



**CITY OF CONNEAUT
ASHTABULA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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City Council
City of Conneaut
294 Main St.
Conneaut, OH 44030

We have reviewed the *Independent Auditor's Report* of the City of Conneaut, Ashtabula County, prepared by Canter & Associates, 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 Conneaut 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

August 15, 2023

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CITY OF CONNEAUT
Ashtabula County

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**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 Conneaut
Ashtabula County
294 Main Street
Conneaut, OH 44030

To the Members of City Council:

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 Conneaut, Ashtabula County (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's financial statements and have issued our report thereon dated June 30, 2023, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City and the implementation of GASB Statement 87, *Leases*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



CANTER & ASSOCIATES

Poland, Ohio

June 30, 2023

CITY OF CONNEAUT, OHIO



Annual Comprehensive Financial Report
For The Year Ended December 31, 2022

INTRODUCTORY SECTION

CITY OF CONNEAUT, OHIO

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

ISSUED BY THE DEPARTMENT OF FINANCE

John Williams, J.D., CPA,

FINANCE DIRECTOR

City of Conneaut, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2022
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June 30, 2023

Citizens of Conneaut
City Manager, Jim Hockaday
And Honorable Members of City Council
Conneaut, Ohio

It is my privilege to present to you the City of Conneaut's (the City) Annual Comprehensive Financial Report. This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires the cities reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control, including computerized financial accounting and reporting systems, that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Canter & Associates, Certified Public Accountants, has issued an unmodified ("clean") opinion of the City of Conneaut's financial statements for the year ended December 31, 2022. Canter & Associates' report is located at the front of this financial report.

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

Profile of Government

The City of Conneaut, Ohio, is located in the most northeastern section of Ohio, along the Lake Erie shore, with a population of 12,318 and has 27 square miles within the City limits. The City was incorporated as a borough in 1832, and eventually achieved City status on November 15, 1902.

The City is well served by diversified transportation facilities, with two State highways, Routes 7 and 531, U.S. Route 20 and interstate highway I-90. It has three major railroads: CSX, Norfolk and Southern and the Bessemer-Lake Erie. Norfolk and Southern has a large rail yard located in the center of the City, while the Bessemer-Lake Erie has two rail yard facilities located in the Port of Conneaut. The Port is the largest along the southern shore of Lake Erie, both in area and shipping tonnage.

Within 30 miles, there are several public and private colleges and universities providing a wide range of educational facilities and opportunities. These include Kent State University-Ashtabula Branch, Gannon University, Edinboro University, Penn State-Behrend and Mercyhurst College. The City also has a local hospital, University Hospitals Health System – Conneaut Medical Center, which is a state of the art medical facility.

The City operated under the statutory Mayor-Council form of government until the electors of the City passed the City Charter with a Council-Manager form of government. Members of the Conneaut Charter Commission were elected at the general election held November 7, 1989 to frame and submit a Charter to the electors of the City. In the general election held Tuesday, November 6, 1990, the electors of the City of Conneaut approved the proposed charter and the City's first City Manager began serving in February of 1992. Beginning in January 1997, and at least every seven years thereafter, City Council must appoint a Committee to review the Charter and propose any amendments, as the Committee deems advisable. Amendments shall be submitted to the electorate at the next November general election. The City has all powers of a local self-government and home rule subject to certain general laws applicable to all Ohio cities.

Legislative authority is vested in a seven-member Council, with an elected President of Council, two at large, and one from each of the City's four wards, all of which are elected every two years. The Council has the authority to appoint the City Manager, establish, combine, or separate administrative departments, adopt the budget of the City, issue debt, adopt and amend zoning, building, and sanitary regulations, fix the compensation of all City officials employees, including that of its own members, and has various other municipal powers. The City Council adopts an annual appropriation measure by December 31 of each year. This annual budget serves as the foundation for the City of Conneaut's financial planning and control. The budget is prepared by fund, department and appropriation line item. Transfers between departments or appropriation line items require approval by City Council.

The City Charter vests administrative authority in the City Manager, who is the chief administrative official. There are three named departments in the City Charter: the Department of Finance, the Department of Law, and the Department of Public Service. All other departments are created by City Council. The City Manager appoints the directors of all City departments, including the Directors of Finance, Law, and Service, as well as the Chiefs of Police and Fire. Additionally, most boards and commissions are also appointed by the City Manager, although some boards require Council approval. The City provides basic services to its residents including water, sewer, police and fire protection, ambulance, planning, housing-zoning, street maintenance and repair, and general administrative services. The City also has its own municipal court.

Local Economy

The local economy continued to improve in 2022, as several of the City's largest employers experienced increased sales and profits, while employment City-wide increased from 4,341 in 2021 to 4,418 in 2022. Most of the City's largest employers are returning to pre-pandemic employment levels, particularly those employers that are affiliated with the automotive industry and housing industries. Unemployment in Ashtabula County continued increased slightly from 3.9 percent in December 2021 to 4.4 percent in 2022. There is still some concern about the long-term financial impact of COVID on income tax, local government, and gas tax collections, but inflationary pressures and predictions of a possible recession in the near future are more of a cause for concern. The finance office is monitoring income tax revenue very closely.

The value of new construction was \$6,499,699 for 2022, which is \$3,510,501 more than 2021. The number of zoning permits increased to 180, up from 166 in 2021. Part of the reason for the increase in the value of new construction in 2022 was due to the increase commercial development projects compared to 2021. The City's real estate assessed valuation decreased slightly from \$203,028,540 in 2021 to \$201,272,950 in 2022, which is an overall decrease of \$1,755,590 or 0.86 percent Commercial Industrial Real Estate decreased by \$2,680,830, while all other property classes increased by \$925,240.

As part of a collaborative effort to facilitate economic development within the City, the City of Conneaut, the Conneaut Port Authority and the Conneaut Foundation, Inc. have entered into an economic development consulting agreement whereby they would jointly hire an economic development director for a twelve-month term in an amount not to exceed \$60,000 and each entity would contribute one-third of the cost. The parties agreed that they will collectively seek a person or firm to be retained as a Consultant. The Consultant will be an independent contractor. The terms of such Consultant agreement designate the Port as the contracting party and will identify and prioritize the economic development projects in the City of Conneaut on which the Consultant shall work; and provide the names of those representatives and/or positions of each of the parties with whom the

Consultant will collaborate on any or all of those projects, among other things. The Consultant agreement further provides that the Consultant will serve as a contractor only for those projects upon which all of the parties unanimously agree and for no other purpose, and will not engage in any economic development projects for which any party has started on their own, except with the consent and under the direction of remaining parties. The Consultant agreement will provide further that the parties and the Consultant shall meet on a periodic basis as unanimously agreed to between them, ensuring that all parties are available to attend such meetings.

The City Manager and City Council have been working aggressively to pursue economic growth, promote business retention, assist with business expansion and create a pro-business environment. With the construction of the East Conneaut Industrial Park, the City Manager and City Council have been working diligently to attract business and industry to the park. Several potential projects are in the works. To help accomplish these goals, the City's economic development committee holds monthly meetings to discuss strategy and monitor the implementation of objectives. The committee is comprised of the City Manager, council members, and business leaders. The City continues to remain the focal point for new and existing businesses to obtain assistance with and information about some of the programs available through the City, including the community reinvestment areas, enterprise zones, downtown revitalization, economic development funding and the new industrial park. A partnership has been developed between the City's economic development committee and the Conneaut Area Chamber of Commerce to combine resources in an effort to facilitate business progress.

To assist local businesses and to encourage local investment, several City programs have been developed. One such program to foster the retention and creation of jobs within the City is the Grants to Foster Economic Development program. Depending on the number of jobs created and the annual payroll, this program allows the City to provide the employer with a credit against tax on income with varying percentages and grant year terms. The maximum allowable credit is 75 percent for the creation of 100 or more new jobs and the maximum term is 15 years for an annual payroll in excess of \$3,000,000. As of December 31, 2022, there are currently no grant agreements in place. In addition, a CRA (Community Reinvestment Area) has been established. The CRA provides a tax reduction on the increase in taxable value of a property for new construction and renovation of existing structures. The City offers up to 100 percent real estate tax abatement for fifteen years for new commercial or industrial facilities and up to 100 percent real estate tax abatement for twelve years for the renovation of an existing commercial or industrial facility.

A benefit offered to City residents is a 100 percent income tax credit. Residents who work in other communities receive a 100 percent income tax credit up to 1.65 percent, the City's income tax rate, for income taxes paid to other taxing districts. This credit allows income tax payers who work outside the City but reside in Conneaut to avoid double taxation. The City's income tax rate, property valuation and total effective millage are lower than many other communities within and outside Ashtabula County, making Conneaut an attractive place to live.

