884	563,988	-	19,075
Due to primary government	-	-	-	-	199,799
Retainage payable	-	490,167	490,167	-	-
Accrued interest payable	197,906	26,346	224,252	-	97
Note payable	3,050,000	-	3,050,000	-	-
Claims payable	2,388,877	-	2,388,877	-	-
Deposits held and due to others	188,448	-	188,448	-	-
Payroll withholding payable	1,081,025	247,558	1,328,583	-	-
Unearned revenue	48,255,377	-	48,255,377	-	-
Long-term liabilities:					
Due within one year	4,335,763	8,549,923	12,885,686	-	133,880
Due greater than one year:					
Net Pension Liability	67,894,967	7,644,277	75,539,244	-	1,828,881
Net OPEB Liability	9,917,277	-	9,917,277	-	-
Other amounts due in more than one year	17,171,744	91,172,207	108,343,951	-	411,209
Total liabilities	168,108,908	113,859,751	281,968,659	5,919	3,054,060
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year	6,346,775	-	6,346,775	-	-
Leases	634,648	240,869	875,517	-	-
Pension	33,302,371	9,638,206	42,940,577	-	2,276,929
OPEB	8,073,259	2,994,618	11,067,877	-	695,913
Total deferred inflows of resources	48,357,053	12,873,693	61,230,746	-	2,972,842
<b>Net position:</b>					
Net investment in capital assets	178,451,100	141,966,953	320,418,053	-	235,571
Restricted for:					
Community development programs	23,790,611	-	23,790,611	-	-
Street construction, maintenance, and repair	2,012,106	-	2,012,106	-	-
Public health service programs	-	-	-	-	4,809,006
Safety and security programs and supplies	577,288	-	577,288	-	-
Court programs	2,548,623	-	2,548,623	-	-
Other purposes	3,296,633	-	3,296,633	-	-
City owned parking decks	389,660	-	389,660	-	-
Debt service	119,175	-	119,175	-	-
Capital projects	1,764,594	-	1,764,594	-	-
Unrestricted (deficit)	(52,069,315)	43,721,692	(8,347,623)	1,277,264	(2,528,660)
Total net position (deficit)	\$ 160,880,475	\$ 185,688,645	\$ 346,569,120	\$ 1,277,264	\$ 2,515,917

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<i>Governmental activities:</i>				
General government	\$ 40,714,866	\$ 8,801,811	\$ 10,459,511	\$ -
Security of persons and property	44,618,910	4,903,455	2,549,529	-
Transportation	13,551,460	53,538	3,480,261	2,000,615
Community environment	9,865,516	-	6,331,486	-
Leisure time activities	9,510,403	405,658	3,157,255	-
Interest and fiscal charges	170,842	-	4,817	-
Total governmental activities	<u>118,431,997</u>	<u>14,164,462</u>	<u>25,982,859</u>	<u>2,000,615</u>
<i>Business-type activities:</i>				
Water	16,894,983	21,619,262	-	4,945,591
Sewer	16,000,819	24,757,953	-	-
Refuse	6,679,839	8,489,066	38,957	-
Building Code	2,872,417	2,394,724	-	4,994
Total business-type activities	<u>42,448,058</u>	<u>57,261,005</u>	<u>38,957</u>	<u>4,950,585</u>
Total primary government	<u>\$ 160,880,055</u>	<u>\$ 71,425,467</u>	<u>\$ 26,021,816</u>	<u>\$ 6,951,200</u>
<b>Component Units:</b>				
CCIC	\$ 360,911	\$ 5,807	\$ 487,166	\$ -
Board of Health	6,415,865	1,323,878	6,672,961	8,500
Total component units	<u>\$ 6,776,776</u>	<u>\$ 1,329,685</u>	<u>\$ 7,160,127</u>	<u>\$ 8,500</u>

**General revenues:**

Municipal income taxes levied for:  
    General purposes  
    Community development  
    Capital outlay  
Property and other taxes  
Other local taxes  
Payments in lieu of taxes  
Grants and entitlements not restricted  
    to specific programs  
Interest and investment earnings  
Decrease in fair value of investments  
Gain on sale of capital assets  
Miscellaneous

Total general revenues

Change in net position

**Net position at beginning of year**

**Net position at end of year**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Primary Government</b>			<b>Component Units</b>	
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>CCIC</b>	<b>Board of Health</b>
\$ (21,453,544)	\$ -	\$ (21,453,544)	\$ -	\$ -
(37,165,926)	-	(37,165,926)	-	-
(8,017,046)	-	(8,017,046)	-	-
(3,534,030)	-	(3,534,030)	-	-
(5,947,490)	-	(5,947,490)	-	-
(166,025)	-	(166,025)	-	-
<u>(76,284,061)</u>	<u>-</u>	<u>(76,284,061)</u>	<u>-</u>	<u>-</u>
-	9,669,870	9,669,870	-	-
-	8,757,134	8,757,134	-	-
-	1,848,184	1,848,184	-	-
-	(472,699)	(472,699)	-	-
<u>-</u>	<u>19,802,489</u>	<u>19,802,489</u>	<u>-</u>	<u>-</u>
<u>(76,284,061)</u>	<u>19,802,489</u>	<u>(56,481,572)</u>	<u>-</u>	<u>-</u>
-	-	-	132,062	-
-	-	-	-	1,589,474
<u>-</u>	<u>-</u>	<u>-</u>	<u>132,062</u>	<u>1,589,474</u>
50,271,705	-	50,271,705	-	-
9,030,778	-	9,030,778	-	-
14,191,222	-	14,191,222	-	-
6,541,558	-	6,541,558	-	-
980,112	-	980,112	-	-
1,605,218	-	1,605,218	-	-
7,708,553	-	7,708,553	-	-
1,285,517	95,758	1,381,275	-	-
(4,103,710)	-	(4,103,710)	-	-
-	-	-	-	-
<u>7,346,788</u>	<u>297,715</u>	<u>7,644,503</u>	<u>492</u>	<u>43,560</u>
<u>94,857,741</u>	<u>393,473</u>	<u>95,251,214</u>	<u>492</u>	<u>43,560</u>
18,573,680	20,195,962	38,769,642	132,554	1,633,034
142,306,795	165,492,683	307,799,478	1,144,710	882,883
<u>\$ 160,880,475</u>	<u>\$ 185,688,645</u>	<u>\$ 346,569,120</u>	<u>\$ 1,277,264</u>	<u>\$ 2,515,917</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	General	Community and Economic Development	American Rescue Plan Act	Capital Projects
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 9,457,580	\$ 2,212,871	\$ 50,261,369	\$ 9,310,453
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	3,286,230	393,978	-	600
Accrued interest	393,303	-	-	-
Municipal income taxes	4,903,290	-	-	1,379,050
Property and other taxes	3,512,407	-	-	-
Due from other funds	2,438,225	-	-	-
Due from other governments	3,813,459	7,856,000	-	6,440
Loans receivable	963,931	360,192	-	-
Lease receivable	-	-	-	-
Due from component units	79,160	-	-	-
Advances to other funds	4,300,000	-	-	-
Materials and supplies inventory	383,957	-	-	-
Prepayments	622,185	584	-	31,700
Total assets	<u>\$ 34,153,727</u>	<u>\$ 10,823,625</u>	<u>\$ 50,261,369</u>	<u>\$ 10,728,243</u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,804,373	\$ 527,981	\$ 2,005,992	\$ 766,342
Accrued wages and benefits payable	1,465,472	-	-	63,364
Due to other funds	93,218	157,674	-	1,831
Due to other governments	376,063	-	-	10,397
Note payable	3,050,000	-	-	-
Accrued interest payable	137,877	-	-	-
Unearned revenue	-	-	48,255,377	-
Deposits held and due to others	-	-	-	-
Payroll withholding payable	933,580	-	-	28,533
Total liabilities	<u>7,860,583</u>	<u>685,655</u>	<u>50,261,369</u>	<u>870,467</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	2,716,346	-	-	-
Delinquent property tax revenue not available	796,061	-	-	-
Accrued interest not available	171,463	-	-	-
Leases	-	-	-	-
Miscellaneous revenue not available	399,006	-	-	-
Income tax revenue not available	902,336	-	-	253,782
Charges for services revenue not available	2,444,901	289,393	-	-
Intergovernmental revenue not available	1,834,647	7,368,941	-	-
Total deferred inflows of resources	<u>9,264,760</u>	<u>7,658,334</u>	<u>-</u>	<u>253,782</u>
<b>Fund balances:</b>				
Nonspendable	5,503,210	584	-	31,700
Restricted	-	2,479,052	-	-
Committed	921,504	-	-	9,572,294
Assigned	4,697,869	-	-	-
Unassigned (deficit)	5,905,801	-	-	-
Total fund balances	<u>17,028,384</u>	<u>2,479,636</u>	<u>-</u>	<u>9,603,994</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,153,727</u>	<u>\$ 10,823,625</u>	<u>\$ 50,261,369</u>	<u>\$ 10,728,243</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Motor Vehicle Purchase</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,195,272	\$ 24,953,840	\$ 97,391,385
-	3,019	3,019
-	743,397	4,424,205
-	15,670	408,973
306,456	1,072,595	7,661,391
-	4,588,021	8,100,428
-	-	2,438,225
-	3,003,974	14,679,873
-	11,445,111	12,769,234
-	642,319	642,319
-	-	79,160
-	-	4,300,000
-	30,038	413,995
-	73,517	727,986
<u>\$ 1,501,728</u>	<u>\$ 46,571,501</u>	<u>\$ 154,040,193</u>
\$ 591,739	\$ 3,184,590	\$ 8,881,017
-	167,976	1,696,812
-	6,583,239	6,835,962
-	66,483	452,943
-	-	3,050,000
-	-	137,877
-	-	48,255,377
-	188,448	188,448
-	67,522	1,029,635
<u>591,739</u>	<u>10,258,258</u>	<u>70,528,071</u>
-	3,630,429	6,346,775
-	957,592	1,753,653
-	-	171,463
-	634,648	634,648
-	114,517	513,523
56,396	197,386	1,409,900
-	258,095	2,992,389
-	1,070,547	10,274,135
<u>56,396</u>	<u>6,863,214</u>	<u>24,096,486</u>
-	103,555	5,639,049
853,593	27,095,998	30,428,643
-	3,958,714	14,452,512
-	-	4,697,869
-	(1,708,238)	4,197,563
<u>853,593</u>	<u>29,450,029</u>	<u>59,415,636</u>
<u>\$ 1,501,728</u>	<u>\$ 46,571,501</u>	<u>\$ 154,040,193</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

<b>Total governmental fund balances</b>		\$	59,415,636
<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.			188,683,986
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Delinquent property taxes receivable	\$	1,753,653	
Income taxes receivable		1,409,900	
Accounts receivable		3,505,912	
Intergovernmental receivable		10,274,135	
Accrued interest receivable		171,463	
Total		17,115,063	17,115,063
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund, including an internal balance of \$1,039,282, are included in governmental activities on the statement of net position.			(5,707,488)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(60,029)
The net pension asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:			
Deferred outflows of resources - pension		23,710,032	
Deferred inflows of resources - pension		(33,302,371)	
Net pension asset		618,801	
Net pension liability		(67,894,967)	
Total		(76,868,505)	(76,868,505)
The net OPEB asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:			
Deferred outflows of resources - OPEB		5,758,770	
Deferred inflows of resources - OPEB		(8,073,259)	
Net OPEB asset		4,079,170	
Net OPEB liability		(9,917,277)	
Total		(8,152,596)	(8,152,596)
Long-term liabilities, including loans and notes payable and capital lease obligations, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(7,249,186)	
Loans payable		(4,119,275)	
Notes payable		(900,000)	
Lease payable		(179,570)	
Financed purchase note payable		(1,097,561)	
Total		(13,545,592)	(13,545,592)
<b>Net position of governmental activities</b>		\$	160,880,475

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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**CITY OF CANTON  
STARK COUNTY, OHIO**

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

	<u>General</u>	<u>Community and Economic Development</u>	<u>American Rescue Plan Act</u>	<u>Capital Projects</u>
<b>Revenues:</b>				
Property and other taxes	\$ 2,673,150	\$ -	\$ -	\$ -
Municipal income taxes	50,020,498	-	-	11,540,348
Charges for services	9,891,516	-	-	-
Licenses, permits, and fees	737,869	-	-	-
Fines and forfeitures	113,752	-	-	200
Intergovernmental	7,498,596	-	13,368,965	-
Interest and investment income	1,153,607	1,131,250	-	-
Rental income	3,940	-	-	-
Contributions and donations	3,640	-	-	-
Operating grants	197,758	4,044,830	-	-
Capital grants	-	-	-	6,440
Payment in lieu of taxes	-	-	-	-
Other local taxes	-	-	-	-
Decrease in fair value of investments	(4,103,710)	-	-	-
Other	3,286,772	242,375	1,001,141	23,187
<b>Total revenues</b>	<u>71,477,388</u>	<u>5,418,455</u>	<u>14,370,106</u>	<u>11,570,175</u>
<b>Expenditures:</b>				
Current:				
General government	28,636,927	-	9,342,552	-
Security of persons and property	39,351,009	-	385,279	-
Transportation	2,486,140	-	-	5,475
Community environment	3,515,260	4,650,756	1,836,992	-
Leisure time activities	126,735	-	2,805,283	-
Capital outlay	-	-	-	10,092,947
Debt service:				
Principal retirement	1,211,927	2,353	-	767,836
Interest and fiscal charges	63,055	782	-	108,216
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>75,391,053</u>	<u>4,653,891</u>	<u>14,370,106</u>	<u>10,974,474</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,913,665)</u>	<u>764,564</u>	<u>-</u>	<u>595,701</u>
<b>Other financing sources (uses):</b>				
Bond issuance	-	-	-	-
Issuance of notes	900,000	-	-	-
Lease transaction	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(648,846)	-	-	-
<b>Total other financing sources (uses)</b>	<u>251,154</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,662,511)	764,564	-	595,701
<b>Fund balances at beginning of year</b>	<u>20,690,895</u>	<u>1,715,072</u>	<u>-</u>	<u>9,008,293</u>
<b>Fund balances at end of year</b>	<u>\$ 17,028,384</u>	<u>\$ 2,479,636</u>	<u>\$ -</u>	<u>\$ 9,603,994</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Motor Vehicle Purchase</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 3,796,393	\$ 6,469,543
2,564,522	8,975,827	73,101,195
-	2,567,721	12,459,237
-	-	737,869
-	319,098	433,050
-	4,433,096	25,300,657
-	84,349	2,369,206
-	240,627	244,567
-	609,951	613,591
-	945,356	5,187,944
-	1,756,228	1,762,668
-	1,605,218	1,605,218
-	871,831	871,831
-	-	(4,103,710)
26,164	756,218	5,335,857
<u>2,590,686</u>	<u>26,961,913</u>	<u>132,388,723</u>
-	4,222,625	42,202,104
-	2,881,113	42,617,401
-	6,530,598	9,022,213
-	-	10,003,008
-	6,229,448	9,161,466
2,195,988	3,994,211	16,283,146
395,608	6,515,742	8,893,466
34,431	58,567	265,051
-	49,186	49,186
<u>2,626,027</u>	<u>30,481,490</u>	<u>138,497,041</u>
<u>(35,341)</u>	<u>(3,519,577)</u>	<u>(6,108,318)</u>
-	7,249,186	7,249,186
-	3,200,000	4,100,000
-	145,379	145,379
-	223,846	223,846
-	-	(648,846)
-	10,818,411	11,069,565
(35,341)	7,298,834	4,961,247
888,934	22,151,195	54,454,389
<u>\$ 853,593</u>	<u>\$ 29,450,029</u>	<u>\$ 59,415,636</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

<b>Net change in fund balances - total governmental funds</b>	\$	4,961,247
<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 are allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeds depreciation/amortization expense in the current period.		
Capital asset additions	\$ 20,755,622	
Current year depreciation/amortization	(10,851,106)	
Total		9,904,516
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property and other taxes	72,015	
Municipal income taxes	392,510	
Intergovernmental revenue	337,963	
Operating grants	(790,129)	
Charges for services	301,844	
Interest	131,910	
Total		446,113
The issuance of bonds, lease payables, and notes are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		
		(11,494,565)
Repayment of note, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		8,893,466
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.		
		143,395
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	7,669,907	
OPEB	141,380	
Total		7,811,287
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(1,758,940)	
OPEB	2,176,689	
Total		417,749
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds, including an internal balance activity of \$934,491, is reported with the governmental activities on the government-wide statement of net position.		
		(2,509,528)
<b>Change in net position of governmental activities</b>	\$	18,573,680

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes	\$ 2,281,000	\$ 2,281,000	\$ 2,673,150	\$ 392,150
Municipal income taxes	38,875,000	38,875,000	41,997,589	3,122,589
Charges for services	7,378,000	7,378,000	7,253,878	(124,122)
Licenses, permits, and fees	791,000	791,000	756,840	(34,160)
Fines and forfeitures	136,750	136,750	109,305	(27,445)
Intergovernmental	6,651,750	6,651,750	7,503,417	851,667
Interest and investment income	617,500	617,500	827,257	209,757
Rental income	48,000	48,000	3,940	(44,060)
Operating grants	303,000	303,000	198,310	(104,690)
Contributions and donations	2,500	2,500	3,640	1,140
Other	11,972,750	12,022,216	7,917,710	(4,104,506)
<b>Total revenues</b>	<u>69,057,250</u>	<u>69,106,716</u>	<u>69,245,036</u>	<u>138,320</u>
<b>Expenditures:</b>				
Current:				
General government:				
Service director support administration	1,257,500	4,466,711	4,265,960	200,751
Service director	75,853	75,544	63,512	12,032
Purchase administration	543,644	572,674	523,318	49,356
Annexation	11,300	11,300	394	10,906
Building and maintenance	1,841,555	2,125,192	1,998,323	126,869
Mayor administration	499,344	495,246	414,894	80,352
Planning	262,190	254,040	248,705	5,335
Human resources	200,539	181,998	128,472	53,526
Council	694,830	717,136	692,191	24,945
Judges	2,657,385	2,482,390	2,291,610	190,780
Clerk of Courts	1,930,150	1,838,850	1,764,911	73,939
Law department	2,003,773	2,006,313	1,763,444	242,869
Auditor's office	2,029,875	2,099,470	1,985,413	114,057
Treasurer's office	720,320	904,417	864,080	40,337
Civil service	530,247	530,863	471,832	59,031
Canton helping Canton	-	2,500	1,947	553
Management information systems	1,584,310	1,581,686	1,551,860	29,826
<b>Total general government</b>	<u>16,842,815</u>	<u>20,346,330</u>	<u>19,030,866</u>	<u>1,315,464</u>
Security of persons and property:				
Safety director	228,317	218,317	203,908	14,409
Code enforcement	180,000	180,000	125,199	54,801
School police administration	130,405	57,405	43,214	14,191
Central communication	1,921,610	1,941,545	1,912,127	29,418
Police	19,252,035	20,152,631	19,676,185	476,446
Fire	17,764,900	19,531,197	19,308,732	222,465
Traffic engineer/parking meters	30,000	30,000	6,950	23,050
<b>Total security of persons and property</b>	<u>39,507,267</u>	<u>42,111,095</u>	<u>41,276,315</u>	<u>834,780</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, 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>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Transportation:				
Engineering - daily operations	98,159	636,942	555,558	81,384
Street department	1,914,839	2,094,838	2,023,414	71,424
Salt storage facility	-	500,000	477,906	22,094
Total transportation	<u>2,012,998</u>	<u>3,231,780</u>	<u>3,056,878</u>	<u>174,902</u>
Community environment:				
Community development administration	1,525,840	1,386,302	1,319,637	66,665
Community involvement	2,021,585	2,080,727	2,053,562	27,165
Community Improvement Corporation	50,000	50,000	50,000	-
Total community environment	<u>3,597,425</u>	<u>3,517,029</u>	<u>3,423,199</u>	<u>93,830</u>
Leisure time activities:				
Baseball	2,156,386	2,653,214	2,649,589	3,625
Civic Center administration	590,000	678,301	673,302	4,999
Total leisure time activities	<u>2,746,386</u>	<u>3,331,515</u>	<u>3,322,891</u>	<u>8,624</u>
Debt service:				
Principal retirement	5,980,575	5,979,242	5,280,648	698,594
Interest and fiscal charges	188,225	300,678	108,872	191,806
Total debt service	<u>6,168,800</u>	<u>6,279,920</u>	<u>5,389,520</u>	<u>890,400</u>
Total expenditures	<u>70,875,691</u>	<u>78,817,669</u>	<u>75,499,669</u>	<u>3,318,000</u>
Excess of expenditures over revenues	<u>(1,818,441)</u>	<u>(9,710,953)</u>	<u>(6,254,633)</u>	<u>3,456,320</u>
<b>Other financing sources (uses):</b>				
Issuance of notes	4,645,000	4,645,000	3,950,000	(695,000)
Transfers in	652,600	652,600	642,600	(10,000)
Transfers (out)	(3,172,600)	(3,616,446)	(3,241,446)	375,000
Advances in	1,050,000	1,050,000	721,964	(328,036)
Advances (out)	(140,000)	(1,978,731)	(1,978,731)	-
Sale of assets	-	-	69,483	69,483
Total other financing sources (uses)	<u>3,035,000</u>	<u>752,423</u>	<u>163,870</u>	<u>(588,553)</u>
Net change in fund balance	1,216,559	(8,958,530)	(6,090,763)	2,867,767
<b>Fund balance at beginning of year</b>	3,531,492	3,531,492	3,531,492	-
<b>Prior year encumbrances appropriated</b>	7,868,342	7,868,342	7,868,342	-
<b>Fund balance at end of year</b>	<u>\$ 12,616,393</u>	<u>\$ 2,441,304</u>	<u>\$ 5,309,071</u>	<u>\$ 2,867,767</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY AND ECONOMIC DEVELOPMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Operating grants	\$ 11,453,968	\$ 17,915,445	\$ 4,169,581	\$ (13,745,864)
Other	171,000	175,345	2,113,292	1,937,947
Total revenues	<u>11,624,968</u>	<u>18,090,790</u>	<u>6,282,873</u>	<u>(11,807,917)</u>
<b>Expenditures:</b>				
Current:				
Community environment:				
Community development administration	5,315,121	13,400,128	5,466,992	7,933,136
Federal stimulus funding	3,336,052	4,348,010	1,273,119	3,074,891
Community development demolition	-	-	-	-
Fair housing administration	9,551	88,569	75,034	13,535
Vienna Woods	230,026	255,025	24,999	230,026
Total community environment	<u>8,890,750</u>	<u>18,091,732</u>	<u>6,840,144</u>	<u>11,251,588</u>
Debt service:				
Principal retirement	-	3,000	2,542	458
Interest and fiscal charges	-	714	593	121
Total debt service	<u>-</u>	<u>3,714</u>	<u>3,135</u>	<u>579</u>
Total expenditures	<u>8,890,750</u>	<u>18,095,446</u>	<u>6,843,279</u>	<u>11,252,167</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,734,218</u>	<u>(4,656)</u>	<u>(560,406)</u>	<u>(555,750)</u>
<b>Other financing sources:</b>				
Advances in	-	-	100,000	100,000
Advances (out)	-	(102,300)	(103,100)	(800)
Total other financing sources	<u>-</u>	<u>(102,300)</u>	<u>(3,100)</u>	<u>99,200</u>
Net change in fund balance	2,734,218	(106,956)	(563,506)	(456,550)
<b>Fund balance (deficit) at beginning of year</b>	(2,480,149)	(2,480,149)	(2,480,149)	-
<b>Prior year encumbrances appropriated</b>	3,035,030	3,035,030	3,035,030	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ 3,289,099</u>	<u>\$ 447,925</u>	<u>\$ (8,625)</u>	<u>\$ (456,550)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AMERICAN RESCUE PLAN ACT  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 31,806,611	\$ 31,806,611	\$ 31,806,611	\$ -
Other	-	-	1,001,141	1,001,141
Total revenues	<u>31,806,611</u>	<u>31,806,611</u>	<u>32,807,752</u>	<u>1,001,141</u>
<b>Expenditures:</b>				
Current:				
General government:				
Support administration	-	28,251,770	16,419,994	11,831,776
Invest health medical/food project	-	1,300,000	1,300,000	-
Storm sewer projects	-	153,000	152,550	450
COVID-19 Stimulus	<u>51,339,702</u>	<u>23,996,726</u>	<u>7,463,910</u>	<u>16,532,816</u>
Total general government	<u>51,339,702</u>	<u>53,701,496</u>	<u>25,336,454</u>	<u>28,365,042</u>
Security of persons and property:				
COVID-19 Stimulus	<u>-</u>	<u>5,295,768</u>	<u>5,214,029</u>	<u>81,739</u>
Leisure time activities:				
Park	<u>-</u>	<u>2,796,078</u>	<u>2,796,078</u>	<u>-</u>
Total expenditures	<u>51,339,702</u>	<u>61,793,342</u>	<u>33,346,561</u>	<u>28,446,781</u>
Net change in fund balance	(19,533,091)	(29,986,731)	(538,809)	29,447,922
<b>Fund balance at beginning of year</b>	19,533,090	19,533,090	19,533,090	-
<b>Prior year encumbrances appropriated</b>	<u>10,453,641</u>	<u>10,453,641</u>	<u>10,453,641</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 10,453,640</u>	<u>\$ -</u>	<u>\$ 29,447,922</u>	<u>\$ 29,447,922</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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**CITY OF CANTON  
STARK COUNTY, OHIO**  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2022

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Fund</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 22,640,223	\$ 23,149,575	\$ 12,823,961	\$ 1,498,770
Cash in segregated accounts	-	490,167	-	-
Receivables:				
Accounts	3,627,795	3,493,675	2,155,854	14,500
Accrued interest	644	-	34,829	-
Due from other funds	-	-	-	-
Due from other governments	79,759	35,346	9,254	-
Leases receivable	246,303	-	-	-
Due from component unit	-	-	-	-
Materials and supplies inventory	867,686	1,938,752	-	-
Prepayments	175,555	-	50,638	17,736
Total current assets	<u>27,637,965</u>	<u>29,107,515</u>	<u>15,074,536</u>	<u>1,531,006</u>
Non-current assets:				
Net pension asset	158,116	141,553	86,213	30,190
Net OPEB asset	1,042,308	933,124	568,323	199,013
Capital assets:				
Land and construction in progress	18,880,522	88,827,461	624,973	-
Depreciable capital assets, net	81,676,581	40,384,086	1,765,806	595,138
Total capital assets, net	<u>100,557,103</u>	<u>129,211,547</u>	<u>2,390,779</u>	<u>595,138</u>
Total noncurrent assets	<u>101,757,527</u>	<u>130,286,224</u>	<u>3,045,315</u>	<u>824,341</u>
Total assets	<u>129,395,492</u>	<u>159,393,739</u>	<u>18,119,851</u>	<u>2,355,347</u>
<b>Deferred outflows of resources:</b>				
Pension	1,496,024	1,439,525	850,900	294,283
OPEB	40,654	50,154	26,998	8,949
Total deferred outflows of resources	<u>1,536,678</u>	<u>1,489,679</u>	<u>877,898</u>	<u>303,232</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	3,096,614	269,665	236,380	73,809
Contracts payable	-	1,414,576	-	-
Retainage payable	-	490,167	-	-
Accrued wages and benefits payable	210,199	177,729	113,885	38,532
Due to other funds	4,027	1,209	1,839	3,470
Due to other governments	45,126	27,795	17,595	7,368
Accrued interest payable	-	-	26,346	-
Payroll withholding payable	93,481	81,394	54,215	18,468
General obligation bonds payable	-	-	535,807	-
OWDA loans payable	1,859,285	5,587,054	-	-
OPWC loans payable	415,424	5,764	-	-
Compensated absences payable - current	-	-	-	-
Claim payable	-	-	-	-
Financed purchase note payable	-	-	142,764	-
Lease payable	-	-	-	3,825
Total current liabilities	<u>5,724,156</u>	<u>8,055,353</u>	<u>1,128,831</u>	<u>145,472</u>
Non-current liabilities:				
General obligation bonds payable	-	-	9,532,507	-
OWDA loans payable	21,268,652	56,286,681	-	-
OPWC loans payable	3,452,852	7,668	-	-
Financed purchase note payable	-	-	613,537	-
Lease payable	-	-	-	10,310
Compensated absences payable	-	-	-	-
Claims payable	-	-	-	-
Net Pension Liability	2,904,982	2,600,678	1,583,954	554,663
Total non-current liabilities	<u>27,626,486</u>	<u>58,895,027</u>	<u>11,729,998</u>	<u>564,973</u>
Total liabilities	<u>33,350,642</u>	<u>66,950,380</u>	<u>12,858,829</u>	<u>710,445</u>
<b>Deferred inflows of resources:</b>				
Leases	240,869	-	-	-
Pension	3,667,019	3,266,541	2,003,072	701,574
OPEB	1,140,952	1,010,009	624,769	218,888
Total deferred inflows of resources	<u>5,048,840</u>	<u>4,276,550</u>	<u>2,627,841</u>	<u>920,462</u>
<b>Net position:</b>				
Net investment in capital assets	73,560,890	65,909,804	1,915,256	581,003
Unrestricted (deficit)	18,971,798	23,746,684	1,595,823	446,669
Total net position (deficit)	<u>\$ 92,532,688</u>	<u>\$ 89,656,488</u>	<u>\$ 3,511,079</u>	<u>\$ 1,027,672</u>

Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.  
Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 60,112,529	\$ 4,564,420
490,167	-
9,291,824	1,352,449
35,473	-
-	108,282
124,359	28,761
246,303	-
-	120,639
2,806,438	-
243,929	77,613
<u>73,351,022</u>	<u>6,252,164</u>
416,072	-
2,742,768	-
108,332,956	-
124,421,611	-
<u>232,754,567</u>	<u>-</u>
235,913,407	-
<u>309,264,429</u>	<u>6,252,164</u>
4,080,732	-
126,755	-
<u>4,207,487</u>	<u>-</u>
3,676,468	2,500,741
1,414,576	-
490,167	-
540,345	82,850
10,545	-
97,884	13,161
26,346	-
247,558	51,390
535,807	-
7,446,339	-
421,188	-
-	1,824,805
-	1,224,706
142,764	-
3,825	-
<u>15,053,812</u>	<u>5,697,653</u>
9,532,507	-
77,555,333	-
3,460,520	-
613,537	-
10,310	-
-	6,137,110
-	1,164,171
7,644,277	-
<u>98,816,484</u>	<u>7,301,281</u>
<u>113,870,296</u>	<u>12,998,934</u>
240,869	-
9,638,206	-
2,994,618	-
<u>12,873,693</u>	<u>-</u>
141,966,953	-
44,760,974	(6,746,770)
186,727,927	<u>\$ (6,746,770)</u>
(1,039,282)	
<u>\$ 185,688,645</u>	

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Fund</b>
<b>Operating revenues:</b>				
Charges for services	\$ 21,589,271	\$ 24,734,480	\$ 8,489,066	\$ 2,394,724
Rental income	29,991	23,473	-	-
Other operating revenues	210,084	38,185	2,173	47,273
Total operating revenues	<u>21,829,346</u>	<u>24,796,138</u>	<u>8,491,239</u>	<u>2,441,997</u>
<b>Operating expenses:</b>				
Personal services	5,394,397	4,978,797	3,177,657	1,036,504
Contract services	3,449,626	5,011,652	2,185,575	1,503,819
Materials and supplies	2,776,176	1,345,311	422,795	45,267
Benefit claim expenses	-	-	-	-
Insurance claims and expenses	194,034	6,431	2,823	150,668
Depreciation	3,917,144	2,151,539	361,063	68,681
Other	129,825	84,923	26,900	-
Total operating expenses	<u>15,861,202</u>	<u>13,578,653</u>	<u>6,176,813</u>	<u>2,804,939</u>
Operating income (loss)	<u>5,968,144</u>	<u>11,217,485</u>	<u>2,314,426</u>	<u>(362,942)</u>
<b>Nonoperating revenues (expenses):</b>				
Interest and fiscal charges	(612,690)	(2,041,741)	(290,022)	(840)
Loss on sale of capital assets	(57,566)	(73,055)	(16,046)	-
Interest income	8,072	-	87,686	-
Operating grants	-	-	38,957	-
Total nonoperating revenues (expenses)	<u>(662,184)</u>	<u>(2,114,796)</u>	<u>(179,425)</u>	<u>(840)</u>
Income (loss) before contributions	5,305,960	9,102,689	2,135,001	(363,782)
Transfer in	-	-	-	-
Capital contributions	4,945,591	-	-	4,994
Change in net position	10,251,551	9,102,689	2,135,001	(358,788)
<b>Net position (deficit) at beginning of year</b>	<u>82,281,137</u>	<u>80,553,799</u>	<u>1,376,078</u>	<u>1,386,460</u>
<b>Net position (deficit) at end of year</b>	<u>\$ 92,532,688</u>	<u>\$ 89,656,488</u>	<u>\$ 3,511,079</u>	<u>\$ 1,027,672</u>

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

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 57,207,541	\$ 17,664,793
53,464	-
297,715	4,111,682
<u>57,558,720</u>	<u>21,776,475</u>
14,587,355	2,331,880
12,150,672	1,259,125
4,589,549	-
-	4,136,366
353,956	17,915,123
6,498,427	-
241,648	3,000
<u>38,421,607</u>	<u>25,645,494</u>
<u>19,137,113</u>	<u>(3,869,019)</u>
(2,945,293)	-
(146,667)	-
95,758	-
38,957	-
<u>(2,957,245)</u>	<u>-</u>
16,179,868	(3,869,019)
-	425,000
<u>4,950,585</u>	<u>-</u>
21,130,453	(3,444,019)
	<u>(3,302,751)</u>
	<u>\$ (6,746,770)</u>
<u>(934,491)</u>	
<u>\$ 20,195,962</u>	

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Fund</b>
<b>Cash flows from operating activities:</b>				
Cash received from charges for services	\$ 21,264,405	\$ 24,267,463	\$ 8,481,508	\$ 2,394,497
Cash received from rents	24,618	23,356	-	-
Cash received from other operations	212,749	37,939	2,173	36,865
Cash payments for personal services	(7,592,090)	(6,729,907)	(4,303,856)	(1,469,919)
Cash payments for contractual services	(2,543,627)	(5,619,500)	(2,352,005)	(1,537,697)
Cash payments for materials and supplies	(2,027,681)	(1,450,796)	(386,225)	(45,572)
Cash payments for claims	(194,034)	(6,431)	(2,823)	(150,668)
Cash payments for insurance claims	-	-	-	-
Cash payments for benefits claims	-	-	-	-
Cash payments for other expenses	(47,273)	(99,001)	(24,833)	(2,100)
Net cash provided by (used in) operating activities	<u>9,097,067</u>	<u>10,423,123</u>	<u>1,413,939</u>	<u>(774,594)</u>
<b>Cash flows from noncapital financing activities:</b>				
Cash received from operating grants	-	-	40,755	-
Cash received from transfers in	-	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>40,755</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(11,765,719)	(2,594,413)	(742,768)	(40,627)
Capital contributions	5,015,881	-	-	4,994
Proceeds from sale of capital assets	39,375	-	37,500	-
Proceeds of bonds	-	-	10,068,314	-
Proceeds of loans	2,288,519	9,385	-	-
Interest paid on bonds	-	-	(169,489)	-
Bond issue costs	-	-	(68,314)	-
Principal paid on financed purchase note payable	-	-	(138,754)	-
Interest paid on financed purchase note payable	-	-	(25,873)	-
Principal paid on lease payable	-	-	-	(3,372)
Interest paid on lease payable	-	-	-	(840)
Principal paid on OPWC loans	(350,033)	(8,461)	-	-
Principal paid on OWDA loans	(2,058,903)	(3,596,525)	-	-
Interest paid on OWDA loans	(612,690)	(2,041,741)	-	-
Net cash provided by (used in) capital and related financing activities	<u>(7,443,570)</u>	<u>(8,231,755)</u>	<u>8,960,616</u>	<u>(39,845)</u>
<b>Cash flows from investing activities:</b>				
Interest received	7,428	-	52,857	-
Net cash provided by investing activities	<u>7,428</u>	<u>-</u>	<u>52,857</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,660,925	2,191,368	10,468,167	(814,439)
<b>Cash and cash equivalents at beginning of year</b>	20,979,298	21,448,374	2,355,794	2,313,209
<b>Cash and cash equivalents at end of year</b>	<u>\$ 22,640,223</u>	<u>\$ 23,639,742</u>	<u>\$ 12,823,961</u>	<u>\$ 1,498,770</u>

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 56,407,873	\$ 17,664,793
47,974	-
289,726	3,163,743
(20,095,772)	(280,814)
(12,052,829)	(1,259,125)
(3,910,274)	-
(353,956)	-
-	(17,754,686)
-	(4,503,998)
<u>(173,207)</u>	<u>(3,000)</u>
<u>20,159,535</u>	<u>(2,973,087)</u>
40,755	-
<u>-</u>	<u>425,000</u>
<u>40,755</u>	<u>425,000</u>
(15,143,527)	-
5,020,875	-
76,875	-
10,068,314	-
2,297,904	-
(169,489)	-
(68,314)	-
(138,754)	-
(25,873)	-
(3,372)	-
(840)	-
(358,494)	-
(5,655,428)	-
<u>(2,654,431)</u>	<u>-</u>
<u>(6,754,554)</u>	<u>-</u>
60,285	-
<u>60,285</u>	<u>-</u>
13,506,021	(2,548,087)
47,096,675	7,112,507
<u>\$ 60,602,696</u>	<u>\$ 4,564,420</u>

- (Continued)

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water Operating Fund</b>	<b>Sewer Operating Fund</b>	<b>Refuse Operating Fund</b>	<b>Nonmajor Enterprise Fund</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 5,968,144	\$ 11,217,485	\$ 2,314,426	\$ (362,942)
Adjustments:				
Depreciation	3,917,144	2,151,539	361,063	68,681
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(322,140)	(467,380)	(7,558)	(10,635)
(Increase) decrease in materials and supplies inventory	160,816	(301,086)	-	-
(Increase) decrease in prepayments	(83,791)	79,356	(987)	(208)
Decrease in due from other funds	-	-	-	-
(Increase) in due from other governments	-	-	-	-
(Increase) in due from component units	-	-	-	-
Increase (decrease) in accounts payable	1,581,271	(425,453)	(128,199)	(34,814)
Increase (decrease) in accrued wages and benefits	18,461	5,112	(7,919)	2,796
Increase (decrease) in due to other funds	(2,307)	(104)	1,023	(1,225)
(Decrease) in due to other governments	(2,188)	(82)	(1,224)	(2,322)
Increase (decrease) in payroll withholding payable	2,123	2,235	(186)	1,285
Decrease in lease receivable	24,060	-	-	-
(Decrease) in deferred inflow - leases	(29,494)	-	-	-
(Increase) in net pension asset	(54,725)	(51,702)	(30,790)	(10,683)
(Increase) in net OPEB asset	(486,415)	(450,032)	(270,336)	(94,130)
(Increase) in deferred outflows of resources - pension	(760,166)	(819,766)	(433,626)	(159,728)
Decrease in deferred outflows of resources - OPEB	269,405	204,397	154,056	43,837
Increase in deferred inflows of resources - pension	1,346,963	1,286,697	746,021	246,266
(Decrease) in deferred inflows of resources - OPEB	(724,105)	(584,281)	(383,340)	(141,685)
(Decrease) in net pension liability	(1,725,989)	(1,423,812)	(898,485)	(319,087)
(Decrease) in compensated absences payable	-	-	-	-
Increase in claims payable	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 9,097,067</u>	<u>\$ 10,423,123</u>	<u>\$ 1,413,939</u>	<u>\$ (774,594)</u>

**Non-Cash Transactions:**

As of December 31, 2022, the water operating fund, sewer operating fund, refuse operating fund, and nonmajor enterprise fund had purchased \$972,658, \$1,904,743, \$102,031 and \$13,393, in capital assets on account, respectively.

As of December 31, 2021, the water operating fund, sewer operating fund, and nonmajor enterprise fund had purchased \$719,880, \$484,941, and \$30,010, in capital assets on account, respectively.

During 2022, the Water fund and Sewer fund reported a \$79,759 and \$35,346 receivable, respectively, for OWDA loan proceeds disbursed by OWDA, but not received by the City by year-end.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 19,137,113	\$ (3,869,019)
6,498,427	-
(807,713)	(943,947)
(140,270)	-
(5,630)	(3,320)
-	19,837
-	(927)
-	(6,193)
992,805	2,056,325
18,450	(51,976)
(2,613)	-
(5,816)	(7,669)
5,457	(2,198)
24,060	-
(29,494)	-
(147,900)	-
(1,300,913)	-
(2,173,286)	-
671,695	-
3,625,947	-
(1,833,411)	-
(4,367,373)	-
-	(330,630)
-	166,630
<u>\$ 20,159,535</u>	<u>\$ (2,973,087)</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2022

	<b>Private-Purpose Trust</b>	<b>Custodial</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents	\$ -	\$ 47,779
Cash and cash equivalents in segregated accounts	34,391	117,732
Investments in segregated accounts	132,095	-
Receivables (net of allowances for uncollectibles):		
Accounts	-	7,312
Total assets	166,486	172,823
<b>Liabilities:</b>		
Due to other governments	-	117,732
Total liabilities	-	117,732
<b>Net position:</b>		
Restricted for individuals, organizations and other governments	166,486	55,091
Total net position	\$ 166,486	\$ 55,091

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

	<b>Private-Purpose Trust</b>	<b>Custodial</b>
<b>Additions:</b>		
Fines and forfeitures for other governments	\$ -	\$ 1,079,892
Property tax collection for other governments	-	1,437,559
Earnings on investments	7,711	-
Total additions	7,711	2,517,451
<b>Deductions:</b>		
Fines and forfeitures distributions to other governments	-	1,080,375
Property tax distributions to other governments	-	1,446,746
Total deductions	-	2,527,121
Net change in fiduciary net position	7,711	(9,670)
<b>Net position beginning of year (restated)</b>	<b>158,775</b>	<b>64,761</b>
<b>Net position end of year</b>	<b>\$ 166,486</b>	<b>\$ 55,091</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

The City of Canton (the “City”) is a municipal corporation incorporated under the laws of the State of Ohio. The City operates under a Mayor-Council form of government. The Mayor and Council are elected. The City provides police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services to the citizens of the City.

**Reporting Entity**

The City’s reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: police protection, firefighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water, sewer and sanitation.

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. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the City has two component units, the Canton Community Improvement Corporation (CCIC) and the Canton City Board of Health (BOH). The City has the voting majority on the CCIC’s Board with no other subdivisions having any representation, and the CCIC is completely dependent on the City for financial support. The City appoints all board members of the BOH and the BOH is dependent of the City for financial support. The City reports the financial status of the CCIC and BOH as discretely presented component units in its basic financial statements. A complete copy of the CCIC and BOH financial statements can be obtained by contacting the City’s Community and Economic Development Department and Health Director, respectively. See Note 17 for detail.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations: Canton Tomorrow Inc., and the Downtown Canton Special Improvement District as joint ventures. See Notes 15 and 16 for detail.

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

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The most significant of the City’s accounting policies are described below.