The Board of Tourism has been replaced by a membership driven organization called the Conneaut Convention and Visitors Bureau (CCVB). The CCVB will be funded privately through membership revenue and publicly through bed tax revenue. This organization will continue to perform the same functions as the Board of Tourism, but will have more flexibility with the private funding portion. An ambitious project has been expanded by the CCVB to erect way finding signs at high traffic locations in an effort to guide visitors to some of Conneaut's landmark destinations, as well as other key locations throughout the City. Tourism has been, and continues to be, a vital component of the City's economy and the CCVB is taking a very aggressive approach in promoting the City. It has defined its mission and objectives with the goal attracting more tourists to visit the City each year and generating revenue for local economy. Conneaut has many tourist attractions including Conneaut Creek, which has been declared a "Wild and Scenic River" and is the number one ranked trout stream in the USA. It has a premier marina with multiple boat launching ramps, four covered bridges, some of the best local wineries, seven miles of shoreline with some of the best perch and walleye fishing in Lake Erie, a historical railroad museum and a sixty-acre lake shore park with an expansive one-half mile long public beach. The CCVB and Conneaut Chamber of Commerce continue to promote the City's tourism industry, and with each passing year, more tourists are visiting the City of Conneaut, which helps support the local economy.

Long-Term Financial Planning

Meeting the City's capital needs is critical to the successful operation of the City. The administration, with the assistance of City Council, has created a long-term capital improvement plan to address aging vehicles, equipment, and infrastructure, while attempting to find innovative ways to fund these capital requirements. Securing grants through CDBG, OPWC, and other agencies has been essential to funding most of the capital needs of the City. Funding from the City's income tax supported capital improvement fund is being utilized to help fund capital needs as well. Issues with aging storm water pipes are plaguing the City and assessments are being evaluated as a means to replace this aging infrastructure. The City is considering other ways of funding the long-term capital requirements, including establishing capital improvement funds for the water and sewer departments. Both departments are reviewing the current rate structure annually to assist funding future capital needs.

The City Manager and City Council advocate sound financial practices to help ensure that adequate undesignated fund balances are maintained in all of the operating funds. Furthermore, Council's long-term goal is to generate and maintain a minimum twenty percent carryover fund balance in the general fund, which is the City's largest and most versatile operating fund. To assist in achieving Council's long-term financial goals, the primary objective is to enhance revenue via economic development, with particular emphasis on growing the City's tax base to help maintain financial stability. Cost containment, with an emphasis on efficiency throughout the City departments, is another tool utilized to help accomplish financial goals.

Funding the City's street paving program is a long-term financial planning goal. The City of Conneaut has a large land mass, 27 square miles, and it is a constant challenge to pave and maintain these roads in optimal condition without sufficient revenue. In 2013, the City Manager and City Council proposed a 2.75 mill, five-year real estate tax levy, which was approved by the voters of Conneaut on November 5, 2013 and then renewed again on November 7, 2017. The levy generates approximately \$517,000 annually. Due to the rising costs of fuel and asphalt, the City Council proposed a 2 mill increase in the street levy, which would have generated approximately \$908,000 annually. However, this new five-year levy of 4.75 mills was rejected by the voters on November 8, 2022 and again on May 2, 2023. The City can place the levy back on the ballot for a third time on November 7, 2023, however, if it fails again, the City will have no paving revenue available, and barely enough funding to maintain the streets.

Due to the reduction in local government funds and other general fund revenue sources, the City has struggled to adequately fund the police and fire departments. As a result, the City Manager and City Council approached the voters with a plan to better fund the safety forces. In November 2019, voters approved a new permanent 3 mill operating levy for the fire department, replacing the 5-year, 1.5 mill operating levy, which expired in 2019 with the last year of collection in 2020. The 1.5 mill fire levy generated approximately \$265,000 annually, while the new levy generated approximately \$567,225 in 2022. The additional funding is being used to fund three more full-time firefighters, help fund part-time personnel and assist with purchase of much needed equipment and vehicles. In addition, in 2015 the voters approved a 3 mill permanent police levy, which generated \$565,146 in 2022. The revenue is being used to fund two new police officers, two full-time corrections officers, and an additional part-time dispatcher. Funds have also been made available for the purchase of new police cruisers and other ancillary equipment.

Relevant Financial Policies

Budgetary control is maintained by the encumbrance of purchase order requests. Purchase order requisitions for the expenditure of monies need approval by the department head, which are then forwarded to the City Manager for approval. Once the City Manager has approved the purchase order request, it is then forwarded to the finance department for preparation of a purchase order and certification and returned to the respective departments. The purchase orders are then signed by each department and returned to the finance department to be audited for accuracy and completeness and finally processed for payment. Encumbrances, which would exceed the available appropriation, are not approved or recorded until City Council authorizes additional appropriations. Any changes to an existing purchase for more than fifty dollars, requires approval by the City Manager, if additional appropriations are available. Prior year encumbrances outstanding at the end of the year are carried over to the next year after a thorough review by the Finance Director. Unencumbered appropriations lapse at the end of each year.

Only City Council has the authority to transfer appropriations between line items within a department. Any increase or decrease in an appropriation line must be approved by Council in ordinance form. All City departments, the City Manger and City Council are provided with at least monthly reports that indicate current appropriations, year to date expenditures, outstanding encumbrances and unexpended and unencumbered balances. Monthly revenue reports are provided to the City Council and City Manager.

Requirements for the development of the City's tax and annual budget, appropriations and other financial regulations are followed as established by the Ohio Revised Code and the City Charter. Under the direction of the City Manager, the Finance Director has charge of the administration of financial affairs of the City and acts as both the Auditor and Treasurer of the City. As part of the financial controls established in the City Charter, the Finance Director is responsible for the maintenance of a general accounting system; the exercise of budgetary control over each office; the disbursement of all monies and control of all expenditures so that appropriation and cash resources are not exceeded; and the certification of all appropriations.

The City Manager is required to submit to Council a tax budget of estimated revenues and expenditures for all funds of the City for the next succeeding year by the first Council meeting in July. The legislative body is required to adopt the budget by July 15 and to submit it to the County Budget Commission by July 20 of each year. Council is required to adopt an annual appropriation measure on or about the first day of each year. The legal level of control has been established by Council at the personal services and other object level within each fund. Modifications or amendments to control levels in the appropriation ordinance require Council approval.

The City's largest revenue source is a 1.65 percent income tax. City council can allocate the one percent however they wish, but the .65 percent is allocated by City ordinance, as directed by the voters through specific ballot language. At 1.65 percent the City's income tax on a cash basis generated \$3,616,420 in 2022, which was a substantial increase of \$517,968 from 2021, and equates to \$219,412,485 in taxable wages and profits. The income tax collections were allocated as follows: General Fund: 74.79 percent or \$2,704,719 which is used to fund the fire, police, municipal court and administrative offices; Street Department: 17.80 percent or \$643,723 which is used to fund a wide variety of public works' projects, including paving, road maintenance, and storm water management; Reserve Fund: 3.94 percent or \$142,472, which is used for financial support for various programs as determined by City Council; Capital Improvement: 1.58 percent or \$57,136, which is used for infrastructure repairs and the acquisition of capital assets; Street Lighting: 1.02 percent or \$36,906, which is used to pay for street lighting along state routes, the downtown district, and traffic lights throughout the City; and Recreation: .87 percent or \$31,464 which is used to maintain the City's seven parks, playgrounds, and other recreational activities. The one percent allocation of the income tax is reviewed by City Council on an as needed basis.

Within the City's inside ten mill limitation, the City levies 3.63 mills. The general fund allocation on a cash basis was 2.00 mills or \$399,523 the police pension fund allocation was .90 mills or \$180,251 and the fire pension fund allocation was .73 mills or \$146,203. With regard to outside millage, a permanent 3 mill police levy generated \$565,146, a five-year 2.75 mill street improvement levy generated \$517,767, a permanent 2 mill police levy generated \$361,584 and a permanent 3.00 mill fire levy generated \$567,225. Total millage levied by the City in 2021, for collection in 2022, was 14.38, generating total revenue of \$2,737,698. Inside and debt millage allocations are reviewed by the Finance Department and City Council before the annual tax budget is prepared.

Major Initiatives

For the Year - In 2022, the City of Conneaut completed several major capital projects and embarked on a variety of new capital improvement and infrastructure projects, with the assistance of grants and zero interest loans. Infrastructure repair and replacement, and vehicle and equipment purchases to replace ageing fleets, are a high priority for the City, but it is very expensive. Some of the planned and completed projects are:

Dredge Facility: The City received a \$9,000,000 grant award from the Ohio Environmental Protection Agency and a \$5,900,000 grant award from the Ohio Department of Natural Resources to construct a Sediment Dewatering Facility on CN property in the Port of Conneaut. Sediments from storm water and outfalls into Conneaut Creek are depositing sand and clays into to the port of Conneaut shipping channel. These materials

must be dredged annually to maintain viability of the port for deep water operations. Since open water dumping of these materials is no longer permitted, the Dredge Facility will be constructed to receive and process these sediments on land in conjunction with the Healthy Lake Erie Initiative. The project is anticipated to be completed in the Fall of 2023.