**A. Basis of Presentation**

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

*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 activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore 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 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 function is self-financing or draws from the general revenues of the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The only exception is for contributions from the City’s Water, Sewer and Refuse Departments to the City’s Motor Vehicle Department, Computer Department, and the City’s vehicle self-insurance fund. Activities of these three divisions are included with the governmental activities, thus any contributions and corresponding expenses from other governmental funds are eliminated. This activity remains in the business-type activities in order to not distort the direct costs and program revenues reported for all of the functions involved.

***Fund Financial Statements*** - During the year, the City segregates transactions related to certain City functions or activities in separate funds 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 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 liabilities is reported as fund balance. The following are the City’s major governmental funds:

*General fund* - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

*Community and economic development fund* - To account for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

American Rescue Plan Act (ARPA) fund - To account for federal grant revenues and expenditures to combat and reduce the effects of the COVID-19 pandemic.

Capital projects fund - To account for the City's capital projects and expenditures of 18 percent of the net income tax receipts.

Motor vehicle purchase fund - To account for the purchase and maintenance of the City's vehicles and expenditures of 4 percent of the net income tax receipts.

Nonmajor 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** - 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 operating fund - The water operating enterprise fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City, and surrounding communities.

Sewer operating fund - The sewer operating enterprise fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City, and several surrounding communities.

Refuse operating fund - The refuse operating enterprise fund accounts for the provision of trash collection to the residents and commercial users located in the City.

The City's nonmajor enterprise fund is used to account for the provision of building code services.

**Internal Service Funds** - Internal service funds 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. The City's internal service funds report on a self-insurance program for employee medical benefits, compensated absences, and the City's retrospective rating worker's compensation benefits.

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

The City's only trust fund is a private-purpose trust fund established to account for monies donated to assist the poor of the City. The custodial funds account for building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, collection of property taxes to be distributed to the Special Improvement District Board, and the collection and disbursement of JEDD income taxes.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

**C. Measurement Focus**

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

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

Like the government-wide statements, all proprietary funds and fiduciary 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. For proprietary funds, the statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

In fiduciary funds, a liability to the beneficiaries of the fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

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

**D. Basis of Accounting**

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

***Revenues - Exchange and Non-exchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the 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 of year-end.



**CITY OF CANTON  
STARK COUNTY, 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 property taxes is recognized in the year for which the taxes are levied (see Note 5.A). Revenue from income taxes is recognized in the period in which the income is earned (see Note 5.B). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, delinquent property tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, and fees.

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

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

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

**E. 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 legal level of budgetary control, established by the appropriation ordinance, fixes spending authority at the account level split between salary and non-salary line items within each department within each fund. Any budgetary modifications at this level or above may only be made by resolution of the City Council. The appropriation ordinance may be amended during the year by action of Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

**F. 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 fiscal year and is not re-appropriated.

**G. Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds, except the private-purpose trust fund and funds requiring that interest proceeds follow the invested principal, are maintained in this pool. Individual fund integrity is maintained through the City's records.

The City utilizes financial institutions to service bonded debt as principal and interest come due. At year end, the balances in these accounts are presented as "cash with fiscal agent" on the City's financial statements.

The City has segregated bank and investment accounts for monies held separate from the City's central bank account related to the private-purpose trust fund and the municipal court custodial fund. These monies are presented in the statement of fiduciary net position as "cash and cash equivalents in segregated accounts" and "investments in segregated accounts" since they are not required to be deposited into the City treasury.

During 2022, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Home Loan Bank (FHLB) securities, Agriculture Mortgage securities (AGM), Negotiable certificates of deposit (Negotiable CDs), Commercial Paper, U.S. Treasury Notes, STAR Ohio, and U.S. Government Money Market Mutual Funds. Except for STAR Ohio and nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

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 NAV per share is calculated on an amortized cost basis that provides 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2022 amounted to \$1,153,607, which includes \$1,050,210, assigned from other City funds.

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

**H. Inventory**

On government-wide financial statements, inventories of supplies are presented at cost and inventories held for resale are reported at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories held for resale of proprietary funds are stated at the lower of cost or market and supplies of proprietary funds are reported at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

**I. Prepaid Items**

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

**J. Capital Assets**

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

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 City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, storm sewers, streets, streetlights, traffic signals, water lines and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of enterprise capital assets is also capitalized.

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and structures	10 to 45 years	10 to 45 years
Vehicles and equipment	10 to 15 years	10 to 15 years
Infrastructure	10 to 50 years	10 to 50 years
Intangible leased assets	5 to 30 years	5 years

The City is reporting intangible right to use assets related to leased equipment and buildings. 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.

**K. Interfund Balances**

On fund financial statements, interfund loans are classified as “due to/from other funds” on the balance sheet. Long-term interfund loans are classified as “advances to other funds”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**L. Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer 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 eligible employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments.

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

**M. 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 fund financial statements only to the extent that they are due for payment during the current year. Notes, capital leases and long-term loans are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

**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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loan receivable in the general fund.

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

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. 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. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed resources 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

**O. Net Position**

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

**P. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are primarily charges for services for water services, sewer treatment, and refuse collection for the enterprise funds, and the workers compensation, health insurance, and compensated absences claims for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**Q. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. During 2022, the City recognized capital contributions of \$4,945,591 in the water operating fund related to capital grants funding and \$4,994 in the nonmajor enterprise fund related to capital grant funding.

**R. Interfund Activity**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

**S. 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 Administration and that are either unusual in nature or infrequent in occurrence. The City did not have an extraordinary or special item in 2022.

**T. Estimates**

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

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

For purposes of measuring the net pension asset, 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. Unearned Revenue**

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized.

**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 \$698,026 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 recognized \$270,363 in business-type 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.

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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

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.

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>
Centennial Plaza TDD	\$ 46,742
Law enforcement block grant	6,503
Police grants and donations	100,053
Fire grants and donations	127,785
Jobs Ohio	5,735
49th St NW Storm Sewer Rehab Project	290,460
3rd St SE Resurfacing Project	3,055
36th St NW Sotrm Roadway water and sewer	1,127,905
<u>Internal service funds:</u>	
Health insurance	392,610
Compensated absences fund	7,411,040

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



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

**C. Restatement of net position**

The City's custodial funds net position at December 31, 2021 has been restated to remove a component unit as follows:

	Custodial Funds
Net position as previously reported	\$ 5,818,357
Remove Board of Health	<u>(5,753,596)</u>
Restated net position at January 1, 2022	<u>\$ 64,761</u>

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

Active deposits are public deposits necessary to meet current demands on the City treasury. Active 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 Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

Interim monies may be 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 agreements 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;

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

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

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

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

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the City.

Investments in stripped principal or interest obligation, 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 treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

*Cash on Hand:* At year end, the City had \$1,000 in undeposited cash on hand which is included on the financial statements as part of "equity in pooled cash and cash equivalents."

*Cash with Fiscal Agent and in segregated accounts:* At year end, the City had \$3,019 on deposit with financial institutions to service bonded debt as principal and interest come due. This account is maintained separate from the City's internal investment pool. The balance in this account is included in "deposits with financial institutions" below. At year-end, the City had \$490,167 on deposit with financial institutions to account for retainage payments. This account is maintained separate from the City's internal investment pool. The balance in this account is included in "deposits with financial institutions" below.

*Cash and Cash Equivalents in Segregated Accounts:* At year end, the City had \$117,732 deposited with a financial institution for monies related to the municipal court custodial fund. In addition, the City had \$1,680 deposited with a financial institution related to the private-purpose trust fund and \$32,711 of nonnegotiable certificates of deposit held in trust by financial institutions for the private-purpose trust fund. These accounts are maintained separate from the City's internal investment pool. The balances in these accounts are included in "deposits with financial institutions" below.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

*Investments in Segregated Accounts:* At year end, the City had \$132,095 in municipal bond mutual funds held in trust for the private-purpose trust fund. The mutual funds are maintained separate from the City’s internal investment pool. The balances of the mutual funds are included in “investments” below.

**A. Deposits with Financial Institutions**

At December 31, 2022, the carrying amount of all City deposits was \$36,973,213 and the bank balance of all City deposits was \$46,631,975. Of the bank balance, \$1,405,142 was covered by the Federal Deposit Insurance Corporation, \$23,539,114 was covered by the Ohio Pooled Collateral System and \$21,687,719 was exposed to custodial risk as discussed below 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 60 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.

**B. Investments**

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

Measurement/ Investment type	Measurement Value	Investment Maturity			
		1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
<i>Fair Value:</i>					
FFCB	\$ 18,511,214	\$ 2,404,810	\$ 4,389,353	\$ 8,161,935	\$ 3,555,116
FHLB	17,496,156	3,503,887	2,403,120	2,826,781	8,762,368
FHLMC	11,963,822	1,930,780	3,745,935	5,239,771	1,047,336
FNMA	2,743,805	486,335	460,540	1,796,930	-
AGM	2,960,876	484,230	2,476,646	-	-
Negotiable CDs	6,001,295	3,397,012	2,153,058	228,174	223,051
Commercial paper	19,088,382	19,088,382	-	-	-
U.S. Treasury Notes	33,192,964	2,439,340	5,057,088	2,929,548	22,766,988
U.S. Government Money					
Market Mutual Funds	313,160	313,160	-	-	-
<i>Amortized Cost:</i>					
STAR Ohio	13,647,630	13,647,630	-	-	-
<b>Total</b>	<b>\$ 125,919,304</b>	<b>\$ 47,695,566</b>	<b>\$ 20,685,740</b>	<b>\$ 21,183,139</b>	<b>\$ 36,354,859</b>

The weighted average of maturity of investments is 1.96 years.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

*Fair Value Measurements:* The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA, AGM), commercial paper, negotiable CDs, and U.S. Treasury Notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Credit Risk:* The City's investments in U.S. Treasury Notes and the federal agency securities that underlie repurchase agreement were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment in commercial paper was rated A-1+ and P-1 by Standard & Poor's and Moody's Investor Services, respectively. The negotiable CD's were fully covered by the FDIC. The U.S. Government Money Market Mutual Funds were rated AAAM by Standard & Poor's. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The City has no policy further restricting credit risk beyond the statutory guidelines, which limit investment choices.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The federal agency securities and U.S. Treasury Notes 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.

*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:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value</i>		
FFCB	\$ 18,511,214	14.70
FHLB	17,496,156	13.89
FHLMC	11,963,822	9.50
FNMA	2,743,805	2.18
AGM	2,960,876	2.35
Negotiable CDs	6,001,295	4.77
Commercial paper	19,088,382	15.16
U.S. Treasury Notes	33,192,964	26.36
U.S. Government Money Market Mutual Fund	313,160	0.25
<i>Amortized Costs</i>		
STAR Ohio	13,647,630	10.84
<b>Total</b>	<b>\$ 125,919,304</b>	<b>100.00</b>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

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

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the financial statements as of December 31, 2022:

Cash and investments per note:

Carrying amount of deposits	\$ 36,973,213
Investments	125,919,304
Cash on hand	1,000
Total	<u><u>\$ 162,893,517</u></u>

Cash, cash equivalents, and investments per statement of net position:

Governmental activities	\$ 101,958,824
Business-type activities	60,602,696
Fiduciary funds	331,997
Total	<u><u>\$ 162,893,517</u></u>

**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2022, consisted of taxes, accounts (billings for user charged services), interest, loans leases, and intergovernmental receivables. All of these receivables, except loans receivable, are considered fully collectible.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one-year amount to \$2,019,225 in the general fund, \$289,393 in the community and economic development fund, and \$251,490 in the nonmajor governmental funds. Special assessments are reported among accounts receivable on the statement of net position and the balance sheet and charges for services revenue on the statement of activities and the statement of revenues, expenditures, and changes in fund balance.

**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 preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 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.

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

**NOTE 5 - RECEIVABLES - (Continued)**

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2022 and for which there is an enforceable legal claim. In the governmental funds, the current portion 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 reported as a deferred inflow of resources.

The tax rates per \$1,000 of assessed valuation for the year ended December 31, 2022, for all city operations applied to taxable property in the following taxing districts within the City limits was \$3.40 for District 20 - Canton City School District, \$2.00 for District 30 - Plain Local School District, \$2.60 for District 25 - Canton Local School District, and \$2.30 for District 345 - Osnaburg Local School District.

The assessed values of real and public utility property upon which 2022 property tax receipts were based are as follows:

Real property	\$ 891,772,210
Real and personal public utility	<u>84,371,930</u>
Total assessed value	<u>\$ 976,144,140</u>

**B. Income Taxes**

In the past, the City levied a municipal income tax of two percent on all salaries, wages, commissions and compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. Effective July 1, 2018, the income tax rate levied on wages, commissions, compensations and net profits earned within the city as well as residents outside the City increased a half of a one percent and the rate became two and a half percent. Prior to July 1, 2018, the City allowed a credit of 100 percent of the tax paid to another municipality up to a maximum of 85 percent of the two percent levied by the City. With the new income tax rate as of July 1, 2018, if it be made to appear that an individual resident taxpayer has paid a municipal income tax to another municipality on the same income taxable as mentioned above, the city shall allow a credit against the new tax imposed of the amount so paid to the other municipality, equal to two and one-half (2.5%) of the amount obtained by multiplying the lower of the tax rate of such other municipality or of this municipality by the taxable income earned in or attributable to the municipality of employment or business activity, provided that such credit shall not be allowed unless the credit is claimed in a timely filed return including any extension granted.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 75 percent to the general fund, 20 percent to the capital projects fund and 5 percent to the motor vehicle purchase fund. Effective July 1, 2018 income tax is distributed as follows, 64 percent to the general fund, 18 percent to the capital projects fund, 4 percent to the motor vehicle purchase fund, 2 percent to the neighborhood fund, and 12 percent to the comprehensive plan fund. These allocations were voted upon and approved by the voters of the City on the May 8, 2018 ballot. This requires the fund balances for these funds to be reported as restricted as seen on page 127 and 128.

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

**NOTE 5 - RECEIVABLES - (Continued)**

**C. Due from Other Governments**

A summary of intergovernmental receivables follows:

	Amounts
<b>Governmental activities</b>	
Local government and local government	
revenue assistance	\$ 1,775,688
Hotel tax	239,976
Charges for services	1,358,712
Fines and forfeitures	10,331
Casino revenue	1,354,857
Gasoline and excise tax	1,062,966
\$5 license plate tax	224,283
Motor vehicle tax	263,388
Grants	8,418,433
Total governmental activities	14,708,634
<b>Business-type activities</b>	
Loan proceeds	115,105
Grants	9,254
Total business-type activities	124,359
Grand total	\$ 14,832,993

**D. Loans Receivable**

The community and economic development special revenue fund reflects community development loans receivable in the amount of \$360,192. The loans receivable represents the principal owed to the City for Community Development Block Grants. The loans bear interest at annual rates between 0% and 11%. The loans will be repaid over periods up to 20 years.

The general fund has reported a loan receivable in the amount of \$963,931. The loan receivable represents an economic development loan made to Historic Hercules, LLC for betterments and improvements to The Historic Hercules which is being converted from a motor company facility into residential rental apartments and related facilities. The loan bears an annual interest rate of 3% with a repayment period not to exceed 10 years.

The comprehensive plan implementation fund (a nonmajor governmental fund) has reported a loan receivable in the amount of \$11,445,111. The loan receivable represents an economic development loan made to HOF Village Hotel II, LLC for improvements and renovations of a hotel located at 320 Market Avenue South. The loan bears an annual interest rate of 0.50% and matures on July 1, 2027.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 5 - RECEIVABLES - (Continued)**

**E. Leases Receivable**

The City is reporting leases receivable of \$15,931 in the park fund nonmajor governmental fund and \$626,388 in the other special revenue nonmajor governmental fund. The City is also reporting a lease receivable of \$246,303 in the water enterprise fund. For fiscal year 2022, the City recognized lease revenue of \$63,379 and \$29,494 in the governmental activities and business-type activities funds, respectively. This revenue is reported in rental income. The City reported interest revenue of \$20,949 and \$8,072 in the governmental activities and business-type activities, respectively.

The City has entered into lease agreements at the following terms:

Purpose	Lease Commencement Date	Years	Lease End Date	Payment Method
Office space (Governmental)	2021	3	2024	Monthly
Restaurant (Governmental)	2020	15	2035	Monthly
Cell tower (Business-type)	2001	30	2031	Monthly

Lease payments will be paid into the park, other, and water funds. The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 55,603	\$ 19,373	\$ 74,976	\$ 24,099	\$ 7,389	\$ 31,488
2024	43,465	17,783	61,248	24,867	6,621	31,488
2025	43,565	16,435	60,000	25,659	5,829	31,488
2026	44,953	15,047	60,000	30,452	4,965	35,417
2027	46,385	13,615	60,000	32,231	3,973	36,204
2028 - 2032	255,055	44,945	300,000	108,995	5,651	114,646
2033 - 2035	153,293	6,707	160,000	-	-	-
Total	<u>\$ 642,319</u>	<u>\$ 133,905</u>	<u>\$ 776,224</u>	<u>\$ 246,303</u>	<u>\$ 34,428</u>	<u>\$ 280,731</u>

**NOTE 6 - RISK MANAGEMENT**

**A. Workers' Compensation**

Since 1989, the City has participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan. Under the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in 2022 are \$200,000 per claim.

A minimum premium for fixed costs is charged by the Ohio Bureau of Workers' Compensation. A maximum premium, the employer's experience-rated premium multiplied by the maximum percentage selected by the employer, may be charged back to the City for a ten-year evaluation period per claim. For the policy year 2022, the City selected Tier 1 which calls for no claim limit and a 150 percent maximum premium limit.



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 6 - RISK MANAGEMENT - (Continued)**

The claims liability of \$1,669,140 reported in the workers compensation internal service fund at December 31, 2022, is estimated by the third-party administrators 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 claim 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 claims activity for the past two years are as follows:

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2022	\$ 1,669,140	\$ 1,317,838	\$ 1,317,838	\$ 1,669,140
2021	1,669,140	1,187,996	1,187,996	1,669,140

**B. Property and Liability**

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. The City contracts with Affiliated FM Insurance Company for commercial property coverage, and boiler and machinery coverage which has a \$500,000,000 limit and a \$100,000 deductible. The City contracts with Ohio Plan Risk Management, Inc. through Hylant Administrative Services for automobile combined coverage, which has a \$6,000,000 bodily injury and property damage limit; an \$8,000,000 general aggregate limit and a \$125,000 deductible. The City also contracts with Ohio Plan Risk Management, Inc. for liability coverages, which includes general liability, public official’s liability and law enforcement liability. Each of these coverages has a \$6,000,000 annual limit per claim and a \$8,000,000 per year aggregate with a \$125,000 deductible.

The City’s elected officials are bonded for their respective terms. In addition, several specific employees (i.e., court bailiffs) are bonded where required by Ohio Revised Code.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been significant reduction in coverage from the prior year.

**C. Medical**

The City has elected to provide employees’ major medical, hospitalization, prescription and dental and vision coverage 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 of \$200,000 specific per family. The third-party administrators, Aultcare and UMR, review all claims, which are then paid by the City.

The claims liability of \$719,737 reported in the Health Insurance Internal Service Fund at December 31, 2022, is estimated by the third-party administrators 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 report claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 6 - RISK MANAGEMENT - (Continued)**

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

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2022	\$ 553,107	\$ 16,603,478	\$ 16,436,848	\$ 719,737
2021	218,240	11,374,959	11,040,092	553,107

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**CITY OF CANTON  
STARK COUNTY, 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 and buildings which are reflected in the schedules below. Capital asset activity for the year ended December 31, 2022 was as follows.

	Restated Balance 12/31/21	Additions	Deductions	Balance 12/31/22
<b>Governmental Activities</b>				
Capital assets, not being depreciated/amortized:				
Land	\$ 14,198,023	\$ 112,933	\$ -	\$ 14,310,956
Construction in progress	14,542,817	18,742,762	(7,864,562)	25,421,017
Total capital assets, not being depreciated/amortized	28,740,840	18,855,695	(7,864,562)	39,731,973
Capital assets, being depreciated/amortized:				
Buildings and structures	67,949,989	214,363	(20,303)	68,144,049
Vehicles and equipment	41,782,543	1,763,956	(553,379)	42,993,120
Infrastructure	448,675,150	7,640,167	(2,263,476)	454,051,841
Intangible right to use:				
Leased buildings	-	146,003	-	146,003
Leased equipment	47,444	-	-	47,444
Total capital assets, being depreciated/amortized	558,455,126	9,764,489	(2,837,158)	565,382,457
Less accumulated depreciation/amortization:				
Buildings and structures	(32,626,418)	(1,736,578)	20,303	(34,342,693)
Vehicles and equipment	(28,611,274)	(2,129,924)	553,379	(30,187,819)
Infrastructure	(347,169,315)	(6,971,465)	2,263,476	(351,877,304)
Intangible right to use:				
Leased buildings	-	(3,650)	-	(3,650)
Leased equipment	(9,489)	(9,489)	-	(18,978)
Total accumulated depreciation/amortization	(408,416,496)	(10,851,106)	2,837,158	(416,430,444)
Total capital assets, being depreciated/amortized, net	150,038,630	(1,086,617)	-	148,952,013
Governmental activities capital assets, net	\$ 178,779,470	\$ 17,769,078	\$ (7,864,562)	\$ 188,683,986

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 7 - CAPITAL ASSETS - (Continued)**

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

General government	\$ 899,730
Security of persons and property	1,288,341
Transportation	7,578,326
Community environment	32,924
Leisure time activities	<u>1,051,785</u>
Total depreciation expense	<u>\$ 10,851,106</u>

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**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 7 - CAPITAL ASSETS - (Continued)**

	Restated Balance 12/31/21	Additions	Deductions	Balance 12/31/22
<b>Business-type activities</b>				
Capital assets, not being depreciated/amortized:				
Land	\$ 3,371,564	\$ -	\$ (174,984)	\$ 3,196,580
Construction in progress	92,717,268	14,670,855	(2,251,747)	105,136,376
Total capital assets, not being depreciated/amortized	96,088,832	14,670,855	(2,426,731)	108,332,956
Capital assets, being depreciated/amortized:				
Buildings and structures	123,691,025	155,400	(508,332)	123,338,093
Vehicles and equipment	31,602,085	942,415	(107,413)	32,437,087
Infrastructure	199,728,266	3,384,598	(192,337)	202,920,527
Intangible right to use: Leased equipment	19,578	-	-	19,578
Total capital assets, being depreciated/amortized:	355,040,954	4,482,413	(808,082)	358,715,285
Less accumulated depreciation/amortization:				
Buildings and structures	(75,270,743)	(1,784,159)	284,790	(76,770,112)
Vehicles and equipment	(16,558,023)	(2,404,411)	107,413	(18,855,021)
Infrastructure	(136,547,105)	(2,305,941)	192,337	(138,660,709)
Intangible right to use: Leased equipment	(3,916)	(3,916)	-	(7,832)
Total accumulated depreciation/amortization	(228,379,787)	(6,498,427)	584,540	(234,293,674)
Total capital assets, being depreciated/amortized, net	126,661,167	(2,016,014)	(223,542)	124,421,611
Business-type activities capital assets, net	\$ 222,749,999	\$ 12,654,841	\$ (2,650,273)	\$ 232,754,567

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 7 - CAPITAL ASSETS - (Continued)**

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

Water operating	\$ 3,917,144
Sewer operating	2,151,539
Refuse operating	361,063
Building operating	<u>68,681</u>
Total depreciation expense	<u>\$ 6,498,427</u>

**NOTE 8 - COMPENSATED ABSENCES**

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Ten to fifteen days of vacation may be carried forward into the next year.

Employees may bank up to 75 days earned vacation time toward retirement, payable at retirement or termination. No more than 15 days of earned vacation may be banked in any one-year. In March 2003, the City eliminated banked vacation for individuals in management and non-bargaining classifications. In lieu of, or in addition to banking vacation, an employee may request to receive cash payment for unused vacation of no more than 10 days per year in minimum increments of five days calculated at 90 percent of the current rate of pay. Employees in their 28th year or later, can be paid for up to 20 days at 90%. The employee may cash one to five weeks of banked vacation in each of three consecutive years. Employees must declare their desire to receive cash payment for banked vacation no later than November 1 of each year. Payment shall be made on the first regular pay day in December of each year. Employees must declare their desire to receive payment for the 90% no later than October 1st of each year. Payment shall be made on the first regular pay day in November of each year. Approval of the 90% cash payment is within the sole discretion of the appointing authority.

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, employees who retire between January 1 of the 30th year of credited service or before December 31st of the year of the completion of the 32nd year of accredited service as determined by the Public Employees Retirement System of Ohio (PERS) shall receive payment for hundred percent (100%) of their accrued unused sick leave up to 175 days in lieu of the one hundred percent (100%) of the 150 days maximum or 1,200 hours for those employees of bargaining unit 3449/2937 unused sick leave. Firefighters and police can be paid 100 percent to a maximum of 188.5 days or 1,500 hours. After that hours are paid on a percentage based on the employees' years of service.

In 2004, the City established a compensated absence claim fund for the purpose of depositing sick expense premiums from the employees' labor fund distribution to pay both current and previous unfunded compensated absences. The expense associated with current and future obligations is being charged as a direct claim against the compensated absences claim fund. The premium supporting the fund is included in the personal service charge for each fund. Prior to 2009, and the collapse of the City of Canton operational income, the premium was equal to 125% of the total cost of the sick leave accrued on biweekly payrolls. In an attempt to maintain an adequate workforce in light of this revenue decline, the premium was reduced to 105% of the total cost of the sick leave accrued on a biweekly payroll for 2009 and 2010. The premium reset to 125% effective January 1, 2011 and remained unchanged for 2012, 2013, 2014 and 2015. In 2016 the premium was reduced to 105%. The premium reset to 125% for 2017 and continued at that rate during 2022.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS**

**State Infrastructure Bank (SIB) Loans and Other Loans**

The City has annual debt requirements for the following loans, all related to governmental activities.

A SIB loan was entered into in 2014 for the 12<sup>th</sup> Street North Corridor Safety project. The interest rate for this loan is 3%. The original issue amount of the SIB loan was \$227,046 with a scheduled maturity in 2024.

The SIB loan was a direct placement with terms negotiated directly with the investor and were not offered for public sale.

The annual debt service requirements to maturity for the 2014 SIB loan is as follows:

<b>2014 State Infrastructure Bank Loan</b>		
Year Ending December 31	Governmental Activities	
	Principal	Interest
2023	393,442	14,909
2024	201,159	3,017
Total	<u>\$ 594,601</u>	<u>\$ 17,926</u>

**Ohio Public Works Commission (OPWC) Loans**

The City entered into various loan agreements with the OPWC for the purpose of improving the water pollution control system, improving storm sewer operations and installing water lines. These are interest free loans. The City has pledged future revenues, net of certain operating expenses, in the water operating fund and sewer operating fund to repay the loans reported in the water and sewer operating activities. The debt is payable from net revenues and is payable through 2051. Annual principal payments on the debt issues are expected to require 3.54 percent of net revenues for water and 0.06 percent of net revenues for sewer. The total principal remaining to be paid on the debt is \$3,868,276 for water and \$13,432 for sewer. Principal paid for the current year and total net revenues were \$350,033 and \$9,885,288, respectively, for water and \$8,461 and \$13,369,024, respectively, for sewer.

During 2022, the City received OPWC loans proceeds for the following projects: Edgefield Phase 1 and Phase 2 and Cleveland Avenue North West Water Main.

The 30<sup>th</sup> Street Resurfacing and Cleveland Avenue North West Water Main loan are not included in the schedule of annual debt service requirements to maturity below as the loans are not closed as of December 31, 2022 and a final amortization schedule is not available.

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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a list of outstanding debt with the OPWC:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Market Avenue North sewer replacement	0.00%	\$ 300,000
Governmental activities, 30th Street N.E. storm sewer improvement	0.00%	494,000
Governmental activities, 55th Street N.E. storm sewer improvement	0.00%	413,000
Governmental activities, 37th Street Project (street portion)	0.00%	110,457
Governmental activities, Overbrook NW Storm Sewer	0.00%	60,899
Governmental activities, 38th Street waterline roadway replacement	0.00%	542,104
Governmental activities, Mahoning Road corridor	0.00%	900,000
Governmental activities, 30th Street Resurfacing	0.00%	765,000 *
Governmental activities, Mahoning Road Improvement Phase 2	0.00%	900,000
Governmental activities, 47th Street Northwest Storm Sewer Repair	0.00%	99,383
Governmental activities, Citywide Traffic Signal Upgrade	0.00%	263,628
Governmental activities, 47th Street/Packard Ave Northwest Storm Sewer	0.00%	358,708
Governmental activities, Ridgewood Pase 1 Part 2	0.00%	482,625
Business-type activities, Harrisburg waterline	0.00%	63,102
Business-type activities, Harmont Avenue pump station	0.00%	107,900
Business-type activities, 37th Street Project (water and sewer portions)	0.00%	264,866
Business-type activities, Avondale water main replacement	0.00%	136,567
Business-type activities, Avondale water main replacement Phase 2	0.00%	94,734
Business-type activities, Ridgewood Phase 1 Part 1	0.00%	524,152
Business-type activities, Edgefield Phase 1	0.00%	334,016
Business-type activities, Edgefield Phase 2	0.00%	383,001
Business-type activities, Cleveland Ave NW Water Main	0.00%	450,000 *
Business-type activities, Sugar Creek Water Treatment Plant	0.00%	750,000
Business-type activities, Westmoreland water main	0.00%	600,000
Business-type activities, 44th St Waterline Improvements	0.00%	225,923
Business-type activities, 33rd St Watermain Replacement	0.00%	283,073
Business-type activities, 53rd Street water storage reservoir repair	0.00%	182,739
Business-type activities, Faircrest Street waterline extension	0.00%	1,017,576
		<u>\$ 11,107,453</u>

\* Total permissible borrowings under the loan agreement.



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Annual debt service requirements to maturity for OPWC loans are as follows:

Year Ending December 31	<b>Ohio Public Works Commission Loans</b>			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 240,695	\$ -	\$ 421,188	\$ -
2024	240,694	-	418,491	-
2025	240,694	-	418,491	-
2026	220,172	-	405,247	-
2027	214,650	-	354,501	-
2028 - 2032	848,866	-	1,161,137	-
2033 - 2037	598,250	-	396,999	-
2038 - 2042	413,957	-	93,748	-
2043 - 2047	66,947	-	-	-
2048 - 2051	31,532	-	-	-
Total	\$ 3,116,457	\$ -	\$ 3,669,802	\$ -

For the governmental activities, the schedule above does not include the 30<sup>th</sup> Street resurfacing loan as this loan is not closed as of December 31, 2022 and a final amortization schedule is not available.

For the business-type activities, the schedule above does not include the Cleveland Ave NW Water Main loan as this loan is not closed as of December 31, 2022 and a final amortization schedule is not available.

**Ohio Water Development Authority (OWDA) Loans**

The City entered into various loan agreements with the OWDA for the purpose of improving and expanding both the water and the water pollution control operations. The City has pledged future revenues, net of certain operating expenses, to repay these loans in the water operating fund and sewer operating fund. The debt is payable from net revenues and is payable through 2035. Annual principal and interest payments on the debt issues are expected to require 27.03 percent of net revenues for water and 42.17 percent of net revenues for sewer. The total principal and interest remaining to be paid on the debt is \$22,250,475 for water and \$0 for sewer not including open loans. Principal and interest paid for the current year and total net revenues were \$2,671,593 and \$9,885,288, respectively, for water and \$5,638,266 and \$13,369,024, respectively, for sewer.

The City has entered into an agreement with the City of North Canton and the Stark County Board of Commissioners whereby, these entities will reimburse the City for a portion of its Sewer OWDA debt service payments based upon assigned percentage of design capacity of thirty-nine million gallons per day in the advanced secondary treatment facilities (known as the Water Reclamation Facility). The agreement is amended as design capacity needs change for the parties involved. For 2013, the assigned percentages were 50.85% for the City, 47.00% for Stark County and 2.15% for the City of North Canton. In accordance with the agreement, reimbursements to the City will not be due more often than the City's repayments under the OWDA loan debt service schedules. The City is obligated to make all debt service payments on the OWDA loans and subsequently bills the City of North Canton and Stark County for their assigned percentage of Sewer OWDA loans debt service as stipulated in the agreements.

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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The City has both closed and open OWDA loans at December 31, 2022. The closed loans are those that OWDA has made the final disbursements and the City has final amortization schedules for the future debt payments. The following is the City's closed OWDA loans:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Harmont Avenue NE improvement	3.25%	\$ 60,100
Business-type activities, Plain Township waterline extension (55th St)	4.74%	1,653,459
Business-type activities, Lake Local Schools waterline	4.64%	1,980,974
Business-type activities, Osnaburg water main extension	3.62%	1,402,001
Business-type activities, Sugarcreek water plant improvement	3.25%	3,365,682
Business-type activities, South Cleveland Avenue Waterline Ext.	3.25%	37,677
Business-type activities, NW water plant improvement	3.52%	7,094,093
Business-type activities, NE water plant improvement	5.39%	14,903,080
Business-type activities, Canton south waterline extension	0.00%	101,547
Business-type activities, S Cleveland Ave Waterline Construction	0.00%	523,904
Business-type activities, new water meters	3.33%	9,414,052
Business-type activities, South waterline extension phase 1	0.00%	1,383,395
		<u>\$ 41,919,964</u>

During 2022, the Sugarcreek water treatment plant design project (water fund), the Cromer reservoir improvement project (water fund), the phosphorus/nitrogen removal project (sewer fund), and the Allen Ave Sanitary Sewer Replacement project (sewer fund) received OWDA loan proceeds. As of the end of the audit period, the final amount borrowed for these loans had not been determined and no final reconciliation has been completed by OWDA. Due to these issues, no payment schedules were available for either of these loans as well as the WRF phosphorus - MBR equipment project (sewer fund). Consequently, these loans were not included in the yearly schedule shown above nor were they used in calculating the amount due within one year in the schedule that follows. These loans are considered open since final disbursements have not been made. The total amount borrowed and the total permissible borrowing under the loan agreements are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount Borrowed as of 12/31/22</u>	<u>Total Permissible Borrowings</u>
Business-type activities, WRF phosphorus/nitrogen removal project	3.38%	\$ 54,349,928	\$ 54,383,258
Business-type activities, WRF phosphorus project - MBR equipment	3.39%	27,389,888	30,234,835
Business-type activities, Sugarcreek water treatment plant project	2.49%	3,396,957	46,956,387
Business-type activities, Allen Ave Sainitary Sewer Replacement project	0.00%	9,385	6,335,909
Business-type activities, Cromer reservoir improvement construction project	0.00%	297,221	700,850
		<u>\$ 85,443,379</u>	<u>\$ 138,611,239</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Annual debt service requirements to maturity for closed OWDA loans are as follows:

**Ohio Water Development Authority Loans**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,958	\$ 719	\$ 1,859,285	\$ 492,566
2024	3,055	629	1,896,136	443,639
2025	3,155	537	1,950,190	393,166
2026	3,259	442	2,005,966	341,091
2027	3,365	343	2,013,801	287,370
2028 - 2032	8,903	405	7,572,850	730,641
2033 - 2035	-	-	2,166,008	97,766
Total	\$ 24,695	\$ 3,075	\$ 19,464,236	\$ 2,786,239

**General Obligation Bonds**

On May 18, 2022, the City issued \$17,317,500 in Series 2022 Various Purpose Improvement Bonds. The bonds were issued to (1) pay the costs of refunding the City's outstanding Various Purpose Notes Series 2022, (2) pay the costs of improving the City's Service Center, (3) to pay the costs of renovating and refurbishing a City salt dome, and (4) to pay the costs of designing, engineering, constructing, furnishing and equipping a building for sanitation operation of the City's service department. The bonds were split \$7,249,186 (note refunding, salt dome, and service center projects) to governmental activities and \$10,068,314 (sanitation building project) business-type activities. The Series 2022 Various Purpose Bonds matures on December 1, 2037 and carries an interest rate of 3.14%. Principal payments are due December 1 of each year and interest payments are due June 1 and December 1 of each year. Payments are made from the capital projects fund and refuse enterprise fund.

Annual debt service requirements to maturity for the General Obligation Bonds are as follows:

**General Obligation Bonds**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 385,781	\$ 227,624	\$ 535,807	\$ 316,145
2024	397,895	215,511	552,631	299,321
2025	410,389	203,017	569,984	281,968
2026	423,274	190,132	587,881	264,071
2027	436,565	176,840	606,340	245,611
2028 - 2032	2,397,259	669,764	3,329,530	930,227
2033 - 2037	2,798,023	269,004	3,886,141	373,617
Total	\$ 7,249,186	\$ 1,951,892	\$ 10,068,314	\$ 2,710,960

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**Financed Purchase Note Payable**

In a prior year, the City entered into financed purchase note payable agreements with Santander Bank to finance the purchase of new sanitation cans. Payments are made from the refuse enterprise fund. The total amount of the financed purchase note payable is \$1,029,910. The financed purchase note payable agreement bears an interest rate of 3.50%.

In a prior, the City entered into financed purchase note payable agreements with Huntington Bank to finance the purchase of police cruisers, an ambulance, and a street sweeper. Payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$669,803. The financed purchase note payable agreement bears an interest rate of 3.50%.

In a prior year, the City entered into financed purchase note payable agreements with Huntington Bank to finance the purchase of a new phone system. Payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$766,872. The financed purchase note payable agreement bears an interest rate of 3.50%.

In a prior year, the City entered into financed purchase note payable agreements with Huntington Bank to finance the purchase of a new fire truck. Payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$1,262,799. The financed purchase note payable agreement bears an interest rate of 3.50%.

In a prior year, the City entered into financed purchase note payable agreements with Huntington Bank to finance the purchase of a fire vehicle. Payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$38,216. The financed purchase note payable agreement bears an interest rate of 3.50%.

In a prior year, the City entered into financed purchase note payable agreements with Huntington Bank to finance the purchase of an upgraded phone system for the City's income tax department. Payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$24,987. The financed purchase note payable agreement bears an interest rate of 4.13%.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Annual debt service requirements to maturity for the Financed Purchase Note Payable are as follows:

**Financed Purchase Note Payable**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 576,239	\$ 29,989	\$ 142,764	\$ 21,862
2024	257,888	11,208	146,891	17,735
2025	263,434	5,664	151,137	13,489
2026	-	-	155,506	9,120
2027	-	-	160,003	4,625
Total	<u>\$ 1,097,561</u>	<u>\$ 46,861</u>	<u>\$ 756,301</u>	<u>\$ 66,831</u>

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**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Due to the implementation of GASB Statement No. 87 (see Note 3.A for detail), the City has reported obligations for leases payable which are reflected in the schedules below. Changes in long-term obligations of the City during the year ended December 31, 2022 were as follows.

	Restated Outstanding 12/31/21	Additions	Reductions	Outstanding 12/31/22	Due Within One Year
<i>Business-type activities</i>					
OPWC loans (direct borrowing):					
Water operations:					
2012 Harrisburg waterline 0%	\$ 6,311	\$ -	\$ (6,311)	\$ -	\$ -
2014 37th Street waterline project 0%	105,392	-	(23,420)	81,972	23,420
2016 Westmoreland Water Main	412,500	-	(75,000)	337,500	75,000
2016 53rd St Water Storage Reservoir Repair	128,992	-	(21,499)	107,493	21,499
2017 Avondale Water Main Replacement	109,254	-	(13,657)	95,597	13,657
2015 Faircrest Street waterline extension	867,931	-	(59,858)	808,073	59,858
2018 Sugar Creek Water treatment plant	693,748	-	(37,500)	656,248	37,500
2019 Ridgewood Phase 1 Part 1	445,529	-	(52,415)	393,114	52,415
2019 Avondale Water Main Replacement 2	75,787	-	(9,474)	66,313	9,474
2020 44th St Waterline improvements	203,330	-	(22,592)	180,738	22,592
2020 33rd St Watermain replacement	240,612	-	(28,307)	212,305	28,307
2022 Edgefield Phase 1	-	334,016	-	334,016	33,402
2022 Edgefield Phase 2	-	383,001	-	383,001	38,300
2022 Cleveland Ave NW Water Main	-	211,906	-	211,906	-
Sewer operations:					
2014 37th Street sewerline project	13,801	-	(3,066)	10,735	3,067
2003 Harmont pump station	8,092	-	(5,395)	2,697	2,697
<b>Total OPWC loans</b>	<b>3,311,279</b>	<b>928,923</b>	<b>(358,494)</b>	<b>3,881,708</b>	<b>421,188</b>
OWDA loans (direct borrowing):					
Water operations:					
2001 Plain Township waterline extension (55th St) 4.74%	62,941	-	(62,941)	-	-
2002 Lake School waterline 4.64%	147,914	-	(147,914)	-	-
2007 Osnaburg water main extension 3.62%	491,900	-	(82,371)	409,529	85,380
2007 SC water plant improvements 3.25%	1,220,501	-	(171,532)	1,048,969	177,152
2008 NW water plant improvements 3.52%	2,668,399	-	(294,262)	2,374,137	304,711
2009 NE water plant improvements 5.39%	7,923,724	-	(705,845)	7,217,879	723,711
2013 water meter planning and design 3.33%	7,209,393	-	(411,812)	6,797,581	425,640
2017 South Cleveland Avenue Waterline Ext 3.25%	16,147	-	(10,765)	5,382	5,382
2018 S Cleveland Ave Waterline Construction 0.00%	436,587	-	(34,927)	401,660	34,927
2019 South Waterline Ext 0.00%	30,465	-	(20,309)	10,156	10,156
2019 South Waterline Ext Phase 1 0.00%	1,291,169	-	(92,226)	1,198,943	92,226
2020 Sugarcreek WTP Design 0%	2,051,593	1,345,364	-	3,396,957	-
2020 Cromer reservoir improvements 0%	196,752	93,991	(23,999)	266,744	-
Sewer operations:					
2022 Allen Ave Sanitary Sewer Replacement 0%	-	9,385	-	9,385	-
2010 WRF phosphorus/nitrogen removal project 3.38%	43,924,039	35,346	(2,295,355)	41,664,030	3,565,687
2014 WRF phosphorus - MBR equipment 3.39%	21,501,490	-	(1,301,170)	20,200,320	2,021,367
<b>Total OWDA loans</b>	<b>89,173,014</b>	<b>1,484,086</b>	<b>(5,655,428)</b>	<b>85,001,672</b>	<b>7,446,339</b>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

	Restated Outstanding 12/31/21	Additions	Reductions	Outstanding 12/31/22	Due Within One Year
<i>Business-type activities (continued)</i>					
General Obligation Bonds					
Series 2022 Various Purpose Improvement Bonds 10,068,314, 3.14%	-	10,068,314	-	10,068,314	535,807
Net pension liability	12,011,650	-	(4,367,373)	7,644,277	-
Compensated absences	1,837,003	383,318	(409,466)	1,810,855	359,129
Financed purchase note payable	895,055	-	(138,754)	756,301	142,764
Lease payable	17,507	-	(3,372)	14,135	3,825
<i>Total business-type activities</i>	<u>\$ 107,245,508</u>	<u>\$ 12,864,641</u>	<u>\$ (10,932,887)</u>	<u>\$ 109,177,262</u>	<u>\$ 8,909,052</u>
	Restated Outstanding 12/31/21	Additions	Reductions	Outstanding 12/31/22	Due Within One Year
<i>Governmental activities</i>					
Series 2022, Various Purpose Improvement bonds, \$7,249,186, 3.14%	\$ -	\$ 7,249,186	\$ -	\$ 7,249,186	\$ 385,781
2014 SIB loan 3.0% (direct borrowing)	976,500	-	(381,899)	594,601	393,442
OWDA loan (direct borrowing):					
2010 Harmont Avenue sewer extension 3.25%	27,559	-	(2,864)	24,695	2,958
OPWC loans (direct borrowing):					
2014 55th Street NE storm sewer	316,632	-	(13,767)	302,865	13,767
2015 Mahoning Road Corridor	437,316	-	(21,857)	415,459	21,857
2016 30th Street Resurfacing	383,522	-	-	383,522	-
2004 Market Avenue sewer	60,000	-	(15,000)	45,000	15,000
2014 37th Street road project	49,704	-	(11,046)	38,658	11,046
2017 Overbrook NW Storm Sewer	48,720	-	(3,045)	45,675	3,045
2017 38th Street Waterline roadway replacement project	433,684	-	(54,210)	379,474	54,210
2019 Mahoning Road Improvement Ph 2	900,000	-	(45,000)	855,000	45,000
2019 47th St NW Storm Sewer	89,444	-	(4,969)	84,475	4,969
2019 Citywide Traffic Signal Upgrades	140,840	-	(7,042)	133,798	7,042
2019 47th St/Packard Ave Storm Sewer	236,500	-	(7,884)	228,616	7,884
2019 Ridgewood Phase 1 Part 2	434,362	-	(32,175)	402,187	32,175
2009 30th Street NE storm sewer	209,950	-	(24,700)	185,250	24,700
Total OPWC loans	<u>3,740,674</u>	<u>-</u>	<u>(240,695)</u>	<u>3,499,979</u>	<u>240,695</u>
Compensated absences	6,455,542	997,912	(1,302,394)	6,151,060	1,465,676
Note payable (direct borrowing)	4,500,000	4,100,000	(7,700,000)	900,000	900,000
Net pension liability	79,687,618	-	(11,792,651)	67,894,967	-
Net OPEB liability	9,400,168	517,109	-	9,917,277	-
Financed purchase note payable	1,655,662	-	(558,101)	1,097,561	576,239
Leases payable	44,098	145,379	(9,907)	179,570	11,843
<i>Total governmental activities</i>	<u>106,487,821</u>	<u>13,009,586</u>	<u>(21,988,511)</u>	<u>97,508,896</u>	<u>3,976,634</u>
Totals	<u>\$ 213,733,329</u>	<u>\$ 25,874,227</u>	<u>\$ (32,921,398)</u>	<u>\$ 206,686,158</u>	<u>\$ 12,885,686</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The above schedule of long-term obligations differs from liabilities reported on the government-wide statement of net position as a result of the compensated absences payable associated with the business-type activities being included with the long-term liabilities of the governmental activities. The compensated absences claim internal service fund is responsible for the payment of both the governmental and business-type compensated absences liabilities. Since governmental activities are the primary user of the internal service funds, GAAP requires that the long-term liabilities of the internal service fund be reported among the governmental activities.

A reconciliation of the schedule of long-term obligations to the statement of net position at December 31, 2022 were as follows:

	Governmental Activities	Business-Type Activities	Total
Long-term obligations per schedule above	\$ 97,508,896	\$ 109,177,262	\$ 206,686,158
Consolidation of compensated absences claim internal service fund into governmental activities	1,810,855	(1,810,855)	-
Long-term liabilities on government-wide statement of net position	\$ 99,319,751	\$ 107,366,407	\$ 206,686,158

Of the \$1,810,855 of business-type compensated absences to be paid from the compensated absences claim internal service fund (which is consolidated with the governmental activities on the statement of net position), \$359,129 is due within one year.

**Notes Payable**

On April 21, 2022, the City issued \$3,200,000 of long-term notes payable for the purpose of paying the cost of acquiring, constructing, reconstructing and improving City buildings, including, without limitation, the replacement of the City Hall roof, the Civic Center roof and improvements to other City facilities. The notes bear an interest rate not to exceed 6%. These notes were retired by the issuance of the Series 2022, Various Improvement Bonds.

On April 1, 2022, the City issued a \$1,200,000 Historic Hercules note payable for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. This note matures on April 1, 2023. Of this total, \$300,000 is considered a short-term note payable (see Note 11) and \$900,000 is considered a long-term note payable. The long-term note payable represents the portion of the Historic Hercules note issue that was refinanced subsequent to year-end with a new maturity date greater than one year from the date of the financial statements (see Note 11). The long-term note payable matures April 1, 2024. The long-term notes are backed by the full faith and credit of the City.

The notes were a direct placement with terms negotiated directly with the investor and were not offered for public sale.

**Net Pension Liability and Net OPEB Liability**

The City pays obligations related to employee compensation from the fund benefitting from their services. For the City's governmental activities, any net pension liability would be primarily liquidated by the general fund. See Notes 13 and 14 for further information.

**Lease Payable**

See Note 10 for further detail on the City's lease payables.



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**Legal Debt Margin**

The City's overall legal debt margin was \$95,358,427 and an unvoted debt margin of \$46,551,220 at December 31, 2022.

**NOTE 10 - LEASES PAYABLE**

The City has entered into lease agreements for the use of right to use equipment and a building. 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, community and economic development fund, the nonmajor governmental funds and the nonmajor enterprise fund.

The City has entered into lease agreements with varying years and terms as follows:

Purpose	Lease Commencement Date	Years	Lease End Date	Payment Method
Building space	2022	30	2052	Monthly
Copiers	2021	5	2026	Monthly

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

**Leases Payable**

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 11,843	\$ 6,672	\$ 3,825	\$ 699
2024	12,569	5,946	4,045	478
2025	13,345	5,170	4,280	244
2026	10,882	4,383	1,985	30
2027	3,731	4,054	-	-
2028 - 2032	18,954	18,546	-	-
2033 - 2037	22,171	15,329	-	-
2038 - 2042	25,935	11,565	-	-
2043 - 2047	30,337	7,162	-	-
2048 - 2052	29,803	2,072	-	-
Total	<u>\$ 179,570</u>	<u>\$ 80,899</u>	<u>\$ 14,135</u>	<u>\$ 1,451</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 11 - NOTES PAYABLE**

The following is a summary of short-term note transactions for the year ended December 31, 2022 reflected in the general fund on the fund financial statements and in the governmental activities on the government-wide financial statements:

	Balance 12/31/2021	Issued	Retired	Balance 12/31/2022
Notes Payable:				
Civil Suit Settlement	\$ 700,000	\$ -	\$ (700,000)	\$ -
Historic Hercules Project	125,000	300,000	(125,000)	300,000
Hall of Fame Village Project	3,250,000	2,750,000	(3,250,000)	2,750,000
	<u>\$ 4,075,000</u>	<u>\$ 3,050,000</u>	<u>\$ (4,075,000)</u>	<u>\$ 3,050,000</u>

The civil suit settlement note was issued on June 24, 2021 and was retired at December 31, 2022. The purpose of the issuance was to pay for the settlement of a civil suit in which the City agreed to pay the plaintiff \$1,800,000.

The Hall of Fame Village project note was issued on December 1, 2022 and had an outstanding balance of \$2,750,000 at December 31, 2022. This note was issued to refinance notes previously issued on December 1, 2021 which matured December 1, 2022. The note was issued at an interest rate of 6% and matures on December 1, 2023. The note was issued in anticipation of a long-term bond financing for improvements to Hall of Fame Village related to economic development.

On April 1, 2022, the City issued a \$1,200,000 Historic Hercules note payable to refinance notes previously issued on April 1, 2021 which matured April 1, 2022. The original issue was issued for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. Of this total, \$300,000 is considered a short-term note payable and \$900,000 is considered a long-term note payable (see Note 9). The short-term note payable represents the portion of the Historic Hercules note issue that will be retired when the notes are refinanced on April 1, 2023 (see Note 25 for detail). All short-term notes were backed by the full faith and credit of the City and mature within one year. The short-term note liability is reflected in the General Fund, the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

**NOTE 12 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget (non-GAAP basis) and actual presented for the general fund and community and economic development 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 GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 12 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).
4. Unreported cash (cash on hand) represents amounts received but not included on the budget basis operating statements. These amounts are included on the GAAP basis operating statement.
5. Proceeds from manuscript debt are an other financing source (budget) as opposed to a balance sheet transaction (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, the community and economic development fund, and the ARPA fund.

**Net Change in Fund Balance**

	General	Community and Economic	
	Fund	Development Fund	ARPA
Budget basis	\$ (6,090,763)	\$ (563,506)	\$ (538,809)
Net adjustment for revenue accruals	(9,485,529)	(864,418)	(18,437,646)
Net adjustment for expenditure accruals	6,493,561	(32,110)	(1,836,992)
Net adjustment for other financing sources (uses) accruals	(62,716)	3,100	-
Funds budgeted elsewhere	(498,838)	-	-
Encumbrances	5,981,774	2,221,498	20,813,447
GAAP basis	<u>\$ (3,662,511)</u>	<u>\$ 764,564</u>	<u>\$ -</u>

**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

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

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

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

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

GASB 68/75 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 14 for the OPEB disclosures.

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

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

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.

**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - 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):

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

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

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

When a 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%.

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. 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:

	State and Local
<b>2022 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
<b>2022 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

\* 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%.

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$4,685,157 for 2022. Of this amount, \$208,852 is reported as due to other governments.

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

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

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

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

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

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

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

**NOTE 13 - 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>
<b>2022 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2022 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$4,868,423 for 2022. Of this amount, \$199,470 is reported as due to other governments.

***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&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.21081500%	0.22982800%	0.20047200%	0.88721310%	
Proportion of the net pension liability/asset current measurement date	<u>0.21853200%</u>	<u>0.25466100%</u>	<u>0.19015500%</u>	<u>0.90479000%</u>	
Change in proportionate share	<u>0.00771700%</u>	<u>0.02483300%</u>	<u>-0.01031700%</u>	<u>0.01757690%</u>	
Proportionate share of the net pension liability	\$ 19,013,198	\$ -	\$ -	\$ 56,526,046	\$ 75,539,244
Proportionate share of the net pension asset	-	1,003,378	31,495	-	1,034,873
Pension expense	(1,948,272)	(36,204)	(5,055)	2,569,532	580,001



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**NOTE 13 - 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	Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 969,265	\$ 6,225	\$ 31,140	\$ 1,629,883	\$ 2,636,513
Changes of assumptions	2,377,581	50,425	1,058	10,330,535	12,759,599
Changes in employer's proportionate percentage/difference between employer contributions	1,511,135	-	-	1,329,937	2,841,072
Contributions subsequent to the measurement date	4,398,146	174,563	112,448	4,868,423	9,553,580
Total deferred outflows of resources	<u>\$ 9,256,127</u>	<u>\$ 231,213</u>	<u>\$ 144,646</u>	<u>\$ 18,158,778</u>	<u>\$ 27,790,764</u>
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ 417,008	\$ 112,221	\$ -	\$ 2,938,577	\$ 3,467,806
Net difference between projected and actual earnings on pension plan investments	22,615,510	215,109	7,176	14,820,259	37,658,054
Changes in employer's proportionate percentage/difference between employer contributions	243,468	-	-	1,571,249	1,814,717
Total deferred inflows of resources	<u>\$ 23,275,986</u>	<u>\$ 327,330</u>	<u>\$ 7,176</u>	<u>\$ 19,330,085</u>	<u>\$ 42,940,577</u>

\$9,553,580 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 CANTON  
STARK COUNTY, OHIO**

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

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

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

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2023	\$ (1,987,842)	\$ (65,936)	\$ 3,129	\$ (546,542)	\$ (2,597,191)
2024	(7,514,737)	(91,148)	2,331	(4,445,407)	(12,048,961)
2025	(5,317,820)	(59,785)	2,799	(1,320,800)	(6,695,606)
2026	(3,597,606)	(44,196)	2,924	(967,384)	(4,606,262)
2027	-	(5,861)	3,863	1,240,403	1,238,405
Thereafter	-	(3,754)	9,976	-	6,222
Total	<u>\$ (18,418,005)</u>	<u>\$ (270,680)</u>	<u>\$ 25,022</u>	<u>\$ (6,039,730)</u>	<u>\$ (24,703,393)</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.

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

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability 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.

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.

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STARK COUNTY, OHIO**

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. 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	<u>100.00 %</u>	<u>4.21 %</u>

**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	\$ 50,129,137	\$ 19,013,198	\$ (6,879,399)
Combined Plan	(748,704)	(1,003,378)	(1,202,001)
Member-Directed Plan	(27,755)	(31,495)	(34,694)

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

***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

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.

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

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
<b>Total</b>	<b>125.00 %</b>	

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 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

*Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 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	\$ 83,827,339	\$ 56,526,046	\$ 33,790,811

**NOTE 14 - DEFINED BENEFIT OPEB PLANS**

*Net OPEB Liability/Asset*

See Note 13 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.

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.

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

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%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$44,978 for 2022. Of this amount, \$2,005 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.



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

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](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 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 \$114,485 for 2022. Of this amount, \$4,691 is reported as due to other governments.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - 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&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.21033300%	0.88721310%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.21780300%</u>	<u>0.90479000%</u>	
Change in proportionate share	<u>0.00747000%</u>	<u>0.01757690%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 9,917,277	\$ 9,917,277
Proportionate share of the net OPEB asset	6,821,938	-	6,821,938
OPEB expense	(5,338,745)	717,510	(4,621,235)

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&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 451,146	\$ 451,146
Changes of assumptions	-	4,389,691	4,389,691
Changes in employer's proportionate percentage/difference between employer contributions	555,122	330,102	885,224
Contributions subsequent to the measurement date	44,979	114,485	159,464
Total deferred outflows of resources	<u>\$ 600,101</u>	<u>\$ 5,285,424</u>	<u>\$ 5,885,525</u>

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 1,034,785	\$ 1,310,709	\$ 2,345,494
Net difference between projected and actual earnings on OPEB plan investments	3,252,221	895,861	4,148,082
Changes of assumptions	2,761,443	1,151,836	3,913,279
Changes in employer's proportionate percentage/ difference between employer contributions	160,782	500,240	661,022
Total deferred inflows of resources	<u>\$ 7,209,231</u>	<u>\$ 3,858,646</u>	<u>\$ 11,067,877</u>

\$159,464 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:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2023	\$ (4,005,429)	\$ 314,673	\$ (3,690,756)
2024	(1,471,020)	181,675	(1,289,345)
2025	(710,593)	222,059	(488,534)
2026	(467,067)	101,266	(365,801)
2027	-	239,557	239,557
Thereafter	-	253,063	253,063
Total	<u>\$ (6,654,109)</u>	<u>\$ 1,312,293</u>	<u>\$ (5,341,816)</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.

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

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

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	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.

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

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.

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.

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

***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:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB asset	\$ 4,011,940	\$ 6,821,938	\$ 9,154,279

***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	\$ 6,895,658	\$ 6,821,938	\$ 6,734,483

***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.

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

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

Valuation Date	January 1, 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%.

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

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

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

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

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

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 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	<u>125.00 %</u>	

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.

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 12,466,237	\$ 9,917,277	\$ 7,822,026



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

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

**NOTE 15 - JOINT VENTURES**

**Canton Tomorrow, Inc.**

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 26 member board, the City appoints three members. The degree of control exercised by any participating government is limited to its representation on the board. Canton Tomorrow, Inc., was formed to serve as a catalyst to bring together the vision, initiative and action necessary for the continuing revitalization of the City. Continued existence of Canton Tomorrow, Inc. is dependent on the City's continued participation, despite its minimal contribution to the overall budget; however, the City does not have an equity interest in Canton Tomorrow, Inc. (Agency). The Agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. Canton Tomorrow Inc.'s funding comes from a grant given by the City through the Canton Community Improvement Corporation to the Canton Regional Chamber of Commerce. In 2022, the grant was for \$175,000. The Chamber of Commerce is responsible for dividing it up amongst its various agencies like Canton Tomorrow, Inc. Additional funding was paid to the Community Improvement Corporation in the forms of Tax Increment Funding for \$71,577 and Comprehensive Plan funding for the maintenance and upkeep of the Nationwide Building in the amount of \$100,000 and for the 11th Street S.E. Interception and Roadway Improvement Project in the amount of \$95,000 for replacing city scales. Complete financial statements can be obtained from Canton Tomorrow, Inc.

**Downtown Canton Special Improvement District**

The City participates in the Downtown Canton Special Improvement District (District), formed under Chapter 1710 of the Ohio Revised Code. Of the 13-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 District was created for the purpose of developing and implementing plans for public improvements and public services. Continued existence of the District is dependent on the City's continued participation; however, the City does not have an equity interest in the District. In 2022, the City contributed \$193,841 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

**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 whose purpose is to provide a low cost mass transportation system for Stark County. The City appoints three of the nine members. 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, which include budgeting, appropriating, contracting and designating management. The City has no financial responsibility for any of the Authority's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2022. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

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**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)**

**Stark Council of Governments**

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG 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 and 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 performs accounting and finance related activities. Continued existence of the agency is dependent on the City's continued participation; however, the City does not have an equity interest in the agency. The agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. The City contributed \$550,744 from the general fund for 2022 for the operation of SCOG. Complete financial statements may be obtained from the Stark Council of Governments.

**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 88-member board, the City appoints 5 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-term 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. In 2022, the City contributed \$5,000 in membership dues to the Commission and an additional \$30,000 of Housing and Urban Development (HUD) dollars for the Stock Pile Program helping low income families with renovation expenses. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS**

The component unit column in the government-wide financial statements identifies the financial data of the City's component units, the Canton Community Improvement Corporation (CCIC) and the Canton City Health District (District). They are reported separately to emphasize that they are legally separate from the City. A summary of the CCIC and District's more significant accounting policies and activities are disclosed below.

**A. Canton Community Improvement Corporation**

The CCIC is a legally separate, not-for-profit, community improvement corporation, as authorized under Chapter 1724 of the Ohio Revised Code. The seven-member board is comprised of the following; the City's Mayor, three appointed or elected officials, chosen by the Mayor, and three recommended by the Mayor and approved by the other three board members. The CCIC was organized for the purpose of advancing, encouraging, and promoting the industrial, economic, and commercial and civic development of the community. The City's Community and Economic Development Department, as authorized by City Council, provides an annual grant to pay for all operational costs associated with the CCIC. Complete financial statements can be obtained from the Canton Community Improvement Corporation.

**Summary of Significant Accounting Policies**

The financial statements of CCIC have been prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

*Community Development Loans* - CCIC issues loans to various businesses for the purpose of assisting the establishment of a new business enterprise in the City of Canton and/or continuing or expanding existing business activity.

*Real Estate Held for Development* - Real Estate Held for Development represents property donated or transferred to CCIC by the City to be used in future economic development projects as well as land currently being utilized for an economic development project. The property held for development is reported at cost and depreciation is not recognized. The balance is reported as a non-current asset, as the CIC does not intend to distribute the property in the subsequent year.

*Contributions* - During 2022, the CCIC received \$416,578 from the city. The funds received provide economic development loans and facade improvement grants, as well as administrative expenses of CCIC.

*Federal Income Tax* - CCIC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

*Net Position* - Net position represents the difference between assets and liabilities on the statement of net position. Net position is reported as restricted in the combined financial statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws, or regulations. There was no restricted balance for economic development as of December 31, 2022.

*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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and Investments**

At December 31, 2022, the carrying amount of the CCIC’s deposits was \$305,085. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of December 31, 2022, only \$250,000 of the bank balance was covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits and investments of funds held by the not-for-profit corporation.

At December 31, 2022, CCIC had no investments.

**Real Estate Held for Development**

Real Estate Held for Development activity year ended December 31, 2022 was as follows:

	Balance 12/31/21	Addition	Deletion	Balance 12/31/22
Real Estate Held for Development	\$ 40,000	\$ 938,098	\$ -	\$ 978,098
Total Cost	\$ 40,000	\$ 938,098	\$ -	\$ 978,098

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Community Development Loans**

CCIC awards loans through the Community Development Block Grant program provided by the City. If the business has been awarded a Performance Loan (Deferred Loan) and has maintained all of the terms and conditions of the agreement, CCIC shall forgive and cancel the unpaid balance for the specified time stated in the agreement. For all loan types, the borrowers must meet certain criteria documented in the loan agreements for receiving these funds. Jobs must be created as a result of the loan. Fifty-one percent or more of the new employees must be in the low to moderate income category. The City retains the loans and is responsible for the collection of these loans and are therefore not recorded in the financial statements of CCIC.

**Commitments**

In 2022, there were no loans or grants committed to or approved by the Board of Directors.

**In-Kind Contributions, Donated Facilities and Services**

The City provides CCIC with office space and various office services without charge. The value of the donated facilities is not recognized in the accompanying financial statements because no objective basis is available to measure the value of the donated facilities. No in-kind wages were received from the City in 2022.

**Risk Management**

For 2022, the CCIC's properties were covered under the City's property insurance policy, except for Lehman HS which had its own \$1,000,000 liability insurance policy.

**Leases**

During 2022, the CCIC continued its monthly lease with D&J Promotions, Inc. (Jeffco Metals Division) for the Scales property at 11th Street SE, Canton, Ohio through June 2022. The CCIC received \$700 in rental income for 2022.

**B. Canton City Board of Health**

The constitution and laws of the State of Ohio establish the rights and privileges of the City of Canton Board of Health (the "Board of Health") as a body corporate and politic. Consistent with the provisions of the Ohio Revised Code Section 3709.36, the Board of Health is a legally separate organization. The Board of Health'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 Board of Health is governed by a six-member Governing Board (the "Board") and a Health Commissioner. Board members are appointed by the Mayor of the City of Canton (the "City") and confirmed by City Council, according to the Ohio Revised Code. The Mayor serves as president of the Board by virtue of the office. In addition, the City provides funding to the Board of Health, thus the City can impose will on the Board of Health, and the Board of Health imposes a financial burden to the City. Therefore, the Board of Health is considered a discretely presented component unit of the City of Canton.

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Summary of Significant Accounting Policies**

The financial statements of the Board of Health 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. The more significant of the Board of Health's accounting policies are described below.

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

The statement of net position presents the financial condition of the governmental activities and business-type activities for the Board of Health at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Board of Health's governmental activities and for the business-type activities of the Board of Health. 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 Board of Health, 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 Board of Health.

*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 Board of Health 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; enterprise and custodial funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

*Revenues-Exchange and Nonexchange Transactions* - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the Board of Health 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 Board of Health must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board of Health on a reimbursement basis.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

*Deferred Outflows of Resources and Deferred Inflows of Resources* - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Board of Health, deferred outflows of resources are related to the Board of Health's net pension liability/asset and net OPEB asset, 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 Board of Health, deferred inflows of resources include pension, OPEB, and unavailable revenue. 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 Board of Health, unavailable revenue includes, but is not limited to intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the Board of Health, deferred inflows of resources are related to the Board of Health's net pension liability/asset and net OPEB liability/asset, respectively.

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

*Accounts Receivable* - Accounts receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Board of Health provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts and other circumstances, which may affect the ability of patients to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Board of Health's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

*Capital Assets* - Capital assets are reported in the applicable governmental activities columns in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are defined by the Board of Health as assets with initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Equipment	10 years
Vehicles	10 years
Intangible leased assets	4 years

The Board of Health is reporting intangible right to use assets related to a leased building. 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

*Net Position* - Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The Board of Health's net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Board of Health's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Net position restricted for other purposes are restricted by grantors and regulations of other governments.

*Interfund transactions and balances* - Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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

*Compensated Absences* - The Board of Health reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Board of Health records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Board of Health's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements as a component of due to primary government.

*Use of 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.

*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.

*Prepayments* - Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed. Governmental fund balance has been presented as nonspendable equal to the balance of the prepayments at year-end.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Cash with Fiscal Agent**

As required by the Ohio Revised Code, the Canton City Auditor is the fiscal agent of the Board of Health. The Board of Health’s cash pool, used by all funds, is deposited with the Canton City Treasurer. The cash pool is commingled with the City of Canton’s cash and investment pool and is not identifiable as to demand deposits or investments. All collections are remitted to the Canton City Treasurer for deposit and all disbursements are made by warrants prepared by the Canton City Auditor drawn on deposits held in the name of the City of Canton. GASB 3 and GASB 40 requirements for the City of Canton are presented in the December 31, 2022 Annual Comprehensive Financial Report. The fund balances are expressed in cash equivalents. Cash equivalents are available for immediate expenditure or liquid investments which are immediately marketable, have negligible credit risk, and mature within three months. The carrying amount of cash on deposit with the Canton City Treasurer at December 31, 2022 was \$5,874,509.

**Receivables**

Receivables at December 31, 2022 consisted of charges for services (primarily billings from clinic services) and intergovernmental receivables arising from grants. Receivables have been recorded to the extent that they are measurable at December 31, 2022. All receivables are expected to be collected in the subsequent year. Amounts due from other governments consisted of the following at year end:

Fund	Description	Amount
<u>Governmental</u>		
General	Grant - federal	\$ 9,930
Infant Mortality Reduction	Grant - federal	98,028
Public Health Infrastructure	Grant - federal	101,468
Nonmajor Governmental	Grants - federal	226,060
Total due from other governments		\$ 435,486



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Capital Assets**

Due to the implementation of GASB Statement No. 87, the Board of Health has reported capital assets for the right to use a leased building which are reflected in the schedule below. Capital asset activity for the governmental activities for the year ended December 31, 2022, was as follows:

	Restated Balance 12/31/21	Additions	Disposals	Balance 12/31/22
<b><u>Governmental activities:</u></b>				
<i>Capital assets, being depreciated/amortized:</i>				
Equipment	\$ 215,542	\$ 44,891	\$ -	\$ 260,433
Vehicles	47,005	-	-	47,005
Intangible right to use:				
Leased buildings	<u>53,888</u>	<u>-</u>	<u>-</u>	<u>53,888</u>
Total capital assets, being depreciated/amortized	<u>316,435</u>	<u>44,891</u>	<u>-</u>	<u>361,326</u>
<i>Less: accumulated depreciation/amortization:</i>				
Equipment	(27,243)	(24,358)	-	(51,601)
Vehicles	(15,094)	(4,701)	-	(19,795)
Intangible right to use:				
Leased buildings	<u>-</u>	<u>(17,477)</u>	<u>-</u>	<u>(17,477)</u>
Total accumulated depreciation/amortization	<u>(42,337)</u>	<u>(46,536)</u>	<u>-</u>	<u>(88,873)</u>
Total capital assets being depreciated/amortized, net	<u>274,098</u>	<u>(1,645)</u>	<u>-</u>	<u>272,453</u>
Governmental activities capital assets, net	<u>\$ 274,098</u>	<u>\$ (1,645)</u>	<u>\$ -</u>	<u>\$ 272,453</u>

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

**Governmental activities:**

Public Health Services	<u>\$ 46,536</u>
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**CITY OF CANTON  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Long-term Obligations**

Due to the implementation of GASB Statement No. 87, the Board of Health has reported obligations for leases payable which are reflected in the schedule below. During 2022, the following activity occurred in the Board of Health's governmental and business-type long-term obligations.

<u>Governmental Activities:</u>	<u>Restated Balance 12/31/21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2022</u>	<u>Amounts Due Within One Year</u>
Compensated absences	\$ 529,311	\$ 88,164	\$ (109,268)	\$ 508,207	\$ 116,477
Net pension liability	2,812,408	-	(983,527)	1,828,881	-
Lease payable	<u>53,888</u>	<u>-</u>	<u>(17,006)</u>	<u>36,882</u>	<u>17,403</u>
Total	<u>\$ 3,395,607</u>	<u>\$ 88,164</u>	<u>\$ (1,109,801)</u>	<u>\$ 2,373,970</u>	<u>\$ 133,880</u>

The Board of Health's compensated absences will be paid from the City's compensated absences internal service fund. The Board of Health reports a compensated absences liability for its share of the liability in this fund.

The Board of Health pays obligations (net pension liability/net OPEB liability) related to employee compensation from the fund benefitting from their services.

**Leases Payable**

The Board of Health has entered into a lease agreement for the use of right to use a building. Due to the implementation of GASB Statement No. 87, the Board of Health 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.

The Board of Health has entered into a lease agreement for the use of a building at the following terms:

<u>Purpose</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Building	2021	4	2025	Monthly

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 17,403	\$ 909	\$ 18,312
2024	17,957	355	18,312
2025	<u>1,522</u>	<u>4</u>	<u>1,526</u>
Total	<u>\$ 36,882</u>	<u>\$ 1,268</u>	<u>\$ 38,150</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Due to City of Canton**

The City pays various liabilities of the Board of Health through the City's internal service funds. The Board of Health makes payments to the City to support its share of the City's internal service funds and reports its share of liabilities for medical and workers' compensation claims at year-end. The City has also advanced (loaned) monies to the Board of Health to fund short-term deficits while the Board of Health awaits reimbursement for programs. The Board of Health owes these advanced/loaned monies back to the City at year-end. The following are amounts due to the City at December 31, 2022:

	Due to City of Canton
Medical Claims	\$ 36,347
Worker's Compensation Claims	84,292
Loans	79,160
Total	\$ 199,799

**Risk Management**

The Board of Health is exposed to various risks of casualty losses and injuries to employees.

*Property and Liability* - The Board of Health belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, Inc., a Sedgwick Company, (York) functions as the administrator of PEP and provides program management, underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

*Casualty and Property Coverage* - APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. (At December 31, 2022, the Pool retained \$500,000 for casualty claims and \$250,000 for property claims). The Board of Directors and York periodically review the financial strength of PEP and other market conditions to determine the appropriate level of risk PEP will retain. There has been no significant reduction in coverage from last year.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective PEP member.

*Financial Position* - PEP's financial statements (for which an independent audit is still ongoing) conform to generally accepted accounting principles, and preliminarily show the following assets, liabilities and net position at December 31, 2021 and 2020 (the latest information available):

Casualty and Property Coverage	2021	2020
Assets	\$ 59,340,305	\$ 57,336,499
Liabilities	17,071,953	16,156,805
Net Position - Unrestricted	\$ 42,268,352	\$ 41,179,694

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

At December 31, 2021 and 2020, the liabilities in the preceding table include unknown amounts of estimated incurred claims payable. The casualty coverage assets and net position in the preceding table include approximately \$15.0 million and \$14.1 million of unpaid claims to be billed to approximately 571 member governments in the future, as of December 31, 2021 and 2020, respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are expected to increase slightly from those used to determine the historical contributions detailed as follows. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The Board of Health's contributions for 2022 totaled \$11,073.

After completing one year of membership, members may withdraw on each anniversary date of the date they joined PEP, provided they give written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members may receive a partial refund of their capital contributions as defined by the contract. Withdrawing members have no other future obligations to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to withdrawal.

**Contingencies**

*Grants* - The Board of Health 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 on the overall financial position of the Board of Health at December 31, 2022.

*Litigation* - The Board of Health is not currently involved in litigation for which the Board of Health's legal counsel anticipates a loss.

**Defined Benefit Pension Plans**

Plan descriptions and actuarial information for the Health Board of Health's defined benefit pension plans are the same as the City's (see Note 13).

The Board of Health's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$450,666 for 2022. Of this amount, \$18,327 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 Board of Health's proportion of the net pension liability or asset was based on the Board of Health's share of contributions to the pension plan relative to the contributions of all participating entities.

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Proportion of the net pension liability/asset prior measurement date	0.01899300%	0.02070600%	0.04481400%	
Proportion of the net pension liability/asset current measurement date	<u>0.02102100%</u>	<u>0.02449600%</u>	<u>0.01668600%</u>	
Change in proportionate share	<u>0.00202800%</u>	<u>0.00379000%</u>	<u>-0.02812800%</u>	
Proportionate share of the net pension liability	\$ 1,828,881	\$ -	\$ -	\$ 1,828,881
Proportionate share of the net pension asset	-	96,515	3,030	99,545
Pension expense	(182,539)	(2,997)	(486)	(186,022)

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

	OPERS - Traditional	OPERS - Combined	Member- Directed	Total
<b>Deferred outflows of resources</b>				
Differences between expected and actual experience	\$ 93,234	\$ 599	\$ 2,995	\$ 96,828
Changes of assumptions	228,701	4,850	102	233,653
Changes in employer's proportionate percentage/ difference between employer contributions	245,825	-	-	245,825
Contributions subsequent to the measurement date	423,059	16,791	10,816	450,666
Total deferred outflows of resources	<u>\$ 990,819</u>	<u>\$ 22,240</u>	<u>\$ 13,913</u>	<u>\$ 1,026,972</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
<b>Deferred inflows of resources</b>				
Differences between expected and actual experience	\$ 40,112	\$ 10,795	\$ -	\$ 50,907
Net difference between projected and actual earnings on pension plan investments	2,175,388	20,691	690	2,196,769
Changes in employer's proportionate percentage/ difference between employer contributions	29,253	-	-	29,253
Total deferred inflows of resources	<u>\$ 2,244,753</u>	<u>\$ 31,486</u>	<u>\$ 690</u>	<u>\$ 2,276,929</u>

\$450,666 reported as deferred outflows of resources related to pension resulting from Board of Health 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.

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Year Ending December 31:				
2023	\$ (180,997)	\$ (6,342)	\$ 3,129	\$ (184,210)
2024	(684,231)	(8,768)	2,331	(690,668)
2025	(484,197)	(5,751)	2,799	(487,149)
2026	(327,568)	(4,251)	2,924	(328,895)
2027	-	(564)	3,863	3,299
Thereafter	-	(361)	(12,639)	(13,000)
Total	<u>\$ (1,676,993)</u>	<u>\$ (26,037)</u>	<u>\$ 2,407</u>	<u>\$ (1,700,623)</u>

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

*Sensitivity of the Board of Health'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
Board of Health's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 4,821,926	\$ 1,828,881	\$ (661,730)
Combined Plan	(72,018)	(96,515)	(115,621)
Member-Directed Plan	(2,670)	(3,030)	(3,337)

**Defined Benefit OPEB Plans**

Plan descriptions and actuarial information for the Health Board of Health's defined benefit OPEB plans are the same as the City's (see Note 14).

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Board of Health's contractually required contribution was \$4,327 for 2022. Of this amount, \$176 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. The Board of Health's proportion of the net OPEB asset was based on the Board of Health's share of contributions to the retirement plan relative to the contributions of all participating entities.

	OPERS
Proportion of the net OPEB liability/asset prior measurement date	0.01894900%
Proportion of the net OPEB liability/asset current measurement date	<u>0.02095100%</u>
Change in proportionate share	<u><u>0.00200200%</u></u>
 Proportionate share of the net OPEB asset	 \$ 656,203
OPEB expense	(540,412)

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

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

	OPERS
<b>Deferred outflows of resources</b>	
Changes in employer's proportionate percentage/ difference between employer contributions	\$ 32,955
Contributions subsequent to the measurement date	4,327
Total deferred outflows of resources	\$ 37,282

	OPERS
<b>Deferred inflows of resources</b>	
Differences between expected and actual experience	\$ 99,536
Net difference between projected and actual earnings on OPEB plan investments	312,831
Changes of assumptions	265,623
Changes in employer's proportionate percentage/ difference between employer contributions	17,923
Total deferred inflows of resources	\$ 695,913

\$4,327 reported as deferred outflows of resources related to OPEB resulting from Board of Health 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.



**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (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:

		OPERS
Year Ending December 31:		
2023	\$	(399,776)
2024		(146,820)
2025		(69,744)
2026		(46,618)
Total	\$	(662,958)

*Sensitivity of the Board of Health's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate* - The following table presents the proportionate share of the net OPEB 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
Board of Health's proportionate share of the net OPEB asset	\$ 385,909	\$ 656,203	\$ 880,551

*Sensitivity of the Board of Health's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate* - Changes in the health care cost trend rate may also have a significant impact on the net OPEB 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
Board of Health's proportionate share of the net OPEB asset	\$ 663,294	\$ 656,203	\$ 647,791

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)**

**Other Employee Benefits**

*Compensated Absences* - Employees earn between 10 and 30 days of vacation time per year depending upon service with the Board of Health. Up to 5 vacation days (40 hours) may be carried over into the next calendar year subject to approval by the Board of Health for extenuating circumstances. Vacation hours carried forward must be used by March 31. At no time may the vacation credit exceed the vacation time plus 5 days. Vacation time in excess of this total will be forfeited by the employee.

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid 100 percent to a maximum of 150 days or 1,200 hours of accumulated, unused sick leave.

*Employee Medical, Dental, Vision, and Prescription Drug* - The Board of Health provides employee medical benefits through participation in the City's major medical, hospitalization, prescription and dental and vision 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 of \$200,000 specific per family. The third-party administrators, Aultcare and UMR, review all claims, which are then paid by the City.

**Interfund Activity**

The Board of Health made the following interfund transfers in 2022:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
General fund	Air Pollution (134) fund	\$ 40,000
Nonmajor governmental	Air Pollution (134) fund	204,651
		\$ 244,651

The interfund transfers represent the residual equity of transfer of certain nonmajor governmental grant funds to the general fund. Interfund transfers within governmental activities are eliminated on the government-wide financial statements.

**Interfund Loans**

Interfund loans 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	\$ 10,000

The interfund loan balance is the result of resources provided by the receivable fund to the payable fund to provide cash flow resources until anticipated revenues are received.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 18 - 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.

**B. Litigation**

The City is a party to various other legal proceedings. The City management is of the opinion that ultimate disposition of those subsequent pending claims and legal proceedings will likely not have a material adverse effect, if any, on the financial condition of the City. However any pending litigation that could be successful against the City would in all likelihood not exceed a maximum exposure of \$250,000.

**NOTE 19 - COMMITMENTS**

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

	Encumbrances as of 12/31/22
<b>Major Funds</b>	
General Fund	\$ 4,946,094
Community and Economic Development Fund	1,693,518
ARPA	20,813,447
Capital Project Fund	4,822,187
Motor Vehicle Purchase Fund	99,834
<b>Nonmajor Governmental Funds</b>	7,517,606
<i>Total</i>	\$ 39,892,686

**NOTE 20 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES**

**A. Interfund Transfers**

Interfund transfers for the year ended December 31, 2022, consisted of the following, as reported on the fund financial statements:

Transfers Out	Transfer In	Amount
General fund	Nonmajor governmental funds	\$ 223,846
General fund	Internal service funds	425,000
Total		\$ 648,846

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 20 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES - (Continued)**

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 as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds.

Interfund transfers between governmental funds are eliminated for reporting on the statement of activities.

**B. Interfund Balances**

<u>Due To Other Funds (Payable)</u>	Due From Other Funds (Receivable)		
	General Fund	Internal Service Funds	Total
General fund	\$ -	\$ 93,218	\$ 93,218
Community and economic development fund	157,674	-	157,674
Capital projects fund	-	1,831	1,831
Water operating fund	-	4,027	4,027
Sewer operating fund	-	1,209	1,209
Refuse operating fund	-	1,839	1,839
Nonmajor enterprise funds	-	3,470	3,470
Nonmajor governmental funds	6,580,551	2,688	6,583,239
Total	\$ 6,738,225	\$ 108,282	\$ 6,846,507

Balances due among the governmental activities and internal service funds are eliminated on the government-wide statement of net position. Balances due from the enterprise funds to the governmental activities and internal service funds are reported on the statement of net position as a component of internal balance.

The amount due from other funds for the general fund contains a long-term advance to the comprehensive plan implementation fund (a nonmajor governmental fund) of \$4,300,000 that will be repaid in greater than one year.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 21 - FUND BALANCES**

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

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Nonspendable:</i>						
Materials & supplies	\$ 383,957	\$ -	\$ -	\$ -	\$ 30,038	\$ 413,995
Prepays	622,185	584	31,700	-	73,517	727,986
Long-term loans	4,300,000	-	-	-	-	4,300,000
Unclaimed monies	197,068	-	-	-	-	197,068
<i>Total nonspendable</i>	<u>5,503,210</u>	<u>584</u>	<u>31,700</u>	<u>-</u>	<u>103,555</u>	<u>5,639,049</u>
<i>Restricted for:</i>						
Road improvements	-	-	-	-	2,450,523	2,450,523
Community development grants & programs	-	2,479,052	-	-	13,870,007	16,349,059
Other purposes	-	-	-	-	2,785,693	2,785,693
Police department grants, donations & programs	-	-	-	-	423,661	423,661
Judicial system grants & programs	-	-	-	-	2,859,413	2,859,413
Cornerstone parking deck operations	-	-	-	-	365,442	365,442
Youth development donations & programs	-	-	-	-	5,332	5,332
Employee recognition program	-	-	-	-	143	143
Debt service payments	-	-	-	-	112,478	112,478
Park donations	-	-	-	-	21,813	21,813
Infrastructure improvements	-	-	-	-	351,804	351,804
Recreational facility improvements	-	-	-	-	450,810	450,810
Construction projects	-	-	-	-	3,381,922	3,381,922
City hall renovations	-	-	-	-	1,744	1,744
Canton merchandising	-	-	-	-	15,213	15,213
Motor vehicle purchases	-	-	-	853,593	-	853,593
<i>Total restricted</i>	<u>\$ -</u>	<u>\$ 2,479,052</u>	<u>\$ -</u>	<u>\$ 853,593</u>	<u>\$ 27,095,998</u>	<u>\$ 30,428,643</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 21 - FUND BALANCES - (Continued)**

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Committed to:</i>						
Vehicle self-insurance	\$ 308,221	\$ -	\$ -	\$ -	\$ -	\$ 308,221
Motor vehicle maintenance	500,574	-	-	-	-	500,574
Park department operations	-	-	-	-	3,524,648	3,524,648
Capital improvements	-	-	9,572,294	-	-	9,572,294
Other purposes	112,709	-	-	-	434,066	546,775
<i>Total committed</i>	<u>921,504</u>	<u>-</u>	<u>9,572,294</u>	<u>-</u>	<u>3,958,714</u>	<u>14,452,512</u>
<i>Assigned to:</i>						
General government operations	1,777,554	-	-	-	-	1,777,554
Security of persons and property programs	1,105,287	-	-	-	-	1,105,287
Transportation projects	1,321,147	-	-	-	-	1,321,147
Community environment projects	22,791	-	-	-	-	22,791
Leisure time activities	471,090	-	-	-	-	471,090
<i>Total assigned</i>	<u>4,697,869</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,697,869</u>
Unassigned (deficit)	5,905,801	-	-	-	(1,708,238)	4,197,563
Total fund balances	<u>\$ 17,028,384</u>	<u>\$ 2,479,636</u>	<u>\$ 9,603,994</u>	<u>\$ 853,593</u>	<u>\$ 29,450,029</u>	<u>\$ 59,415,636</u>

**NOTE 22 - TAX ABATEMENTS**

As of December 31, 2022, the City provides tax abatements through two programs - Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate 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.

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 22 - TAX ABATEMENTS - (Continued)**

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The City has entered into agreements to abate property taxes through these programs. During 2022, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	\$ 10,662
Ezone	<u>2,392</u>
Total	<u>\$ 13,054</u>

During 2022, the City did not incur a reduction in taxes by agreements entered into by other governments that reduced the City's taxes.