Road Paving Improvements: This project consisted of pavement replacement and overlays for nine local streets and roads, totaling 6,170 linear feet of roadway. An outside contractor was hired to perform the work at a cost of \$557,018. All of the paving and road maintenance has been paid for with tax dollars provided by the 2.75 mill street improvement levy. An additional \$90,610 was expended to add a layer of chip seal material to Dorman Road. The chip seal application was applied on top of a cement soil stabilization project, which was completed in 2021. This road had been a dirt road but was receiving heavy use from school buses going to Gateway Schools and this was a more cost effective way to improve the durability.

Water Filter Media and Telemetry Improvement Project: Work on the \$1.6 million Water Filter Media and Telemetry Improvement project at the Water treatment Plant has been substantially completed. It involved modifications to the low-service pump station, total replacement of the filter media, modifications to the SCADA system, and a valve turning machine for the distribution system. The project was funded via a \$350,000 OPWC grant and a \$1.26 million dollar OWDA loan.

ARPA (American Rescue Plan Act) Funding: The City received \$656,265 in 2021 and \$661,505 in 2022, for a total of \$1,317,770 from the State and Local Fiscal Recovery Fund. These funds will be used for revenue replacement to the extent of the reduction in revenue due to the COVID-19 public health emergency; COVID-19 expenditures or negative impacts associated with the pandemic; and for the purchase of equipment and vehicles.

Vehicle and Equipment Purchases: The Police Department purchased three pursuit rated Ford Explorers at a cost of \$118,416 and one 2022 police rated Dodge Ram 1500 truck for \$43,239. The City used funds from both police levies to purchase these vehicles. The Wastewater Department purchased a \$38,280 2021 Dodge Ram Truck, while the Water Distribution Department purchased Caterpillar Backhoe with a jack hammer at a cost of \$139,655.

Awards and Acknowledgements

The City received the Auditor of State Award (AOS) with Distinction, the highest award the AOS can give for the fiscal year ended December 31, 2021. This is the sixteenth consecutive year that the City of Conneaut received this prestigious award. To be eligible for the award, the following requirements must be met:

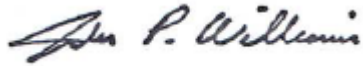
- 1) The entity must file financial reports with the Auditor of State's office by the statutory due date, without extension, via the Hinkle System, on the Generally Accepted Accounting Principles (GAAP) accounting basis, and prepare an ACFR (Annual Comprehensive Financial Report);
- 2) The audit report does not contain any findings for recovery, material citations, material weaknesses, significant deficiencies, Uniform Guidance (Single Audit) findings, or questioned costs, with the opinion dated within six (6) months of the entity's year-end;
- 3) The entity's management letter contains no comments related to:
 - * Ethics referrals
 - * Questioned Costs less than the threshold per the Uniform Guidance
 - * Lack of timely annual report submission
 - * Bank reconciliation issues
 - * Failure to obtain a timely Single Audit in accordance with Uniform Guidance
 - * Findings for recovery less than \$500
 - * Public meetings or public records issues
- 4) The entity has no other financial or other concerns

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Conneaut for its Annual Comprehensive Financial Report (ACFR) for the year ended December 31, 2021. This is the sixteenth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR) that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

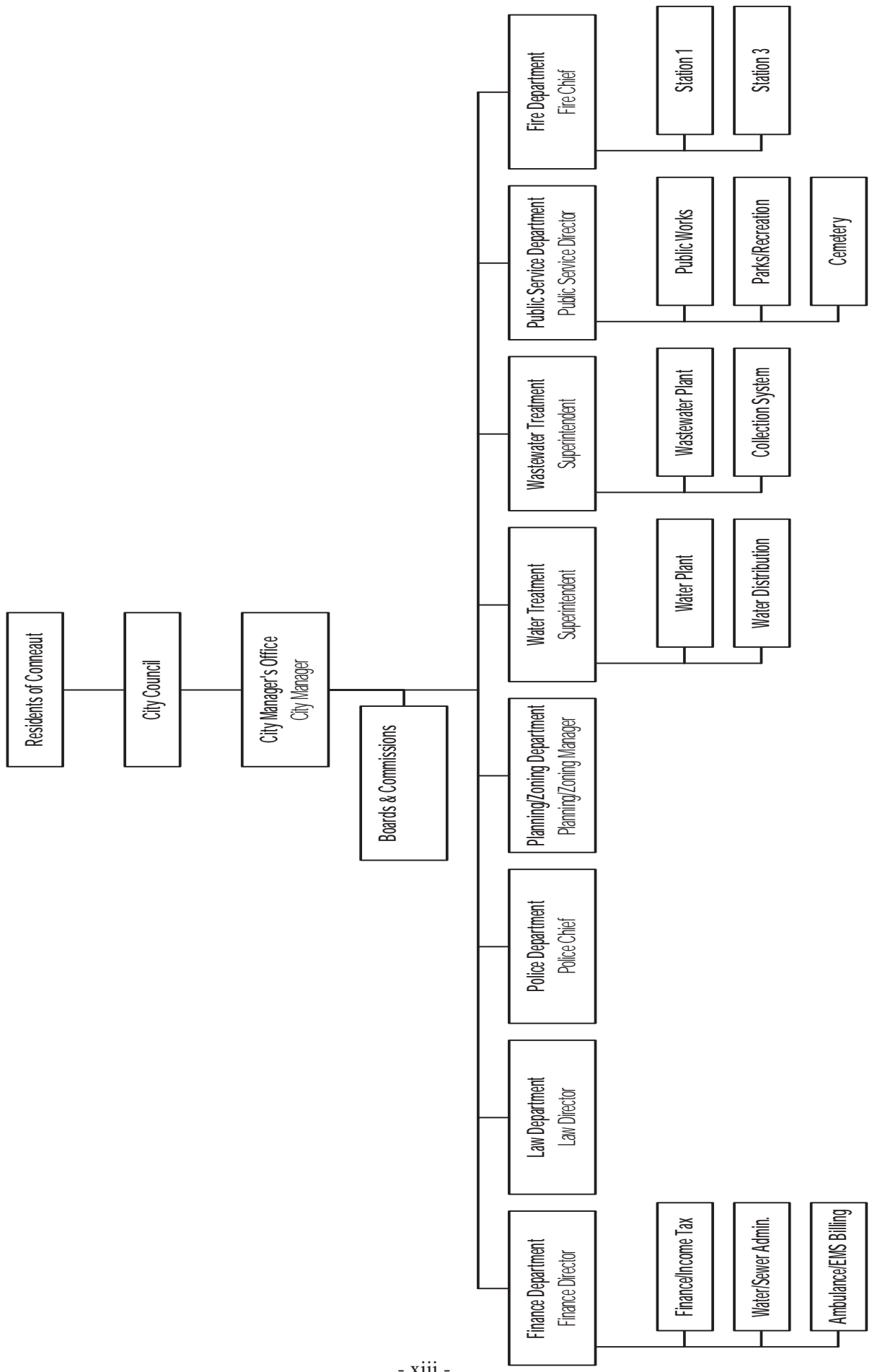
The successful preparation of the Annual Comprehensive Financial Report required the contribution and dedication of the Finance Department. Sincere appreciation is extended to City Council and City Manager Jim Hockaday for their commitment to sound financial reporting. Gratitude is also expressed to all City Department Directors for their support. To the Local Government Services Section of the Office of the Auditor of State, a special acknowledgment is extended for their support and guidance in the preparation of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "John P. Williams".

John Williams, J.D., CPA
Finance Director

CITY ORGANIZATIONAL CHART - ESTABLISHED BY CITY CHARTER



CITY OF CONNEAUT
ELECTED AND APPOINTED CITY OFFICIALS

December 31, 2022

CITY COUNCIL

Jon Arcaro, President

Tammy Ledford, At Large

Nicholas Perkoski, At Large

Rick Gaugh, Ward 1

Terry Moisio, Jr., Ward 2

Oakey Emery, Ward 3

Tom Kozesky, Ward 4

CITY MANAGER

Jim Hockaday

APPOINTED OFFICIALS

John Williams, Director of Finance

John Lewis, Director of Law

Michael Colby, Chief of Police

Steve Lee, Chief of Fire

Josh Teppo, Water Superintendent

Brian Bidwell, Wastewater Superintendent

Joe Dibell, Public Service Director

Jennifer Hoover, Planning Zoning Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Conneaut
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION



6400 OLDE STONE CROSSING
POLAND, OHIO 44514
PH: 330.707.9035
FAX: 888.516.1186

CERTIFIED PUBLIC ACCOUNTANTS

WWW.CANTERCPA.NET

INDEPENDENT AUDITOR'S REPORT

City of Conneaut
Ashtabula County
294 Main Street
Conneaut, Ohio 44030

To the Members of City Council:

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 Conneaut (the City), Ashtabula County, Conneaut, Ohio as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Conneaut, Ashtabula County, Conneaut, Ohio, as of December 31, 2022, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Street Construction Maintenance and Repair Fund, and American Rescue Plan Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Conneaut, Ashtabula County, Conneaut, Ohio 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 discussed in Note 26 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. As discussed in Note 3, during the year the City also adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion was not modified with respect to these matters.

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 Conneaut'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 Conneaut'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 Conneaut'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 this presentation to include *Management's Discussion and Analysis* and Schedules of Net Pension and Postemployment Benefit Liabilities, Pension and Postemployment Benefit Contributions and Net Pension Asset, listed in the table of contents, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 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 30, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Canter & Assoc" with a stylized flourish at the end.

CANTER & ASSOCIATES

Poland, Ohio
June 30, 2023

City of Conneaut, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

The management's discussion and analysis for the City of Conneaut's financial statements provides an overall review of the financial activity of the City for the twelve months ended December 31, 2022. The intent of this discussion and analysis is to provide a narrative that describes the City's performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes.

Financial Highlights

Financial highlights for 2022 are as follows:

- In governmental activities, total revenues decreased by \$744,355 or 6.94 percent, primarily due to a decrease in charges for services and capital grants revenues.
- Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for 2022 in governmental activities by \$21,777,253 of which (\$5,581,483) was unrestricted. The net position increased by \$589,391 from 2021.
- On a modified accrual basis, the City's general fund had a balance of \$1,623,117 which is an increase of \$410,418 from the prior year. The unassigned fund balance was \$1,195,230 or 73.64 percent of the total, which is an increase of \$870,882 from the prior year.
- In governmental activities, outstanding long term obligations at year end totaled \$11,034,907, which is a decrease of \$846,496 from the prior year, while in business-type activities, these obligations totaled \$12,080,279, which is an increase of \$2,281,560 from 2021.
- During 2022, the City continued to receive collections from a tax increment financing agreement with Truck World for the redevelopment of property located within the City's tax incremental financing district. The agreement includes a 100 percent exemption from real property taxation on the public infrastructure improvements for up to twenty years. Truck World makes service payments in lieu of real property taxes.

Using this Annual Financial Report

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

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2022 and how they affected the operations of the City as a whole.

Reporting the City of Conneaut as a Whole

Statement of Net Position and Statement of Activities

The Statement of Net Position and the Statement of Activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance. These statements include all non-fiduciary assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting. This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

City of Conneaut, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

These two statements report the City's net position and changes in the position. The change in net position is important since it is an indication of whether the financial position of the City is improving or declining. However, to properly evaluate the operation of the City, certain non-cash items should be taken into consideration. These items would include the current economic situation as a whole, the current tax base for the City and the age and condition of the City buildings and infrastructure.

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

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

Reporting on the Most Significant Funds of the City of Conneaut

Fund Financial Statements

The analysis of the City's major funds begins on page 10. The fund financial reports give a detailed report of the activities within the funds. The City's funds are in existence to provide a multitude of services to the citizens of Conneaut. Each fund is in some ways an entity unto itself. Each fund has a designated revenue stream and restricted uses for the monies within the fund.

In this report, the focus is on five major funds, the general fund, the street construction, maintenance and repair and the American rescue plan act special revenue funds and the water and the sewer enterprise funds.

Governmental Funds All of the City's major activities (excluding the water and sewer funds) are reported in the governmental funds. This report shows how monies flow into and out of these funds and also shows what balances are available for future expenditures. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can be converted into cash. This shows what level of financial resources is available or will be available to provide the services that the general government provides in the near future. These services include police and fire protection, as well as the improving and maintaining the City's streets, parks, cemeteries and City Hall. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the government funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

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

The City of Conneaut as a Whole

The Statement of Net Position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2022 as compared to 2021.

City of Conneaut, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

(Table 1)
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021*
Assets						
Current and Other Assets	\$9,780,034	\$9,234,142	\$3,185,278	\$3,837,184	\$12,965,312	\$13,071,326
Net OPEB Asset	376,300	199,765	318,408	169,032	694,708	368,797
Capital Assets, Net	28,883,790	29,005,935	25,275,601	23,552,559	54,159,391	52,558,494
<i>Total Assets</i>	<u>39,040,124</u>	<u>38,439,842</u>	<u>28,779,287</u>	<u>27,558,775</u>	<u>67,819,411</u>	<u>65,998,617</u>
Deferred Outflows of Resources						
Asset Retirement Obligation	0	0	3,037,103	1,130,732	3,037,103	1,130,732
Pension	2,744,132	1,039,085	478,965	265,086	3,223,097	1,280,504
OPEB	560,059	555,515	12,274	107,286	572,333	645,123
<i>Total Deferred Outflows of Resources</i>	<u>3,304,191</u>	<u>1,594,600</u>	<u>3,528,342</u>	<u>1,503,104</u>	<u>6,832,533</u>	<u>3,056,359</u>
Liabilities						
Current and Other Liabilities	2,963,373	1,853,164	355,005	509,233	3,318,378	2,362,397
Long-Term Liabilities:						
Due Within One Year	704,105	767,144	615,385	630,481	1,319,490	1,397,625
Due in More than One Year:						
Net Pension Liability	6,393,878	6,845,783	933,233	1,487,020	7,327,111	8,332,803
Net OPEB Liability	928,279	790,842	0	0	928,279	790,842
Other Amounts Due in More than One Year	3,008,645	3,477,634	10,531,661	7,681,218	13,540,306	11,158,852
<i>Total Liabilities</i>	<u>13,998,280</u>	<u>13,734,567</u>	<u>12,435,284</u>	<u>10,307,952</u>	<u>26,433,564</u>	<u>24,042,519</u>
Deferred Inflows of Resources						
Property Taxes	2,403,306	2,425,572	0	0	2,403,306	2,425,572
Payment in Lieu of Taxes	56,924	56,924	0	0	56,924	56,924
Leases	308,058	310,715	0	0	308,058	0
Pension	3,078,897	1,370,047	1,137,224	661,552	4,216,121	2,007,932
OPEB	721,597	948,755	336,758	536,497	1,058,355	1,467,574
<i>Total Deferred Inflows of Resources</i>	<u>6,568,782</u>	<u>5,112,013</u>	<u>1,473,982</u>	<u>1,198,049</u>	<u>8,042,764</u>	<u>5,958,002</u>
Net Position						
Net Investment in Capital Assets	25,326,714	25,741,041	18,449,760	17,429,050	43,776,474	43,170,091
Restricted:						
Capital Projects	415,428	551,587	0	0	415,428	551,587
Debt Service	0	11,117	0	0	0	11,117
Street Construction, Maintenance and Repair	627,408	705,488	0	0	627,408	705,488
Police and Fire Operations	494,330	765,676	0	0	494,330	765,676
Drug and Alcohol Enforcement	86,862	84,111	0	0	86,862	84,111
Cemetery Operations	74,919	80,919	0	0	74,919	80,919
Economic Development	39,635	29,701	0	0	39,635	29,701
Pension Plans	8,819	10,228	6,594	7,630	15,413	17,858
Other Purposes	284,621	115,771	0	0	284,621	115,771
Unrestricted (Deficit)	(5,581,483)	(6,907,777)	(57,991)	119,198	(5,639,474)	(6,788,579)
<i>Total Net Position</i>	<u>\$21,777,253</u>	<u>\$21,187,862</u>	<u>\$18,398,363</u>	<u>\$17,555,878</u>	<u>\$40,175,616</u>	<u>\$38,743,740</u>

* After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension-related items have been eliminated.

City of Conneaut, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2022. 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.

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.