**NOTE 23 - DUE FROM COMPONENT UNIT**

During 2019, the City of Canton Board of Health became a legally separate entity and as a result a component unit of the City. The City still pays certain obligations related to the Board of Health. The table below presents the amounts owed to the City by the Board of Health at year-end.

	<u>Amount</u>
<b>Due from component unit:</b>	
Loan	\$ 79,160
Medical Claims	36,347
Workers Compensation Claims	<u>84,292</u>
Total	<u>\$ 199,799</u>

**NOTE 24 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April 2023. During 2022, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

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

**NOTE 25 - SIGNIFICANT SUBSEQUENT EVENTS**

On April 1, 2023, the City retired the \$1,200,000 Historic Hercules Note through the issuance of a \$900,000 Historic Hercules Refunding Note. The Historic Hercules Refunding Note bears an interest rate of 6.00% and matures April 1, 2024.



REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST 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	0.218532%	0.210815%	0.222220%	0.203442%
City's proportionate share of the net pension liability	\$ 19,013,198	\$ 31,217,155	\$ 40,055,195	\$ 55,718,639
City's covered payroll	\$ 31,922,193	\$ 28,616,786	\$ 28,888,021	\$ 27,495,850
City's proportionate share of the net pension liability as a percentage of its covered payroll	59.56%	109.09%	138.66%	202.64%
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	0.254661%	0.229828%	0.238514%	0.189944%
City's proportionate share of the net pension asset	\$ 1,003,378	\$ 663,430	\$ 453,559	\$ 249,671
City's covered payroll	\$ 1,167,486	\$ 1,006,864	\$ 972,414	\$ 953,243
City's proportionate share of the net pension asset as a percentage of its covered payroll	85.94%	65.89%	46.64%	26.19%
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	0.173469%	0.155658%	0.186971%	0.152969%
City's proportionate share of the net pension asset	\$ 31,495	\$ 33,524	\$ 6,445	\$ 3,402
City's covered payroll	\$ 1,093,640	\$ 1,097,980	\$ 1,006,880	\$ 942,580
City's proportionate share of the net pension asset as a percentage of its covered payroll	2.88%	3.05%	0.64%	0.36%
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.

(1) Amounts for 2018 have been restated to reflect the removal of the Health Districts's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<u>2018 (1)</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	0.204422%	0.224478%	0.239094%	0.238157%	0.238157%
\$	32,069,771	\$ 50,975,135	\$ 41,414,095	\$ 28,724,397	\$ 28,075,608
\$	29,602,038	\$ 29,259,467	\$ 29,866,883	\$ 29,295,150	\$ 28,672,100
	108.34%	174.22%	138.66%	98.05%	97.92%
	84.66%	77.25%	81.08%	86.45%	86.36%
	0.252294%	0.316472%	0.327300%	0.336465%	0.336465%
\$	343,454	\$ 176,139	\$ 159,271	\$ 129,546	\$ 35,305
\$	1,128,777	\$ 1,231,883	\$ 1,182,483	\$ 1,229,908	\$ 1,194,669
	30.43%	14.30%	13.47%	10.53%	2.96%
	137.28%	116.55%	116.90%	114.83%	104.56%
	0.161454%	0.174190%	0.181591%	n/a	n/a
\$	5,635	\$ 726	\$ 694	n/a	n/a
\$	966,700	\$ 715,867	\$ 1,011,317	n/a	n/a
	0.58%	0.10%	0.07%	n/a	n/a
	124.46%	103.40%	103.91%	n/a	n/a

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability	0.90479000%	0.88721310%	0.88014160%	0.89002900%
City's proportionate share of the net pension liability	\$ 56,526,046	\$ 60,482,113	\$ 59,291,039	\$ 72,649,884
City's covered payroll	\$ 22,286,765	\$ 21,962,986	\$ 21,079,645	\$ 20,160,698
City's proportionate share of the net pension liability as a percentage of its covered payroll	253.63%	275.38%	281.27%	360.35%
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

<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.91049900%	0.89965700%	0.99237900%	0.98849140%	0.98849140%
\$ 55,881,392	\$ 56,983,376	\$ 63,840,446	\$ 51,207,977	\$ 48,142,632
\$ 19,960,909	\$ 19,548,776	\$ 19,839,596	\$ 19,409,588	\$ 21,641,256
279.95%	291.49%	321.78%	263.83%	222.46%
70.91%	68.36%	66.77%	72.20%	73.00%

**CITY OF CANTON, OHIO  
STARK COUNTY, 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	\$ 4,398,146	\$ 4,469,107	\$ 4,006,350	\$ 4,044,323
Contributions in relation to the contractually required contribution	<u>(4,398,146)</u>	<u>(4,469,107)</u>	<u>(4,006,350)</u>	<u>(4,044,323)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 31,415,329	\$ 31,922,193	\$ 28,616,786	\$ 28,888,021
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 174,563	\$ 163,448	\$ 140,961	\$ 136,138
Contributions in relation to the contractually required contribution	<u>(174,563)</u>	<u>(163,448)</u>	<u>(140,961)</u>	<u>(136,138)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,246,879	\$ 1,167,486	\$ 1,006,864	\$ 972,414
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 112,448	\$ 109,364	\$ 109,798	\$ 100,688
Contributions in relation to the contractually required contribution	<u>(112,448)</u>	<u>(109,364)</u>	<u>(109,798)</u>	<u>(100,688)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,124,480	\$ 1,093,640	\$ 1,097,980	\$ 1,006,880
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

(1) Information prior to 2013 is not available for the Traditional and Combined Plans and information for the Member Directed Plan is not available prior to 2015. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(2) Amounts for 2018 have been restated to reflect the removal of the Health Department's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018 (2)</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 3,849,419	\$ 3,848,265	\$ 3,511,136	\$ 3,584,026	\$ 3,515,418	\$ 3,727,373
<u>(3,849,419)</u>	<u>(3,848,265)</u>	<u>(3,511,136)</u>	<u>(3,584,026)</u>	<u>(3,515,418)</u>	<u>(3,727,373)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 27,495,850	\$ 29,602,038	\$ 29,259,467	\$ 29,866,883	\$ 29,295,150	\$ 28,672,100
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
\$ 133,454	\$ 146,741	\$ 147,826	\$ 141,898	\$ 147,589	\$ 155,307
<u>(133,454)</u>	<u>(146,741)</u>	<u>(147,826)</u>	<u>(141,898)</u>	<u>(147,589)</u>	<u>(155,307)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 953,243	\$ 1,128,777	\$ 1,231,883	\$ 1,182,483	\$ 1,229,908	\$ 1,194,669
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
\$ 94,258	\$ 96,670	\$ 85,904	\$ 121,358		
<u>(94,258)</u>	<u>(96,670)</u>	<u>(85,904)</u>	<u>(121,358)</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ 942,580	\$ 966,700	\$ 715,867	\$ 1,011,317		
10.00%	10.00%	12.00%	12.00%		

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 2,163,428	\$ 2,259,868	\$ 2,226,925	\$ 2,122,872
Contributions in relation to the contractually required contribution	<u>(2,163,428)</u>	<u>(2,259,868)</u>	<u>(2,226,925)</u>	<u>(2,122,872)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,386,463	\$ 11,894,042	\$ 11,720,658	\$ 11,173,011
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 2,704,995	\$ 2,442,290	\$ 2,406,947	\$ 2,328,059
Contributions in relation to the contractually required contribution	<u>(2,704,995)</u>	<u>(2,442,290)</u>	<u>(2,406,947)</u>	<u>(2,328,059)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,510,617	\$ 10,392,723	\$ 10,242,328	\$ 9,906,634
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

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>
\$ 2,001,228	\$ 1,985,253	\$ 1,957,745	\$ 1,915,238	\$ 1,925,993	\$ 1,781,676
<u>(2,001,228)</u>	<u>(1,985,253)</u>	<u>(1,957,745)</u>	<u>(1,915,238)</u>	<u>(1,925,993)</u>	<u>(1,781,676)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,532,779	\$ 10,448,700	\$ 10,303,921	\$ 10,080,200	\$ 10,136,805	\$ 11,217,268
19.00%	19.00%	19.00%	19.00%	19.00%	15.88%
\$ 2,262,561	\$ 2,235,369	\$ 2,172,541	\$ 2,293,458	\$ 2,179,104	\$ 2,123,929
<u>(2,262,561)</u>	<u>(2,235,369)</u>	<u>(2,172,541)</u>	<u>(2,293,458)</u>	<u>(2,179,104)</u>	<u>(2,123,929)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,627,919	\$ 9,512,209	\$ 9,244,855	\$ 9,759,396	\$ 9,272,783	\$ 10,419,930
23.50%	23.50%	23.50%	23.50%	23.50%	20.38%

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability/asset	0.217803%	0.210333%	0.221337%	0.202446%
City's proportionate share of the net OPEB liability/(asset)	\$ (6,821,938)	\$ (3,747,246)	\$ 27,880,039	\$ 26,394,121
City's covered payroll	\$ 34,183,319	\$ 30,721,630	\$ 30,867,315	\$ 29,391,673
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	19.96%	12.20%	90.32%	89.80%
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.

(1) Amounts for 2018 have been restated to reflect the removal of the Health District's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018 (1)</u>	<u>2017</u>
0.204259%	0.224638%
\$ 22,181,075	\$ 22,689,180
\$ 31,697,515	\$ 31,207,217
69.98%	72.70%
54.14%	54.04%

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability	0.90479000%	0.88721310%	0.88014160%	0.89002900%
City's proportionate share of the net OPEB liability	\$ 9,917,277	\$ 9,400,168	\$ 8,693,801	\$ 8,105,079
City's covered payroll	\$ 22,286,765	\$ 21,962,986	\$ 21,079,645	\$ 20,160,698
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	44.50%	42.80%	41.24%	40.20%
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>
0.91049900%	0.89965700%
\$ 51,587,558	\$ 42,704,695
\$ 19,960,909	\$ 19,548,776
258.44%	218.45%
14.13%	15.96%

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$ 44,979	\$ 43,746	\$ 43,919	\$ 40,275
Contributions in relation to the contractually required contribution	(44,979)	(43,746)	(43,919)	(40,275)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 33,786,688	\$ 34,183,319	\$ 30,721,630	\$ 30,867,315
Contributions as a percentage of covered payroll	0.13%	0.13%	0.14%	0.13%

(1) Information prior to 2013 not available.

(2) Amounts for 2018 have been restated to reflect the removal of the Health Department's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018 (2)</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 37,703	\$ 345,976	\$ 650,519	\$ 620,986	\$ 623,331	\$ 41,532
<u>(37,703)</u>	<u>(345,976)</u>	<u>(650,519)</u>	<u>(620,986)</u>	<u>(623,331)</u>	<u>(41,532)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 29,391,673	\$ 31,697,515	\$ 31,207,217	\$ 32,060,683	\$ 30,525,058	\$ 29,866,769
0.13%	1.09%	2.08%	1.94%	2.04%	0.14%

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 56,932	\$ 59,470	\$ 58,603	\$ 55,865
Contributions in relation to the contractually required contribution	<u>(56,932)</u>	<u>(59,470)</u>	<u>(58,603)</u>	<u>(55,865)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,386,463	\$ 11,894,042	\$ 11,720,658	\$ 11,173,011
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 57,553	\$ 51,964	\$ 51,212	\$ 49,533
Contributions in relation to the contractually required contribution	<u>(57,553)</u>	<u>(51,964)</u>	<u>(51,212)</u>	<u>(49,533)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,510,617	\$ 10,392,723	\$ 10,242,328	\$ 9,906,634
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

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>
\$ 52,664	\$ 52,244	\$ 51,520	\$ 51,763	\$ 49,794	\$ 347,422
<u>(52,664)</u>	<u>(52,244)</u>	<u>(51,520)</u>	<u>(51,763)</u>	<u>(49,794)</u>	<u>(347,422)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,532,779	\$ 10,448,700	\$ 10,303,921	\$ 10,080,200	\$ 10,136,805	\$ 11,217,268
0.50%	0.50%	0.50%	0.50%	0.50%	3.62%
\$ 48,140	\$ 47,561	\$ 46,224	\$ 48,797	\$ 47,212	\$ 316,280
<u>(48,140)</u>	<u>(47,561)</u>	<u>(46,224)</u>	<u>(48,797)</u>	<u>(47,212)</u>	<u>(316,280)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,627,919	\$ 9,512,209	\$ 9,244,855	\$ 9,759,396	\$ 9,272,783	\$ 10,419,930
0.50%	0.50%	0.50%	0.50%	0.50%	3.62%

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

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

PENSION

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

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

*Changes in assumptions :*

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

(Continued)

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

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

PENSION

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

*Changes in benefit terms :*

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

*Changes in assumptions :*

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

(Continued)

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms :*

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

*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.

(Continued)

**CITY OF CANTON, OHIO  
STARK COUNTY, OHIO**

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

*Changes in benefit terms :*

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

*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 CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**Major Governmental Funds**

***General Fund***

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Community and Economic Development Fund***

The community and economic development fund is a major special revenue fund that accounts for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

***American Rescue Plan Act Fund***

To account for monies received from the Federal government to provide relief to the City to combat the Coronavirus pandemic.

***Capital Projects Fund***

The capital projects fund is a major capital projects fund that accounts for the City's capital projects and expenditures of 20 percent of net income tax receipts.

***Motor Vehicle Purchase Fund***

The motor vehicle purchase fund is a major capital projects fund that accounts for the purchase and maintenance of the City's vehicles and expenditures of 5 percent of net income tax receipts.

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Canton operates:

***Street Construction, Maintenance and Repair Fund***

Required by the Ohio Revised Code to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

***State Highway Fund***

Required by the Ohio Revised Code to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Municipal Road Fund***

To account for County grant money used for various street projects approved through the county's municipal road fund.

***Cornerstone Parking Deck Fund***

To account for parking fees collected at City owned parking facilities.

***Mills Industrial Park TIF Fund***

To account for tax incremental financing (TIF) revenues associated with the Mills Industrial Park.

***Gervasi 1700, LLC TIF Fund***

To account for tax incremental financing (TIF) revenues associated with Gervasi 1700, LLC.

***Urban TIF Fund***

To account for tax increment financing (TIF) associated with the development of luxury lofts at the Historic Onesto Hotel.

***Lesh Rd./30th St. TIF Fund***

To account for tax incremental financing (TIF) revenues associated with the City's Lesh Rd./30th St. TIF agreement.

***Crime Lab Fund***

To account for monies received for the operational costs of the City's crime lab.

***Court Computer Fund***

To account for monies used to maintain court computer systems.

***Court Funds***

To account for special revenues received from Canton Municipal Court fines. These include the court capital improvement special projects, legal research, court GPS cost, and ignition interlock/alcohol monitoring funds.

***Law Department Dispute Resolution Fund***

To provide for the receipt of fees charged for discretionary public services provided to resolve various types of disputes.



**CITY OF CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***SARTA Area Improvement Fund***

To account for contributions and donations for Stark Area Regional Transit Authority (SARTA) operations and improvements.

***Park Department Fund***

To account for park donations and operational fees charged by the department.

***Youth Development Fund***

To account for grant monies used for summer youth employment programs.

***Federal Forfeiture Fund***

To account for the proceeds from seizures in federal cases.

***Probation Award Fund***

To account for the costs associated with the probation program ran by the municipal court.

***Enforcement and Education Fund***

To account for fines which are used for educating the public on the dangers of driving while under the influence of alcohol and the laws governing the operation of a motor vehicle while under the influence of alcohol.

***Indigent Driver Alcohol Treatment Fund***

To account for fines collected by the municipal court from persons whose driver's license or permit was suspended for driving under the influence of alcohol. By order of the court, this fund will provide for the cost of rehabilitation for those deemed to be indigent.

***Law Enforcement Trust Fund***

To account for monies received from the sale or disposition of seized contraband. Expenditures from this fund are made for law enforcement purposes.

***Municipal Probation Services Fund***

To account for fines and forfeitures used for various probation projects.

***Misdemeanor Community Sanction Grant Fund***

To account for grant dollars from the Department of Rehabilitation and Correction to be used to meet the needs of low level offenders, divert additional offenders from prison and enhance public safety.

***Prisoner Housing Fund***

To account for fines collected and used for the housing and/or treatment of indigent offenders.

***Local Law Enforcement Block Grant Fund***

To account for block grant monies used for law enforcement purposes.

***Supplementary Police Forces Funds***

To account for the receipts and expenditures of the Canton police youth corp fund.

***Police Funds***

To account for the receipt and expenditure of various grants and donations received by the City's police department. These include the D.A.R.E. program fund, probation improvement and incentive grant fund, safe neighborhood heroes grant fund, police grants and donations fund, COPS hiring program grants, Bulletproof Vest Partnership Fund, police EMS training and equipment grant fund, Use of Force Software Upgrade Grant, and Byrne memorial recovery act fund.

***Fire Funds***

To account for the receipts and expenditures of various grants and donations received by the City's fire department. These include the fire grants and donation fund, Assist to firefighters grants, the EMS training and equipment grant fund, the firefighter assistance grant fund, and the Fire FEMA SAFER Grant 2017 fund.

***Vacant/Foreclosed Registry Fund***

To account for registration fees, penalties and interest levied as established in Chapter 1353 of the Codified Ordinances and the administrative fee withheld from the maintenance bond used to enforce laws regarding foreclosed and/or vacant properties.

**CITY OF CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***Canton Merchandising Fund***

To account for the receipts and expenditures associated with activity resulting from the sale of various City of Canton merchandise.

***Jobs Ohio Fund***

To account for the receipts and expenditures associated with the Jobs Ohio program.

***Hall of Fame Village***

To account for the costs associated with the development and upkeep of the Hall of Fame Village.

***Neighborhood Development Fund***

To account for income tax revenues associated with the demolition of vacant properties and improvements of blighted neighborhoods for the enhancement of city residents.

***Pretrial Award Fund***

To account for revenues and expenditures associated with the pretrial award program.

***Building Escrow Fund***

To account for receipts from insurance companies, under City and State statutes, necessary to ensure compliance with building codes after a structure fire. Disbursements are normally to property owners upon release from the code enforcement department.

***Vacant/Foreclosure Depository Fund***

This fund accounts for deposits held for vacant and foreclosed upon homes.

***Other***

Other funds operated by the City are subsidized in part by local, state and Federal monies as well as miscellaneous sources. These include the employee recognition, city hall plaza, recycle Ohio grant, guardrail/attenuator replacement, southeast community center, Thurman Munson Memorial Stadium donation, recovery court ATP fund, justice reinvest grant prob., court technology grant, specialized docket grant, clerk of courts administration funds, Centennial plaza maintenance fund, US Department of Justice (Bureau Assistance) fund, Project safe neighborhood grant fund and OCJS 2020 project safe neighborhood.

***Downtown Canton TDD***

To account for money received from Downtown Canton TDD.

***Comprehensive Plan Implementation Fund***

To account for income tax revenues associated for economic and downtown area development, job creation, and expansion and retention.

***ARPA 2022 Wellness & Recruit***

To account for ARPA grant money set aside for wellness and recruiting programs.

***OneOhio Opioid Settlement***

To account for monies received by the City from the opioid settlement to combat the opioid crisis in the City.

***Centennial Plaza TDD***

To account for money received from Centennial Plaza TDD.

***Income Tax Fund***

To account for the receipts from the assessment of an income tax. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule is presented in this section.

**Nonmajor Debt Service Funds**

To account for the accumulation of resources for, and the payment of, general obligation debt principal and interest.

***General Obligation Bond Retirement Fund***

To account for the accumulation of resources to pay principal and interest on general obligation debt.

***Special Assessment Bond Retirement Fund***

To account for the collection of special assessments levied against properties for the payment of special assessment bonds and related interest costs. No budgetary schedule is presented for this fund as no revenues or expenditures were budgeted in 2021.

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or nonexpendable trust funds.

***2015 Construction/Reconstruction Note Fund***

To account for the portions of a 2015 City note for building renovations and construction being done throughout the City.

***2006 City Infrastructure Bond Fund***

To account for the portions of a 2006 City bond issue spent for roadway, storm sewer, and other infrastructure improvements.

**CITY OF CANTON  
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

***2006 Recreational Bond Fund***

To account for the portions of a 2006 City bond issue spent for a water park, baseball field upgrades and other recreational facility improvements.

***2006 Construction/Reconstruction Bond Fund***

To account for the portions of a 2006 City bond issue for building renovations and construction being done throughout the City.

***2006 Judges Facilities/City Hall Renovation Bond Fund***

To account for the portions of a 2006 City bond issue spent on a renovation project being undertaken at City Hall.

***41st St NW Roadway Reconstruction***

To account for capital grants and all costs associated with infrastructure improvements related to the 41st St. NW Roadway Reconstruction.

***2022 Infrastructure Bond***

To account for the portion of the 2022 General Obligation Bonds for the salt storage and the Service Center upgrade projects.

***11th St. NW Improvement Project Fund***

To account for capital grants and all costs associated with the 11th Street NW infrastructure road project.

***Tuscarawas Street W. Corridor Safety Project Fund***

To account for loan proceeds and all costs related to the Tuscarawas Street West Corridor Safety project.

***49th St NW Storm Sewer Rehab Project***

To account for loan proceeds and all costs related to the 49th St NW Storm Sewer Rehab Project.

***3rd Street SE Bridge Proj GP 1167***

To account for capital grants and all costs related to the 3rd Street Bridge project.

***36th Street NW Storm Roadway Fund***

To account for capital grants and all costs related to the 36th Street NW Storm Roadway project.

***3rd Street SE Resurfacing Project Fund***

To account for capital grants and all costs related to the 3rd Street resurfacing project.

***13th Street NW Roadway Reconstruction Fund***

To account for capital grants and all costs associated with infrastructure improvements related to the 13th Street NW Roadway

***Mahoning Rd. Corridor Project Fund***

To account for capital grants and all costs associated with infrastructure improvements to the Mahoning Road Corridor.

***30th Street NW Resurfacing Project Fund***

To account for capital grants and all costs related to the 30th Street NW Resurfacing project.

***Steese Area 39th ST NW Sewer Project Fund***

To account for capital grants and all costs related to the Steese Area 39th St NW Sewer project.

***Colonial BLVD Reconstruction Project Fund***

To account for capital grants and all costs related to the Colonial BLVD Reconstruction project.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property and other taxes	\$ 2,281,000	\$ 2,673,150	\$ 392,150
Municipal income taxes	38,875,000	41,997,589	3,122,589
Charges for services	7,378,000	7,253,878	(124,122)
Licenses, permits, and fees	791,000	756,840	(34,160)
Fines and forfeitures	136,750	109,305	(27,445)
Intergovernmental	6,651,750	7,503,417	851,667
Interest and investment income	617,500	827,257	209,757
Rental income	48,000	3,940	(44,060)
Contributions and donations	2,500	3,640	1,140
Operating grants	303,000	198,310	(104,690)
Other	12,022,216	7,917,710	(4,104,506)
<b>Total revenues</b>	<b>69,106,716</b>	<b>69,245,036</b>	<b>138,320</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General operating:</b>			
Current:			
General Government:			
Codes and permits			
<i>General Government - Support Administration:</i>			
Materials and supplies	7,650	4,937	2,713
Contractual services	4,398,716	4,229,221	169,495
Capital outlay	30,995	29,495	1,500
Other	29,350	2,307	27,043
<i>Total General Government - Support Administration</i>	<u>4,466,711</u>	<u>4,265,960</u>	<u>200,751</u>
<i>Service Director - Service Director Administration:</i>			
Personal services	58,303	51,421	6,882
Materials and supplies	200	-	200
Contractual services	13,291	10,190	3,101
Other	3,750	1,901	1,849
<i>Total Service Director - Service Director Administration</i>	<u>75,544</u>	<u>63,512</u>	<u>12,032</u>
<i>Service Director - Purchase Administration:</i>			
Personal services	287,514	281,140	6,374
Materials and supplies	262,761	229,136	33,625
Contractual services	8,739	6,822	1,917
Capital outlay	6,142	-	6,142
Other	7,518	6,220	1,298
<i>Total Service Director - Purchase Administration</i>	<u>572,674</u>	<u>523,318</u>	<u>49,356</u>
<i>Service Director - Annexation:</i>			
Personal services	6,300	94	6,206
Contractual services	5,000	300	4,700
<i>Total Service Director - Annexation</i>	<u>11,300</u>	<u>394</u>	<u>10,906</u>
<i>Building and Maintenance - Other Building:</i>			
Personal services	920,272	848,073	72,199
Materials and supplies	152,242	147,154	5,088
Contractual services	1,007,221	960,042	47,179
Capital outlay	32,000	31,842	158
Other	13,457	11,212	2,245
<i>Total Building and Maintenance - Other Building</i>	<u>2,125,192</u>	<u>1,998,323</u>	<u>126,869</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Mayor - Administration:</i>			
Personal services	407,219	393,817	13,402
Materials and supplies	9,217	2,798	6,419
Contractual services	63,810	5,460	58,350
Other	15,000	12,819	2,181
<i>Total Mayor - Administration</i>	<u>495,246</u>	<u>414,894</u>	<u>80,352</u>
<i>Mayor - Planning Department:</i>			
Personal services	243,890	240,324	3,566
Materials and supplies	3,600	2,717	883
Contractual services	4,150	3,700	450
Capital outlay	1,500	1,500	-
Other	900	464	436
<i>Total Mayor - Planning Department</i>	<u>254,040</u>	<u>248,705</u>	<u>5,335</u>
<i>Mayor - Human Resources Administration:</i>			
Personal services	97,163	89,684	7,479
Materials and supplies	14,984	9,535	5,449
Contractual services	67,107	28,144	38,963
Capital outlay	1,000	-	1,000
Other	1,744	1,109	635
<i>Total Mayor - Human Resources Administration</i>	<u>181,998</u>	<u>128,472</u>	<u>53,526</u>
<i>Council - Council Administration:</i>			
Personal services	644,185	634,006	10,179
Materials and supplies	3,928	2,105	1,823
Contractual services	68,918	56,080	12,838
Other	105	-	105
<i>Total Council - Council Administration</i>	<u>717,136</u>	<u>692,191</u>	<u>24,945</u>
<i>Courts/Judge - Judge Administration:</i>			
Personal services	2,133,935	1,986,699	147,236
Materials and supplies	76,589	61,482	15,107
Contractual services	204,375	184,403	19,972
Other	67,491	59,026	8,465
<i>Total Courts/Judge - Judge Administration</i>	<u>2,482,390</u>	<u>2,291,610</u>	<u>190,780</u>
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	1,773,450	1,707,004	66,446
Materials and supplies	27,200	24,269	2,931
Contractual services	37,200	33,138	4,062
Other	1,000	500	500
<i>Total Courts/Clerk - Clerk of Courts Administration</i>	<u>1,838,850</u>	<u>1,764,911</u>	<u>73,939</u>
<i>Law Director - Law Administration:</i>			
Personal services	1,633,148	1,555,245	77,903
Materials and supplies	17,141	14,722	2,419
Contractual services	14,550	9,487	5,063
Other	35,325	18,920	16,405
<i>Total Law Director - Law Administration</i>	<u>1,700,164</u>	<u>1,598,374</u>	<u>101,790</u>
<i>Law - Non Operational Legal Exp:</i>			
Materials and supplies	9,079	7,251	1,828
Contractual services	121,782	78,247	43,535
Capital outlay	288	288	-
Other	175,000	79,284	95,716
<i>Total Law - Non Operational Legal Exp</i>	<u>306,149</u>	<u>165,070</u>	<u>141,079</u>
<i>Auditor - Auditor Administration:</i>			
Personal services	1,164,575	1,137,833	26,742
Materials and supplies	19,229	17,350	1,879
Contractual services	12,788	10,092	2,696
Other	188,867	106,129	82,738
<i>Total Auditor - Auditor Administration</i>	<u>1,385,459</u>	<u>1,271,404</u>	<u>114,055</u>
<i>Auditor - Legally Binding Expenses:</i>			
Contractual services	654,011	654,010	1
Other	60,000	59,999	1
<i>Total Auditor - Legally Binding Expenses</i>	<u>714,011</u>	<u>714,009</u>	<u>2</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Treasurer - Administration &amp; Operations:</i>			
Personal services	301,845	295,596	6,249
Materials and supplies	843	343	500
Contractual services	133,954	104,314	29,640
Other	467,775	463,827	3,948
<i>Total Treasurer - Administration &amp; Operations</i>	<u>904,417</u>	<u>864,080</u>	<u>40,337</u>
<i>Board of Commission - Civil Service:</i>			
Personal services	387,860	373,789	14,071
Materials and supplies	15,512	12,104	3,408
Contractual services	119,701	78,977	40,724
Capital outlay	3,040	3,038	2
Other	4,750	3,924	826
<i>Total Board of Commission - Civil Service</i>	<u>530,863</u>	<u>471,832</u>	<u>59,031</u>
<i>Canton Helping Canton</i>			
Materials and supplies	2,280	1,727	553
Contractual services	220	220	-
<i>Total Canton Helping Canton</i>	<u>2,500</u>	<u>1,947</u>	<u>553</u>
<i>Management Information Systems:</i>			
Personal services	1,272,160	1,245,609	26,551
Materials and supplies	17,112	14,727	2,385
Contractual services	291,733	290,843	890
Other	681	681	-
<i>Total Management Information Systems</i>	<u>1,581,686</u>	<u>1,551,860</u>	<u>29,826</u>
<b>Total General Government</b>	<u>20,346,330</u>	<u>19,030,866</u>	<u>1,315,464</u>
<i>Security of Persons and Property:</i>			
<i>Safety Director - Safety Director Administration:</i>			
Personal services	215,567	202,233	13,334
Materials and supplies	300	-	300
Contractual services	1,875	1,675	200
Other	575	-	575
<i>Total Safety Director - Safety Director Administration</i>	<u>218,317</u>	<u>203,908</u>	<u>14,409</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Safety Director - Code Enforcement Administration:</i>			
Contractual services	180,000	125,199	54,801
<i>Total Safety Director - Code Enforcement Administration</i>	<u>180,000</u>	<u>125,199</u>	<u>54,801</u>
<i>Safety Director - School Police Administration:</i>			
Personal services	57,405	43,214	14,191
<i>Total Safety Director - School Police Administration</i>	<u>57,405</u>	<u>43,214</u>	<u>14,191</u>
<i>Safety Director - Central Communication Administration:</i>			
Personal services	1,881,710	1,863,553	18,157
Materials and supplies	12,866	9,549	3,317
Contractual services	42,719	37,069	5,650
Other	4,250	1,956	2,294
<i>Total Safety Director - Central Communication Administration</i>	<u>1,941,545</u>	<u>1,912,127</u>	<u>29,418</u>
<i>Police Administration:</i>			
Personal services	17,804,631	17,449,181	355,450
Materials and supplies	718,011	671,477	46,534
Contractual services	1,398,921	1,355,146	43,775
Capital outlay	128,853	128,647	206
Other	102,215	71,734	30,481
<i>Total Police Administration</i>	<u>20,152,631</u>	<u>19,676,185</u>	<u>476,446</u>
<i>Fire Administration:</i>			
Personal services	17,419,100	17,212,188	206,912
Materials and supplies	760,909	758,399	2,510
Contractual services	960,939	956,319	4,620
Capital outlay	266,482	266,482	-
Other	123,767	115,344	8,423
<i>Total Fire Administration</i>	<u>19,531,197</u>	<u>19,308,732</u>	<u>222,465</u>
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Materials and supplies	9,000	6,250	2,750
Contractual services	21,000	700	20,300
<i>Total Traffic Divisions - Traffic Engineer/Parking Meter</i>	<u>30,000</u>	<u>6,950</u>	<u>23,050</u>
<b>Total Security of Persons and Property</b>	<u>42,111,095</u>	<u>41,276,315</u>	<u>834,780</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Transportation:			
<i>Engineering - Daily Operations:</i>			
Personal services	62,489	60,406	2,083
Materials and supplies	504,575	432,544	72,031
Contractual services	34,105	27,285	6,820
Capital outlay	35,323	35,323	-
Other	450	-	450
<i>Total Engineering - Daily Operations</i>	<u>636,942</u>	<u>555,558</u>	<u>81,384</u>
<i>Salt Storage Facility Project:</i>			
Capital outlay	500,000	477,906	22,094
<i>Total Salt Storage Facility Project:</i>	<u>500,000</u>	<u>477,906</u>	<u>22,094</u>
<i>Street - Maintenance:</i>			
Personal services	449,039	416,120	32,919
Materials and supplies	49,746	45,894	3,852
Contractual services	1,491,200	1,465,222	25,978
Capital outlay	89,500	89,500	-
Other	15,353	6,678	8,675
<i>Total Street - Maintenance</i>	<u>2,094,838</u>	<u>2,023,414</u>	<u>71,424</u>
<b>Total Transportation</b>	<u>3,231,780</u>	<u>3,056,878</u>	<u>174,902</u>
Community Environment:			
<i>Community Development - Community Development Administration:</i>			
Personal services	1,044,886	997,225	47,661
Materials and supplies	3,779	1,749	2,030
Contractual services	145,595	132,933	12,662
Other	192,042	187,730	4,312
<i>Total Community Development - Community Development Administration</i>	<u>1,386,302</u>	<u>1,319,637</u>	<u>66,665</u>
<i>Community Involvement:</i>			
Personal services	2,080,727	2,053,562	27,165
<i>Community Improvement Corporation:</i>			
Other	50,000	50,000	-
<b>Total Community Environment</b>	<u>3,517,029</u>	<u>3,423,199</u>	<u>93,830</u>

(Continued)



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Leisure Time Activities:			
<i>Mayor - Baseball:</i>			
Materials and supplies	280,049	279,215	834
Contractual services	1,217,799	1,215,008	2,791
Capital outlay	1,155,366	1,155,366	-
<i>Total Mayor - Baseball</i>	<u>2,653,214</u>	<u>2,649,589</u>	<u>3,625</u>
<i>Civic Center - Civic Center Administration:</i>			
Contractual services	678,301	673,302	4,999
<i>Total Civic Center - Civic Center Administration</i>	<u>678,301</u>	<u>673,302</u>	<u>4,999</u>
<i>Total leisure time activities</i>	<u>3,331,515</u>	<u>3,322,891</u>	<u>8,624</u>
Debt Service:			
Principal retirement	5,979,242	5,280,648	698,594
Interest and fiscal charges	300,678	108,872	191,806
<i>Total Debt Service</i>	<u>6,279,920</u>	<u>5,389,520</u>	<u>890,400</u>
Total expenditures	<u>78,817,669</u>	<u>75,499,669</u>	<u>3,318,000</u>
Excess of expenditures over revenues	<u>(9,710,953)</u>	<u>(6,254,633)</u>	<u>3,456,320</u>
<b>Other financing sources (uses):</b>			
Sale of capital assets	-	69,483	69,483
Issuance of notes	4,645,000	3,950,000	(695,000)
Transfers in	652,600	642,600	(10,000)
Transfers (out)	(3,616,446)	(3,241,446)	375,000
Advances in	1,050,000	721,964	(328,036)
Advances (out)	(1,978,731)	(1,978,731)	-
Total other financing sources (uses)	<u>752,423</u>	<u>163,870</u>	<u>(588,553)</u>
Net change in fund balance	(8,958,530)	(6,090,763)	2,867,767
<b>Fund balance at beginning of year</b>	3,531,492	3,531,492	-
<b>Prior year encumbrances appropriated</b>	7,868,342	7,868,342	-
<b>Fund balance at end of year</b>	<u>\$ 2,441,304</u>	<u>\$ 5,309,071</u>	<u>\$ 2,867,767</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY AND ECONOMIC DEVELOPMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 17,915,445	\$ 4,169,581	\$ (13,745,864)
Other	175,345	2,113,292	1,937,947
Total revenues	<u>18,090,790</u>	<u>6,282,873</u>	<u>(11,807,917)</u>
<b>Expenditures:</b>			
Current:			
Community Environment:			
<i>Community Development Administration:</i>			
Materials and supplies	68,118	26,131	41,987
Contractual services	563,931	258,333	305,598
Capital outlay	1,499	1,499	-
Other	12,766,580	5,181,029	7,585,551
<i>Total Community Development Administration</i>	<u>13,400,128</u>	<u>5,466,992</u>	<u>7,933,136</u>
<i>Federal Stimulus Funding:</i>			
Materials and supplies	1,000	-	1,000
Contractual services	2,621,407	84,613	2,536,794
Other	1,725,603	1,188,506	537,097
<i>Total Federal Stimulus Funding</i>	<u>4,348,010</u>	<u>1,273,119</u>	<u>3,074,891</u>
<i>Fair Housing Administration:</i>			
Personal services	585	585	-
Materials and supplies	500	-	500
Contractual services	22,161	17,190	4,971
Other	65,323	57,259	8,064
<i>Total Fair Housing Administration</i>	<u>88,569</u>	<u>75,034</u>	<u>13,535</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY AND ECONOMIC DEVELOPMENT FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Vienna Woods:</i>			
Other	255,025	24,999	230,026
<i>Total Fair Housing Administration</i>	<u>255,025</u>	<u>24,999</u>	<u>230,026</u>
<i>Debt service:</i>			
Principal retirement	3,000	2,542	458
Interest and fiscal charges	714	593	121
<i>Total Debt Service</i>	<u>3,714</u>	<u>3,135</u>	<u>579</u>
Total expenditures	<u>18,095,446</u>	<u>6,843,279</u>	<u>11,252,167</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,656)</u>	<u>(560,406)</u>	<u>(555,750)</u>
<b>Other financing sources:</b>			
Advances in	-	100,000	100,000
Advances out	(102,300)	(103,100)	(800)
<i>Total Other Financing Sources</i>	<u>(102,300)</u>	<u>(3,100)</u>	<u>99,200</u>
Net change in fund balance	(106,956)	(563,506)	(456,550)
<b>Fund balance (deficit) at beginning of year</b>	(2,480,149)	(2,480,149)	-
<b>Prior year encumbrances appropriated</b>	3,035,030	3,035,030	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ 447,925</u>	<u>\$ (8,625)</u>	<u>\$ (456,550)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AMERICAN RESCUE PLAN ACT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 31,806,611	\$ 31,806,611	\$ -
Other	-	1,001,141	1,001,141
<b>Total revenues</b>	<b>31,806,611</b>	<b>32,807,752</b>	<b>1,001,141</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General operating:</b>			
Current:			
General Government:			
<i>General Government - Support Administration:</i>			
Contractual services	4,600,000	1,820,787	2,779,213
Capital outlay	1,850,970	1,850,036	934
Other	21,800,800	12,749,171	9,051,629
<i>Total General Government - Support Administration</i>	<i>28,251,770</i>	<i>16,419,994</i>	<i>11,831,776</i>
<i>Invest Health Medical/Food Project</i>			
Other	1,300,000	1,300,000	-
<i>Total Invest Health Medical/Food Project</i>	<i>1,300,000</i>	<i>1,300,000</i>	<i>-</i>
<i>31st ST NE Waterline &amp; Storm Sewer Project</i>			
Contractual services	153,000	152,550	450
<i>Total 31st ST NE Waterline &amp; Storm Sewer Project</i>	<i>153,000</i>	<i>152,550</i>	<i>450</i>
<i>COVID-19 Stimulus</i>			
Contractual services	442,000	292,000	150,000
Other	23,554,726	7,171,910	16,382,816
<i>Total COVID-19 Stimulus</i>	<i>23,996,726</i>	<i>7,463,910</i>	<i>16,532,816</i>
<b>Total General Government</b>	<b>53,701,496</b>	<b>25,336,454</b>	<b>28,365,042</b>
<i>COVID-19 Stimulus</i>			
Materials and supplies	11,000	11,000	-
Contractual services	306,640	306,640	-
Capital outlay	1,410,000	1,406,576	3,424
Other	3,568,128	3,489,813	78,315
<i>Total COVID-19 Stimulus</i>	<i>5,295,768</i>	<i>5,214,029</i>	<i>81,739</i>
<b>Total Security of Persons and Property</b>	<b>5,295,768</b>	<b>5,214,029</b>	<b>81,739</b>
<b>Leisure Time Activities:</b>			
<i>Park</i>			
Other	2,796,078	2,796,078	-
<i>Total Park</i>	<i>2,796,078</i>	<i>2,796,078</i>	<i>-</i>
<b>Total Leisure Time Activities</b>	<b>2,796,078</b>	<b>2,796,078</b>	<b>-</b>
<b>Total expenditures</b>	<b>61,793,342</b>	<b>33,346,561</b>	<b>28,446,781</b>
<b>Net change in fund balance</b>	<b>(29,986,731)</b>	<b>(538,809)</b>	<b>29,447,922</b>
<b>Fund balance at beginning of year</b>	<b>19,533,090</b>	<b>19,533,090</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>10,453,641</b>	<b>10,453,641</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ 29,447,922</b>	<b>\$ 29,447,922</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 11,600,000	\$ 11,811,822	\$ 211,822
Capital grants	10,000	-	(10,000)
Other	40,000	49,186	9,186
<b>Total revenues</b>	<b>11,650,000</b>	<b>11,861,008</b>	<b>211,008</b>
<b>Expenditures:</b>			
<b>Capital Outlay:</b>			
<i>Safety Director:</i>			
Police Department - Police Administration	264,025	232,933	31,092
Fire Department - Fire Administration	605,456	605,220	236
<b>Total Safety Director</b>	<b>869,481</b>	<b>838,153</b>	<b>31,328</b>
<i>Traffic Divisions:</i>			
Traffic Signal	95,043	89,401	5,642
<i>Service Director:</i>			
Service Director Administration	473,722	407,514	66,208
Engineering Administration	9,439,274	8,253,788	1,185,486
Engineering - Colonial Blvd Reconstruction Project	1,330,000	1,318,687	11,313
Purchasing Administration	28,391	26,106	2,285
Motor vehicle administration	10,200	10,200	-
Engineering - 11th Street Improvement Project	198,908	198,908	-
Street Administration	318,537	189,869	128,668
Street Paving	2,228,259	1,768,915	459,344
Engineering - 36th Street NW Storm, Roadway, Water, Sewer	83,600	-	83,600
Engineering - Colonial Blvd Reconstruction Project Phase 2	232,519	232,519	-
Building Maintenance Administration	1,098,078	755,547	342,531
Collection System Department	136,445	90,023	46,422
Engineering - Salt Storage Facility Proj	323,350	320,060	3,290
Engineering - Steese Area (39th St. NW) Project	562,821	562,821	-
Engineering - Urban Forestry	59,719	30,078	29,641
Engineering - Tusc St W Corr Safety Project 92562	82,361	32,361	50,000
<b>Total Service Director</b>	<b>16,606,184</b>	<b>14,197,396</b>	<b>2,408,788</b>
<i>Water:</i>			
37th Street Water Sewer Street Improvement Project	110,458	110,458	-
<i>Community Development:</i>			
Community Development Administration	15,000	8,478	6,522
<i>Management Information Systems:</i>			
Information Technology Manager	720,957	689,563	31,394
<i>Council:</i>			
Council Administration	38,624	34,916	3,708
<i>Auditor:</i>			
Auditor Administration	225,683	204,594	21,089