Governmental activities saw an increase in net position from \$21,187,862 in 2021 to \$21,777,253 in 2022 due to increases in property tax and municipal income tax collections as well as a decrease in net pension liability, offset by associated deferred outflows/inflows. Business-type activities saw an increase in net position from \$17,555,878 in 2021 to \$18,398,363 in 2022 due to an increase in both water and sewer. Management works diligently to control costs. At the end of the current year, the City of Conneaut was able to report positive balances in net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

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

(Table 2)
Change in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
<i>Program Revenues</i>						
Charges for Services and Assessments	\$973,302	\$1,005,681	\$4,826,486	\$4,651,845	\$5,799,788	\$5,657,526
Operating Grants and Contributions	1,368,739	1,143,172	0	0	1,368,739	1,143,172
Capital Grants	307,639	2,806,096	290,571	246,745	598,210	3,052,841
<i>Total Program Revenues</i>	<u>\$2,649,680</u>	<u>\$4,954,949</u>	<u>\$5,117,057</u>	<u>\$4,898,590</u>	<u>\$7,766,737</u>	<u>\$9,853,539</u>

(continued)

City of Conneaut, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2022
Unaudited

(Table 2)
Change in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues (continued)						
General Revenues						
Property Taxes	\$2,638,677	\$2,377,986	\$0	\$0	\$2,638,677	\$2,377,986
Municipal Income Taxes	3,786,554	3,228,781	0	0	3,786,554	3,228,781
Hotel Taxes	47,988	105,701	0	0	47,988	105,701
Grants and Entitlements not Restricted to Specific Programs	583,608	550,326	0	0	583,608	550,326
Franchise Taxes	141,272	30,714	0	0	141,272	30,714
Payment in Lieu of Taxes	56,924	0	0	0	56,924	0
Investment Earnings/Interest	93,213	4,545	0	0	93,213	4,545
Miscellaneous	721,576	210,845	7,861	10,179	729,437	221,024
Total General Revenues	8,069,812	6,508,898	7,861	10,179	8,077,673	6,519,077
Total Revenues	10,719,492	11,463,847	5,124,918	4,908,769	15,844,410	16,372,616
Program Expenses						
General Government	1,687,502	1,200,315	0	0	1,687,502	1,200,315
Security of Persons and Property	4,965,318	4,549,435	0	0	4,965,318	4,549,435
Public Health Services	13,020	88,870	0	0	13,020	88,870
Leisure Time Activities	112,087	97,071	0	0	112,087	97,071
Community Development	71,264	40,340	0	0	71,264	40,340
Basic Utility Services	238,384	214,218	0	0	238,384	214,218
Transportation	2,921,670	1,302,283	0	0	2,921,670	1,302,283
Interest	118,356	78,038	0	0	118,356	78,038
Water	0	0	2,020,444	1,569,569	2,020,444	1,569,569
Sewer	0	0	2,264,489	1,847,248	2,264,489	1,847,248
Total Program Expenses	10,127,601	7,570,570	4,284,933	3,416,817	14,412,534	10,987,387
Income (Loss) before Transfers	591,891	3,893,277	839,985	1,491,952	1,431,876	5,385,229
Transfers	(2,500)	71,657	2,500	(71,657)	0	0
Change in Net Position	589,391	3,964,934	842,485	1,420,295	1,431,876	5,385,229
Net Position Beginning of Year	21,187,862	17,222,928	17,555,878	16,135,583	38,743,740	33,358,511
Net Position End of Year	\$21,777,253	\$21,187,862	\$18,398,363	\$17,555,878	\$40,175,616	\$38,743,740

Governmental Activities

The City's net position in governmental activities increased by \$589,391 for a net position total of \$21,777,253 in 2022. Total revenues decreased by \$744,355 or 6.49 percent, with expenses increasing \$2,557,031 or 33.78 percent. Funding for governmental activities is derived from many sources, the largest of which is the City's municipal income tax, representing approximately half of the general fund revenue budget. The City's income tax rate is 1.65 percent. Total income tax revenues were \$3,786,554 for 2022, an increase of \$557,773 from 2021. The revenue collected from the 1.65 percent income tax was recorded into the general fund, street construction maintenance and repair, capital improvement, street lighting and recreation funds. The next largest revenue source of the City is property taxes. Property tax collections saw an increase of \$260,691 from 2021 collections. The City also applies for and received grants through various sources which is reflected through operating grants and contributions. For 2022, the City saw an increase in operating grants and contributions due to the timing of the City receiving grant support in 2022.

City of Conneaut, Ohio
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The largest program function for the City is normally security of persons and property, which includes expenses of the police and fire departments. In 2022, the City spent \$4,965,318 on police and fire protection. The police department employs nineteen officers and four full-time dispatchers. The fire department has eleven full-time positions and one permanent part-time position. There are two fire stations within the City, one staffed by the full-time and permanent part-time firefighters, while the other station is staffed by part-time or volunteer personnel. The City also operates its own ambulance service with full-time employees. During 2022, there was an increase in expenses of \$415,883 for the police and fire departments or a 9.14 percent increase from 2021.

The City's Public Works Department (transportation) has 13 employees, including one mechanic, ten equipment operators, and one full-time administrative assistant. In 2022, they spent \$2,921,670 in transportation activities. The public works department is responsible for maintaining 565 lane miles of roads, including the paving of local streets, snow plowing, storm sewer and ditch maintenance, tree trimming/removal, park and cemetery maintenance, litter pick up, and various other duties.

Business-Type Activities

The City operates two business-type activities: the water and sewer treatment facilities. Net position increased in business-type activities by \$842,485 to \$18,398,363. Total revenues increased by \$216,149 or 4.40 percent, and total program expenses increased by \$868,116 or 25.41 percent. The major revenue source for these activities is charges for services. There was an increase in capital contributions with more grant monies received for OPWC projects. The water plant provides water to approximately 4,900 customers. Approximately forty-one million gallons of water and seventy-three million gallons of wastewater are processed each month.

The City's Funds

A review of the City's governmental funds provides information on near-term flows and balances of expendable resources and serves as a useful measure of a government's net resources. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual method of accounting.

The City's major governmental funds are the general fund, the street construction and maintenance and repair special revenue fund and the American rescue plan act special revenue fund. All governmental funds had total revenues of \$10,217,195 and total expenditures of \$11,288,851, resulting in expenditures exceeding revenues by \$1,071,656. Total revenues decreased mainly due to a decrease in fees, licenses and permits and intergovernmental revenues. Total expenditures decreased mainly in capital outlay due to a decrease in road projects during 2022. During 2022, there was an increase in general fund revenues as intergovernmental and income tax revenues increased. General fund expenditures decreased due to a decrease in police and fire expenditures. Expenditures exceeded revenues in the street construction, maintenance and repair fund due to increased paving projects completed and equipment acquisitions made during the year. The American rescue plan special revenue fund received \$661,505 in intergovernmental revenue during 2022 which is presented as unearned revenue on the financial statements. The City's funds are monitored consistently with adjustments made throughout the year in budgets to accommodate yearly revenues.

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Information about the proprietary funds starts on page 25. These funds are accounted for on an accrual basis.

Enterprise funds had GAAP operating revenues of \$4,834,347 and operating expenses of \$4,144,411, generating an operating gain of \$689,936. Overall, operating revenues increased with slight increases in charges for water and sewer services and other revenues. Operating expenses saw an increase in purchased and contractual services expenses. The City consistently reviews these funds, and if necessary, rate adjustments are made to ensure strength in our enterprise funds.

General Fund Budgeting Highlights

The general fund is the City's largest and most versatile operating fund. It funds the police and fire departments, and all of the administrative departments, as well as the municipal court and general services. Furthermore, it assists other funds, primarily the street department, with cash transfers when necessary. Budgeting is prescribed by the Ohio Revised Code. The City's budgeted appropriations are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the Ohio Revised Code. General fund revenues and expenses are monitored on a monthly basis to ensure that overspending does not occur, and budget adjustments are proposed generally on a quarterly basis or more often if necessary. All changes in appropriation line items, no matter how small, must be authorized by City Council and by ordinance.

In 2022, the general fund's original and final revenue budget was at \$4,713,799 and \$4,893,579, respectively. Actual revenues were higher at \$5,282,284 or a \$388,705 variance. A large part of the difference was made from more than anticipated charges for services revenues. The general fund's original appropriation budget was \$5,422,037, and the final appropriation budget was \$5,570,921. Actual expenditures were substantially less than final budgeted appropriations with a variance of \$480,693. This difference is made from the City becoming more conservative in spending due to the current economic conditions that entities are facing State-wide.

Capital Assets and Debt Administration

Capital Assets

(Table 3)
 Capital Assets at December 31,
 (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$871,522	\$871,522	\$18,428	\$18,428	\$889,950	\$889,950
Construction in Progress	862,371	0	1,262,537	202,120	2,124,908	202,120
Buildings and Improvements	113,127	133,139	2,468,106	2,441,821	2,581,233	2,574,960
Equipment	1,344,921	1,418,948	2,862,436	2,984,755	4,207,357	4,403,703
Vehicles	813,215	835,391	859,565	741,731	1,672,780	1,577,122
Infrastructure						
Traffic Signals	828,855	853,212	0	0	828,855	853,212
Roads	11,372,160	11,880,849	0	0	11,372,160	11,880,849
Bridges	9,817,149	10,088,119	0	0	9,817,149	10,088,119
Storm Sewers	2,860,470	2,924,755	0	0	2,860,470	2,924,755
Water and Sewer Lines	0	0	17,804,529	17,163,704	17,804,529	17,163,704
Total	\$28,883,790	\$29,005,935	\$25,275,601	\$23,552,559	\$54,159,391	\$52,558,494

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Capital assets of governmental activities saw a decrease in 2022 due to depreciation outpacing additions during the year. Additions also include 2 trucks, a guard rail and protective fire gear. There were a number of road improvements made throughout the City as well during 2022.