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CAPITAL PROJECTS FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<i>Law:</i>			
Law - Administration	17,730	13,342	4,388
<i>Income Tax:</i>			
Income Tax - Administration	95,071	49,719	45,352
<i>Clerk:</i>			
Clerk of Courts Administration	22,910	22,910	-
<i>Treasurer:</i>			
Treasurer - Administration	25,000	-	25,000
Total Capital Outlay	<u>18,842,141</u>	<u>16,258,930</u>	<u>2,583,211</u>
<i>Debt Service:</i>			
<i>Principal retirement:</i>			
Various purpose loans	767,903	767,835	68
<i>Interest and Fiscal Charges:</i>			
Various purpose loans	108,424	108,217	207
Total Debt Service	<u>876,327</u>	<u>876,052</u>	<u>275</u>
Total expenditures	<u>19,718,468</u>	<u>17,134,982</u>	<u>2,583,486</u>
Excess of expenditures over revenues	<u>(8,068,468)</u>	<u>(5,273,974)</u>	<u>2,794,494</u>
<b>Other financing sources:</b>			
Sale of assets	-	11,150	11,150
Loan proceeds - OPWC	255,000	110,458	(144,542)
Total other financing sources	<u>255,000</u>	<u>121,608</u>	<u>(133,392)</u>
Net change in fund balance	(7,813,468)	(5,152,366)	2,661,102
<b>Fund balance at beginning of year</b>	3,424,556	3,424,556	-
<b>Prior year encumbrances appropriated</b>	5,418,819	5,418,819	-
<b>Fund balance at end of year</b>	<u>\$ 1,029,907</u>	<u>\$ 3,691,009</u>	<u>\$ 2,661,102</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE PURCHASE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 2,523,064	\$ 2,624,849	\$ 101,785
Other	-	14,984	14,984
<b>Total revenues</b>	<b>2,523,064</b>	<b>2,639,833</b>	<b>116,769</b>
<b>Expenditures:</b>			
Capital Outlay:			
<i>Safety Director:</i>			
Central Communication Administration	100,000	88,552	11,448
Police Department - Police Administration	813,040	804,329	8,711
Fire Department - Fire Administration	413,344	413,344	-
<i>Total Safety Director</i>	<u>1,326,384</u>	<u>1,306,225</u>	<u>20,159</u>
<i>Traffic Divisions:</i>			
Traffic Divisions - Engineer Administration	12,500	12,500	-
Traffic Divisions - Traffic Sign & Paint	11,000	11,000	-
Traffic Divisions - Traffic Signal	85,000	20,000	65,000
<i>Total Traffic Divisions</i>	<u>108,500</u>	<u>43,500</u>	<u>65,000</u>
<i>Service Director:</i>			
Engineering Administration	9,500	9,500	-
Street Administration	849,719	686,964	162,755
Street Paving	230,000	230,000	-
Daily Operations	600	600	-
Building Maintenance Administration	3,050	3,050	-
Collection System Department	8,850	8,850	-
<i>Total Service Director</i>	<u>1,101,719</u>	<u>938,964</u>	<u>162,755</u>
<i>Civil Service:</i>			
Civil Service Administration	30,000	30,000	-
<i>Mayor:</i>			
Mayor Administration	1,250	1,250	-
<i>Management Information Systems:</i>			
Information Technology Manager	1,750	1,750	-
<i>Judges:</i>			
Judge Administration	11,000	11,000	-

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLE PURCHASE FUND (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Debt service:			
<i>Principal retirement:</i>			
Financed purchase	396,410	395,608	802
<i>Total Principle retirement:</i>	<u>396,410</u>	<u>395,608</u>	<u>802</u>
<i>Interest and Fiscal Charges:</i>			
Financed purchase	34,562	34,431	131
<i>Interest and Fiscal Charges:</i>	<u>34,562</u>	<u>34,431</u>	<u>131</u>
Total Debt Service	<u>430,972</u>	<u>430,039</u>	<u>933</u>
Total expenditures	<u>3,011,575</u>	<u>2,762,728</u>	<u>248,847</u>
Excess of expenditures over revenues	<u>(488,511)</u>	<u>(122,895)</u>	<u>365,616</u>
<b>Other financing sources:</b>			
Sale of assets	<u>30,000</u>	<u>11,180</u>	<u>(18,820)</u>
Net change in fund balance	(458,511)	(111,715)	346,796
<b>Fund balance at beginning of year</b>	419,038	419,038	-
<b>Prior year encumbrances appropriated</b>	195,982	195,982	-
<b>Fund balance at end of year</b>	<u>\$ 156,509</u>	<u>\$ 503,305</u>	<u>\$ 346,796</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 20,308,629	\$ 109,459	\$ 4,535,752	\$ 24,953,840
Cash with fiscal agent	-	3,019		3,019
Receivables:				
Property and other local taxes	4,588,021	-	-	4,588,021
Municipal income taxes	1,072,595	-	-	1,072,595
Accounts	593,484	6,697	143,216	743,397
Accrued interest	1,681	-	13,989	15,670
Due from other governments	2,926,687	-	77,287	3,003,974
Loans receivable	11,445,111	-	-	11,445,111
Leases receivable	642,319	-	-	642,319
Materials and supplies inventory	30,038	-	-	30,038
Prepayments	73,517	-	-	73,517
Total assets	<u>\$ 41,682,082</u>	<u>\$ 119,175</u>	<u>\$ 4,770,244</u>	<u>\$ 46,571,501</u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,179,206	\$ -	\$ 2,005,384	\$ 3,184,590
Accrued wages and benefits payable	167,976	-	-	167,976
Due to other funds	6,583,239	-	-	6,583,239
Due to other governments	66,483	-	-	66,483
Deposits held and due to others	188,448	-	-	188,448
Payroll withholding payable	67,522	-	-	67,522
Total liabilities	<u>8,252,874</u>	<u>-</u>	<u>2,005,384</u>	<u>10,258,258</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	3,630,429	-	-	3,630,429
Delinquent property tax revenue not available	957,592	-	-	957,592
Leases	634,648	-	-	634,648
Income tax revenue not available	197,386	-	-	197,386
Intergovernmental revenue not available	1,070,547	-	-	1,070,547
Charges for services revenue not available	251,398	6,697	-	258,095
Miscellaneous revenue not available	114,517	-	-	114,517
Total deferred inflows of resources	<u>6,856,517</u>	<u>6,697</u>	<u>-</u>	<u>6,863,214</u>
<b>Fund balances:</b>				
Nonspendable	103,555	-	-	103,555
Restricted	22,797,240	112,478	4,186,280	27,095,998
Committed	3,958,714	-	-	3,958,714
Unassigned (deficit)	(286,818)	-	(1,421,420)	(1,708,238)
Total fund balances	<u>26,572,691</u>	<u>112,478</u>	<u>2,764,860</u>	<u>29,450,029</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,682,082</u>	<u>\$ 119,175</u>	<u>\$ 4,770,244</u>	<u>\$ 46,571,501</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Property and other local taxes	\$ 3,796,393	\$ -	\$ -	\$ 3,796,393
Municipal income taxes	8,975,827	-	-	8,975,827
Charges for services	2,567,721	-	-	2,567,721
Fines and forfeitures	319,098	-	-	319,098
Intergovernmental	4,433,096	-	-	4,433,096
Interest and investment income	43,731	4,817	35,801	84,349
Rental income	240,627	-	-	240,627
Contributions and donations	609,951	-	-	609,951
Operating grants	945,356	-	-	945,356
Capital grants	257,782	-	1,498,446	1,756,228
Payment in lieu of taxes	1,605,218	-	-	1,605,218
Other local taxes	871,831	-	-	871,831
Other	613,002	-	143,216	756,218
<b>Total revenues</b>	<b>25,279,633</b>	<b>4,817</b>	<b>1,677,463</b>	<b>26,961,913</b>
<b>Expenditures:</b>				
Current:				
General government	4,222,625	-	-	4,222,625
Security of persons and property	2,881,113	-	-	2,881,113
Transportation	6,530,598	-	-	6,530,598
Leisure time activities	6,229,448	-	-	6,229,448
Capital outlay	369,116	-	3,625,095	3,994,211
Debt service:				
Principal retirement	15,742	-	6,500,000	6,515,742
Interest and fiscal charges	3,025	-	55,542	58,567
Bond issuance costs	-	-	49,186	49,186
<b>Total expenditures</b>	<b>20,251,667</b>	<b>-</b>	<b>10,229,823</b>	<b>30,481,490</b>
Excess (deficiency) of revenues over (under) expenditures	5,027,966	4,817	(8,552,360)	(3,519,577)
<b>Other financing sources:</b>				
Bond issuance	-	-	7,249,186	7,249,186
Issuance of notes	-	-	3,200,000	3,200,000
Lease transactions	145,379	-	-	145,379
Transfers in	18,846	-	205,000	223,846
<b>Total other financing sources</b>	<b>164,225</b>	<b>-</b>	<b>10,654,186</b>	<b>10,818,411</b>
Net change in fund balances	5,192,191	4,817	2,101,826	7,298,834
<b>Fund balances at beginning of year</b>	<b>21,380,500</b>	<b>107,661</b>	<b>663,034</b>	<b>22,151,195</b>
<b>Fund balances at end of year</b>	<b>\$ 26,572,691</b>	<b>\$ 112,478</b>	<b>\$ 2,764,860</b>	<b>\$ 29,450,029</b>

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CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2022

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Deck	Mills Industrial Park TIF
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 821,924	\$ 214,571	\$ 896,805	\$ 79,312	\$ 464,320
Receivables:					
Property and other taxes	-	-	-	-	-
Income taxes	-	-	-	-	-
Accounts	1,569	-	-	-	-
Accrued interest	-	-	-	-	-
Due from other governments	1,454,150	96,487	-	-	-
Loans receivable	-	-	-	-	-
Leases receivable	-	-	-	-	-
Materials and supplies inventory	30,038	-	-	-	-
Prepayments	25,605	1,660	-	198	-
Total assets	<u>\$ 2,333,286</u>	<u>\$ 312,718</u>	<u>\$ 896,805</u>	<u>\$ 79,510</u>	<u>\$ 464,320</u>
<b>Liabilities:</b>					
Accounts payable	\$ 56,872	\$ 7,583	\$ -	\$ 7,280	\$ -
Accrued wages and benefits payable	77,728	3,845	-	-	-
Due to other funds	917	141	-	-	-
Due to other governments	12,009	594	-	40,000	-
Deposits held and due to others	-	-	-	-	-
Payroll withholding payable	23,842	1,641	-	-	-
Total liabilities	<u>171,368</u>	<u>13,804</u>	<u>-</u>	<u>47,280</u>	<u>-</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year	-	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-	-
Leases	-	-	-	-	-
Income tax revenue not available	-	-	-	-	-
Intergovernmental revenue not available	800,523	49,288	-	-	-
Charges for services revenue not available	-	-	-	-	-
Miscellaneous revenue not available	-	-	-	-	-
Total deferred inflows of resources	<u>800,523</u>	<u>49,288</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable	55,643	1,660	-	198	-
Restricted	1,305,752	247,966	896,805	32,032	464,320
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	<u>1,361,395</u>	<u>249,626</u>	<u>896,805</u>	<u>32,230</u>	<u>464,320</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,333,286</u>	<u>\$ 312,718</u>	<u>\$ 896,805</u>	<u>\$ 79,510</u>	<u>\$ 464,320</u>

<b>Gervasi 1700, LLC TIF</b>	<b>Lesh Rd /30th St TIF</b>	<b>Crime Lab</b>	<b>Court Computer</b>	<b>Court</b>	<b>Law Department Dispute Resolution</b>	<b>SARTA Area Improvement</b>
\$ 80,225	\$ 72,386	\$ 174,273	\$ 232,971	\$ 1,104,278	\$ 1,054	\$ 642
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,756	709,116	40,681	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,146	3,127	-	-
<u>\$ 80,225</u>	<u>\$ 72,386</u>	<u>\$ 176,029</u>	<u>\$ 943,233</u>	<u>\$ 1,148,086</u>	<u>\$ 1,054</u>	<u>\$ 642</u>
\$ -	\$ -	\$ -	\$ 4,820	\$ 40,975	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	624	-	-
-	-	-	-	-	-	-
-	-	-	-	2,827	-	-
-	-	-	4,820	44,426	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,605	-	-
-	-	-	-	-	-	-
-	-	-	-	6,605	-	-
-	-	-	-	-	-	-
-	-	-	1,146	3,127	-	-
80,225	72,386	176,029	937,267	1,093,928	1,054	642
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>80,225</u>	<u>72,386</u>	<u>176,029</u>	<u>938,413</u>	<u>1,097,055</u>	<u>1,054</u>	<u>642</u>
<u>\$ 80,225</u>	<u>\$ 72,386</u>	<u>\$ 176,029</u>	<u>\$ 943,233</u>	<u>\$ 1,148,086</u>	<u>\$ 1,054</u>	<u>\$ 642</u>

(Continued)

CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2022

	Park Department	Youth Development	Federal Forfeiture	Probation Award	Enforcement and Education	Indigent Driver Alcohol Treatment
<b>Assets:</b>						
Equity in pooled cash and cash equivalents	\$ 3,767,892	\$ 4,470	\$ 140,699	\$ 12,995	\$ 28,962	\$ 145,403
Receivables:						
Property and other taxes	4,588,021	-	-	-	-	-
Income taxes	-	-	-	-	-	-
Accounts	613	-	-	-	-	-
Accrued interest	42	-	-	-	-	-
Due from other governments	-	-	-	-	393	1,058
Loans receivable	-	-	-	-	-	-
Leases receivable	15,931	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-	-
Prepayments	30,177	-	240	-	-	-
Total assets	<u>\$ 8,402,676</u>	<u>\$ 4,470</u>	<u>\$ 140,939</u>	<u>\$ 12,995</u>	<u>\$ 29,355</u>	<u>\$ 146,461</u>
<b>Liabilities:</b>						
Accounts payable	\$ 126,183	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable	57,019	-	-	-	-	2,389
Due to other funds	1,630	-	-	-	-	-
Due to other governments	9,341	-	-	334	-	35
Deposits held and due to others	-	-	-	-	-	-
Payroll withholding payable	28,118	-	-	-	-	1,032
Total liabilities	<u>222,291</u>	<u>-</u>	<u>-</u>	<u>334</u>	<u>-</u>	<u>3,456</u>
<b>Deferred inflows of resources:</b>						
Property taxes levied for the next fiscal year	3,630,429	-	-	-	-	-
Delinquent property tax revenue not available	957,592	-	-	-	-	-
Leases	15,726	-	-	-	-	-
Income tax revenue not available	-	-	-	-	-	-
Intergovernmental revenue not available	-	-	-	-	-	-
Charges for services revenue not available	-	-	-	-	-	-
Miscellaneous revenue not available	-	-	-	-	-	-
Total deferred inflows of resources	<u>4,603,747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>						
Nonspendable	30,177	-	240	-	-	-
Restricted	21,813	4,470	140,699	12,661	29,355	143,005
Committed	3,524,648	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances (deficit)	<u>3,576,638</u>	<u>4,470</u>	<u>140,939</u>	<u>12,661</u>	<u>29,355</u>	<u>143,005</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,402,676</u>	<u>\$ 4,470</u>	<u>\$ 140,939</u>	<u>\$ 12,995</u>	<u>\$ 29,355</u>	<u>\$ 146,461</u>

Law Enforcement Trust	Municipal Probation Services	Misdemeanor Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant	Supplementary Police Forces	Police	Fire
\$ 62,719	\$ 423,037	\$ 84,510	\$ 139,253	\$ 8,014	\$ 108	\$ 104,753	\$ 216,298
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,090	10,835	85,302	1,548	-	-	208,661	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	2,332	2,174	-	-	-	-	-
<u>\$ 64,809</u>	<u>\$ 436,204</u>	<u>\$ 171,986</u>	<u>\$ 140,801</u>	<u>\$ 8,014</u>	<u>\$ 108</u>	<u>\$ 313,414</u>	<u>\$ 216,298</u>
\$ -	\$ 8,377	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ 155,620
-	2,385	5,043	-	-	-	-	-
-	-	-	-	14,517	-	282,285	188,463
-	369	779	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,012	2,161	-	-	-	-	-
<u>-</u>	<u>12,143</u>	<u>7,983</u>	<u>2,000</u>	<u>14,517</u>	<u>-</u>	<u>282,285</u>	<u>344,083</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	42,651	-	-	-	131,182	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>42,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,182</u>	<u>-</u>
-	2,332	2,174	-	-	-	-	-
64,809	421,729	119,178	138,801	-	108	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(6,503)	-	(100,053)	(127,785)
<u>64,809</u>	<u>424,061</u>	<u>121,352</u>	<u>138,801</u>	<u>(6,503)</u>	<u>108</u>	<u>(100,053)</u>	<u>(127,785)</u>
<u>\$ 64,809</u>	<u>\$ 436,204</u>	<u>\$ 171,986</u>	<u>\$ 140,801</u>	<u>\$ 8,014</u>	<u>\$ 108</u>	<u>\$ 313,414</u>	<u>\$ 216,298</u>

(Continued)

CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2022

	Vacant/ Foreclosed Registry	Canton Merchandising	Jobs Ohio	HOF Village	Neighborhood Development	Pretrial Award
<b>Assets:</b>						
Equity in pooled cash and cash equivalents	\$ 272,082	\$ 15,213	\$ -	\$ 15,788	\$ 1,251,648	\$ 4,451
Receivables:						
Property and other taxes	-	-	-	-	-	-
Income taxes	-	-	-	-	153,228	-
Accounts	64,071	-	-	283,398	-	-
Accrued interest	-	-	-	-	-	-
Due from other governments	-	-	-	112,636	-	-
Loans receivable	-	-	-	-	-	-
Leases receivable	-	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-	-
Prepayments	430	-	-	-	-	-
Total assets	<u>\$ 336,583</u>	<u>\$ 15,213</u>	<u>\$ -</u>	<u>\$ 411,822</u>	<u>\$ 1,404,876</u>	<u>\$ 4,451</u>
<b>Liabilities:</b>						
Accounts payable	\$ 4,678	\$ -	\$ -	\$ 54,392	\$ -	\$ -
Accrued wages and benefits payable	923	-	-	-	-	-
Due to other funds	927	-	5,735	-	-	-
Due to other governments	142	-	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-
Payroll withholding payable	429	-	-	-	-	-
Total liabilities	<u>7,099</u>	<u>-</u>	<u>5,735</u>	<u>54,392</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>						
Property taxes levied for the next fiscal year	-	-	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-	-	-
Leases	-	-	-	-	-	-
Income tax revenue not available	-	-	-	-	28,198	-
Intergovernmental revenue not available	-	-	-	-	-	-
Charges for services revenue not available	-	-	-	244,793	-	-
Miscellaneous revenue not available	-	-	-	108,281	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,074</u>	<u>28,198</u>	<u>-</u>
<b>Fund balances:</b>						
Nonspendable	430	-	-	-	-	-
Restricted	329,054	15,213	-	4,356	1,376,678	4,451
Committed	-	-	-	-	-	-
Unassigned (deficit)	-	-	(5,735)	-	-	-
Total fund balances (deficit)	<u>329,484</u>	<u>15,213</u>	<u>(5,735)</u>	<u>4,356</u>	<u>1,376,678</u>	<u>4,451</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 336,583</u>	<u>\$ 15,213</u>	<u>\$ -</u>	<u>\$ 411,822</u>	<u>\$ 1,404,876</u>	<u>\$ 4,451</u>



<b>Building Escrow</b>	<b>Vacant / Foreclosure Depository</b>	<b>Other</b>	<b>Downtown Canton TDD</b>	<b>Comprehensive Plan Implement</b>	<b>ARPA 2022 Wellness &amp; Recruit</b>	<b>OneOhio Opioid Settlement</b>	<b>Centennial Plaza TDD</b>
\$ 188,448	\$ 2,301,755	\$ 475,293	\$ 296,106	\$ 6,053,119	\$ 124,400	\$ 27,385	\$ 1,067
-	-	-	-	-	-	-	-
-	-	-	-	919,367	-	-	-
-	-	46,373	-	102,528	-	94,873	59
-	-	1,639	-	-	-	-	-
-	-	93,806	70,095	38,073	-	-	-
-	-	-	-	11,445,111	-	-	-
-	-	626,388	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	4,285	-	2,143	-	-	-
<u>\$ 188,448</u>	<u>\$ 2,301,755</u>	<u>\$ 1,247,784</u>	<u>\$ 366,201</u>	<u>\$ 18,560,341</u>	<u>\$ 124,400</u>	<u>\$ 122,258</u>	<u>\$ 1,126</u>
\$ -	\$ -	\$ 4,875	\$ -	\$ 705,551	\$ -	\$ -	\$ -
-	-	9,471	4,456	4,717	-	-	-
-	-	116,356	-	5,800,000	124,400	-	47,868
-	-	1,463	65	728	-	-	-
188,448	-	-	-	-	-	-	-
-	-	4,202	-	2,258	-	-	-
<u>188,448</u>	<u>-</u>	<u>136,367</u>	<u>4,521</u>	<u>6,513,254</u>	<u>124,400</u>	<u>-</u>	<u>47,868</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	618,922	-	-	-	-	-
-	-	-	-	169,188	-	-	-
-	-	46,903	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,236	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>672,061</u>	<u>-</u>	<u>169,188</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	4,285	-	2,143	-	-	-
-	2,301,755	1,005	361,680	11,875,756	-	122,258	-
-	-	434,066	-	-	-	-	-
-	-	-	-	-	-	-	(46,742)
<u>-</u>	<u>2,301,755</u>	<u>439,356</u>	<u>361,680</u>	<u>11,877,899</u>	<u>-</u>	<u>122,258</u>	<u>(46,742)</u>
<u>\$ 188,448</u>	<u>\$ 2,301,755</u>	<u>\$ 1,247,784</u>	<u>\$ 366,201</u>	<u>\$ 18,560,341</u>	<u>\$ 124,400</u>	<u>\$ 122,258</u>	<u>\$ 1,126</u>

(Continued)

CITY OF CANTON  
 STARK COUNTY, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 DECEMBER 31, 2022

	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents	\$ 20,308,629
Receivables:	
Property and other taxes	4,588,021
Income taxes	1,072,595
Accounts	593,484
Accrued interest	1,681
Due from other governments	2,926,687
Loans receivable	11,445,111
Leases receivable	642,319
Materials and supplies inventory	30,038
Prepayments	73,517
Total assets	<u>\$ 41,682,082</u>
<b>Liabilities:</b>	
Accounts payable	\$ 1,179,206
Accrued wages and benefits payable	167,976
Due to other funds	6,583,239
Due to other governments	66,483
Deposits held and due to others	188,448
Payroll withholding payable	67,522
Total liabilities	<u>8,252,874</u>
<b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year	3,630,429
Delinquent property tax revenue not available	957,592
Leases	634,648
Income tax revenue not available	197,386
Intergovernmental revenue not available	1,070,547
Charges for services revenue not available	251,398
Miscellaneous revenue not available	114,517
Total deferred inflows of resources	<u>6,856,517</u>
<b>Fund balances:</b>	
Nonspendable	103,555
Restricted	22,797,240
Committed	3,958,714
Unassigned (deficit)	(286,818)
Total fund balances (deficit)	<u>26,572,691</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,682,082</u>

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Street Construction, Maintenance, and Repair</b>	<b>State Highway</b>	<b>Municipal Road</b>	<b>Cornerstone Parking Deck</b>	<b>Mills Industrial Park TIF</b>
<b>Revenues:</b>					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	-	-	-	-	-
Charges for services	-	-	-	207,584	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	3,983,122	286,743	-	-	-
Interest and investment income	-	-	-	-	-
Rental income	-	-	-	3,793	-
Contributions and donations	-	-	-	-	-
Operating grants	-	-	-	-	-
Capital grants	-	-	257,782	-	-
Payment in lieu of taxes	-	-	-	-	69,957
Other local taxes	-	-	-	-	-
Other	11,218	-	-	-	-
<b>Total revenues</b>	<b>3,994,340</b>	<b>286,743</b>	<b>257,782</b>	<b>211,377</b>	<b>69,957</b>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Security of persons and property	1,477,718	6,216	-	199,752	-
Transportation	2,554,920	267,068	257,782	-	-
Leisure time activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>4,032,638</b>	<b>273,284</b>	<b>257,782</b>	<b>199,752</b>	<b>-</b>
Excess of revenues over (under) expenditures	(38,298)	13,459	-	11,625	69,957
<b>Other financing sources:</b>					
Lease transactions	-	-	-	-	-
Transfers in	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(38,298)</b>	<b>13,459</b>	<b>-</b>	<b>11,625</b>	<b>69,957</b>
<b>Fund balances (deficit) at beginning of year</b>	<b>1,399,693</b>	<b>236,167</b>	<b>896,805</b>	<b>20,605</b>	<b>394,363</b>
<b>Fund balances (deficit) at end of year</b>	<b>\$ 1,361,395</b>	<b>\$ 249,626</b>	<b>\$ 896,805</b>	<b>\$ 32,230</b>	<b>\$ 464,320</b>

<b>Gervasi 1700, LLC TIF</b>	<b>Urban TIF</b>	<b>Lesh Rd /30th St TIF</b>	<b>Crime Lab</b>	<b>Court Computer</b>	<b>Court</b>	<b>Law Department Dispute Resolution</b>	<b>SARTA Area Improvement</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	24,674	874,688	478,047	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
48,783	317,936	8,526	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	550	-	-
<u>48,783</u>	<u>317,936</u>	<u>8,526</u>	<u>24,674</u>	<u>874,688</u>	<u>478,597</u>	<u>-</u>	<u>-</u>
-	317,936	-	-	143,902	922,289	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13,767	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>13,767</u>	<u>317,936</u>	<u>-</u>	<u>-</u>	<u>143,902</u>	<u>922,289</u>	<u>-</u>	<u>-</u>
<u>35,016</u>	<u>-</u>	<u>8,526</u>	<u>24,674</u>	<u>730,786</u>	<u>(443,692)</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,016	-	8,526	24,674	730,786	(443,692)	-	-
45,209	-	63,860	151,355	207,627	1,540,747	1,054	642
<u>\$ 80,225</u>	<u>\$ -</u>	<u>\$ 72,386</u>	<u>\$ 176,029</u>	<u>\$ 938,413</u>	<u>\$ 1,097,055</u>	<u>\$ 1,054</u>	<u>\$ 642</u>

(Continued)

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

	<u>Park Department</u>	<u>Youth Development</u>	<u>Federal Forfeiture</u>	<u>Probation Award</u>	<u>Enforcement and Education</u>	<u>Indigent Driver Alcohol Treatment</u>
<b>Revenues:</b>						
Property and other local taxes	\$ 3,796,393	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	-	-	-	-	-	-
Charges for services	1,545	-	-	-	-	-
Fines and forfeitures	-	-	105,602	-	3,372	43,819
Intergovernmental	125,158	-	-	-	-	-
Interest and investment income	706	-	1	-	-	-
Rental income	159,320	-	-	-	-	-
Contributions and donations	25,851	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-
Other local taxes	-	-	-	-	-	-
Other	87,629	-	1,244	-	-	14,404
<b>Total revenues</b>	<u>4,196,602</u>	<u>-</u>	<u>106,847</u>	<u>-</u>	<u>3,372</u>	<u>58,223</u>
<b>Expenditures:</b>						
Current:						
General government	-	-	-	442	-	-
Security of persons and property	-	-	13,537	-	-	-
Transportation	-	-	-	-	-	-
Leisure time activities	4,291,052	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<u>4,291,052</u>	<u>-</u>	<u>13,537</u>	<u>442</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94,450)</u>	<u>-</u>	<u>93,310</u>	<u>(442)</u>	<u>3,372</u>	<u>58,223</u>
<b>Other financing sources:</b>						
Lease transactions	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(94,450)</u>	<u>-</u>	<u>93,310</u>	<u>(442)</u>	<u>3,372</u>	<u>58,223</u>
<b>Fund balances (deficit) at beginning of year</b>	<u>3,671,088</u>	<u>4,470</u>	<u>47,629</u>	<u>13,103</u>	<u>25,983</u>	<u>84,782</u>
<b>Fund balances (deficit) at end of year</b>	<u>\$ 3,576,638</u>	<u>\$ 4,470</u>	<u>\$ 140,939</u>	<u>\$ 12,661</u>	<u>\$ 29,355</u>	<u>\$ 143,005</u>

<u>Law Enforcement Trust</u>	<u>Municipal Probation Services</u>	<u>Misdemeanor Community Sanction Grant</u>	<u>Prisoner Housing</u>	<u>Local Law Enforcement Block Grant</u>	<u>Supplementary Police Forces</u>	<u>Police</u>	<u>Fire</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	190,955	-	-	-	-	-	-
14,811	-	-	14,220	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,600
-	-	170,604	-	-	-	399,480	88,864
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	194	-	-	8,014	-	-	-
<u>14,811</u>	<u>191,149</u>	<u>170,604</u>	<u>14,220</u>	<u>8,014</u>	<u>-</u>	<u>399,480</u>	<u>91,464</u>
-	138,699	167,611	2,000	-	-	-	-
12,490	-	-	-	-	-	559,987	155,620
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>12,490</u>	<u>138,699</u>	<u>167,611</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>559,987</u>	<u>155,620</u>
<u>2,321</u>	<u>52,450</u>	<u>2,993</u>	<u>12,220</u>	<u>8,014</u>	<u>-</u>	<u>(160,507)</u>	<u>(64,156)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	18,846
-	-	-	-	-	-	-	18,846
2,321	52,450	2,993	12,220	8,014	-	(160,507)	(45,310)
62,488	371,611	118,359	126,581	(14,517)	108	60,454	(82,475)
<u>\$ 64,809</u>	<u>\$ 424,061</u>	<u>\$ 121,352</u>	<u>\$ 138,801</u>	<u>\$ (6,503)</u>	<u>\$ 108</u>	<u>\$ (100,053)</u>	<u>\$ (127,785)</u>

(Continued)

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

	<b>Vacant/ Foreclosed Registry</b>	<b>Canton Merchandising</b>	<b>Jobs Ohio</b>	<b>HOF Village</b>	<b>Neighborhood Development</b>
<b>Revenues:</b>					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	-	-	-	-	1,282,261
Charges for services	90,205	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interest and investment income	-	-	-	-	-
Rental income	-	-	-	-	-
Contributions and donations	-	-	-	-	50,000
Operating grants	-	-	-	-	-
Capital grants	-	-	-	-	-
Payment in lieu of taxes	-	-	-	1,160,016	-
Other local taxes	-	-	-	573,244	-
Other	64,071	1,274	-	112,399	-
<b>Total revenues</b>	<b>154,276</b>	<b>1,274</b>	<b>-</b>	<b>1,845,659</b>	<b>1,332,261</b>
<b>Expenditures:</b>					
Current:					
General government	35,142	10,621	-	54,392	508,757
Security of persons and property	83,703	-	-	-	-
Transportation	10,458	-	-	-	574,500
Leisure time activities	-	-	-	1,938,396	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>129,303</b>	<b>10,621</b>	<b>-</b>	<b>1,992,788</b>	<b>1,083,257</b>
Excess (deficiency) of revenues over (under) expenditures	24,973	(9,347)	-	(147,129)	249,004
<b>Other financing sources:</b>					
Lease transactions	-	-	-	-	-
Transfers in	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>24,973</b>	<b>(9,347)</b>	<b>-</b>	<b>(147,129)</b>	<b>249,004</b>
<b>Fund balances (deficit)</b>					
<b>at beginning of year</b>	<b>304,511</b>	<b>24,560</b>	<b>(5,735)</b>	<b>151,485</b>	<b>1,127,674</b>
<b>Fund balances (deficit) at end of year</b>	<b>\$ 329,484</b>	<b>\$ 15,213</b>	<b>\$ (5,735)</b>	<b>\$ 4,356</b>	<b>\$ 1,376,678</b>



<b>Pretrial Award</b>	<b>Vacant / Foreclosure Depository</b>	<b>Other</b>	<b>Downtown Canton TDD</b>	<b>Comprehensive Plan Implement</b>	<b>OneOhio Opioid Settlement</b>	<b>Centennial Plaza TDD</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,796,393
-	-	-	-	7,693,566	-	-	8,975,827
-	700,000	-	-	23	-	-	2,567,721
-	-	-	-	-	137,274	-	319,098
-	-	-	-	38,073	-	-	4,433,096
-	-	20,243	-	22,781	-	-	43,731
-	-	77,514	-	-	-	-	240,627
-	-	73,000	-	458,500	-	-	609,951
-	-	286,408	-	-	-	-	945,356
-	-	-	-	-	-	-	257,782
-	-	-	-	-	-	-	1,605,218
-	-	-	281,314	-	-	17,273	871,831
-	25,000	187,565	-	99,440	-	-	613,002
-	725,000	644,730	281,314	8,312,383	137,274	17,273	25,279,633
397	-	540,441	4,521	1,296,444	15,016	64,015	4,222,625
-	372,090	-	-	-	-	-	2,881,113
-	-	68,530	-	2,797,340	-	-	6,530,598
-	-	-	-	-	-	-	6,229,448
-	-	-	-	369,116	-	-	369,116
-	-	-	-	1,975	-	-	15,742
-	-	-	-	3,025	-	-	3,025
397	372,090	608,971	4,521	4,467,900	15,016	64,015	20,251,667
(397)	352,910	35,759	276,793	3,844,483	122,258	(46,742)	5,027,966
-	-	-	-	145,379	-	-	145,379
-	-	-	-	-	-	-	18,846
-	-	-	-	145,379	-	-	164,225
(397)	352,910	35,759	276,793	3,989,862	122,258	(46,742)	5,192,191
4,848	1,948,845	403,597	84,887	7,888,037	-	-	21,380,500
\$ 4,451	\$ 2,301,755	\$ 439,356	\$ 361,680	\$ 11,877,899	\$ 122,258	\$ (46,742)	\$ 26,572,691

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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 3,960,000	\$ 3,970,857	\$ 10,857
Other	50,525	41,743	(8,782)
<b>Total revenues</b>	<b>4,010,525</b>	<b>4,012,600</b>	<b>2,075</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Traffic Divisions - Traffic Administration</i>			
Personal services	356,785	322,969	33,816
Materials and supplies	23,506	20,446	3,060
Contractual services	21,772	16,172	5,600
Capital outlay	39,850	35,708	4,142
Other	372	371	1
<i>Total Traffic Divisions - Traffic Administration</i>	<u>442,285</u>	<u>395,666</u>	<u>46,619</u>
<i>Traffic Divisions - Traffic Sign and Paint:</i>			
Personal services	285,245	259,520	25,725
Materials and supplies	108,879	107,358	1,521
Contractual services	71,490	66,841	4,649
Capital outlay	9,458	9,458	-
Other	2,189	1,947	242
<i>Total Traffic Divisions - Traffic Sign and Paint</i>	<u>477,261</u>	<u>445,124</u>	<u>32,137</u>
<i>Traffic Divisions - Traffic Signal:</i>			
Personal services	505,171	420,491	84,680
Materials and supplies	176,098	175,614	484
Contractual services	164,066	160,967	3,099
Capital outlay	93,553	86,905	6,648
<i>Total Traffic Divisions - Traffic Signal</i>	<u>938,888</u>	<u>843,977</u>	<u>94,911</u>
<b>Total Security of Persons and Property</b>	<b>1,858,434</b>	<b>1,684,767</b>	<b>173,667</b>
Transportation:			
<i>Engineering - Daily Operations:</i>			
Personal services	25,105	23,593	1,512
Materials and supplies	900	900	-
Contractual services	41,680	41,680	-
<i>Total Engineering - Daily Operations</i>	<u>67,685</u>	<u>66,173</u>	<u>1,512</u>
<i>Engineering - Administration:</i>			
Materials and supplies	800,000	800,000	-
Capital outlay	995	995	-
<i>Total Engineering - Administration</i>	<u>800,995</u>	<u>800,995</u>	<u>-</u>
<i>Street Maintenance:</i>			
Personal services	1,142,151	957,632	184,519
Materials and supplies	653,005	544,964	108,041
Contractual services	133,657	119,220	14,437
Capital outlay	76,200	76,134	66
Other	17,500	16,128	1,372
<i>Total Street Maintenance</i>	<u>2,022,513</u>	<u>1,714,078</u>	<u>308,435</u>
<b>Total Transportation</b>	<b>2,891,193</b>	<b>2,581,246</b>	<b>309,947</b>
<b>Total expenditures</b>	<b>4,749,627</b>	<b>4,266,013</b>	<b>483,614</b>
<b>Net change in fund balance</b>	<b>(739,102)</b>	<b>(253,413)</b>	<b>485,689</b>
<b>Fund balance at beginning of year</b>	<b>621,003</b>	<b>621,003</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>229,920</b>	<b>229,920</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 111,821</b>	<b>\$ 597,510</b>	<b>\$ 485,689</b>

**CITY OF CANTON**  
**STARK COUNTY, 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Intergovernmental	\$ 280,000	\$ 285,858	\$ 5,858
Other	3,500	2,150	(1,350)
<b>Total revenues</b>	<b>283,500</b>	<b>288,008</b>	<b>4,508</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Traffic Divisions - Traffic Signal:</i>			
Materials and supplies	10,000	-	10,000
Contractual services	10,000	-	10,000
Capital outlay	20,000	10,000	10,000
<i>Total Traffic Divisions - Traffic Signal</i>	<u>40,000</u>	<u>10,000</u>	<u>30,000</u>
Transportation:			
<i>Street Maintenance:</i>			
Personal services	160,079	134,352	25,727
Materials and supplies	40,576	37,193	3,383
Contractual services	95,250	94,471	779
Capital outlay	1,000	-	1,000
<i>Total Street Maintenance</i>	<u>296,905</u>	<u>266,016</u>	<u>30,889</u>
<b>Total expenditures</b>	<b>336,905</b>	<b>276,016</b>	<b>60,889</b>
Net change in fund balance	(53,405)	11,992	65,397
<b>Fund balance at beginning of year</b>	<b>181,736</b>	<b>181,736</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>10,389</b>	<b>10,389</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b><u>\$ 138,720</u></b>	<b><u>\$ 204,117</u></b>	<b><u>\$ 65,397</u></b>

**CITY OF CANTON**  
**STARK COUNTY, 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 245,000	\$ 887,610	\$ 642,610
Other	20,000	-	(20,000)
Intergovernmental	75,000	-	(75,000)
Total revenues	340,000	887,610	547,610
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	152,694	-	152,694
Capital outlay	443,182	443,182	-
Other	6,725	6,725	-
<i>Total Engineering - Daily Operations</i>	602,601	449,907	152,694
Net change in fund balance	(262,601)	437,703	700,304
<b>Fund balance at beginning of year</b>	4,819	4,819	-
<b>Prior year encumbrances appropriated</b>	262,158	262,158	-
<b>Fund balance at end of year</b>	\$ 4,376	\$ 704,680	\$ 700,304

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CORNERSTONE PARKING DECK FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 194,500	\$ 207,479	\$ 12,979
Rental income	3,000	3,793	793
Total revenues	<u>197,500</u>	<u>211,272</u>	<u>13,772</u>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Personal services	21,300	21,300	-
<i>Traffic Division - Traffic Engineer/Parking Meter:</i>			
Personal services	198	198	-
Materials and supplies	8,141	6,866	1,275
Contractual services	256,758	254,561	2,197
Other	1,977	1,977	-
<i>Total Traffic Division - Traffic Engineer/Parking Meter</i>	<u>267,074</u>	<u>263,602</u>	<u>3,472</u>
Total expenditures	<u>288,374</u>	<u>284,902</u>	<u>3,472</u>
Net change in fund balance	(90,874)	(73,630)	17,244
<b>Fund balance at beginning of year</b>	91,651	91,651	-
<b>Prior year encumbrances appropriated</b>	22,123	22,123	-
<b>Fund balance at end of year</b>	<u>\$ 22,900</u>	<u>\$ 40,144</u>	<u>\$ 17,244</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MILLS INDUSTRIAL PARK TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Payment in lieu of taxes	\$ 68,000	\$ 69,957	\$ 1,957
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	325,000	-	325,000
Net change in fund balance	(257,000)	69,957	326,957
<b>Fund balance at beginning of year</b>	394,363	394,363	-
<b>Fund balance at end of year</b>	\$ 137,363	\$ 464,320	\$ 326,957

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GERVASI 1700, LLC TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Payment in lieu of taxes	\$ 50,000	\$ 48,782	\$ (1,218)
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	140,866	70,866	70,000
Debt Service:			
Principal retirement	13,767	13,767	-
Total expenditures	154,633	84,633	70,000
Net change in fund balance	(104,633)	(35,851)	68,782
<b>Fund balance at beginning of year</b>	45,209	45,209	-
<b>Prior Year Encumbrances Appropriated</b>	70,866	70,866	-
<b>Fund balance at end of year</b>	\$ 11,442	\$ 80,224	\$ 68,782

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 URBAN TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Payment in lieu of taxes	\$ 330,000	\$ 317,936	\$ (12,064)
<b>Expenditures:</b>			
Current:			
General Government			
<i>Historic Onesto TIF:</i>			
Other	70,000	67,432	2,568
<i>Broadview Development TIF:</i>			
Other	185,000	178,926	6,074
<i>Innovation District TIF:</i>			
Other	75,000	71,578	3,422
Total expenditures	<u>330,000</u>	<u>317,936</u>	<u>12,064</u>
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LESH RD /30TH ST TIF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Payment in lieu of taxes	\$ 6,100	\$ 8,527	\$ 2,427
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	50,000	-	50,000
Net change in fund balance	(43,900)	8,527	52,427
<b>Fund balance at beginning of year</b>	63,860	63,860	-
<b>Fund balance at end of year</b>	\$ 19,960	\$ 72,387	\$ 52,427

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CRIME LAB FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 25,000	\$ 26,614	\$ 1,614
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Capital outlay	78,000	-	78,000
Net change in fund balance	(53,000)	26,614	79,614
<b>Fund balance at beginning of year</b>	147,658	147,658	-
<b>Fund balance at end of year</b>	\$ 94,658	\$ 174,272	\$ 79,614