The largest addition to business-type capital assets were sewer line improvements made throughout the City. Multiple trucks and equipment were also purchased. Overall, there was an increase in business-type capital assets as the current year additions exceeded depreciation.

For additional information regarding the City's capital assets, see Note 10 to the basic financial statements.

Long-term Obligations

The City's long-term obligations are comprised of general obligation bonds, OPWC and OWDA loans, loans payable, capital leases, compensated absences, asset retirement obligations and net pension/OPEB liabilities.

(Table 4)
 Outstanding Long-term Obligations at Year End

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$1,085,922	\$1,330,580	\$335,500	\$416,079	\$1,421,422	\$1,746,659
OWDA Loans	0	0	5,596,032	5,111,757	5,596,032	5,111,757
Loans Payable	61,680	116,865	0	0	61,680	116,865
State Infrastructure Bank						
Loans Payable	1,254,742	1,378,286	0	0	1,254,742	1,378,286
OPWC Loans	152,820	124,870	894,309	483,690	1,047,129	608,560
Financed Purchases	349,055	431,158	0	0	349,055	431,158
Compensated Absences	808,531	863,019	370,571	324,858	1,179,102	1,187,877
Asset Retirement Obligation	0	0	3,950,634	1,975,315	3,950,634	1,975,315
Net Pension Liability	6,393,878	6,845,783	933,233	1,487,020	7,327,111	8,332,803
Net OPEB Liability	928,279	790,842	0	0	928,279	790,842
Total	\$11,034,907	\$11,881,403	\$12,080,279	\$9,798,719	\$23,115,186	\$21,680,122

Total debt in governmental activities decreased by \$846,496, and business-type activities increased by \$2,281,560. During 2022, the City issued OPWC loans and OWDA loans. All of the debt service for these new issues are being paid with income and property tax revenues. In total, there are twenty-four OPWC and nine OWDA loans, the majority of which are being funded by special assessments and water and sewer user fees.

The six general obligation bonds outstanding at the end of the year were the Vehicle Acquisition, 2014 and 2017 Various Improvements, Fire Truck and 2020 and 2021 Street Improvement bonds. The Fire Truck will be paid from the general fund.

Special assessment loans consist of various sewer projects. The debt service on these loans is paid from real estate tax assessments on those property owners who benefited from the improvements. These funds are deposited into the special assessment debt retirement fund.

For more information about the City's long-term obligations, see Note 17 to the basic financial statements.

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Current Financial Issues

The Public Works Division includes the Street, Parks, and Cemetery departments. These three departments are the least well-funded departments in the City. The Street Department is by far the largest component of the Public Works Division, with an overall budget of nearly \$2.5 million dollars. It is funded primarily by income tax, gas tax, auto permissive fees and vehicle license fees. It also includes a five-year, 2.75 mill road levy that is used for paving and maintaining 560 lane miles of road throughout the 27 square mile City. The levy's last year of collection is 2023. If not renewed by the voters, the City will have no funds for paving and very little for street maintenance.

Despite having such a large revenue source, the Public Works Division still barely breaks even on an annual basis, and requires general fund transfers to remain solvent. Staffing in the division has experienced a decline from 23 in the year 2000 to 13 today, which is almost a 50 percent reduction. This division is also very capital intensive and requires very large and expensive pieces of equipment to operate. About thirty pieces of heavy equipment and trucks are an integral part of the division, including tandem dump trucks that cost approximately \$240,000 per vehicle, road graders that cost about \$250,000 each, street sweepers that cost approximately \$350,000 each and backhoes that cost nearly \$150,000 each. These vehicles and equipment are used intensively and need to be replaced every 5-10 years. Furthermore, aging storm sewers throughout the City are another large outstanding infrastructure liability for the Street Department, as well as the City's share of paving Routes 20, 531, and 7, which recently cost the City \$1.3 million dollars and were funded via State Infrastructure Bank loans and other debt financing.

On a cash basis, the City's general fund carryover decreased by \$916,291 since 2020. While general fund carryovers have been decreasing due to an increase in capital expenditures, debt payments, health care, wages, and other personnel costs, revenue growth has not been sufficient to cover the increase in expenditures, therefore, fund balance has been used to support general fund operations. Efforts by the City administration and City Council to implement numerous cost savings measures, including staff reductions, changes to health care benefits, and restructuring of departments have helped slow the decline in fund balance, but an increase in revenue is needed to prevent further decline at the current and projected expenditure levels. There continues to be a concerted effort by the City Manager and staff to curtail spending wherever possible without compromising City services, but the City must remain diligent in exploring new ways to improve efficiency, cut costs and increase revenue, wherever possible.

All five of the City's union contracts were finalized, with the effective period starting January 1, 2022 and will expire on December 31, 2024. All five unions agreed to a cumulative wage increase of 7.5 percent for the contract period, with most unions agreeing to an allocation of 3.5 percent in 2022, 2 percent in 2023, and 2 percent in 2024. The previous negotiation resulted in three-year contracts effective on January 1, 2019 and expired on December 31, 2021, where each of the unions agreed to receive a 2 percent annual increase, resulting in a three-year cumulative cost of approximately \$622,000. The new agreements will have a three-year cumulative cost of \$967,000. The City's ability to fund these and future increases, without layoffs, will depend upon the strength of our local economic tax base and our ability to contain other costs

Health insurance for employees has been, and continues to be, one the City's greatest financial challenges. On an annual basis, the increase in medical insurance rates continues to outpace City revenues. The health care committee, comprised of representatives from management and the five unions, met to discuss the most recent medical insurance renewal proposal. With the assistance of the City's health insurance broker, Fedeli, different health insurance options and plans were priced. Ultimately, the City remained with the health savings account through Medical Mutual and continued membership with the Ohio Government Benefit Cooperative, which is a purchasing pool of eleven cities that comprise the consortium. However, the cost of health plans still increased a cumulative total of approximately 17.5 percent over a three-year period. The annual cost of a

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health care plan, including the City's contribution to the deductible, is \$11,322 for a single plan; \$20,938 for an employee/child plan; \$26,377 for an employee/spouse plan; and \$36,401 for a family plan. The total cost of the City's health insurance plan for the 79 full-time employees who utilize the health insurance plan is approximately \$2,216,335 per year. Fifteen of the City's full-time employees who are eligible for health insurance chose to take the health insurance stipend or buyout of \$400 per month, costing about \$72,000 annually. All four of the City's unions have agreed that each of their members will pay 10 percent of the health insurance premium to help offset the increased cost to the City. Health care contributions by employees total approximately \$201,500 annually.

Income tax is the largest revenue source in the general fund, and is a critical funding source for many departments, including the City's safety forces, which represent approximately two-thirds of general fund operations. Approximately seventy-four percent of all income tax revenue is allocated to general fund operations. Since income tax collections can sometimes vary dramatically from year to year, especially with macroeconomic factors beyond the City's control, it is monitored very closely to ensure budgetary stability. Although the COVID-19 pandemic had a deleterious impact on City income tax collections, hitting a ten year low in 2020, collections have recovered in the past few years, with \$3,616,420 collected in 2022, which is a City record.

However, delinquent income tax collections represented approximately 5 percent of total collections in 2022 or \$189,019, which is the largest annual delinquent collection ever recorded. Even when excluding delinquent collections, City income tax collections were 10.6 percent higher than 2021. The income tax department utilizes a collection program through the Attorney General of Ohio to collect delinquent income taxes and it has been a very effective program for the City. The City continues to be very aggressive in pursuing delinquent income taxpayers, with \$712,831 in delinquencies sent to the Attorney General of Ohio for collection.

Contacting the City's Finance Department

This report is designed to provide the reader with a broad overview of the City's financial position, as well as a general understanding of the financial operations of the City. If you have any questions about this report or need any additional financial information, please contact John Williams, J.D., CPA, Finance Director, 294 Main Street, Conneaut, Ohio 44030, telephone 440-593-7416, or e-mail at connfinance@conneautoh.org.

City of Conneaut, Ohio
Statement of Net Position
December 31, 2022

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Conneaut Board of Health	Conneaut Port Authority
Assets					
Equity in Pooled Cash and Cash Equivalents	\$3,872,219	\$2,339,708	\$6,211,927	\$143,015	\$111,921
Accounts Receivable	184,820	612,404	797,224	0	0
Internal Balances	0	0	0	0	0
Intergovernmental Receivable	1,222,246	0	1,222,246	0	0
Prepaid Items	0	0	0	0	18,418
Materials and Supplies Inventory	83,722	222,423	306,145	23,820	6,151
Property Taxes Receivable	2,712,439	0	2,712,439	0	0
Payment in Lieu of Taxes Receivable	56,924	0	56,924	0	0
Municipal Income Taxes Receivable	822,631	0	822,631	0	0
Special Assessments Receivable	144,975	10,743	155,718	0	0
Lease Receivable	308,058	0	308,058	0	0
Loans Receivable from Component Unit	372,000	0	372,000	0	0
Net OPEB Asset	376,300	318,408	694,708	28,945	38,400
Nondepreciable Capital Assets	1,733,893	1,280,965	3,014,858	0	379,531
Depreciable Capital Assets, Net	27,149,897	23,994,636	51,144,533	44,343	1,251,239
<i>Total Assets</i>	39,040,124	28,779,287	67,819,411	240,123	1,805,660
Deferred Outflows of Resources					
Asset Retirement Obligation	0	3,037,103	3,037,103	0	0
Pension	2,744,132	478,965	3,223,097	43,582	53,617
OPEB	560,059	12,274	572,333	1,116	1,111
<i>Total Deferred Outflows of Resources</i>	3,304,191	3,528,342	6,832,533	44,698	54,728
Liabilities					
Accounts Payable	99,977	179,810	279,787	959	36,988
Contracts Payable	672,169	15,387	687,556	0	0
Retainage Payable	45,841	0	45,841	0	0
Accrued Wages	174,944	63,780	238,724	6,421	7,773
Intergovernmental Payable	128,561	37,155	165,716	4,316	0
Deposits Held Payable	100,606	0	100,606	0	0
Accrued Interest Payable	51,505	58,873	110,378	0	1,505
Notes Payable	372,000	0	372,000	0	14,000
Due to Primary Government	0	0	0	0	372,000
Unearned Revenue	1,317,770	0	1,317,770	120,471	83,969
Deposits on Future Revenue	0	0	0	0	4,165
Deposit - Economic Development	0	0	0	0	25,000
Long-Term Liabilities:					
Due Within One Year	704,105	615,385	1,319,490	14,793	14,171
Due In More Than One Year:					
Net Pension Liability (See Note 18)	6,393,878	933,233	7,327,111	84,840	114,584
Net OPEB Liability (See Note 19)	928,279	0	928,279	0	0
Other Amounts Due In More Than One Year	3,008,645	10,531,661	13,540,306	27,899	40,669
<i>Total Liabilities</i>	13,998,280	12,435,284	26,433,564	259,699	714,824
Deferred Inflows of Resources					
Property Taxes	2,403,306	0	2,403,306	0	0
Payment in Lieu of Taxes	56,924	0	56,924	0	0
Leases	308,058	0	308,058	0	0
Pension	3,078,897	1,137,224	4,216,121	103,374	138,807
OPEB	721,597	336,758	1,058,355	30,614	39,676
<i>Total Deferred Inflows of Resources</i>	6,568,782	1,473,982	8,042,764	133,988	178,483
Net Position					
Net Investment in Capital Assets	25,326,714	18,449,760	43,776,474	15,310	1,277,468
Restricted for:					
Capital Projects	415,428	0	415,428	0	0
Street Construction, Maintenance and Repair	627,408	0	627,408	0	0
Police and Fire Operations	494,330	0	494,330	0	0
Drug and Alcohol Enforcement	86,862	0	86,862	0	0
Cemetery Operations	74,919	0	74,919	0	0
Economic Development	39,635	0	39,635	0	0
Pension Plans	8,819	6,594	15,413	0	0
Other Purposes	284,621	0	284,621	0	0
Unrestricted (Deficit)	(5,581,483)	(57,991)	(5,639,474)	(124,176)	(310,387)
<i>Total Net Position</i>	\$21,777,253	\$18,398,363	\$40,175,616	(\$108,866)	\$967,081

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Activities
For the Year Ended December 31, 2022

	Program Revenues			
	Expenses	Charges for Services and Assessments	Operating Grants and Contributions	Capital Grants
Governmental Activities:				
General Government	\$1,687,502	\$325,960	\$0	\$0
Security of Persons and Property	4,965,318	362,925	183,833	0
Public Health Services	13,020	2,502	0	0
Leisure Time Activities	112,087	10,635	4,624	0
Community Development	71,264	53,454	157,169	231,673
Basic Utility Services	238,384	178,639	0	0
Transportation	2,921,670	39,187	1,023,113	75,966
Interest	118,356	0	0	0
<i>Total Governmental Activities</i>	<u>10,127,601</u>	<u>973,302</u>	<u>1,368,739</u>	<u>307,639</u>
Business-Type Activities:				
Water	2,020,444	2,437,679	0	118,089
Sewer	2,264,489	2,388,807	0	172,482
<i>Total Business-Type Activities</i>	<u>4,284,933</u>	<u>4,826,486</u>	<u>0</u>	<u>290,571</u>
<i>Total Primary Government</i>	<u><u>\$14,412,534</u></u>	<u><u>\$5,799,788</u></u>	<u><u>\$1,368,739</u></u>	<u><u>\$598,210</u></u>
Component Unit				
Conneaut Board of Health	\$454,442	\$18,621	\$498,952	\$0
Conneaut Port Authority	673,043	512,858	112,708	0
<i>Total Component Units</i>	<u><u>\$1,127,485</u></u>	<u><u>\$531,479</u></u>	<u><u>\$611,660</u></u>	<u><u>\$0</u></u>

General Revenues

Property Taxes Levied for:

General Purposes

Capital Projects

Other Purposes

Municipal Income Taxes Levied for:

General Purposes

Capital Outlay

Street Construction, Maintenance and Repair

Other Purposes

Hotel Taxes

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Franchise Taxes

Investment Earnings/Interest

Gain on Sale of Capital Assets

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Conneaut Board of Health	Conneaut Port Authority	
(\$1,361,542)	\$0	(\$1,361,542)	\$0	\$0	
(4,418,560)	0	(4,418,560)	0	0	
(10,518)	0	(10,518)	0	0	
(96,828)	0	(96,828)	0	0	
371,032	0	371,032	0	0	
(59,745)	0	(59,745)	0	0	
(1,783,404)	0	(1,783,404)	0	0	
(118,356)	0	(118,356)	0	0	
(7,477,921)	0	(7,477,921)	0	0	
0	535,324	535,324	0	0	
0	296,800	296,800	0	0	
0	832,124	832,124	0	0	
(7,477,921)	832,124	(6,645,797)	0	0	
0	0	0	63,131	0	
0	0	0	0	(47,477)	
0	0	0	63,131	(47,477)	
373,731	0	373,731	0	0	
521,494	0	521,494	0	0	
1,743,452	0	1,743,452	0	0	
2,980,879	0	2,980,879	0	0	
59,810	0	59,810	0	0	
674,285	0	674,285	0	0	
71,580	0	71,580	0	0	
47,988	0	47,988	0	0	
583,608	0	583,608	0	0	
56,924	0	56,924	0	0	
141,272	0	141,272	0	0	
93,213	0	93,213	0	270	
0	0	0	0	2,500	
721,576	7,861	729,437	0	650	
8,069,812	7,861	8,077,673	0	3,420	
(2,500)	2,500	0	0	0	
8,067,312	10,361	8,077,673	0	3,420	
589,391	842,485	1,431,876	63,131	(44,057)	
21,187,862	17,555,878	38,743,740	(171,997)	1,011,138	
<u>\$21,777,253</u>	<u>\$18,398,363</u>	<u>\$40,175,616</u>	<u>(\$108,866)</u>	<u>\$967,081</u>	