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COMPUTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 216,000	\$ 179,689	\$ (36,311)
Other	2,000	-	(2,000)
<b>Total revenues</b>	<b>218,000</b>	<b>179,689</b>	<b>(38,311)</b>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	148,915	1,146	147,769
Materials and supplies	57,102	42,205	14,897
Contractual services	113,000	103,052	9,948
Capital outlay	55,500	4,561	50,939
Other	1,000	-	1,000
<i>Total Courts/Clerk - Clerk of Courts Administration</i>	<i>375,517</i>	<i>150,964</i>	<i>224,553</i>
Net change in fund balance	(157,517)	28,725	186,242
<b>Fund balance at beginning of year</b>	184,092	184,092	-
<b>Prior year encumbrances appropriated</b>	10,154	10,154	-
<b>Fund balance at end of year</b>	<b>\$ 36,729</b>	<b>\$ 222,971</b>	<b>\$ 186,242</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COURT CAPITAL IMPROVEMENT SPECIAL PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 450,000	\$ 415,666	\$ (34,334)
Other	2,500	3,558	1,058
<b>Total revenues</b>	<b>452,500</b>	<b>419,224</b>	<b>(33,276)</b>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	273,810	228,791	45,019
Materials and supplies	34,531	23,629	10,902
Contractual services	195,821	186,783	9,038
Capital outlay	390,932	388,856	2,076
Other	39,468	25,762	13,706
<i>Total Courts/Judge - Judge Administration</i>	<u>934,562</u>	<u>853,821</u>	<u>80,741</u>
Net change in fund balance	(482,062)	(434,597)	47,465
<b>Fund balance at beginning of year</b>	990,756	990,756	-
<b>Prior year encumbrances appropriated</b>	41,909	41,909	-
<b>Fund balance at end of year</b>	<u>\$ 550,603</u>	<u>\$ 598,068</u>	<u>\$ 47,465</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LEGAL RESEARCH FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 20,000	\$ 15,865	\$ (4,135)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Materials and supplies	21,076	3,076	18,000
Contractual services	11,524	4,600	6,924
Capital outlay	8,000	-	8,000
<i>Total Courts/Judge - Judge Administration</i>	<u>40,600</u>	<u>7,676</u>	<u>32,924</u>
Net change in fund balance	(20,600)	8,189	28,789
<b>Fund balance at beginning of year</b>	78,577	78,577	-
<b>Prior year encumbrances appropriated</b>	4,612	4,612	-
<b>Fund balance at end of year</b>	<u>\$ 62,589</u>	<u>\$ 91,378</u>	<u>\$ 28,789</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT GPS COST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 1,500	\$ 899	\$ (601)
<b>Expenditures:</b>			
Current:			
General Government			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	3,800	3,800	-
Net change in fund balance	(2,300)	(2,901)	(601)
<b>Fund balance at beginning of year</b>	3,988	3,988	-
<b>Fund balance at end of year</b>	\$ 1,688	\$ 1,087	\$ (601)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 IGNITION INTERLOCK/ALCOHOL MONITORING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Charges for services	\$ 75,000	\$ 49,558	\$ (25,442)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Contractual services	<u>97,588</u>	<u>87,588</u>	<u>10,000</u>
Excess of expenditures over revenue	<u>(22,588)</u>	<u>(38,030)</u>	<u>(15,442)</u>
<b>Other financing (uses):</b>			
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net change in fund balance	(172,588)	(188,030)	(15,442)
<b>Fund balance at beginning of year</b>	388,619	388,619	-
<b>Prior year encumbrances appropriated</b>	<u>28,281</u>	<u>28,281</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$ 244,312</u></u>	<u><u>\$ 228,870</u></u>	<u><u>\$ (15,442)</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW DEPARTMENT DISPUTE RESOLUTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 200	\$ -	\$ (200)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Law Director - Administration:</i>			
Contractual services	1,000	-	1,000
Net change in fund balance	(800)	-	800
<b>Fund balance at beginning of year</b>	1,054	1,054	-
<b>Fund balance at end of year</b>	\$ 254	\$ 1,054	\$ 800



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SARTA AREA IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Transportation:			
<i>Engineering - Daily Operations:</i>			
Contractual services	\$ 642	\$ -	\$ 642
Net change in fund balance	(642)	-	642
<b>Fund balance at beginning of year</b>	642	642	-
<b>Fund balance at end of year</b>	\$ -	\$ 642	\$ 642

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PARK DEPARTMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Property taxes	\$ 3,700,000	\$ 3,796,393	\$ 96,393
Intergovernmental	150,000	125,158	(24,842)
Rental income	110,500	159,876	49,376
Contributions and donations	2,000	25,851	23,851
Other	113,500	129,564	16,064
<b>Total revenues</b>	<b>4,076,000</b>	<b>4,236,842</b>	<b>160,842</b>
<b>Expenditures:</b>			
Current:			
Leisure Time Activities:			
<i>Park Division - Special Parks Funds:</i>			
Personal services	2,593,478	2,408,475	185,003
Materials and supplies	751,516	581,852	169,664
Contractual services	1,480,701	1,014,788	465,913
Capital outlay	2,387,388	1,274,946	1,112,442
Other	171,136	134,581	36,555
<i>Total Park Division - Special Parks Funds</i>	<i>7,384,219</i>	<i>5,414,642</i>	<i>1,969,577</i>
Excess of expenditures over revenues	(3,308,219)	(1,177,800)	2,130,419
<b>Other financing sources:</b>			
Sale of capital assets	4,000	373	(3,627)
Net change in fund balance	(3,304,219)	(1,177,427)	2,126,792
<b>Fund balance at beginning of year</b>	<b>3,276,222</b>	<b>3,276,222</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>580,878</b>	<b>580,878</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 552,881</b>	<b>\$ 2,679,673</b>	<b>\$ 2,126,792</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 YOUTH DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 4,470	\$ 4,470	\$ -
<b>Fund balance at end of year</b>	\$ 4,470	\$ 4,470	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FEDERAL FORFEITURE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 105,602	\$ 105,602	\$ -
Investment income	-	1	1
Other	2,500	1,245	(1,255)
Total revenues	108,102	106,848	(1,254)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Personal services	16,000	13,335	2,665
Materials and supplies	39,642	12,495	27,147
Contractual services	5,000	-	5,000
Capital outlay	22,500	-	22,500
Other	5,000	-	5,000
<i>Total Police Administration</i>	88,142	25,830	62,312
Net change in fund balance	19,960	81,018	61,058
<b>Fund balance at beginning of year</b>	47,540	47,540	-
<b>Prior year encumbrances appropriated</b>	12,142	12,142	-
<b>Fund balance at end of year</b>	<b>\$ 79,642</b>	<b>\$ 140,700</b>	<b>\$ 61,058</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROBATION AWARD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge- Judge Administration:</i>			
Contractual services	\$ 12,995	\$ -	\$ 12,995
Net change in fund balance	(12,995)	-	12,995
<b>Fund balance at beginning of year</b>	12,995	12,995	-
<b>Fund balance at end of year</b>	\$ -	\$ 12,995	\$ 12,995

**CITY OF CANTON**  
**STARK COUNTY, 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 5,750	\$ 3,389	\$ (2,361)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other	17,000	-	17,000
Net change in fund balance	(11,250)	3,389	14,639
<b>Fund balance at beginning of year</b>	25,573	25,573	-
<b>Fund balance at end of year</b>	\$ 14,323	\$ 28,962	\$ 14,639

**CITY OF CANTON**  
**STARK COUNTY, 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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 71,272	\$ 44,054	\$ (27,218)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	208,011	95,672	112,339
Contractual services	113,000	37,500	75,500
<i>Total Courts/Judge- judge administration:</i>	321,011	133,172	187,839
Excess of expenditures over revenues	(249,739)	(89,118)	160,621
<b>Other financing sources:</b>			
Transfers in	185,000	150,000	(35,000)
Net change in fund balance	(64,739)	60,882	125,621
<b>Fund balance at beginning of year</b>	64,739	64,739	-
<b>Prior year encumbrances appropriated</b>	18,750	18,750	-
<b>Fund balance at end of year</b>	\$ 18,750	\$ 144,371	\$ 125,621

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW ENFORCEMENT TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 35,000	\$ 48,066	\$ 13,066
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Materials and supplies	15,500	1,645	13,855
Contractual services	16,000	12,938	3,062
Capital outlay	5,000	4,618	382
Other	5,000	-	5,000
<i>Total Police Administration</i>	41,500	19,201	22,299
Net change in fund balance	(6,500)	28,865	35,365
<b>Fund balance at beginning of year</b>	27,143	27,143	-
<b>Fund balance at end of year</b>	\$ 20,643	\$ 56,008	\$ 35,365



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MUNICIPAL PROBATION SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 200,000	\$ 195,157	\$ (4,843)
Other	-	194	194
<b>Total revenues</b>	<u>200,000</u>	<u>195,351</u>	<u>(4,649)</u>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	190,015	103,566	86,449
Materials and supplies	28,031	27,531	500
Contractual services	36,079	8,979	27,100
Other	17,000	15,018	1,982
<i>Total Courts/Judge - Judge Administration</i>	<u>271,125</u>	<u>155,094</u>	<u>116,031</u>
Net change in fund balance	(71,125)	40,257	111,382
<b>Fund balance at beginning of year</b>	353,955	353,955	-
<b>Prior year encumbrances appropriated</b>	7,264	7,264	-
<b>Fund balance at end of year</b>	<u>\$ 290,094</u>	<u>\$ 401,476</u>	<u>\$ 111,382</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MISDEMEANOR COMMUNITY SANCTION GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 170,000	\$ 170,604	\$ 604
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	175,406	162,233	13,173
Materials and supplies	4,500	-	4,500
Contractual services	5,000	4,688	312
<i>Total Courts/Judge- Judge Administration</i>	184,906	166,921	17,985
Net change in fund balance	(14,906)	3,683	18,589
<b>Fund balance at beginning of year</b>	78,666	78,666	-
<b>Fund balance at end of year</b>	\$ 63,760	\$ 82,349	\$ 18,589

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PRISONER HOUSING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 12,000	\$ 13,663	\$ 1,663
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	90,000	12,000	78,000
Net change in fund balance	(78,000)	1,663	79,663
<b>Fund balance at beginning of year</b>	106,590	106,590	-
<b>Prior year encumbrances appropriated</b>	19,000	19,000	-
<b>Fund balance at end of year</b>	\$ 47,590	\$ 127,253	\$ 79,663

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

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Capital outlay	\$ 43,300	\$ 43,300	\$ -
Other	59,328	51,314	8,014
<i>Total Police Administration</i>	<u>102,628</u>	<u>94,614</u>	<u>8,014</u>
Net change in fund balance	(102,628)	(94,614)	8,014
<b>Fund balance at beginning of year</b>	102,628	102,628	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 8,014</u>	<u>\$ 8,014</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SUPPLEMENTARY POLICE FORCES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Materials and supplies	\$ 108	\$ -	\$ 108
Net change in fund balance	(108)	-	108
<b>Fund balance at beginning of year</b>	108	108	-
<b>Fund balance at end of year</b>	\$ -	\$ 108	\$ 108

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 D. A. R. E. PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Materials and supplies	\$ 151	\$ -	\$ 151
Net change in fund balance	(151)	-	151
<b>Fund balance at beginning of year</b>	151	151	-
<b>Fund balance at end of year</b>	\$ -	\$ 151	\$ 151

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROB IMPROV AND INCENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	\$ 969	\$ -	\$ 969
Net change in fund balance	(969)	-	969
<b>Fund balance at beginning of year</b>	969	969	-
<b>Fund balance at end of year</b>	\$ -	\$ 969	\$ 969

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFE NEIGHBORHOOD HEROES GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 131,182	\$ -	\$ (131,182)
<b>Expenditures:</b>			
Current:			
<b>General operating:</b>			
Security of persons and property:			
<i>Fire Administration:</i>			
Capital outlay	144,300	144,300	-
Net change in fund balance	(13,118)	(144,300)	(131,182)
<b>Fund balance at beginning of year</b>	-	-	-
<b>Prior Year Encumbrances Appropriated</b>	144,300	144,300	-
<b>Fund balance at end of year</b>	\$ 131,182	\$ -	\$ (131,182)



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 POLICE GRANTS AND DONATIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Materials and supplies	\$ 3,050	\$ -	\$ 3,050
Contractual services	500	-	500
Capital outlay	4,500	-	4,500
<i>Total Police Administration</i>	8,050	-	8,050
Net change in fund balance	(8,050)	-	8,050
<b>Fund balance at beginning of year</b>	9,138	9,138	-
<b>Fund balance at end of year</b>	\$ 1,088	\$ 9,138	\$ 8,050

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 BYRNE MEMORIAL RECOVERY ACT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Other financing sources (uses):</b>			
Advances out	\$ (4,029)	\$ -	\$ (4,029)
Net change in fund balance	(4,029)	-	(4,029)
<b>Fund balance at beginning of year</b>	<u>4,029</u>	<u>4,029</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 4,029</u>	<u>\$ 4,029</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 USE OF FORCE SOFTWARE UPGRADE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 55,490	\$ -	\$ (55,490)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other	55,490	-	55,490
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 POLICE EMS TRAINING AND EQUIPMENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 1,500	\$ 1,500	\$ -
<b>Fund balance at end of year</b>	\$ 1,500	\$ 1,500	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2020 COPS HIRING GRANT  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 450,000	\$ 236,091	\$ (213,909)
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other	450,000	214,467	235,533
Net change in fund balance	-	21,624	21,624
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ 21,624	\$ 21,624

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2021 BULLETPROOF VEST PARTNERSHIP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ -	\$ 2,371	\$ 2,371
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies	34,880	4,743	30,137
Net change in fund balance	(34,880)	(2,372)	32,508
<b>Fund balance at beginning of year</b>	34,880	34,880	-
<b>Fund balance at end of year</b>	\$ -	\$ 32,508	\$ 32,508

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2014 BYRNE GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 1,250,000	\$ -	\$ (1,250,000)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other	200,000	-	200,000
Net change in fund balance	1,050,000	-	(1,050,000)
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<b>\$ 1,050,000</b>	<b>\$ -</b>	<b>\$ (1,050,000)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2021 COPS HIRING GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 200,000	\$ 117,116	\$ (82,884)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other	200,000	82,281	117,719
Net change in fund balance	-	34,835	34,835
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ 34,835	\$ 34,835



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIRE GRANTS AND DONATIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Donations	\$ -	\$ 2,599	\$ 2,599
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Fire Administration:</i>			
Materials and supplies	202	-	202
Net change in fund balance	(202)	2,599	2,801
<b>Fund balance at beginning of year</b>	362	362	-
<b>Fund balance at end of year</b>	\$ 160	\$ 2,961	\$ 2,801

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2021 DEPARTMENT HS ASST TO FIREFIGHTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Fire Administration:</i>			
Materials and supplies	\$ 170,000	\$ 155,620	\$ 14,380
Capital outlay	37,309	37,308	1
<i>Total Fire Administration</i>	207,309	192,928	14,381
Excess of expenditures over revenues	(207,309)	(192,928)	14,381
<b>Other financing sources:</b>			
Transfers in	18,846	18,846	-
Advances in	188,463	188,463	-
Total other financing sources	207,309	207,309	-
Net change in fund balance	-	14,381	14,381
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ 14,381	\$ 14,381

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMS TRAINING AND EQUIPMENT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 6,027	\$ 6,027	\$ -
<b>Fund balance at end of year</b>	\$ 6,027	\$ 6,027	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIRE FEMA SAFER GRANT 2017 FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 15,000	\$ -	\$ (15,000)
<b>Expenditures:</b>			
Current:			
Security of Persons and Property:			
<i>Fire Administration:</i>			
Other	15,000	-	15,000
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2019 ASST TO FIREFIGHTERS GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 88,864	\$ 88,864	\$ -
Excess of revenues over expenditures	88,864	88,864	-
<b>Other financing sources (uses):</b>			
Advances out	(88,864)	(88,864)	-
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VACANT/FORECLOSED REGISTRY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 40,000	\$ 90,205	\$ 50,205
Other	-	750	750
Total revenues	<u>40,000</u>	<u>90,955</u>	<u>50,955</u>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	40,510	35,842	4,668
Security of Persons and Property:			
<i>Safety Director - Code Enforcement Administration:</i>			
Materials and supplies	33,084	25,631	7,453
Contractual services	152,052	70,852	81,200
Capital outlay	1,500	-	1,500
Other	3,950	185	3,765
<i>Total Safety Director - Code Enforcement Administration</i>	<u>190,586</u>	<u>96,668</u>	<u>93,918</u>
<i>Street - Maintenance:</i>			
Contractual services	77,500	20,000	57,500
Total expenditures	<u>308,596</u>	<u>152,510</u>	<u>156,086</u>
Net change in fund balance	(268,596)	(61,555)	207,041
<b>Fund balance at beginning of year</b>	297,720	297,720	-
<b>Prior year encumbrances appropriated</b>	8,539	8,539	-
<b>Fund balance at end of year</b>	<u>\$ 37,663</u>	<u>\$ 244,704</u>	<u>\$ 207,041</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CANTON MERCHANDISING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ -	\$ 1,274	\$ 1,274
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Council Administration:</i>			
Materials and supplies	2,000	-	2,000
Contractual services	551	51	500
<i>Total Council Administration</i>	<u>2,551</u>	<u>51</u>	<u>2,500</u>
Net change in fund balance	(2,551)	1,223	3,774
<b>Fund balance at beginning of year</b>	13,915	13,915	-
<b>Prior year encumbrances appropriated</b>	75	75	-
<b>Fund balance at end of year</b>	<u>\$ 11,439</u>	<u>\$ 15,213</u>	<u>\$ 3,774</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HALL OF FAME VILLAGE TOURISM DEVELOPMENT DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Payment in lieu of taxes	\$ 1,250,000	\$ 1,160,016	\$ (89,984)
Other local taxes	613,443	583,456	(29,987)
Other	203,557	112,399	(91,158)
Total Revenues	2,067,000	1,855,871	(211,129)
<b>Expenditures:</b>			
Current:			
Leisure Time Activities:			
<i>Hall of Fame Village - Tourism Development District:</i>			
Other	1,914,314	1,825,997	88,317
<i>PACE Financing:</i>			
Other	250,000	112,399	137,601
Total expenditures	2,164,314	1,938,396	225,918
Net change in fund balance	(97,314)	(82,525)	14,789
<b>Fund balance at beginning of year</b>	98,313	98,313	-
<b>Fund balance at end of year</b>	\$ 999	\$ 15,788	\$ 14,789



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NEIGHBORHOOD DEVELOPMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 1,212,000	\$ 1,312,425	\$ 100,425
Donations and contributions	50,000	50,000	-
Total revenues	1,262,000	1,362,425	100,425
<b>Expenditures:</b>			
Current:			
General Government:			
<i>General Government - Support Administration:</i>			
Contractual services	534,417	314,417	220,000
Capital outlay	559,753	546,748	13,005
<i>Total General Government - Support Administration</i>	1,094,170	861,165	233,005
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	500,000	500,000	-
Capital outlay	325,000	74,500	250,500
<i>Total Engineering - Daily Operations</i>	825,000	574,500	250,500
Total expenditures	1,919,170	1,435,665	483,505
Net change in fund balance	(657,170)	(73,240)	583,930
<b>Fund balance at beginning of year</b>	672,890	672,890	-
<b>Prior year encumbrances appropriated</b>	365,915	365,915	-
<b>Fund balance at end of year</b>	\$ 381,635	\$ 965,565	\$ 583,930

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PRETRIAL AWARD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
General government:			
<i>Courts/judge - judge administration</i>			
Contract services	\$ 4,451	\$ -	\$ 4,451
Net change in fund balance	(4,451)	-	4,451
<b>Fund balance at beginning of year</b>	4,451	4,451	-
<b>Fund balance at end of year</b>	\$ -	\$ 4,451	\$ 4,451

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 BUILDING ESCROW FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other	\$ 200,000	\$ 240,158	\$ 40,158
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Safety Director - Code Enforcement Administration</i>			
Other	200,000	193,062	6,938
Net change in fund balance	-	47,096	47,096
<b>Fund balance at beginning of year</b>	141,352	141,352	-
<b>Fund balance at end of year</b>	\$ 141,352	\$ 188,448	\$ 47,096

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 VACANT/FORECLOSURE DEPOSITORY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 500,000	\$ 700,000	\$ 200,000
Other	-	25,000	25,000
Total Revenues	<u>500,000</u>	<u>725,000</u>	<u>225,000</u>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Safety Director - Code Enforcement Administration</i>			
Other	<u>1,800,000</u>	<u>372,090</u>	<u>1,427,910</u>
Net change in fund balance	(1,300,000)	352,910	1,652,910
<b>Fund balance at beginning of year</b>	<u>1,948,845</u>	<u>1,948,845</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 648,845</u>	<u>\$ 2,301,755</u>	<u>\$ 1,652,910</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMPLOYEE RECOGNITION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
General Government			
<i>Mayor Administration:</i>			
Contractual services	\$ 143	\$ -	\$ 143
Net change in fund balance	(143)	-	143
<b>Fund balance at beginning of year</b>	143	143	-
<b>Fund balance at end of year</b>	\$ -	\$ 143	\$ 143

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CITY HALL PLAZA FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 173	\$ 173	\$ -
<b>Fund balance at end of year</b>	\$ 173	\$ 173	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 RECYCLE OHIO GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 7,516	\$ 7,516	\$ -
<b>Fund balance at end of year</b>	<u>\$ 7,516</u>	<u>\$ 7,516</u>	<u>\$ -</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GUARDRAIL/ATTENUATOR REPLACEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other	\$ 80,000	\$ 133,193	\$ 53,193
<b>Expenditures:</b>			
Current:			
General Government			
<i>Law Director - Law Administration:</i>			
Capital outlay	10,000	-	10,000
Other	15,000	7,288	7,712
<i>Total Law Director - Law Administration</i>	<u>25,000</u>	<u>7,288</u>	<u>17,712</u>
Transportation:			
<i>Street Maintenance:</i>			
Contractual services	500	-	500
Capital outlay	87,020	83,675	3,345
Other	5,000	-	5,000
<i>Total Street Maintenance</i>	<u>92,520</u>	<u>83,675</u>	<u>8,845</u>
Total expenditures	<u>117,520</u>	<u>90,963</u>	<u>26,557</u>
Net change in fund balance	(37,520)	42,230	79,750
<b>Fund balance at beginning of year</b>	124,988	124,988	-
<b>Prior year encumbrances appropriated</b>	13,125	13,125	-
<b>Fund balance at end of year</b>	<u>\$ 100,593</u>	<u>\$ 180,343</u>	<u>\$ 79,750</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SOUTHEAST COMMUNITY CENTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 862	\$ 862	\$ -
<b>Fund balance at end of year</b>	\$ 862	\$ 862	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CENTENNIAL PLAZA MAINTENANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Contributions and donations	\$ 83,533	\$ 73,000	\$ (10,533)
Rental income	74,642	82,727	8,085
Other	-	32,500	32,500
Total revenues	<u>158,175</u>	<u>188,227</u>	<u>30,052</u>
<b>Expenditures:</b>			
Current:			
General Government			
<i>General government - support administration:</i>			
Contractual services	<u>280,515</u>	<u>270,515</u>	<u>10,000</u>
Net change in fund balance	(122,340)	(82,288)	40,052
<b>Fund balance at beginning of year</b>	102,825	102,825	-
<b>Prior Year Encumbrances Appropriated</b>	20,515	20,515	-
<b>Fund balance at end of year</b>	<u>\$ 1,000</u>	<u>\$ 41,052</u>	<u>\$ 40,052</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 THURMAN MUNSON MEMORIAL STADIUM DONATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 1,566	\$ 1,566	\$ -
<b>Fund balance at end of year</b>	\$ 1,566	\$ 1,566	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 RECOVERY COURT ATP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 5,000	\$ 8,796	\$ (3,796)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	6,095	59	6,036
Contractual services	1,875	-	1,875
<i>Total Courts/Judge - Judge Administration</i>	7,970	59	7,911
Net change in fund balance	(2,970)	8,737	4,115
<b>Fund balance at beginning of year</b>	7,390	7,390	-
<b>Fund balance at end of year</b>	\$ 4,420	\$ 16,127	\$ 4,115

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 US DEPT JUSTICE/BUREAU ASST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Other financing (uses):</b>			
Advances out	\$ (58,756)	\$ -	\$ 58,756
Net change in fund balance	(58,756)	-	58,756
<b>Fund balance at beginning of year</b>	58,756	58,756	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 58,756</u>	<u>\$ 58,756</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROJECT SAFE NEIGHBORHOOD GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Other financing sources (uses):</b>			
Advances out	\$ (16,800)	\$ -	\$ 16,800
Net change in fund balance	(16,800)	-	16,800
<b>Fund balance at beginning of year</b>	16,800	16,800	-
<b>Fund balance at end of year</b>	\$ -	\$ 16,800	\$ 16,800

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JUSTICE REINVEST GRANT PROBATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 228,250	\$ 187,612	\$ (40,638)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	243,902	193,010	50,892
Contractual services	2,530	-	2,530
<i>Total Courts/judge - judge administration</i>	246,432	193,010	53,422
Net change in fund balance	(18,182)	(5,398)	12,784
<b>Fund balance at beginning of year</b>	18,192	18,192	-
<b>Fund balance at end of year</b>	\$ 10	\$ 12,794	\$ 12,784

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT TECHNOLOGY GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 37,308	\$ -	\$ (37,308)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	37,308	-	37,308
Net change in fund balance	-	-	-
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ -	\$ -



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SPECIALIZED DOCKET GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Operating grants	\$ 240,000	\$ 90,000	\$ (150,000)
<b>Expenditures:</b>			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	273,460	94,848	178,612
Net change in fund balance	(33,460)	(4,848)	28,612
<b>Fund balance at beginning of year</b>	69,980	69,980	-
<b>Fund balance at end of year</b>	\$ 36,520	\$ 65,132	\$ 28,612

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 OCJS 2020 PROJECT SAFE NEIGHBORHOOD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Operating grants	\$ -	\$ 22,800	\$ 22,800
Excess of revenues over expenditures	<u>-</u>	<u>22,800</u>	<u>22,800</u>
<b>Other financing sources (uses):</b>			
Advances in	22,800	-	(22,800)
Advances out	<u>(22,800)</u>	<u>-</u>	<u>22,800</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	22,800	22,800
<b>Fund balance at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 22,800</u>	<u>\$ 22,800</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 OCJS 2021 PROJECT SAFE NEIGHBORHOOD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Personal services	\$ 18,000	\$ -	\$ 18,000
Excess of expenditures over revenues	<u>(18,000)</u>	<u>-</u>	<u>18,000</u>
<b>Other financing sources:</b>			
Advances in	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Net change in fund balance	-	18,000	18,000
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ 18,000</u></u>	<u><u>\$ 18,000</u></u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DOWNTOWN CANTON TDD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Other local taxes	\$ 81,000	\$ 211,219	\$ 130,219
Net change in fund balance	81,000	211,219	130,219
<b>Fund balance at beginning of year</b>	84,887	84,887	-
<b>Fund balance at end of year</b>	<u>\$ 165,887</u>	<u>\$ 296,106</u>	<u>\$ 130,219</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMPREHENSIVE PLAN IMPLEMENTATION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 8,670,000	\$ 7,874,548	\$ (795,452)
Charges for services	-	23	23
Other	72,000	184,979	112,979
Contributions and donations	457,500	458,500	1,000
<b>Total revenues</b>	<b>9,199,500</b>	<b>8,518,050</b>	<b>(681,450)</b>
<b>Expenditures:</b>			
Current:			
General Government:			
<i>General Government - Support Administration:</i>			
Materials and supplies	59,781	58,943	838
Contractual services	709,517	336,119	373,398
Capital outlay	242,479	242,479	-
Other	6,082,107	5,954,173	127,934
<i>Total General Government - Support Administration</i>	<i>7,093,884</i>	<i>6,591,714</i>	<i>502,170</i>
<i>Mayor - Administration:</i>			
Contractual services	200,000	200,000	-
<i>Planning and Zoning:</i>			
Personal services	166,020	164,275	1,745
Contractual services	2,000	-	2,000
Other	1,000	-	1,000
<i>Total Planning and Zoning</i>	<i>169,020</i>	<i>164,275</i>	<i>4,745</i>
<i>Tusc St W Corr Safety Project:</i>			
Contractual services	1,500,000	1,435,171	64,829
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	1,533,766	1,533,765	1
Contractual services	545,286	536,271	9,015
Capital outlay	3,075,362	3,075,361	1
<i>Total Transportation</i>	<i>5,154,414</i>	<i>5,145,397</i>	<i>9,017</i>
<b>Total expenditures</b>	<b>14,117,318</b>	<b>13,536,557</b>	<b>580,761</b>
Excess of expenditures over revenues	(4,917,818)	(5,018,507)	(100,689)
<b>Other financing sources (uses):</b>			
Advances in	-	1,500,000	1,500,000
Advances (out)	(750,000)	(500,000)	250,000
<b>Total other financing sources (uses)</b>	<b>(750,000)</b>	<b>1,000,000</b>	<b>1,750,000</b>
Net change in fund balance	(5,667,818)	(4,018,507)	1,649,311
<b>Fund balance at beginning of year</b>	<b>2,737,059</b>	<b>2,737,059</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>3,010,839</b>	<b>3,010,839</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 80,080</b>	<b>\$ 1,729,391</b>	<b>\$ 1,649,311</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ARPA 2022 WELLNESS & RECRUIT FD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Personal services	\$ 124,400	\$ -	\$ 124,400
Excess of expenditures over revenues	(124,400)	-	124,400
<b>Other financing sources:</b>			
Advances in	124,400	124,400	-
Net change in fund balance	-	124,400	124,400
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ 124,400	\$ 124,400

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ONE OHIO OPIOID FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Fines and forfeitures	\$ 25,000	\$ 42,401	\$ 17,401
<b>Expenditures:</b>			
Current:			
General Government:			
<i>General government - support administration:</i>			
Materials and supplies	17,500	15,016	2,484
Contractual services	7,500	-	7,500
<i>Total General government - support administration</i>	25,000	15,016	9,984
Net change in fund balance	-	27,385	27,385
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ 27,385	\$ 27,385

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CENTENNIAL PLAZA TDD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Other local taxes	\$ 17,151	\$ 17,213	\$ 62
<b>Expenditures:</b>			
Current:			
<i>Tourism Development District TDD</i>			
Capital outlay	64,015	64,015	-
Excess of expenditures over revenues	(46,864)	(46,802)	62
<b>Other financing sources:</b>			
Advances in	47,868	47,868	-
Net change in fund balance	1,004	1,066	62
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<b>\$ 1,004</b>	<b>\$ 1,066</b>	<b>\$ 62</b>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INCOME TAX FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Municipal income taxes	\$ 9,234,379	\$ 9,063,161	\$ (171,218)
Other	51,600	27,421	(24,179)
Total revenues	<u>9,285,979</u>	<u>9,090,582</u>	<u>(195,397)</u>
<b>Expenditures:</b>			
Current:			
General Government			
<i>Law Administration:</i>			
Personal services	194,929	151,969	42,960
<i>Income Tax Administration:</i>			
Personal services	1,341,110	1,308,342	32,768
Materials and supplies	156,048	150,984	5,064
Contractual services	234,286	212,996	21,290
Capital outlay	30,750	3,690	27,060
Other	7,423,715	7,360,625	63,090
<i>Total Income Tax Administration</i>	<u>9,185,909</u>	<u>9,036,637</u>	<u>149,272</u>
Debt Service:			
Principal retirement	6,883	6,883	-
Total expenditures	<u>9,387,721</u>	<u>9,195,489</u>	<u>192,232</u>
Net change in fund balance	(101,742)	(104,907)	(3,165)
<b>Fund balance at beginning of year</b>	-	-	-
<b>Prior year encumbrances appropriated</b>	104,907	104,907	-
<b>Fund balance at end of year</b>	<u>\$ 3,165</u>	<u>\$ -</u>	<u>\$ (3,165)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 DECEMBER 31, 2022

	<b>General Obligation Bond Retirement</b>	<b>Special Assessment Bond Retirement</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 109,459	\$ -	\$ 109,459
Cash with fiscal agent	3,019	-	3,019
Receivables:			
Accounts	-	6,697	6,697
Total assets	\$ 112,478	\$ 6,697	\$ 119,175
<b>Deferred inflows of resources:</b>			
Charges for services revenue not available	\$ -	\$ 6,697	\$ 6,697
<b>Fund balances:</b>			
Restricted	112,478	-	112,478
Total deferred inflows of resources and fund balances	\$ 112,478	\$ 6,697	\$ 119,175

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>General Obligation Bond Retirement</b>	<b>Total Non Major Debt Service</b>
<b>Revenues:</b>		
Interest and investment income	\$ 4,817	\$ 4,817
Total revenues	4,817	4,817
Net change in fund balances	4,817	4,817
<b>Fund balances at beginning of year</b>	107,661	107,661
<b>Fund balances at end of year</b>	\$ 112,478	\$ 112,478

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL OBLIGATION BOND RETIREMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Interest and investment income	\$ 16,000	\$ 4,817	\$ (11,183)
<b>Expenditures:</b>			
Current:			
Debt Service:			
Interest and fiscal charges	50,000	-	50,000
Net change in fund balance	(34,000)	4,817	38,817
<b>Fund balance at beginning of year</b>	104,642	104,642	-
<b>Fund balance at end of year</b>	\$ 70,642	\$ 109,459	\$ 38,817

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2022

	<b>2015 Construction Reconstruction Note</b>	<b>2006 City Infrastructure Bond</b>	<b>2006 Recreational Bond</b>	<b>2006 Construction/ Reconstruction Bond</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ 50,279	\$ 162,525	\$ 450,759	\$ 10,691
Receivables:				
Accounts	-	143,216	-	-
Accrued interest	-	-	51	-
Due from other governments	-	46,805	-	-
Total assets	<u>\$ 50,279</u>	<u>\$ 352,546</u>	<u>\$ 450,810</u>	<u>\$ 10,691</u>
<b>Liabilities:</b>				
Accounts payable	<u>\$ -</u>	<u>\$ 742</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund balances:</b>				
Restricted	50,279	351,804	450,810	10,691
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>50,279</u>	<u>351,804</u>	<u>450,810</u>	<u>10,691</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 50,279</u>	<u>\$ 352,546</u>	<u>\$ 450,810</u>	<u>\$ 10,691</u>

<b>2006 Judges Facilities/ City Hall Renovation Bond</b>	<b>2022 Infrastructure Bond</b>	<b>11th Street Improvement Project</b>	<b>49th St NW Stm Sewer Rehab Project</b>	<b>3rd Street SE Bridge Project</b>	<b>36th St NW Storm Roadway Water &amp; Sewer</b>	<b>Totals Nonmajor Capital Projects Funds</b>
\$ 1,744	\$ 3,859,754	\$ -	\$ -	\$ -	\$ -	\$ 4,535,752
-	-	-	-	-	-	143,216
-	13,938	-	-	-	-	13,989
-	-	30,482	-	-	-	77,287
<u>\$ 1,744</u>	<u>\$ 3,873,692</u>	<u>\$ 30,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,770,244</u>
<u>\$ -</u>	<u>\$ 552,740</u>	<u>\$ 30,482</u>	<u>\$ 290,460</u>	<u>\$ 3,055</u>	<u>\$ 1,127,905</u>	<u>\$ 2,005,384</u>
1,744	3,320,952	-	-	-	-	4,186,280
-	-	-	(290,460)	(3,055)	(1,127,905)	(1,421,420)
<u>1,744</u>	<u>3,320,952</u>	<u>-</u>	<u>(290,460)</u>	<u>(3,055)</u>	<u>(1,127,905)</u>	<u>2,764,860</u>
<u>\$ 1,744</u>	<u>\$ 3,873,692</u>	<u>\$ 30,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,770,244</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>2015 Construction Reconstruction Note</b>	<b>2006 City Infrastructure Bond</b>	<b>2006 Recreational Bond</b>	<b>2006 Construction/ Reconstruction Bond</b>
<b>Revenues:</b>				
Interest and investment income	\$ -	\$ -	\$ 229	\$ -
Capital grants	-	176,805	-	-
Other	-	143,216	-	-
Total revenues	<u>-</u>	<u>320,021</u>	<u>229</u>	<u>-</u>
<b>Expenditures:</b>				
Capital outlay	-	523,597	-	-
Debt service:				
Principal retirement	6,500,000	-	-	-
Interest and fiscal charges	55,542	-	-	-
Bond issuance costs	21,860	-	-	-
Total expenditures	<u>6,577,402</u>	<u>523,597</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(6,577,402)</u>	<u>(203,576)</u>	<u>229</u>	<u>-</u>
<b>Other financing sources:</b>				
Bond issuance	3,221,860	-	-	-
Note issuance	3,200,000	-	-	-
Transfers in	205,000	-	-	-
Total other financing sources	<u>6,626,860</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	49,458	(203,576)	229	-
<b>Fund balances (deficit) at beginning of year</b>	<u>821</u>	<u>555,380</u>	<u>450,581</u>	<u>10,691</u>
<b>Fund balances (deficit) at end of year</b>	<u>\$ 50,279</u>	<u>\$ 351,804</u>	<u>\$ 450,810</u>	<u>\$ 10,691</u>



<b>2006 Judges Facilities/ City Hall Renovation Bond</b>	<b>41st St NW Roadway Reconstruction</b>	<b>2022 Infrastructure Bond</b>	<b>11th St NW Improvement Project</b>	<b>Tuscarawas Street West Corridor Safety Project</b>	<b>49th St NW Storm Sewer Rehab Project</b>
\$ -	\$ -	\$ 35,572	\$ -	\$ -	\$ -
-	23,557	-	107,760	481	1,057,710
-	-	-	-	-	-
-	23,557	35,572	107,760	481	1,057,710
-	23,557	714,620	30,482	-	1,069,746
-	-	-	-	-	-
-	-	-	-	-	-
-	-	27,326	-	-	-
-	23,557	741,946	30,482	-	1,069,746
-	-	(706,374)	77,278	481	(12,036)
-	-	4,027,326	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,027,326	-	-	-
-	-	3,320,952	77,278	481	(12,036)
1,744	-	-	(77,278)	(481)	(278,424)
<u>\$ 1,744</u>	<u>\$ -</u>	<u>\$ 3,320,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (290,460)</u>

(Continued)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)  
FOR THE YEAR ENDING DECEMBER 31, 2022

	<b>3rd Street SE Bridge Project</b>	<b>36th St NW Storm Roadway Water &amp; Sewer</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>			
Interest and investment income	\$ -	\$ -	\$ 35,801
Capital grants	67,062	65,071	1,498,446
Other	-	-	143,216
Total revenues	<u>67,062</u>	<u>65,071</u>	<u>1,677,463</u>
<b>Expenditures:</b>			
Capital outlay	70,117	1,192,976	3,625,095
Debt service:			
Principal retirement	-	-	6,500,000
Interest and fiscal charges	-	-	55,542
Bond issuance costs	-	-	49,186
Total expenditures	<u>70,117</u>	<u>1,192,976</u>	<u>10,229,823</u>
Excess of revenues over (under) expenditures	<u>(3,055)</u>	<u>(1,127,905)</u>	<u>(8,552,360)</u>
<b>Other financing sources:</b>			
Bond issuance	-	-	7,249,186
Note issuance	-	-	3,200,000
Transfers in	-	-	205,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>10,654,186</u>
Net change in fund balances	(3,055)	(1,127,905)	2,101,826
<b>Fund balances (deficit) at beginning of year</b>	<u>-</u>	<u>-</u>	<u>663,034</u>
<b>Fund balances (deficit) at end of year</b>	<u>\$ (3,055)</u>	<u>\$ (1,127,905)</u>	<u>\$ 2,764,860</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
2015 CONSTRUCTION/RECONSTRUCTION NOTE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Expenditures:</b>			
<b>Current:</b>			
Debt Service:			
<i>Principle Retirement:</i>			
Various purpose loans	\$ 6,600,000	\$ 6,500,000	\$ 100,000
<i>Interest and Fiscal Charges:</i>			
Various purpose loans/bonds	83,850	55,542	28,308
<i>Bond issue costs:</i>			
Various purpose bonds	21,860	21,860	-
Total Debt Service	6,705,710	6,577,402	128,308
Excess of expenditures over revenues	(6,705,710)	(6,577,402)	128,308
<b>Other financing sources:</b>			
Transfers in	205,000	205,000	-
Bond issuance	3,221,860	3,221,860	-
Note issuance	3,300,000	3,200,000	(100,000)
Total other financing sources	6,726,860	6,626,860	(100,000)
Net change in fund balance	21,150	49,458	28,308
<b>Fund balance at beginning of year</b>	821	821	-
<b>Fund balance at end of year</b>	\$ 21,971	\$ 50,279	\$ 28,308

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 CITY INFRASTRUCTURE BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 200,000	\$ 130,000	\$ (70,000)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering Administration	681,723	605,871	75,852
Net change in fund balance	(481,723)	(475,871)	5,852
<b>Fund balance at beginning of year</b>	133,043	133,043	-
<b>Prior year encumbrances appropriated</b>	422,337	422,337	-
<b>Fund balance at end of year</b>	\$ 73,657	\$ 79,509	\$ 5,852

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 RECREATIONAL BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Interest and investment income	\$ -	\$ 179	\$ 179
Net change in fund balance	-	179	179
<b>Fund balance at beginning of year</b>	450,579	450,579	-
<b>Fund balance at end of year</b>	\$ 450,579	\$ 450,758	\$ 179

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 CONSTRUCTION/RECONSTRUCTION BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Fund balance at beginning of year</b>	\$ 10,691	\$ 10,691	\$ -
<b>Fund balance at end of year</b>	<u>\$ 10,691</u>	<u>\$ 10,691</u>	<u>\$ -</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2006 JUDGES FACILITIES/CITY HALL RENOVATION BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Fund balance at beginning of year</b>	\$ 1,743	\$ 1,743	\$ -
<b>Fund balance at end of year</b>	\$ 1,743	\$ 1,743	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 41ST ST NW ROADWAY RECONSTRUCTION PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 65,430	\$ 23,557	\$ (41,873)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 41th St NW Roadway Reconstruction Project	23,557	23,557	-
Net change in fund balance	41,873	-	(41,873)
<b>Fund balance (deficit) at beginning of year</b>	(32,715)	(32,715)	-
<b>Prior year encumbrances appropriated</b>	32,715	32,715	-
<b>Fund balance (deficit) at end of year</b>	\$ 41,873	\$ -	\$ (41,873)



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2022 INFRASTRUCTURE BOND FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Capital grants	\$ -	\$ 21,634	\$ 21,634
<b>Expenditures:</b>			
<i>Engineer:</i>			
Salt Storage Facility Project	1,500,000	1,500,000	-
Service Center Upgrade and Reconstruction Project	2,471,800	144,225	2,327,575
Debt Service:			
<i>Bond issue costs:</i>			
Various purpose bonds	28,200	27,326	874
Excess of expenditures over revenues	<u>(4,000,000)</u>	<u>(1,649,917)</u>	<u>2,350,083</u>
<b>Other financing sources:</b>			
Bond issuance	4,000,000	4,027,326	(27,326)
Net change in fund balance	-	2,377,409	2,322,757
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ 2,377,409</u>	<u>\$ 2,322,757</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
11TH ST NW IMPROVEMENT PROJECT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 240,000	\$ 77,278	\$ (162,722)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 11th St NW Improvement Project	107,760	107,760	-
Net change in fund balance	132,240	(30,482)	(162,722)
<b>Fund balance (deficit) at beginning of year</b>	(107,760)	(107,760)	-
<b>Prior year encumbrances appropriated</b>	107,760	107,760	-
<b>Fund balance (deficit) at end of year</b>	<b>\$ 132,240</b>	<b>\$ (30,482)</b>	<b>\$ (162,722)</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 TUSCARAWAS STREET WEST CORRIDOR SAFETY PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 1,338	\$ 481	\$ (857)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - Tusc St W Corr Safety Project 92562	1,338	1,338	-
Net change in fund balance	-	(857)	(857)
<b>Fund balance (deficit) at beginning of year</b>	(1,338)	(1,338)	-
<b>Prior year encumbrances appropriated</b>	1,338	1,338	-
<b>Fund balance (deficit) at end of year</b>	\$ -	\$ (857)	\$ (857)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 3RD STREET SE BRIDGE PROJECT GP 1167 FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Expenditures:</b>			
Capital Outlay:			
<i>Water:</i>			
37th Street Water Sewer Str Improvement Project	\$ (181,556)	\$ (181,556)	\$ -
Total expenditures	<u>(181,556)</u>	<u>(181,556)</u>	<u>-</u>
Excess of revenues over expenditures	<u>181,556</u>	<u>181,556</u>	<u>-</u>
<b>Other financing sources:</b>			
Issuance of loans	<u>(255,000)</u>	<u>(181,556)</u>	<u>73,444</u>
Net change in fund balance	(73,444)	-	73,444
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ (73,444)</u>	<u>\$ -</u>	<u>\$ 73,444</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 36TH ST NW STORM RDWY WTR&SWR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 1,363,488	\$ 65,071	\$ (1,298,417)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 36th St W Str, Rdwy, Wtr&Swr	1,363,488	1,363,487	1
Net change in fund balance	-	(1,298,416)	(1,298,416)
<b>Fund balance (deficit) at beginning of year</b>	(1,363,488)	(1,363,488)	-
<b>Prior year encumbrances appropriated</b>	1,363,488	1,363,488	-
<b>Fund balance (deficit) at end of year</b>	\$ -	\$ (1,298,416)	\$ (1,298,416)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 3RD ST SE RESURFACING PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 73,525	\$ 67,062	\$ (6,463)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 3rd St SE Bridge Rehab Project	73,525	73,525	-
Net change in fund balance	-	(6,463)	(6,463)
<b>Fund balance at beginning of year</b>	(73,525)	(73,525)	-
<b>Prior year encumbrances appropriated</b>	73,525	73,525	-
<b>Fund balance (deficit) at end of year</b>	\$ -	\$ (6,463)	\$ (6,463)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 13TH ST NW ROADWAY RECONSTRUCTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 3,140	\$ 3,140	\$ -
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 13th St NW Rdwy Recon Project	3,140	3,140	-
Net change in fund balance	-	-	-
<b>Fund balance (deficit) at beginning of year</b>	(3,140)	(3,140)	-
<b>Prior year encumbrances appropriated</b>	3,140	3,140	-
<b>Fund balance (deficit) at end of year</b>	\$ -	\$ -	\$ -

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MAHONING RD CORRIDOR PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Capital grants	\$ 37,212	\$ -	\$ (37,212)
Net change in fund balance	37,212	-	(37,212)
<b>Fund balance (deficit) at beginning of year</b>	(18,606)	(18,606)	-
<b>Prior year encumbrances appropriated</b>	18,606	18,606	-
<b>Fund balance (deficit) at end of year</b>	<u>\$ 37,212</u>	<u>\$ -</u>	<u>\$ (37,212)</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 30TH STREET NW RESURFACING PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 381,478	\$ -	\$ (381,478)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 30th St NW Resurf Proj GP 1238	381,478	384,478	(3,000)
Net change in fund balance	-	(384,478)	(384,478)
<b>Fund balance at beginning of year</b>	-	-	-
<b>Fund balance at end of year</b>	\$ -	\$ (384,478)	\$ (384,478)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STEESE AREA 39TH ST NW SEWER PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 1,500,000	\$ 1,109,393	\$ (390,607)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - Steese Area 39th St NW Sewer Project	1,500,000	1,500,000	-
Net change in fund balance	-	(390,607)	(390,607)
<b>Fund balance at beginning of year</b>	(1,500,000)	(1,500,000)	-
<b>Prior year encumbrances appropriated</b>	1,500,000	1,500,000	-
<b>Fund balance (deficit) at end of year</b>	\$ -	\$ (390,607)	\$ (390,607)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COLONIAL BLVD RECONSTRUCTION PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Capital grants	\$ 2,490,165	\$ -	\$ (2,490,165)
<b>Expenditures:</b>			
Capital Outlay:			
<i>Engineer:</i>			
Colonial Blvd Reconstruction project	2,490,165	2,490,165	-
Net change in fund balance	-	(2,490,165)	(2,490,165)
<b>Fund balance at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit) at end of year</b>	<u>\$ -</u>	<u>\$ (2,490,165)</u>	<u>\$ (2,490,165)</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Fund Description - Major Enterprise Funds**

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates three Major enterprise funds:

***Water Operating Fund***

The water operating enterprise fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City and surrounding communities.

***Sewer Operating Fund***

The sewer operating enterprise fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City and several surrounding communities.

***Refuse Operating Fund***

The refuse operating enterprise fund accounts for the provision of trash collection to the residents and commercial users located in the City.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 20,669,000	\$ 21,278,037	\$ 609,037
Rental income	26,000	32,046	6,046
Other	2,049	327,308	325,259
Total revenues	<u>20,697,049</u>	<u>21,637,391</u>	<u>940,342</u>
<b>Expenses:</b>			
Personal services	8,515,215	7,594,213	921,002
Materials and supplies	3,925,803	3,561,154	364,649
Contractual services	12,479,360	10,937,330	1,542,030
Capital outlay	59,896,494	53,520,800	6,375,694
Claims	435,725	276,549	159,176
Other	104,544	62,051	42,493
Debt service:			
Principal retirement	3,075,722	2,475,920	599,802
Interest and fiscal charges	602,074	545,706	56,368
Total expenses	<u>89,034,937</u>	<u>78,973,723</u>	<u>10,061,214</u>
Excess of expenses over revenues	<u>(68,337,888)</u>	<u>(57,336,332)</u>	<u>11,001,556</u>
<b>Nonoperating revenues (expenses):</b>			
Sale of notes	26,025	-	(26,025)
Sale of assets	5,000	39,375	34,375
Transfer in	293,000	234,872	(58,128)
Transfer (out)	(287,749)	(277,572)	10,177
Loan proceeds	48,597,256	2,297,260	(46,299,996)
Capital contributions	10,283,624	5,015,881	(5,267,743)
Total nonoperating revenues (expenses)	<u>58,917,156</u>	<u>7,309,816</u>	<u>(51,607,340)</u>
Net change in fund balance	(9,420,732)	(50,026,516)	(40,605,784)
<b>Fund balance at beginning of year</b>	13,082,060	13,082,060	-
<b>Prior year encumbrances appropriated</b>	7,761,709	7,761,709	-
<b>Fund balance at end of year</b>	<u>\$ 11,423,037</u>	<u>\$ (29,182,747)</u>	<u>\$(40,605,784)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SEWER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 24,572,522	\$ 24,271,230	\$ (301,292)
Intergovernmental	2,850,000	-	(2,850,000)
Rental income	10,000	23,356	13,356
Other	237,000	136,202	(100,798)
Total revenues	<u>27,669,522</u>	<u>24,430,788</u>	<u>(3,238,734)</u>
<b>Expenses:</b>			
Personal services	7,876,343	6,732,141	1,144,202
Materials and supplies	2,494,912	2,023,835	471,077
Contractual services	16,571,150	10,210,705	6,360,445
Capital outlay	20,671,586	11,887,061	8,784,525
Claims	684,859	6,431	678,428
Other	318,711	124,341	194,370
Debt service:			
Principal retirement	3,605,191	3,604,986	205
Interest and fiscal charges	2,041,944	2,041,741	203
Total expenses	<u>54,264,696</u>	<u>36,631,241</u>	<u>17,633,455</u>
Excess of expenses over revenues	<u>(26,595,174)</u>	<u>(12,200,453)</u>	<u>14,394,721</u>
<b>Nonoperating revenues (expenses):</b>			
Transfer in	1,500,000	1,520,000	20,000
Transfer (out)	(1,553,300)	(1,553,300)	-
Issuance of loans	9,587,146	9,365	(9,577,781)
Total nonoperating revenues (expenses)	<u>9,533,846</u>	<u>(23,935)</u>	<u>(9,557,781)</u>
Net change in fund balance	(17,061,328)	(12,224,388)	4,836,940
<b>Fund balance (deficit) at beginning of year</b>	14,159,993	14,159,993	-
<b>Prior year encumbrances appropriated</b>	6,965,416	6,965,416	-
<b>Fund balance at end of year</b>	<u>\$ 4,064,081</u>	<u>\$ 8,901,021</u>	<u>\$ 4,836,940</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REFUSE OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 8,010,000	\$ 8,504,270	\$ 494,270
Operating grants	50,000	40,755	(9,245)
Other	10,000	78,067	68,067
Total revenues	<u>8,070,000</u>	<u>8,623,092</u>	<u>553,092</u>
<b>Expenses:</b>			
Personal services	4,844,560	4,303,856	540,704
Materials and supplies	455,188	446,428	8,760
Contractual services	3,551,403	3,504,691	46,712
Capital outlay	10,739,062	1,470,437	9,268,625
Claims	9,665	3,932	5,733
Other	32,137	27,387	4,750
Debt service:			
Principal retirement	140,000	140,000	-
Interest and fiscal charges	195,874	195,363	511
Bond issue costs	68,314	68,314	-
Total expenses	<u>20,036,203</u>	<u>10,160,408</u>	<u>9,875,795</u>
Excess of expenses over revenues	<u>(11,966,203)</u>	<u>(1,537,316)</u>	<u>10,428,887</u>
<b>Nonoperating revenues (expenses):</b>			
Bond issuance	10,000,000	10,068,314	68,314
Interest revenue	-	52,857	52,857
Sale of assets	-	37,500	37,500
Transfer (out)	(50,000)	(50,000)	-
Total nonoperating revenues (expenses)	<u>9,950,000</u>	<u>10,108,671</u>	<u>158,671</u>
Net change in fund balance	(2,016,203)	8,571,355	10,587,558
<b>Fund balance at beginning of year</b>	1,666,748	1,666,748	-
<b>Prior year encumbrances appropriated</b>	611,516	611,516	-
<b>Fund balance at end of year</b>	<u>\$ 262,061</u>	<u>\$ 10,849,619</u>	<u>\$ 10,587,558</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Fund Descriptions - Non Major Enterprise Fund**

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates one Nonmajor Enterprise Fund:

***Building Code Fund***

The building code enterprise fund accounts for the provision of license and permit fees collection related to the enforcement of the city building code.

The budgetary statement is only shown, since the building code fund is the City's only nonmajor enterprise fund.



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 BUILDING CODE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 2,475,500	\$ 2,409,595	\$ (65,905)
Other	36,000	48,799	12,799
Intergovernmental	-	4,994	4,994
Total revenues	<u>2,511,500</u>	<u>2,463,388</u>	<u>(48,112)</u>
<b>Expenses:</b>			
Personal services	1,829,991	1,469,918	360,073
Materials and supplies	60,877	57,933	2,944
Contractual services	1,902,289	1,786,715	115,574
Capital outlay	44,923	44,910	13
Claims	161,500	150,668	10,832
Other	6,890	4,650	2,240
Debt service:			
Principal retirement	5,500	5,040	460
Interest and fiscal charges	1,000	960	40
Total expenses	<u>4,012,970</u>	<u>3,520,794</u>	<u>492,176</u>
Net change in fund balance	(1,501,470)	(1,057,406)	444,064
<b>Fund balance at beginning of year</b>	1,866,144	1,866,144	-
<b>Prior year encumbrances appropriated</b>	425,082	425,082	-
<b>Fund balance at end of year</b>	<u>\$ 789,756</u>	<u>\$ 1,233,820</u>	<u>\$ 444,064</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Fund Description - Internal Service Funds**

Internal Service Funds are established 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.

***Workers' Compensation Retrospective Fund***

To account for the charges to the operating funds on a percentage of payroll basis and the payment of premiums and claims under the retrospective rating plan as provided by the Ohio Bureau of Workers' Compensation.

***Health Insurance Fund***

To account for charges to the operating funds on a per employee basis for the health and hospitalization self insurance, eye and dental insurance and for payments to AFSCME for the unions' administered employees' eye and dental premiums. This fund also pays the salaries and fringe benefits of the employees responsible for administering and processing claims.

***Compensated Absences Claim Fund***

To account for charges to the operating funds on a per employee basis for the claims associated with and mandated by local and state fringe benefit provisions including accumulated sick time, continuing disability, banked vacation, and termination pay.

***Vehicle Self Insurance Fund***

To account for charges to the operating funds on a per fund basis for the claims associated with a vehicle self insurance fund. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

***Motor Vehicles Department Fund***

To account for charges to the operating funds on a per fund basis for the department of motor vehicles. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2022

	<b>Workers' Compensation Retrospective</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 2,621,986	\$ 1,603,135	\$ 339,299	\$ 4,564,420
Receivables:				
Accounts	-	1,185,855	166,594	1,352,449
Prepayments	1,337	1,756	74,520	77,613
Due from other funds	-	-	108,282	108,282
Due from other governments	22,131	6,630	-	28,761
Due from component unit	84,292	36,347	-	120,639
Total assets	\$ 2,729,746	\$ 2,833,723	\$ 688,695	\$ 6,252,164
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	\$ 2,335	\$ 2,498,406	\$ -	\$ 2,500,741
Payroll withholding payable	1,030	2,339	48,021	51,390
Accrued wages and benefits payable	-	5,068	77,782	82,850
Due to other governments	361	783	12,017	13,161
Compensated absences payable	-	-	1,824,805	1,824,805
Claims payable	504,969	719,737	-	1,224,706
Total current liabilities	508,695	3,226,333	1,962,625	5,697,653
Non-current liabilities:				
Compensated absences payable	-	-	6,137,110	6,137,110
Claims payable	1,164,171	-	-	1,164,171
Total non-current liabilities	1,164,171	-	6,137,110	7,301,281
Total liabilities	1,672,866	3,226,333	8,099,735	12,998,934
<b>Net position:</b>				
Unrestricted (deficit)	\$ 1,056,880	\$ (392,610)	\$ (7,411,040)	\$ (6,746,770)

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES,  
 EXPENSES AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Workers' Compensation Retrospective</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Operating revenues:</b>				
Charges for services	\$ 1,106,545	\$ 12,377,274	\$ 4,180,974	\$ 17,664,793
Other	334,419	3,748,395	28,868	4,111,682
Total operating revenues	<u>1,440,964</u>	<u>16,125,669</u>	<u>4,209,842</u>	<u>21,776,475</u>
<b>Operating expenses:</b>				
Personal services	77,988	2,253,892		2,331,880
Contract services	107,506	1,142,239	9,380	1,259,125
Benefit claims and expenses	-	-	4,136,366	4,136,366
Insurance claims and expenses	1,319,507	16,595,616	-	17,915,123
Other	3,000	-	-	3,000
Total operating expenses	<u>1,508,001</u>	<u>19,991,747</u>	<u>4,145,746</u>	<u>25,645,494</u>
Operating income (loss)	<u>(67,037)</u>	<u>(3,866,078)</u>	<u>64,096</u>	<u>(3,869,019)</u>
Transfer in	-	425,000	-	425,000
Change in net position	(67,037)	(3,441,078)	64,096	(3,444,019)
<b>Net position (deficit) at beginning of year</b>	1,123,917	3,048,468	(7,475,136)	(3,302,751)
<b>Net position (deficit) at end of year</b>	<u>\$ 1,056,880</u>	<u>\$ (392,610)</u>	<u>\$ (7,411,040)</u>	<u>\$ (6,746,770)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Workers' Compensation Retrospective</b>	<b>Health Insurance</b>	<b>Compensated Absences Claim</b>	<b>Total Nonmajor Internal Service</b>
<b>Cash flows from operating activities:</b>				
Cash received from charges for services	\$ 1,106,545	\$ 12,377,274	\$ 4,180,974	\$ 17,664,793
Cash received from other operations	333,492	2,830,251	-	3,163,743
Cash payments for personal services	(87,280)	(192,009)	(1,525)	(280,814)
Cash payments for contractual services	(107,506)	(1,142,239)	(9,380)	(1,259,125)
Cash payments for insurance claims	(1,317,838)	(16,436,848)	-	(17,754,686)
Cash payments for benefits claims	-	-	(4,503,998)	(4,503,998)
Cash payments for other expenses	(3,000)	-	-	(3,000)
Net cash (used in) operating activities	(75,587)	(2,563,571)	(333,929)	(2,973,087)
<b>Cash flows from noncapital financial activities:</b>				
Cash received from transfers in	-	425,000	-	425,000
Net (decrease) in cash and cash equivalents	(75,587)	(2,138,571)	(333,929)	(2,548,087)
<b>Cash and cash equivalents at beginning of year</b>	2,697,573	3,741,706	673,228	7,112,507
<b>Cash and cash equivalents at end of year</b>	<u>\$ 2,621,986</u>	<u>\$ 1,603,135</u>	<u>\$ 339,299</u>	<u>\$ 4,564,420</u>
<b>Reconciliation of operating income (loss) to net cash (used in) operating activities:</b>				
Operating income (loss)	\$ (67,037)	\$ (3,866,078)	\$ 64,096	\$ (3,869,019)
Changes in assets and liabilities:				
(Increase) in accounts receivable	-	(918,144)	(25,803)	(943,947)
(Increase) in due from other governments	(927)	-	-	(927)
Decrease in due from other funds	-	-	19,837	19,837
(Increase) decrease in due from component unit	1,669	(7,862)	-	(6,193)
(Increase) decrease in prepayments	78	(333)	(3,065)	(3,320)
Increase (decrease) in accounts payable	(6,168)	2,062,953	(460)	2,056,325
(Decrease) in accrued wages and benefits	(2,778)	(364)	(48,834)	(51,976)
(Decrease) in due to other governments	(68)	(56)	(7,545)	(7,669)
(Decrease) in payroll withholding payable	(356)	(317)	(1,525)	(2,198)
(Decrease) in compensated absences payable	-	-	(330,630)	(330,630)
Increase in claims payable	-	166,630	-	166,630
Net cash (used in) operating activities	<u>\$ (75,587)</u>	<u>\$ (2,563,571)</u>	<u>\$ (333,929)</u>	<u>\$ (2,973,087)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WORKERS' COMPENSATION RETROSPECTIVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 1,500,000	\$ 1,106,545	\$ (393,455)
Other	250,000	335,472	85,472
Total revenues	<u>1,750,000</u>	<u>1,442,017</u>	<u>(307,983)</u>
<b>Expenses:</b>			
Personal services	115,620	86,924	28,696
Materials and supplies	2,850	-	2,850
Contractual services	217,670	151,660	66,010
Insurance claims and expenses	1,502,000	1,317,838	184,162
Other	4,200	3,000	1,200
Total expenses	<u>1,842,340</u>	<u>1,559,422</u>	<u>282,918</u>
Net change in fund balance	(92,340)	(117,405)	(25,065)
<b>Fund balance at beginning of year</b>	2,671,017	2,671,017	-
<b>Prior year encumbrances appropriated</b>	25,170	25,170	-
<b>Fund balance at end of year</b>	<u>\$ 2,603,847</u>	<u>\$ 2,578,782</u>	<u>\$ (25,065)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HEALTH INSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 11,000,000	\$ 10,864,044	\$ (135,956)
Other	4,717,834	4,346,961	(370,873)
Total revenues	<u>15,717,834</u>	<u>15,211,005</u>	<u>(506,829)</u>
<b>Expenses:</b>			
Personal services	219,290	191,692	27,598
Materials and supplies	500	-	500
Contractual services	1,168,746	1,168,746	-
Insurance claims and expenses	16,700,729	16,700,259	470
Other	1,500	100	1,400
Total expenses	<u>18,090,765</u>	<u>18,060,797</u>	<u>29,968</u>
Excess of expenses over revenues	<u>(2,372,931)</u>	<u>(2,849,792)</u>	<u>(476,861)</u>
<b>Other financing sources:</b>			
Transfers in	-	425,000	425,000
Net change in fund balance	(2,372,931)	(2,424,792)	(51,861)
<b>Fund balance at beginning of year</b>	2,009,964	2,009,964	-
<b>Prior year encumbrances appropriated</b>	1,729,086	1,729,086	-
<b>Fund balance at end of year</b>	<u>\$ 1,366,119</u>	<u>\$ 1,314,258</u>	<u>\$ (51,861)</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMPENSATED ABSENCES CLAIM FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 4,018,000	\$ 4,180,974	\$ 162,974
Other	307,000	-	(307,000)
Total revenues	<u>4,325,000</u>	<u>4,180,974</u>	<u>(144,026)</u>
<b>Expenses:</b>			
Personal services	4,923,500	4,503,998	419,502
Contractual services	20,000	9,380	10,620
Total expenses	<u>4,943,500</u>	<u>4,513,378</u>	<u>430,122</u>
Net change in fund balance	(618,500)	(332,404)	286,096
<b>Fund balance at beginning of year</b>	<u>623,682</u>	<u>623,682</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 5,182</u>	<u>\$ 291,278</u>	<u>\$ 286,096</u>



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VEHICLE SELF INSURANCE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Interest	\$ -	\$ 90	\$ 90
Other	25,000	27,448	2,448
Total revenues	<u>25,000</u>	<u>27,538</u>	<u>2,538</u>
<b>Expenses:</b>			
Personal services	35,410	33,131	2,279
Contractual services	97,800	90,421	7,379
Insurance claim expenses	524,592	486,478	38,114
Total expenses	<u>657,802</u>	<u>610,030</u>	<u>47,772</u>
Excess of expenses over revenues	<u>(632,802)</u>	<u>(582,492)</u>	<u>50,310</u>
<b>Nonoperating revenue:</b>			
Transfers in	<u>280,000</u>	<u>276,000</u>	<u>(4,000)</u>
Net change in fund balance	<u>(352,802)</u>	<u>(306,492)</u>	<u>46,310</u>
<b>Fund balance at beginning of year</b>	402,392	402,392	-
<b>Prior year encumbrances appropriated</b>	108,841	108,841	-
<b>Fund balance at end of year</b>	<u>\$ 158,431</u>	<u>\$ 204,741</u>	<u>\$ 46,310</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MOTOR VEHICLES DEPARTMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 3,300,000	\$ 3,244,020	\$ (55,980)
Other	125,000	104,905	(20,095)
Total revenues	<u>3,425,000</u>	<u>3,348,925</u>	<u>(76,075)</u>
<b>Expenses:</b>			
Personal services	1,562,615	1,501,273	61,342
Materials and supplies	1,524,799	1,508,772	16,027
Contractual services	779,047	747,734	31,313
Capital outlay	15,415	15,415	-
Insurance claim expenses	100	-	100
Other	21,299	20,799	500
Total expenses	<u>3,903,275</u>	<u>3,793,993</u>	<u>109,282</u>
Net change in fund balance	(478,275)	(445,068)	33,207
<b>Fund balance at beginning of year</b>	300,231	300,231	-
<b>Prior year encumbrances appropriated</b>	419,641	419,641	-
<b>Fund balance at end of year</b>	<u>\$ 241,597</u>	<u>\$ 274,804</u>	<u>\$ 33,207</u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

**Fund Descriptions - Fiduciary Funds**

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. The following are the City's fiduciary fund types:

**Custodial Funds**

Custodial funds do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

***Downtown Special Improvement District Fund:***

To keep track of property taxes collect by the City for a Special Improvement District. Once the City receives the money it is immediately reimbursed to the board of the district.

***Building Department State Assessment Fund:***

To account for assessments that are collected by the City on building projects on behalf of the state.

***Jackson-Canton JEDD Fund:***

To account for the receipt and disbursement of JEDD income taxes.

***Municipal Court Fund:***

To account for municipal court activities, including the civil division and trusteeship accounts not currently reflected on the City's records.

**CITY OF CANTON  
STARK COUNTY, OHIO**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
DECEMBER 31, 2022

	<u>Downtown Special Improvement District Fund</u>	<u>Building Department State Assesment Fund</u>	<u>Jackson - Canton JEDD Fund</u>	<u>Municipal Court Fund</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$ -	\$ 795	\$ 46,984	\$ -
Cash in segregated accounts	-	-	-	117,732
Receivables (net of allowances for uncollectibles):				
Accounts	7,312	-	-	-
Total assets	<u>\$ 7,312</u>	<u>\$ 795</u>	<u>\$ 46,984</u>	<u>\$ 117,732</u>
<b>Liabilities:</b>				
Due to other governments	\$ -	\$ -	\$ -	\$ 117,732
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,732</u>
<b>Net position:</b>				
Restricted for individuals, organizations and other governments	7,312	795	46,984	-
Total net position	<u>\$ 7,312</u>	<u>\$ 795</u>	<u>\$ 46,984</u>	<u>\$ -</u>

<u>Total</u>	
\$	47,779
	117,732
	<u>7,312</u>
\$	<u>172,823</u>
\$	<u>117,732</u>
	<u>117,732</u>
	<u>55,091</u>
\$	<u><u>55,091</u></u>

**CITY OF CANTON  
STARK COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Downtown Special Improvement District Fund</b>	<b>Building Department State Assesment Fund</b>	<b>Jackson - Canton JEDD Fund</b>	<b>Municipal Court Fund</b>
<b>Additions:</b>				
Fines and forfeitures for other governments	\$ -	\$ 17,995	\$ -	\$ 1,061,897
Property tax collection for other governments	193,013	-	1,244,546	-
Total additions	<u>193,013</u>	<u>17,995</u>	<u>1,244,546</u>	<u>1,061,897</u>
<b>Deductions:</b>				
Fines and forfeitures distributions to other governments	-	18,478	-	1,061,897
Property tax distributions to other governments	193,841	-	1,252,905	-
Total deductions	<u>193,841</u>	<u>18,478</u>	<u>1,252,905</u>	<u>1,061,897</u>
Net change in fiduciary net position	(828)	(483)	(8,359)	-
<b>Net position beginning of year (restated)</b>	<u>8,140</u>	<u>1,278</u>	<u>55,343</u>	<u>-</u>
<b>Net position end of year</b>	<u>\$ 7,312</u>	<u>\$ 795</u>	<u>\$ 46,984</u>	<u>\$ -</u>

<b>Total</b>	
\$	1,079,892
	<u>1,437,559</u>
	<u>2,517,451</u>
	1,080,375
	<u>1,446,746</u>
	<u>2,527,121</u>
	(9,670)
	64,761
\$	<u><u>55,091</u></u>

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CANTON, OHIO

STATISTICAL  
City of Canton, Ohio



**CITY OF CANTON  
STARK COUNTY, OHIO  
STATISTICAL SECTION**

This part of the City of Canton, Ohio'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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>S1 - S10</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes.	<b>S11 - S12</b>
<b>Debt Capacity</b> 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.	<b>S13 - S23</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>S24 - S25</b>
<b>Operating Information</b> 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.	<b>S27 - S32</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 178,451,100	\$ 167,834,977	\$ 161,172,446	\$ 148,563,517
Restricted	34,498,690	28,252,221	22,180,996	26,137,839
Unrestricted	(52,069,315)	(53,780,403)	(72,489,858)	(76,901,325)
<b>Total Governmental Activities Net Position</b>	<u>\$ 160,880,475</u>	<u>\$ 142,306,795</u>	<u>\$ 110,863,584</u>	<u>\$ 97,800,031</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 141,966,953	\$ 129,989,301	\$ 121,744,301	\$ 109,824,923
Unrestricted	43,721,692	35,503,382	23,103,692	20,788,924
<b>Total Business-Type Activities Net Position</b>	<u>\$ 185,688,645</u>	<u>\$ 165,492,683</u>	<u>\$ 144,847,993</u>	<u>\$ 130,613,847</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 320,418,053	\$ 297,824,278	\$ 282,916,747	\$ 258,388,440
Restricted	34,498,690	28,252,221	22,180,996	26,137,839
Unrestricted	(8,347,623)	(18,277,021)	(49,386,166)	(56,112,401)
<b>Total Primary Government Net Position</b>	<u>\$ 346,569,120</u>	<u>\$ 307,799,478</u>	<u>\$ 255,711,577</u>	<u>\$ 228,413,878</u>

Note: The City has implemented GASB Statements No. 75 in fiscal year 2018 and restated fiscal year 2017.

2018	2017	2016	2015	2014	2013
\$ 134,323,608	\$ 127,232,203	\$ 120,105,838	\$ 114,318,575	\$ 106,702,688	\$ 99,188,330
19,608,510	20,359,389	17,870,574	21,643,804	19,038,897	20,669,995
(118,676,629)	(119,444,515)	(63,674,938)	(62,270,207)	10,069,695	8,055,536
<u>\$ 35,255,489</u>	<u>\$ 28,147,077</u>	<u>\$ 74,301,474</u>	<u>\$ 73,692,172</u>	<u>\$ 135,811,280</u>	<u>\$ 127,913,861</u>
\$ 93,402,528	\$ 80,091,786	\$ 81,244,719	\$ 75,533,187	\$ 70,635,102	\$ 70,583,131
27,255,096	34,552,456	37,500,121	33,635,250	42,265,775	40,577,502
<u>\$ 120,657,624</u>	<u>\$ 114,644,242</u>	<u>\$ 118,744,840</u>	<u>\$ 109,168,437</u>	<u>\$ 112,900,877</u>	<u>\$ 111,160,633</u>
\$ 227,726,136	\$ 207,323,989	\$ 201,350,557	\$ 189,851,762	\$ 177,337,790	\$ 169,771,461
19,608,510	20,359,389	17,870,574	21,643,804	19,038,897	20,669,995
(91,421,533)	(84,892,059)	(26,174,817)	(28,634,957)	52,335,470	48,633,038
<u>\$ 155,913,113</u>	<u>\$ 142,791,319</u>	<u>\$ 193,046,314</u>	<u>\$ 182,860,609</u>	<u>\$ 248,712,157</u>	<u>\$ 239,074,494</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2022	2021	2020	2019
<b>Expenses</b>				
<i>Governmental activities:</i>				
General government	\$ 40,714,866	\$ 22,317,191	\$ 37,839,708	\$ 28,025,343
Security of persons and property	44,618,910	41,486,099	46,358,477	8,837,144
Public health	-	-	-	1,232,398
Transportation	13,551,460	11,401,192	14,268,076	12,622,505
Community environment	9,865,516	6,954,076	6,898,548	5,321,317
Leisure time activities	9,510,403	6,468,004	6,886,494	6,667,334
Economic development	-	-	-	-
Interest and fiscal charges	170,842	353,183	403,843	458,779
<i>Total governmental activities expenses</i>	<u>118,431,997</u>	<u>88,979,745</u>	<u>112,655,146</u>	<u>63,164,820</u>
<i>Business-type activities:</i>				
Water	16,894,983	12,911,295	13,087,071	17,040,979
Sewer	16,000,819	14,385,898	17,151,513	15,504,917
Refuse	6,679,839	6,197,967	7,250,380	7,391,458
Building	2,872,417	1,358,349	2,556,414	2,560,417
<i>Total business-type activities expenses</i>	<u>42,448,058</u>	<u>34,853,509</u>	<u>40,045,378</u>	<u>42,497,771</u>
<b>Total Primary Government Expenses</b>	<u><u>\$ 160,880,055</u></u>	<u><u>\$ 123,833,254</u></u>	<u><u>\$ 152,700,524</u></u>	<u><u>\$ 105,662,591</u></u>
<b>Program Revenues</b>				
<i>Governmental activities:</i>				
Charges for services:				
EMS charges	\$ 2,718,013	\$ 2,629,583	\$ 2,631,301	\$ 2,465,507
Leisure time activities	405,658	226,264	173,710	183,892
Licenses, permits, and fees	830,279	1,093,708	719,466	779,435
Municipal court revenue	2,736,548	3,033,295	2,648,132	3,580,152
Other activities	7,473,964	6,903,017	8,510,162	7,274,893
Operating grants and contributions	25,982,859	14,568,356	25,512,200	14,009,562
Capital grants and contributions	2,000,615	2,698,851	3,851,157	9,479,469
<i>Total governmental activities program revenues</i>	<u>42,147,936</u>	<u>31,153,074</u>	<u>44,046,128</u>	<u>37,772,910</u>
<i>Business-type activities:</i>				
Charges for services:				
Water	21,619,262	21,088,086	20,404,573	19,654,394
Sewer	24,757,953	17,157,453	17,782,401	17,461,965
Refuse	8,489,066	8,242,411	7,605,258	7,399,720
Building	2,394,724	2,763,981	2,296,302	2,328,174
Operating grants and contributions	38,957	44,338	62,891	25,514
Capital grants and contributions	4,950,585	6,016,766	5,337,330	4,987,298
<i>Total business-type activities program revenues</i>	<u>62,250,547</u>	<u>55,313,035</u>	<u>53,488,755</u>	<u>51,857,065</u>
<b>Total Primary Government Program Revenues</b>	<u><u>\$ 104,398,483</u></u>	<u><u>\$ 86,466,109</u></u>	<u><u>\$ 97,534,883</u></u>	<u><u>\$ 89,629,975</u></u>

	2018	2017	2016	2015	2014	2013
\$	23,835,090	\$ 20,575,714	\$ 21,401,267	\$ 20,813,879	\$ 19,609,570	\$ 16,648,538
	51,177,610	42,659,988	45,317,984	42,879,044	38,759,803	37,209,092
	9,104,599	7,188,358	6,627,161	6,186,052	6,196,761	5,948,698
	13,157,017	10,885,075	14,177,868	14,538,968	12,065,377	13,253,789
	6,073,153	8,408,420	6,829,268	12,051,165	8,106,584	6,012,767
	5,396,449	5,003,179	3,703,459	3,417,987	3,549,040	3,329,290
	-	-	-	263,186	-	-
	832,149	412,469	361,969	386,900	442,388	542,745
	<u>109,576,067</u>	<u>95,133,203</u>	<u>98,418,976</u>	<u>100,537,181</u>	<u>88,729,523</u>	<u>82,944,919</u>
	18,111,531	17,763,510	14,639,812	14,174,629	15,387,377	13,029,402
	17,822,870	17,427,064	12,423,601	14,155,798	12,796,231	12,516,730
	6,739,833	6,717,023	6,892,183	6,354,269	6,257,256	5,924,125
	2,222,500	1,903,631	1,768,265	-	-	-
	<u>44,896,734</u>	<u>43,811,228</u>	<u>35,723,861</u>	<u>34,684,696</u>	<u>34,440,864</u>	<u>31,470,257</u>
\$	<u>154,472,801</u>	<u>138,944,431</u>	<u>134,142,837</u>	<u>135,221,877</u>	<u>123,170,387</u>	<u>114,415,176</u>
\$	2,271,759	\$ 1,879,750	\$ 1,721,128	\$ 954,809	\$ 2,963,877	\$ 1,790,137
	183,261	196,873	46,712	45,781	30,379	29,550
	824,804	706,182	1,083,886	1,499,109	1,512,407	1,510,822
	3,652,096	3,527,414	3,397,151	2,765,518	2,867,661	3,401,332
	7,505,583	7,762,803	4,821,212	8,727,538	7,497,735	6,496,325
	19,621,140	16,479,341	16,591,905	9,787,441	12,203,279	9,361,804
	8,231,824	6,972,483	11,438,948	13,910,356	5,755,827	3,956,443
	<u>42,290,467</u>	<u>37,524,846</u>	<u>39,100,942</u>	<u>37,690,552</u>	<u>32,831,165</u>	<u>26,546,413</u>
	19,153,280	18,460,579	17,025,059	17,576,612	15,545,481	14,919,158
	15,955,328	15,804,202	14,340,312	14,925,552	13,407,709	13,914,466
	5,817,983	5,787,333	5,849,351	5,762,077	5,962,885	5,801,598
	2,413,530	1,893,728	2,011,319	-	-	-
	75,606	78,591	47,971	121,130	69,919	67,026
	6,881,345	2,562,096	4,854,422	9,770	600,402	1,943,958
	<u>50,297,072</u>	<u>44,586,529</u>	<u>44,128,434</u>	<u>38,395,141</u>	<u>35,586,396</u>	<u>36,646,206</u>
\$	<u>92,587,539</u>	<u>82,111,375</u>	<u>83,229,376</u>	<u>76,085,693</u>	<u>68,417,561</u>	<u>63,192,619</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019
<b>Net (Expenses)/Revenues</b>				
Governmental Activities	\$ (76,284,061)	\$ (57,826,671)	\$ (68,609,018)	\$ (25,391,910)
Business-Type Activities	19,802,489	20,459,526	13,443,377	9,359,294
<b>Total Primary Government</b>				
<b>Net Expense</b>	<u>\$ (56,481,572)</u>	<u>\$ (37,367,145)</u>	<u>\$ (55,165,641)</u>	<u>\$ (16,032,616)</u>
<b>General Revenues and</b>				
<b>Other Changes in Net Position</b>				
<i>Governmental activities:</i>				
Taxes:				
Municipal income taxes	\$ 73,493,705	\$ 68,558,692	\$ 58,926,120	\$ 63,689,354
Property and other taxes	6,541,558	5,837,538	6,080,705	5,435,783
Grants and entitlements not				
restricted to specific programs	7,708,553	7,817,314	8,058,438	7,090,245
Payment in lieu of taxes	1,605,218	1,567,937	1,061,906	1,050,880
Other local taxes	980,112	547,978	164,500	534,451
Interest and investment earnings	(2,818,193)	(325,680)	1,193,887	1,720,593
Other	7,346,788	5,266,103	6,187,015	4,020,169
Proceeds on sale				
of capital assets	-	-	-	-
Transfers	-	-	-	-
<i>Total governmental activities</i>	<u>94,857,741</u>	<u>89,269,882</u>	<u>81,672,571</u>	<u>83,541,475</u>
<i>Business-type activities:</i>				
Interest and investment earnings	95,758	-	-	-
Other	297,715	173,554	768,403	549,431
Gain on sale				
of capital assets	-	11,610	22,366	47,498
Transfers	-	-	-	-
<i>Total business-type activities</i>	<u>393,473</u>	<u>185,164</u>	<u>790,769</u>	<u>596,929</u>
<b>Total Primary Government</b>	<u>\$ 95,251,214</u>	<u>\$ 89,455,046</u>	<u>\$ 82,463,340</u>	<u>\$ 84,138,404</u>
<b>Special Item</b>				
<i>Governmental activities:</i>				
Transfer of operations to Board of Health	\$ -	\$ -	\$ -	\$ 2,292,578
<b>Change in Net Position</b>				
Governmental activities	\$ 18,573,680	\$ 31,443,211	\$ 13,063,553	\$ 60,442,143
Business-type activities	20,195,962	20,644,690	14,234,146	9,956,223
<i>Total Primary Government</i>	<u>\$ 38,769,642</u>	<u>\$ 52,087,901</u>	<u>\$ 27,297,699</u>	<u>\$ 70,398,366</u>



2018	2017	2016	2015	2014	2013
\$ (67,285,600)	\$ (57,608,357)	\$ (59,318,034)	\$ (62,846,629)	\$ (55,898,358)	\$ (56,398,506)
5,400,338	775,301	8,404,573	3,710,445	1,145,532	5,175,949
<u>\$ (61,885,262)</u>	<u>\$ (56,833,056)</u>	<u>\$ (50,913,461)</u>	<u>\$ (59,136,184)</u>	<u>\$ (54,752,826)</u>	<u>\$ (51,222,557)</u>
\$ 53,456,724	\$ 50,015,065	\$ 44,357,696	\$ 45,014,757	\$ 50,699,714	\$ 45,912,805
5,503,406	5,158,048	4,746,457	4,463,752	4,916,636	2,473,315
7,116,496	7,470,873	6,728,791	6,815,424	5,040,384	5,356,271
144,666	101,910	120,375	43,687	25,948	35,312
661,955	89,096	-	-	-	-
663,771	490,540	425,963	433,892	206,592	58,749
6,846,994	4,549,880	4,057,189	-	2,906,503	1,964,459
-	-	-	4,060,560	-	-
-	-	(509,135)	-	-	-
<u>74,394,012</u>	<u>67,875,412</u>	<u>59,927,336</u>	<u>60,832,072</u>	<u>63,795,777</u>	<u>55,800,911</u>
-	-	-	-	-	1
582,975	3,635,391	652,386	877,805	558,770	50,847
30,069	15,353	10,309	(10,410)	35,942	-
-	-	509,135	-	-	-
<u>613,044</u>	<u>3,650,744</u>	<u>1,171,830</u>	<u>867,395</u>	<u>594,712</u>	<u>50,848</u>
<u>\$ 75,007,056</u>	<u>\$ 71,526,156</u>	<u>\$ 61,099,166</u>	<u>\$ 61,699,467</u>	<u>\$ 64,390,489</u>	<u>\$ 55,851,759</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,108,412	\$ 10,267,055	\$ 609,302	\$ (2,014,557)	\$ 7,897,419	\$ (597,595)
6,013,382	4,426,045	9,576,403	4,577,840	1,740,244	5,226,797
<u>\$ 13,121,794</u>	<u>\$ 14,693,100</u>	<u>\$ 10,185,705</u>	<u>\$ 2,563,283</u>	<u>\$ 9,637,663</u>	<u>\$ 4,629,202</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2022	2021	2020	2019
<b>General Fund</b>				
Nonspendable	\$ 5,503,210	\$ 5,454,906	\$ 2,440,352	\$ 510,065
Committed	921,504	1,124,147	794,194	741,790
Assigned	4,697,869	6,943,283	5,938,370	1,524,342
Unassigned	5,905,801	7,168,559	9,364,146	10,801,876
<b>Total General Fund</b>	<u>\$ 17,028,384</u>	<u>\$ 20,690,895</u>	<u>\$ 18,537,062</u>	<u>\$ 13,578,073</u>
<b>All Other</b>				
<b>Governmental Funds</b>				
Nonspendable	\$ 135,839	\$ 138,594	\$ 160,951	\$ 46,195
Restricted	30,428,643	21,074,330	14,988,302	19,099,477
Committed	13,531,008	13,009,480	10,385,373	8,341,151
Unassigned (deficit)	(1,708,238)	(458,910)	(440,286)	(435,325)
<b>Total All Other</b>				
<b>Governmental Funds</b>	<u>\$ 42,387,252</u>	<u>\$ 33,763,494</u>	<u>\$ 25,094,340</u>	<u>\$ 27,051,498</u>

2018	2017	2016	2015	2014	2013
\$ 464,494	\$ 459,000	\$ 471,541	\$ 409,573	\$ 400,706	\$ 382,303
1,051,732	1,166,310	1,091,198	836,374	772,068	950,255
1,637,333	1,227,262	-	-	3,471,995	550,226
3,173,724	-	(3,376,238)	(4,470,003)	1,435,402	6,502,030
<u>\$ 6,327,283</u>	<u>\$ 2,852,572</u>	<u>\$ (1,813,499)</u>	<u>\$ (3,224,056)</u>	<u>\$ 6,080,171</u>	<u>\$ 8,384,814</u>
\$ 37,174	\$ 38,603	\$ 36,881	\$ 102,984	\$ 130,508	\$ 41,347
16,698,662	13,268,417	13,633,249	12,525,422	10,153,844	12,031,197
8,055,997	7,485,097	6,374,838	4,479,326	4,044,125	3,395,680
(821,758)	(1,749,678)	(1,917,973)	(938,552)	(97,954)	(193,112)
<u>\$ 23,970,075</u>	<u>\$ 19,042,439</u>	<u>\$ 18,126,995</u>	<u>\$ 16,169,180</u>	<u>\$ 14,230,523</u>	<u>\$ 15,275,112</u>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2022	2021	2020	2019
<b>Revenues:</b>				
Property and other taxes	\$ 6,469,543	\$ 5,975,465	\$ 5,999,717	\$ 5,632,268
Municipal income taxes	73,101,195	68,914,401	59,595,993	62,602,915
Charges for services	12,459,237	12,816,065	13,006,250	12,826,300
Licenses, permits, and fees	737,869	880,440	823,752	880,594
Fines and forfeitures	433,050	295,276	269,024	461,489
Intergovernmental	25,300,657	14,158,831	21,040,432	11,226,345
Interest	(1,734,504)	(272,186)	1,229,348	1,741,967
Rental income	244,567	216,562	76,942	85,667
Contributions and donations	613,591	911,805	660,020	611,324
Operating grants	5,187,944	7,151,891	6,657,321	7,514,991
Capital grants	1,762,668	2,653,597	3,366,919	8,039,240
Payment in lieu of taxes	1,605,218	1,567,937	1,061,906	1,050,880
Other	6,207,688	4,722,788	4,338,222	3,124,164
<b>Total revenues</b>	<b>132,388,723</b>	<b>119,992,872</b>	<b>118,125,846</b>	<b>115,798,144</b>
<b>Expenditures:</b>				
General government	42,202,104	30,515,205	39,892,229	23,541,894
Security of persons and property	42,617,401	41,876,163	39,134,353	41,788,214
Public health	-	-	-	1,133,420
Transportation	9,022,213	6,617,322	7,524,053	5,202,623
Community environment	10,003,008	7,515,181	6,671,288	5,055,249
Leisure time activities	9,161,466	6,552,256	5,704,698	5,342,993
Capital outlay	16,283,146	14,286,893	15,951,093	23,674,315
Economic development	-	-	-	-
Debt service				
Principal	8,893,466	6,206,754	5,999,712	6,076,322
Interest and fiscal charges	265,051	353,373	415,897	465,901
Bond issuance costs	49,186	-	-	-
<b>Total expenditures</b>	<b>138,497,041</b>	<b>113,923,147</b>	<b>121,293,323</b>	<b>112,280,931</b>
Excess (deficiency) of revenues over (under) expenditures	(6,108,318)	6,069,725	(3,167,477)	3,517,213
<b>Other financing sources (uses):</b>				
Sale of assets	-	-	37,132	44,735
Bond issuance	7,249,186	-	-	-
Issuance of notes/loans/leases	4,245,379	4,753,262	6,632,176	7,854,000
Transfers in	223,846	192,998	782,338	12,639
Transfers out	(648,846)	(192,998)	(1,282,338)	(12,639)
<b>Total other financing sources (uses)</b>	<b>11,069,565</b>	<b>4,753,262</b>	<b>6,169,308</b>	<b>7,898,735</b>
<b>Special item:</b>				
Transfer of operations to Board of Health	-	-	-	(3,186,134)
<b>Net change in fund balances</b>	<b>\$ 4,961,247</b>	<b>\$ 10,822,987</b>	<b>\$ 3,001,831</b>	<b>\$ 8,229,814</b>
<i>Debt service as a percentage of noncapital expenditures</i>	7.78%	6.63%	6.55%	7.50%

2018	2017	2016	2015	2014	2013
\$ 5,269,540	\$ 5,209,704	\$ 4,481,612	\$ 4,316,978	\$ 4,192,204	\$ 2,574,747
53,880,960	49,666,607	45,247,080	46,693,386	48,536,712	45,921,847
11,989,243	11,980,318	11,607,591	11,038,335	11,414,960	10,974,528
1,245,021	1,164,527	945,545	1,499,109	1,530,879	1,510,822
789,067	603,176	569,407	463,574	427,981	1,110,272
10,730,164	11,059,243	10,338,129	10,575,834	8,827,418	8,321,048
696,345	511,078	413,629	426,685	206,936	58,749
82,107	96,253	73,504	69,812	54,916	51,364
199,163	35,736	267,628	29,356	2,984	50,525
15,254,021	13,051,518	12,285,017	8,855,961	9,381,059	8,849,719
9,561,286	6,071,653	10,405,265	13,546,094	5,514,695	2,937,038
144,666	101,910	120,375	43,687	25,948	35,312
3,492,385	1,899,292	2,064,772	1,971,568	1,860,401	902,642
<u>113,333,968</u>	<u>101,451,015</u>	<u>98,819,554</u>	<u>99,530,379</u>	<u>91,977,093</u>	<u>83,298,613</u>
20,752,447	17,550,219	19,467,660	19,845,271	18,764,120	15,873,077
41,818,175	37,561,425	37,688,666	40,092,514	37,200,157	35,303,024
8,343,159	6,288,435	6,124,178	5,976,475	6,002,662	5,756,640
6,431,466	4,358,155	5,553,419	6,540,963	4,487,506	3,726,545
5,884,420	8,182,275	6,689,550	12,031,983	8,087,672	5,998,243
4,331,273	3,894,076	2,857,130	2,685,847	2,759,895	2,629,571
15,302,467	18,790,506	14,745,973	20,336,052	15,709,827	11,532,622
-	-	-	263,186	-	-
7,230,906	5,288,125	5,893,021	3,000,277	3,095,171	2,681,335
652,771	403,894	370,289	375,133	453,690	500,053
-	-	-	-	-	-
<u>110,747,084</u>	<u>102,317,110</u>	<u>99,389,886</u>	<u>111,147,701</u>	<u>96,560,700</u>	<u>84,001,110</u>
2,586,884	(866,095)	(570,332)	(11,617,322)	(4,583,607)	(702,497)
6,533	70,168	31,257	78,017	97,758	37,973
-	-	-	-	-	-
6,308,930	8,127,442	3,907,447	4,173,735	1,136,617	-
55,335	367,442	40,000	80,000	-	40,000
(555,335)	(2,117,442)	(40,000)	(80,000)	-	(40,000)
<u>5,815,463</u>	<u>6,447,610</u>	<u>3,938,704</u>	<u>4,251,752</u>	<u>1,234,375</u>	<u>37,973</u>
-	-	-	-	-	-
<u>\$ 8,402,347</u>	<u>\$ 5,581,515</u>	<u>\$ 3,368,372</u>	<u>\$ (7,365,570)</u>	<u>\$ (3,349,232)</u>	<u>\$ (664,524)</u>
8.25%	6.79%	7.18%	3.63%	4.28%	4.21%

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**INCOME TAX REVENUE BASE AND COLLECTIONS**  
**LAST TEN YEARS**  
**(CASH BASIS OF ACCOUNTING)**

<u>Tax Year</u>	<u>Tax Rate (1)</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes from Corporations</u>	<u>Percentage of Taxes from Corporations</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>	<u>Taxes From Delinquent Accounts</u>	<u>Percentage of Taxes from Delinquent Accounts</u>
2022	2.50%	\$ 71,726,333	\$ 53,879,845	75.12%	\$ 11,305,946	15.76%	\$ 4,729,656	6.59%	\$ 1,810,886	2.52%
2021	2.50%	64,300,111	49,499,826	76.98%	8,284,700	12.88%	4,698,385	7.31%	1,817,200	2.83%
2020	2.50%	57,668,168	47,097,188	81.67%	4,855,267	8.42%	4,246,654	7.36%	1,469,059	2.55%
2019	2.50%	64,723,178	50,232,415	77.61%	5,891,045	9.10%	5,558,594	8.59%	3,041,124	4.70%
2018	2.50%	54,531,663	42,906,957	78.68%	5,531,988	10.14%	3,619,871	6.64%	2,472,847	4.53%
2017	2.00%	53,106,892	39,776,565	74.90%	5,667,557	10.67%	3,535,200	6.66%	4,127,570	7.77%
2016	2.00%	51,223,298	38,385,018	74.94%	4,606,635	8.99%	3,352,182	6.54%	4,879,463	9.53%
2015	2.00%	46,385,997	36,254,046	78.16%	5,122,365	11.04%	3,131,067	6.75%	1,878,519	4.05%
2014	2.00%	49,024,719	38,010,089	77.53%	6,653,764	13.57%	2,641,532	5.39%	1,719,334	3.51%
2013	2.00%	47,631,995	38,100,594	79.99%	4,732,915	9.94%	2,402,215	5.04%	2,396,271	5.03%

(1) Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
INCOME TAX FILERS BY INCOME LEVEL  
TAX YEARS 2022 AND 2013

Tax Year 2022

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	576	7.36%	\$ 91,260,679	29.20%
\$75,001-\$100,000	459	5.86%	39,556,396	12.66%
\$50,001-\$75,000	1,119	14.29%	67,829,969	21.71%
\$25,001-\$50,000	2,231	28.50%	81,540,680	26.09%
Under \$25,000	3,444	43.99%	32,303,853	10.34%
Total	<u>7,829</u>	<u>100.00%</u>	<u>\$ 312,491,577</u>	<u>100.00%</u>

Tax Year 2013

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	266	2.15%	\$ 69,753,562	30.91%
\$75,001-\$100,000	261	2.11%	22,340,068	9.90%
\$50,001-\$75,000	648	5.24%	39,610,022	17.55%
\$25,001-\$50,000	1,522	12.31%	53,611,706	23.75%
Under \$25,000	9,665	78.18%	40,371,480	17.89%
Total	<u>12,362</u>	<u>99.99%</u>	<u>\$ 225,686,838</u>	<u>100.00%</u>

Source: City of Canton Income Tax Department

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN YEARS**

	Governmental Activities					Business-Type Activities				
	General Obligation Bonds	Loans	Long-term Notes Payable	Financed purchase Note payable	Lease Payable	General Obligation Bonds	Loans	Financed purchase Note payable	Lease Payable	
2022	\$ 7,249,186	\$ 4,119,275	\$ 900,000	\$ 1,097,561	\$ 179,570	\$ 10,068,314	\$ 88,883,380	\$ 756,301	\$ 14,135	
2021	-	4,744,733	4,500,000	1,655,662	44,098	-	92,484,293	895,055	17,507	
2020	-	5,071,295	4,725,000	-	2,601,690	-	96,337,689	-	-	
2019	-	5,337,601	5,025,000	-	1,402,920	-	99,264,617	-	-	
2018	-	4,303,852	5,200,000	-	483,991	-	102,204,653	-	-	
2017	1,050,000	3,625,608	5,400,000	-	834,211	-	100,968,536	-	-	
2016	2,065,000	2,245,869	3,500,000	-	259,633	-	86,886,192	-	-	
2015	4,142,229	2,016,596	3,500,000	-	397,251	772,770	75,025,996	-	-	
2014	6,696,770	1,655,482	-	-	530,366	1,908,230	38,906,893	-	-	
2013	9,164,587	1,497,214	-	-	179,371	3,000,414	30,499,920	-	-	

(1) Source: US Census Bureau.



Total Primary Government	Total Personal Income	Percent of Personal Income	Population (1)	Per Capita
113,267,722	803,201,187	14.10%	69,671	\$ 1,626
104,341,348	900,797,018	11.58%	70,426	1,482
108,735,674	1,400,990,989	7.76%	70,447	1,544
111,030,138	1,970,535,328	5.63%	70,002	1,586
112,192,496	1,861,073,120	6.03%	70,458	1,592
111,878,355	2,165,588,250	5.17%	70,909	1,578
94,956,694	2,086,860,000	4.55%	71,323	1,331
85,854,842	1,969,255,650	4.36%	73,007	1,176
49,697,741	2,032,581,050	2.45%	72,297	687
44,341,506	2,025,140,466	2.19%	72,683	610

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING (2)  
LAST TEN YEARS

	General Bonded Debt Outstanding			Net Position Restricted for Debt Service	Net General Bonded Debt Outstanding
	Governmental Obligation	Business-Type Obligation	Total		
2022	\$ 7,249,186	\$ 10,068,314	\$ 17,317,500	\$ 119,175	\$ 17,198,325
2021	-	-	-	114,813	(114,813)
2020	-	-	-	100,624	(100,624)
2019	-	-	-	86,113	(86,113)
2018	-	-	-	69,497	(69,497)
2017	1,050,000	-	1,050,000	34,988	1,015,012
2016	2,065,000	-	2,065,000	28,314	2,036,686
2015	4,142,229	772,770	4,914,999	54,923	4,860,076
2014	6,696,770	1,908,230	8,605,000	26,856	8,578,144
2013	9,164,587	3,000,414	12,165,001	19,617	12,145,384

(1) Stark County Auditor's Office.

(2) This schedule has been revised in 2016 to include amounts externally restricted for the repayment of the principal of general bonded debt.

Estimated True Value of Taxable Property (1)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property	Net Bonded Debt per Capita
\$ 2,788,983,257	0.62%	\$ 246.85
2,502,235,057	0.00%	(1.63)
2,492,631,257	0.00%	(1.43)
2,545,988,405	0.00%	(1.23)
2,258,567,280	0.00%	(0.99)
2,131,095,629	0.05%	14.31
2,100,573,771	0.10%	28.56
2,148,602,349	0.23%	66.57
2,069,026,657	0.41%	118.65
2,122,120,589	0.57%	167.10

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022

	General Obligation Debt Outstanding (1)	Percentage Applicable to City (2)	Amount Applicable to City of Canton
<b>Direct</b>			
City of Canton	\$ 13,545,592	100.00%	\$ 13,545,592
<b>Overlapping Debt</b>			
Stark County	13,208,690	9.70%	1,281,243
Canton City Schools	4,850,000	89.93%	4,361,605
Canton Local Schools	30,692,477	8.91%	2,734,700
Osnaburg Local Schools	5,500,000	5.10%	280,500
<b>Total Overlapping Debt</b>	<u>54,251,167</u>		<u>8,658,048</u>
<b>Total</b>	<u>\$ 67,796,759</u>		<u>\$ 22,203,640</u>

Source: Stark County, Ohio; County Auditor

(1) Includes general obligation debt except for those payable from enterprise funds

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

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**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

	2022	2021	2020	2019
Overall Debt Limitation (10.5% of Assessed Valuation)	\$ 102,495,135	\$ 91,957,138	\$ 91,604,199	\$ 90,005,488
Net Debt Within 10.5% Limitations	<u>7,136,708</u>	<u>(107,661)</u>	<u>(91,789)</u>	<u>(79,493)</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$ 95,358,427</u>	<u>\$ 92,064,799</u>	<u>\$ 91,695,988</u>	<u>\$ 90,084,981</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.96%	-0.12%	-0.10%	-0.09%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$ 53,687,928	\$ 48,168,025	\$ 47,983,152	\$ 47,145,732
Net Debt Within 5.5% Limitations	<u>7,136,708</u>	<u>(107,661)</u>	<u>(91,789)</u>	<u>(79,493)</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$ 46,551,220</u>	<u>\$ 48,275,686</u>	<u>\$ 48,074,941</u>	<u>\$ 47,225,225</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.29%	-0.22%	-0.19%	-0.17%

Note: Under State of Ohio finance law, the City of Canton's outstanding general obligation debt should not exceed 10.5% of total assessed property value. In addition, the outstanding general obligation debt net voted debt should not exceed 5.5% of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2018	2017	2016	2015	2014	2013
\$ 79,844,609	\$ 78,317,764	\$ 76,590,382	\$ 76,590,382	\$ 76,036,730	\$ 75,406,074
<u>(63,134)</u>	<u>1,021,133</u>	<u>2,042,627</u>	<u>4,093,073</u>	<u>10,078,532</u>	<u>10,653,423</u>
<u>\$ 79,907,743</u>	<u>\$ 77,296,631</u>	<u>\$ 74,547,755</u>	<u>\$ 72,497,309</u>	<u>\$ 65,958,198</u>	<u>\$ 64,752,651</u>
-0.08%	1.30%	2.67%	5.34%	13.25%	14.13%
\$ 41,823,367	\$ 41,023,591	\$ 40,118,772	\$ 40,118,772	\$ 39,828,763	\$ 39,498,420
<u>(63,134)</u>	<u>1,021,133</u>	<u>2,042,627</u>	<u>4,093,073</u>	<u>10,078,532</u>	<u>10,653,423</u>
<u>\$ 41,886,501</u>	<u>\$ 40,002,458</u>	<u>\$ 38,076,145</u>	<u>\$ 36,025,699</u>	<u>\$ 29,750,231</u>	<u>\$ 28,844,997</u>
-0.15%	2.49%	5.09%	10.20%	25.30%	26.97%

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
COMPUTATION OF LEGAL DEBT MARGIN  
AS OF DECEMBER 31, 2022

Total Assessed Property Value	<u>\$ 976,144,140</u>
Overall Debt Limitation (10 1/2 % of Assessed Valuation)	<u>\$ 102,495,135</u>
Gross Indebtedness	113,267,722
Less: Enterprise Funds' G.O. Bonds	(10,068,314)
OWDA Loans	(85,026,367)
OPWC Loan	(7,381,687)
SIB Loans	(594,601)
Long-Term Notes Payable	(900,000)
Capital Lease	(2,047,567)
Debt Service Fund Balance	<u>(112,478)</u>
Net Debt Within 10 1/2 % Limitations	<u>7,136,708</u>
Legal Debt Margin Within 10 1/2 % Limitations	<u>\$ 95,358,427</u>
Unvoted Debt Limitation (5 1/2 % of Assessed Valuation)	\$ 53,687,928
Gross Indebtedness	113,267,722
Less: Enterprise Funds' G.O. Bonds	(10,068,314)
OWDA Loans	(85,026,367)
OPWC Loan	(7,381,687)
SIB Loans	(594,601)
Long-Term Notes Payable	(900,000)
Capital Lease	(2,047,567)
Debt Service Fund Balance	<u>(112,478)</u>
Net Debt Within 5 1/2 % Limitations	<u>7,136,708</u>
Legal Debt Margin Within 5 1/2 % Limitations	<u>\$ 46,551,220</u>

Source: Stark County, Ohio: County Auditor



**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**PLEDGED REVENUE COVERAGE - WATER**  
**LAST TEN YEARS**

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2022	\$ 21,829,346	\$ 11,944,058	9,885,288	\$ 2,408,936	\$ 612,690	3.27
2021	21,192,324	8,449,607	12,742,717	2,461,163	602,317	4.16
2020	20,798,243	8,926,729	11,871,514	2,047,453	657,041	4.39
2019	19,880,871	13,013,933	6,866,938	2,015,894	708,081	2.52
2018	19,212,411	14,187,213	5,025,198	1,916,880	761,085	1.88
2017	18,516,422	13,895,418	4,621,004	1,828,154	810,532	1.75
2016	17,077,822	11,864,387	5,213,435	1,690,414	858,350	2.05
2015	17,635,080	10,489,977	7,145,103	1,230,068	655,415	3.79
2014	15,558,604	12,561,631	2,996,973	1,207,800	693,767	1.58
2013	14,966,698	10,773,779	4,192,919	1,226,158	292,830	2.76

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the water enterprise fund.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
**PLEDGED REVENUE COVERAGE - SEWER**  
**LAST TEN YEARS**

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
				Principal	Interest	
2022	\$ 24,796,138	\$ 11,427,114	\$ 13,369,024	\$ 3,604,986	\$ 2,041,741	2.37
2021	17,203,829	10,142,677	7,061,152	3,486,314	2,146,959	1.25
2020	18,002,338	12,977,623	5,024,715	3,367,327	2,248,705	0.89
2019	17,621,516	11,200,671	6,420,845	4,224,121	2,366,590	0.97
2018	16,461,823	13,448,984	3,012,839	4,090,914	2,487,139	0.46
2017	19,372,303	12,979,807	6,392,496	3,961,951	2,603,864	0.97
2016	14,905,867	10,696,474	4,209,393	896,391	92,616	4.26
2015	15,744,326	11,804,564	3,939,762	869,478	119,325	3.98
2014	13,952,785	10,399,217	3,553,568	846,280	142,524	3.59
2013	13,914,466	9,639,001	4,275,465	1,370,935	234,030	2.66

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the sewer enterprise fund.

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN YEARS

	Population (1)	Total Personal Income	Per Capita Income	Unemployment Rate (2)
2022	69,671	\$ 803,201,187	11,528	3.7%
2021	70,426	900,797,018	12,791	3.7%
2020	70,447	1,400,990,989	19,887	5.3%
2019	70,002	1,970,535,328	28,150	4.5%
2018	70,458	1,861,073,120	26,414	5.0%
2017	70,909	2,165,588,250	30,540	5.1%
2016	71,323	2,086,860,000	29,259	5.9%
2015	73,007	1,969,255,650	26,974	5.8%
2014	72,297	2,032,581,050	28,114	4.7%
2013	72,683	2,025,140,450	27,863	6.9%

(1) Source: US Census Bureau.

(2) Source: U.S. Dept. of Labor

**CITY OF CANTON  
STARK COUNTY, OHIO  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

2022

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	4,423	5.86%
Cleveland Clinic Mercy	Health Service	2,420	3.21%
Stark County	Government	2,172	2.88%
Canton City Schools	Education	2,157	2.86%
Walmart	Retail	1,736	2.30%
Timken Steel	Steel	1,613	2.14%
Fresh Mark Inc	Meat processing	1,593	2.11%
City of Canton	Municipal Government	943	1.25%
MK Morse Co	Saw Blades and Accessories	506	0.67%
Hendrickson USA	Heavy Duty Suspensions	401	0.53%
Total		<u>17,964</u>	<u>23.81%</u>
Estimated Total Employment within the City		<u>75,434</u>	

2013

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	3,827	15.21%
Canton City School District	Education	2,642	10.50%
Mercy Medical Center	Health Service	2,618	10.40%
The Timken Co.	Tapered roller bearings and steel	2,506	9.96%
Stark County	County Government	1,953	7.76%
Fresh Mark Inc.	Meat Processing	1,176	4.67%
City of Canton	Municipal Government	1,141	4.53%
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	1,042	4.14%
Nationwide Insurance	Insurance Provider	745	2.96%
Republic Storage Systems	Manufacturer, Metal Lockers & Equip	514	2.04%
Total		<u>18,164</u>	<u>72.17%</u>
Estimated Total Employment within the City		<u>25,163</u>	

Source: Survey of Employers performed by City Community Development Department  
and City Income Tax Department

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**CITY OF CANTON  
STARK COUNTY, OHIO**

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS**

Function/Program	2022	2021	2020	2019	2018
<b>Governmental Employees</b>					
General government	183	187	175	157	179
Security of persons and property	373	375	378	374	361
Public health	57	54	52	55	51
Transportation	48	45	51	50	46
Community development	13	13	16	16	15
Leisure time activities	30	31	30	30	27
<b>Total Governmental Employees</b>	<b><u>704</u></b>	<b><u>705</u></b>	<b><u>702</u></b>	<b><u>682</u></b>	<b><u>679</u></b>
<b>Business-Type Employees</b>					
Water	87	88	88	85	85
Sewer	76	75	79	80	80
Refuse	57	61	60	61	60
Building Code	19	20	21	21	21
<b>Total Business-Type Employees</b>	<b><u>239</u></b>	<b><u>244</u></b>	<b><u>248</u></b>	<b><u>247</u></b>	<b><u>246</u></b>
<b>Total Employees</b>	<b><u><u>943</u></u></b>	<b><u><u>949</u></u></b>	<b><u><u>950</u></u></b>	<b><u><u>929</u></u></b>	<b><u><u>925</u></u></b>

Method: Part-time and seasonal employees are not included

Source: City of Canton Auditor's Office

2017	2016	2015	2014	2013
178	182	183	188	183
347	372	380	379	361
47	51	52	53	52
38	47	47	50	46
13	16	16	16	15
28	17	21	21	14
<b>651</b>	<b>685</b>	<b>699</b>	<b>707</b>	<b>671</b>
89	86	90	85	85
72	74	75	73	76
62	61	67	63	61
23	-	-	-	-
<b>246</b>	<b>221</b>	<b>232</b>	<b>221</b>	<b>222</b>
<b>897</b>	<b>906</b>	<b>931</b>	<b>928</b>	<b>893</b>

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018
<b>General Government</b>					
Departmental vehicles	55	54	52	52	48
<b>Security of Persons and Property</b>					
Police stations	5	5	5	5	5
Police department vehicles	120	119	120	113	118
Fire stations	7	7	7	7	7
Fire department vehicles	49	45	50	49	49
Intersections with traffic lights	194	195	198	198	199
Traffic department vehicles	17	17	17	16	17
<b>Public Health</b>					
Departmental vehicles	32	31	27	25	27
<b>Transportation</b>					
Area (in square miles)	25.70	25.70	25.70	25.70	25.70
Miles of streets	412.60	413.15	413.57	413.87	414.31
Bridges	24	24	24	24	24
Miles of storm sewers	264.59	219.85	219.85	219.55	219.35
Departmental vehicles	103	98	101	104	98
<b>Leisure Time Activities</b>					
Number of parks	62	62	61	61	61
Park acreage	825	825	825	825	825
Number of shelters	25	25	25	25	25
Number of baseball fields	41	41	41	41	41
Walking tracks	4	4	4	4	4
Walking bridges	17	17	17	17	17
Play equipment sets	49	44	44	44	43
Restrooms	21	21	21	21	20
Number of tennis courts	8	8	8	8	8
Swimming pools	1	1	1	1	1
Community centers	1	1	1	1	1
Departmental vehicles	47	47	51	48	51
<b>Water</b>					
Miles of water mains	648.01	643.12	672.36	668.10	666.28
Water treatment plants	3	3	3	3	3
Maximum daily capacity in gallons (in millions)	40,500	40,500	40,500	40,500	40,500
Number of fire hydrants	3,815	5,538	5,537	5,475	5,449
Departmental vehicles	98	96	95	92	92
<b>Sewer</b>					
Miles of sanitary sewers	357.93	354.20	364.31	364.31	363.25
Sewer treatment plants	1	1	1	1	1
Maximum daily capacity in gallons (in millions)					
Wet weather	88,000	88,000	88,000	88,000	88,000
Dry weather	39,000	39,000	39,000	39,000	39,000
Departmental vehicles	75	73	73	69	69
<b>Refuse</b>					
Departmental vehicles	29	28	27	26	27
<b>Building Code</b>					
Departmental vehicles	7	7	7	6	4

Source: Various City of Canton Departments



2017	2016	2015	2014	2013
43	38	43	38	38
5	5	5	5	5
125	132	129	124	122
7	7	7	7	8
46	48	48	46	44
200	200	200	203	236
17	17	16	15	16
24	24	24	21	19
25.70	25.70	25.70	25.70	25.70
414.11	413.73	413.44	413.44	414.11
24	24	24	24	24
219.35	219.15	218.96	218.96	217.48
96	103	108	99	102
61	61	61	61	61
825	825	812	812	812
25	25	25	25	24
41	43	43	43	43
4	4	4	4	4
17	17	17	17	17
43	43	41	41	39
20	21	20	20	19
8	8	8	8	8
1	1	1	-	-
1	1	1	1	1
50	50	49	46	45
666.65	664.23	663.99	661.24	668.32
3	1	3	3	3
40,500	40,500	40,500	40,500	40,500
5,430	3,321	3,309	3,274	3,258
90	89	87	81	81
364.25	363.00	363.00	363.00	360.00
1	1	1	1	1
88,000	67,000	67,000	67,000	67,000
39,000	39,000	39,000	39,000	39,000
71	69	71	67	68
27	26	26	29	28
2	-	-	-	-

**CITY OF CANTON**  
**STARK COUNTY, OHIO**  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2022	2021	2020	2019	2018
<b>General Government</b>					
Auditor					
Purchase orders issued	6,599	6,016	6,174	7,197	6,974
Checks issued	15,367	14,981	15,158	15,211	14,830
Payroll checks issued	36,646	35,637	36,771	35,631	34,193
Civil service					
Tests administered	106	70	37	40	31
Courts					
Cases heard	30,813	21,032	18,496	27,936	28,372
Trials held	57	69	39	103	108
Probation cases	140	181	180	282	285
Community service					
Cases	950	1,028	1,057	1,879	2,215
House arrest cases	-	-	-	-	-
Income tax					
Refunds issued	4,187	1,596	1,434	1,647	1,811
Tax notifications mailed	41,706	42,620	41,063	39,940	39,160
Law department					
Claims	182	129	100	178	306
Trials conducted	15	23	8	40	137
Pretrials conducted	3,306	4,643	3,218	3,945	5,114
Prosecutor hearings	35	14	9	34	101
Criminal intakes	1,013	779	664	1,678	1,677
<b>Security of Persons and Property</b>					
Code enforcement					
Building permits issued	780	895	605	782	899
Building permits estimated value (in millions)	\$184,869	\$180,731	\$105,252	\$148,864	\$39,526
Police					
Physical arrests	2,697	1,575	2,050	3,360	3,594
Traffic violations	3,540	4,468	3,709	7,329	7,827
Parking violations	4,368	6,848	5,562	9,424	7,891
Fire					
Calls answered	17,652	18,069	16,117	16,318	15,175
<b>Public Health</b>					
Birth certificates issued	8,868	9,627	8,453	10,557	9,280
Death certificates issued	8,927	10,285	8,097	6,666	6,881
Nursing					
Home visits	383	125	251	276	329
Air pollution complaints					
Investigated	232	282	290	209	258
Food service inspections	1,034	614	695	1,192	1,159
<b>Transportation</b>					
Road salt expense	\$427,992	\$408,626	\$441,379	\$610,710	\$389,807
<b>Leisure Time Activities</b>					
Shelter/building permits issued	799	402	30	759	738
<b>Water</b>					
Number of service connections	44,971	44,516	44,616	44,575	44,543
Daily average consumption in gallons (in millions)	19.066	19,126.000	19.146	21.107	21.869
<b>Sewer</b>					
Number of active sewer accounts	26,457	26,481	26,547	25,981	25,981
Daily average treatment in gallons (in millions)	25.90	25.71	27.48	30.70	30.06

Source: Various City of Canton Departments

2017	2016	2015	2014	2013
6,182	6,677	7,754	7,143	6,924
14,430	15,420	16,682	16,953	15,946
34,407	-	27,952	28,402	27,335
31	21	27	34	30
29,582	27,066	27,051	26,761	25,745
122	162	169	198	180
362	381	425	465	442
2,108	2,166	2,250	2,171	1,971
-	-	-	109	107
1,606	2,652	2,526	2,564	2,718
36,685	36,681	33,978	30,604	31,650
214	115	422	487	180
73	68	284	299	119
9,474	7,660	7,961	6,489	7,218
323	132	212	67	76
430	1,772	1,190	1,872	1,919
903	3,131	641	638	685
\$23,256	\$164,796	\$107,339	\$47,834	\$75,616
2,544	2,191	-	2,390	2,013
5,545	3,065	-	3,086	2,074
7,116	-	9,800	9,145	10,100
16,681	15,529	15,350	13,835	14,276
9,723	9,650	9,411	9,553	9,619
6,492	6,667	6,653	6,678	6,798
266	-	329	322	307
274	199	266	276	249
1,309	553	2,019	2,278	2,539
\$354,748	\$528,478	\$590,690	\$270,154	\$500,693
746	858	879	708	450
44,509	44,480	44,431	44,367	44,360
19,467	21,988	21,147	20,089	17,897
25,981	26,433	26,510	26,514	27,763
29.06	28.46	30.04	30.14	27.18

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

CANTON, OHIO



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City of Canton

**CITY OF CANTON**  
**STARK COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

**CITY OF CANTON  
STARK COUNTY, OHIO**

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CITY OF CANTON  
STARK COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/ ADDITIONAL AWARD IDENTIFICATION	PASSED THROUGH TO SUBRECIPIENTS	CASH FEDERAL DISBURSEMENTS
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through Ohio Department of Health:</i>				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	76-2-0011-WA1522/76-2-0011-WA1623	\$ 654,669	\$ 1,335,046
<b>Total U.S. Department of Agriculture</b>			<u>654,669</u>	<u>1,335,046</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
<i>Passed Through N/A:</i>				
<b>CDBG- Entitlement Grants Cluster:</b>				
Community Development Block Grants/Entitlement Grants	14.218	N/A	1,167,203	2,523,421
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	COVID-19, N/A	320,493	337,821
Community Development Block Grants/Entitlement Grants	14.218	N/A		48,245
Community Development Block Grants/Entitlement Grants	14.218	N/A		67,469
<b>Total CDBG- Entitlement Grants Cluster</b>				<u>2,976,956</u>
Emergency Solutions Grant Program	14.231	N/A	177,890	190,773
COVID-19 Emergency Solutions Grant Program	14.231	COVID-19, N/A	650,317	664,070
<b>Total Emergency Solutions Grant Program</b>				<u>854,843</u>
Home Investment Partnerships Program	14.239	N/A	523,138	571,414
COVID-19 - Home Investment Partnerships Program	14.239	COVID-19, N/A		10,836
<b>Total Home Investment Partnerships Program</b>				<u>582,250</u>
Fair Housing Assistance Program_State and Local	14.401	N/A		63,194
Fair Housing Assistance Program_State and Local	14.401	N/A		4,950
Fair Housing Assistance Program_State and Local	14.401	N/A		1,940
<b>Total Fair Housing Assistance Program_State and Local</b>				<u>70,084</u>
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	N/A		236,572
<b>Total U.S. Department of Housing and Urban Development</b>			<u>2,315,903</u>	<u>4,720,705</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<i>Passed Through Ohio Department of Public Safety:</i>				
Violence Against Women Formula Grants	16.588	2021-WF-VAZ-8223		40,000
<i>Passed Through N/A:</i>				
Bulletproof Vest Partnership Program	16.607	N/A		18,703
<i>Passed Through N/A:</i>				
2020 Public Safety Partnership and Community Policing Grants	16.710	2020-UMWX-0159		214,467
2021 Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03479-UHPX		82,281
<b>Total Public Safety Partnership and Community Policing Grants</b>				<u>296,748</u>
<i>Passed Through the State of Ohio Office of Criminal Justice Services:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-PBJA-21GG-01730JAGX		94,614
<b>Total U.S. Department of Justice</b>				<u>450,065</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<i>Passed Through Ohio Department of Transportation:</i>				
<b>Highway Planning and Construction Cluster:</b>				
Highway Planning and Construction	20.205	PID-90465		30,482
Highway Planning and Construction	20.205	PID-92562		481
Highway Planning and Construction	20.205	PID-104873		3,140
<b>Total Highway Planning and Construction Cluster</b>				<u>34,103</u>
<i>Passed Through Ohio Department of Public Safety:</i>				
<b>Highway Safety Cluster:</b>				
State and Community Highway Safety	20.600	69A375183000040200H0		18,728
<b>Total Highway Safety Cluster</b>				<u>18,728</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2009-SC-N/I		11,193
<b>Total U.S. Department of Transportation</b>				<u>64,024</u>
<b>U.S. DEPARTMENT OF TREASURY</b>				
<i>Passed Through N/A:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19, SLFRP1983		11,531,973
<i>Passed Through Ohio Department of Development:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - Water and Wastewater Infrastructure Program	21.027	COVID-19, DEV-2021-181119		1,992,101
<b>Total Coronavirus State and Local Fiscal Recovery Funds</b>				<u>13,524,074</u>
<i>Passed Through Stark County Health Department:</i>				
COVID-19 Coronavirus Relief Fund	21.019	COVID-19, 76-1-0012-CT0120		145
<b>Total U.S. Environmental Protection Agency</b>				<u>13,524,219</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
<i>Passed Through the Ohio Environmental Protection Agency:</i>				
Air Pollution Control Program Support	66.001	N/A		176,233
<b>Total U.S. Environmental Protection Agency</b>				<u>176,233</u>

(Continued)

CITY OF CANTON  
STARK COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/ ADDITIONAL AWARD IDENTIFICATION	PASSED THROUGH TO SUBRECIPIENTS	CASH FEDERAL DISBURSEMENTS
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed Through Stark County Health Department:</i>				
Public Health Emergency Preparedness	93.069	76-1-001-2-PH0522/76-1-001-2-PH0623		89,762
Immunization Cooperative Agreements	93.268	76-1-0012-CN0122		38,965
COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19, 76-1-0012-E00121		5,357
COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19, 76-1-0012-E00222		14,266
<b>Total COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)</b>				<b>19,623</b>
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	COVID-19, 76-1-0012-WF0122		104,156
<i>Passed Through the Healthcare Collaborative of Greater Columbus:</i>				
Community Health Workers for Public Health Response and Resilient	93.495	CDC-RFA-DP21-2109		18,485
<i>Passed Through Stark County YWCA:</i>				
<b>Head Start Cluster:</b>				
Head Start	93.600	N/A		7,360
<b>Total Head Start Cluster</b>				<b>7,360</b>
<i>Passed Through Ohio Department of Health:</i>				
<b>Medicaid Cluster:</b>				
Medical Assistance Program	93.778	N/A		62,637
<b>Total Medicaid Cluster</b>				<b>62,637</b>
Opioid STR	93.788	76-2-0014-IN0423		60,718
HIV Prevention Activities - Health Department Based	93.940	76-2-0012-HP1522	25,814	155,467
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	76-2-0012-ST1422		254,353
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-1-DS1522		30,899
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-11-OE422	4,743	4,743
<b>Total Maternal and Child Health Services Block Grant to the States</b>				<b>35,642</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>30,557</b>	<b>847,168</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<i>Passed Through N/A:</i>				
Assistance to Firefighters Grant	97.044	N/A		144,300
<b>Total U.S. Department of Homeland Security</b>				<b>144,300</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 3,001,129</b>	<b>\$ 21,261,760</b>



**CITY OF CANTON  
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 Canton under programs of the federal government for the fiscal year ended December 31, 2022 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Canton, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Canton. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

**NOTE 2 – DE MINIMIS COST RATE**

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The City of Canton 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 various agencies 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 – REVOLVING LOAN FUND**

The City has a revolving loan program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. This schedule reports loans made and administrative costs as disbursements. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans, however are not included as disbursements on this schedule. These loans are collateralized by mortgages on the property or asset acquired. At December 31, 2022, the gross amount of loans outstanding under this program was \$360,192.

**NOTE 5 – MATCHING REQUIREMENTS**

Certain federal programs require the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds are not included on this schedule.

**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 Canton  
Stark County  
218 Cleveland Avenue SW  
Canton, Ohio 44702

To the Members of 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 units, each major fund, and the aggregate remaining fund information of the City of Canton, 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 Canton’s basic financial statements, and have issued our report thereon dated June 21, 2023, wherein we noted as described in Note 3, the City of Canton restated beginning net position for Custodial funds to properly account for removing the Board of Health component unit activity.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Canton’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 Canton’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Canton’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 Canton’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.

**Report on Compliance and Other Matters**

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

City of Canton

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*

**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 Canton'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 Canton's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

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 Canton  
Stark County  
218 Cleveland Avenue SW  
Canton, Ohio 44702

To the Member of Council and Mayor:

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

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

We have audited the City of Canton’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Canton’s major federal programs for the year ended December 31, 2022. The City of Canton’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 Canton 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 Canton 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 Canton’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 Canton’s federal programs.

City of Canton

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

### ***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 Canton'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 Canton'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 Canton'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 Canton'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 Canton'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.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

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

### **Report on Internal Control over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

City of Canton

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2022-001, to be a significant deficiency.

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.

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

**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 units, each major fund, and the aggregate remaining fund information of the City of Canton, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Canton'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 CANTON  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2022**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses 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 internal control weaknesses 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>	Yes
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	Yes
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (ALN 21.027)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

**CITY OF CANTON  
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2022**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

<b>Finding Number</b>	2022-001
<b>ALN Title and Number</b>	Home Investment Partnerships Program 14.239
<b>Federal Award Number/Year</b>	2022
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	N/A

**Noncompliance/Significant Deficiency – Special Tests and Provisions:**

During the period of affordability (i.e., the period for which the nonfederal entity must maintain subsidized housing) for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every three years for projects containing one to four units, (b) every two years for projects containing five to 25 units, and (c) every year for projects containing 26 or more units. The participating jurisdiction must perform on-site inspections of rental housing occupied by tenants receiving HOME-assisted tenant-based rental assistance to determine compliance with housing quality standards (24 CFR sections 92.209(i), 92.251(f), and 92.504(d)).

When testing the housing quality standards requirement, it was noted that no inspections took place during 2022.

By not performing the required inspections, the City is in noncompliance with the applicable sections noted above. In addition, the property standards that must be met and reported could potentially be to code or within the required guidelines.

We recommend the City inspect all required HOME assisted rental housing in the timeframe allotted per the specifications of the housing.





# RICHARD A. MALLONN II

## CANTON CITY AUDITOR

City Hall, Canton, Ohio 44702  
Phone: (330) 489-3226

CITY OF CANTON  
STARK COUNTY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR § 200.511(b) DECEMBER 31, 2022

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2021-001	2021	<u>Noncompliance – Reporting (Community Development Block Grants/Entitlements Grants ALN 14.218)</u> : Under the requirements of the Federal Funding Accountability and Transparency Act that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Transparency Act Subaward Reporting System (FSRS). It was noted some of the subawards were not reported to FSRS in a timely manner.	Corrective Action Taken and Finding is Fully Corrected	N/A
2021-002	2021	<u>Noncompliance/Significant Deficiency – Special Tests and Provisions (Homes Investment Partnerships Program ALN 14.239)</u> : During the period of affordability (i.e., the period for which the nonfederal entity must maintain subsidized housing) for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every three years for projects containing one to four units, (b) every two years for projects containing five to 25 units, and (c) every year for projects containing 26 or more units. It was noted that no inspections took place.	Not Corrected	Repeated as finding 2022-001



**CITY OF CANTON  
STARK COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2 CFR § 200.511(b)  
DECEMBER 31, 2022**

2021-003	2021	<p><b>Noncompliance – Reporting (Coronavirus State and Local Fiscal Recovery Funds ALN 21.027):</b> There are three types of reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program that recipients must report to the Treasury: (1) Interim Report, (2) Project and Expenditure Report, and (3) Recovery Plan Performance Report.</p> <ul style="list-style-type: none"> <li>• The Interim Report is to provide an initial overview of the status and uses of funding by reporting expenditures by Expenditure Category covering the period from March 3rd to July 31, 2021, by August 31, 2021 or sixty (60) days after first receiving funding if the recipient’s date of award was between July 15, 2021 and October 15, 2021. The recipient was required to enter obligations and expenditures and, for each, select the specific expenditure category from the available options. This is a one-time report.</li> <li>• The Project and Expenditure Report is a report on financial data, projects funded, expenditures, and contracts and subawards over \$50,000, and other information. Project and Expenditure Reports are due on a regular, recurring basis after the Interim Reports. The reporting frequency and deadlines vary by type of recipient and total allocation amount.</li> <li>• The Recovery Plan Performance Report will provide information on the projects that large recipients are undertaking with program funding and how they plan to ensure program outcomes are achieved in an effective, efficient, and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. The Recovery Plan will be posted on the website of the recipient as well as provided to Treasury. The reporting threshold is based on the total allocation expected under the SLFRF program, not the funds received by the recipient as of the time of reporting. Treasury may extend reporting deadlines.</li> </ul> <p>It was noted during the audit that the Interim Report was filed, indicating zero expenditures; however, expenditures totaling \$591,414 were noted and paid from the award by the City up to July 31, 2021.</p> <p>It was also noted during the audit the Recovery Plan Performance Report was not completed and or submitted, covering the award date to July 31, 2021, which should have been submitted by August 31, 2021.</p>	Corrective Action Taken and Finding is Fully Corrected	N/A
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# RICHARD A. MALLON II

## CANTON CITY AUDITOR

City Hall, Canton, Ohio 44702  
Phone: (330) 489-3226

**CORRECTIVE ACTION PLAN**  
2 CFR § 200.511(e)  
DECEMBER 31, 2022

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2022-001	Required inspections will be made on all applicable housing starting August 2023.	12/31/2023	Sherice Freeman

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF CANTON**

**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 9/21/2023**

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](http://www.ohioauditor.gov)