City of Conneaut, Ohio

Balance Sheet

Governmental Funds

December 31, 2022

	General	Street Construction, Maintenance and Repair	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$974,887	\$70,256	\$1,317,770	\$1,448,721	\$3,811,634
Materials and Supplies Inventory	20,942	62,780	0	0	83,722
Accounts Receivable	184,820	0	0	0	184,820
Intergovernmental Receivable	309,639	303,209	0	609,398	1,222,246
Municipal Income Taxes Receivable	647,715	146,399	0	28,517	822,631
Property Taxes Receivable	383,778	0	0	2,328,661	2,712,439
Payments in Lieu of Taxes Receivable	0	0	0	56,924	56,924
Loans Receivable from Component Unit	0	0	0	372,000	372,000
Interfund Receivable	387,700	0	0	0	387,700
Special Assessments Receivable	4,183	122,569	0	18,223	144,975
Leases Receivable	308,058	0	0	0	308,058
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	39,285	21,300	0	0	60,585
Total Assets	\$3,261,007	\$726,513	\$1,317,770	\$4,862,444	\$10,167,734
Liabilities					
Accounts Payable	\$21,635	\$17,310	\$0	\$61,032	\$99,977
Contracts Payable	2,835	638	0	668,696	672,169
Accrued Wages	132,941	29,198	0	12,805	174,944
Intergovernmental Payable	30,153	15,563	0	82,845	128,561
Unearned Revenue	0	0	1,317,770	0	1,317,770
Deposits Held Payable from Restricted Assets	9,467	21,300	0	69,839	100,606
Interfund Payable	0	0	0	387,700	387,700
Retainage Payable	0	0	0	45,841	45,841
Accrued Interest Payable	0	0	0	22,927	22,927
Notes Payable	0	0	0	372,000	372,000
Total Liabilities	197,031	84,009	1,317,770	1,723,685	3,322,495
Deferred Inflows of Resources					
Property Taxes	340,001	0	0	2,063,305	2,403,306
Payment in Lieu of Taxes	0	0	0	56,924	56,924
Leases	308,058	0	0	0	308,058
Unavailable Revenue	792,800	407,956	0	700,380	1,901,136
Total Deferred Inflows of Resources	1,440,859	407,956	0	2,820,609	4,669,424
Fund Balances					
Nonspendable	50,760	62,780	0	0	113,540
Restricted	0	171,768	0	1,053,600	1,225,368
Committed	0	0	0	235,211	235,211
Assigned	377,127	0	0	0	377,127
Unassigned (Deficit)	1,195,230	0	0	(970,661)	224,569
Total Fund Balances	1,623,117	234,548	0	318,150	2,175,815
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$3,261,007	\$726,513	\$1,317,770	\$4,862,444	\$10,167,734

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2022*

Total Governmental Funds Balances	\$2,175,815
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	28,883,790
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable in the funds:	
Delinquent Property Taxes	309,133
Municipal Income Taxes	464,869
Intergovernmental	797,339
Special Assessments	140,792
Charges for Services	155,707
Franchise Tax	33,296
Total	1,901,136
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.	(28,578)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(1,085,922)
Loans Payable	(61,680)
State Infrastructure Bank Loans Payable	(1,254,742)
OPWC Loans Payable	(152,820)
Financed Purchases	(349,055)
Compensated Absences	(808,531)
Total	(3,712,750)
The net OPEB asset, net pension liability and net OPEB liability are not due and payable in the current periods; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred Outflows - Pension	2,744,132
Deferred Inflows - Pension	(3,078,897)
Net Pension Liability	(6,393,878)
Net OPEB Asset	376,300
Deferred Outflows - OPEB	560,059
Deferred Inflows - OPEB	(721,597)
Net OPEB Liability	(928,279)
Total	(7,442,160)
<i>Net Position of Governmental Activities</i>	\$21,777,253

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$356,213	\$0	\$2,158,859	\$2,515,072
Municipal Income Taxes	2,861,342	647,267	126,128	3,634,737
Hotel Taxes	47,988	0	0	47,988
Special Assessments	0	1,285	846	2,131
Intergovernmental	569,657	614,174	828,857	2,012,688
Fees, Licenses and Permits	59,096	36,432	181,159	276,687
Fines, Forfeitures and Settlements	152,364	0	75,167	227,531
Payment In Lieu Of Taxes	0	0	56,924	56,924
Leases	2,657	0	0	2,657
Rentals	24,613	0	0	24,613
Charges for Services	431,783	0	25,050	456,833
Contributions and Donations	8,655	0	1,239	9,894
Investment Earnings/Interest	92,785	97	331	93,213
Franchise Taxes	134,651	0	0	134,651
Other	581,538	43,372	96,666	721,576
<i>Total Revenues</i>	<u>5,323,342</u>	<u>1,342,627</u>	<u>3,551,226</u>	<u>10,217,195</u>
Expenditures				
Current:				
General Government	1,856,147	0	92	1,856,239
Security of Persons and Property	2,487,096	0	2,325,694	4,812,790
Public Health Services	12,542	0	478	13,020
Leisure Time Activities	62,784	0	30,970	93,754
Community Development	149,908	0	134,883	284,791
Basic Utility Services	0	0	238,384	238,384
Transportation	0	1,187,672	490,330	1,678,002
Capital Outlay	0	9,420	1,674,090	1,683,510
Debt Service:				
Principal Retirement	213,575	299,208	0	512,783
Interest	19,872	69,410	26,296	115,578
<i>Total Expenditures</i>	<u>4,801,924</u>	<u>1,565,710</u>	<u>4,921,217</u>	<u>11,288,851</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>521,418</u>	<u>(223,083)</u>	<u>(1,369,991)</u>	<u>(1,071,656)</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	0	31,252	3,991	35,243
Transfers In	0	80,871	51,000	131,871
Transfers Out	(111,000)	(2,500)	(20,871)	(134,371)
<i>Total Other Financing Sources (Uses)</i>	<u>(111,000)</u>	<u>109,623</u>	<u>34,120</u>	<u>32,743</u>
<i>Net Change in Fund Balances</i>	410,418	(113,460)	(1,335,871)	(1,038,913)
<i>Fund Balances Beginning of Year</i>	<u>1,212,699</u>	<u>348,008</u>	<u>1,654,021</u>	<u>3,214,728</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,623,117</u></u>	<u><u>\$234,548</u></u>	<u><u>\$318,150</u></u>	<u><u>\$2,175,815</u></u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2022*

Net Change in Fund Balances - Total Governmental Funds (\$1,038,913)

*Amounts reported for governmental activities in the
statement of activities are different because*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period:

Capital Asset Additions	2,172,932	
Current Year Depreciation	(2,283,967)	
Total	(111,035)	(111,035)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (11,110)

Revenue in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Delinquent Property Taxes	123,605	
Municipal Income Taxes	151,817	
Intergovernmental	237,404	
Special Assessments	(20,171)	
Charges for Services	3,021	
Franchise Taxes	6,621	
Total	502,297	502,297

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position:

General Obligation Bonds Payable	244,658	
Loans Payable	55,185	
State Infrastructure Bank Loans Payable	123,544	
OPWC Loans Payable	7,293	
Financed Purchases	82,103	
Total	512,783	512,783

Accrued interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of net position. (2,778)

Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 54,488

Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities:
OPWC Loan Issued (35,243)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	735,359	
OPEB	12,315	
Total	747,674	747,674

Except for amounts reported as deferred inflows/outflows, changes in net pension liability are reported as pension expense in the statement of activities.

Pension	(287,257)	
OPEB	258,485	
Total	(28,772)	(28,772)

Change in Net Position of Governmental Activities \$589,391

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$361,787	\$361,787	\$356,213	(\$5,574)
Municipal Income Taxes	2,833,072	2,833,072	2,847,191	14,119
Hotel Taxes	36,000	36,000	47,988	11,988
Intergovernmental	467,457	467,457	537,021	69,564
Fees, Licenses and Permits	97,798	97,798	59,096	(38,702)
Fines, Forfeitures and Settlements	157,953	157,953	151,709	(6,244)
Leases	9,125	9,125	9,125	0
Rentals	20,000	20,000	24,613	4,613
Charges for Services	358,000	358,000	431,783	73,783
Contributions and Donations	4,602	4,602	8,655	4,053
Investment Earnings/Interest	3,500	3,500	86,272	82,772
Franchise Taxes	162,000	162,000	143,894	(18,106)
Other	202,505	382,285	578,724	196,439
<i>Total Revenues</i>	<u>4,713,799</u>	<u>4,893,579</u>	<u>5,282,284</u>	<u>388,705</u>
Expenditures				
Current:				
General Government	2,201,151	2,175,798	1,890,902	284,896
Security of Persons and Property	2,707,374	2,854,701	2,720,551	134,150
Public Health Services	0	12,542	12,542	0
Leisure Time Activities	84,825	84,825	66,102	18,723
Community Development	193,066	196,566	153,752	42,814
Debt Service:				
Principal Retirement	215,471	224,757	224,676	81
Interest	20,150	21,732	21,703	29
<i>Total Expenditures</i>	<u>5,422,037</u>	<u>5,570,921</u>	<u>5,090,228</u>	<u>480,693</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(708,238)</u>	<u>(677,342)</u>	<u>192,056</u>	<u>869,398</u>
Other Financing Sources (Uses)				
Financed Purchase Issued	0	100,000	0	(100,000)
Advances In	7,086	7,086	7,086	0
Advances Out	0	(387,700)	(387,700)	0
Transfers In	0	150,000	0	(150,000)
Transfers Out	(172,000)	(172,000)	(111,000)	61,000
<i>Total Other Financing Sources (Uses)</i>	<u>(164,914)</u>	<u>(302,614)</u>	<u>(491,614)</u>	<u>(189,000)</u>
<i>Net Change in Fund Balance</i>	<u>(873,152)</u>	<u>(979,956)</u>	<u>(299,558)</u>	<u>680,398</u>
<i>Fund Balance Beginning of Year</i>	804,220	804,220	804,220	0
Prior Year Encumbrances Appropriated	402,813	402,813	402,813	0
<i>Fund Balances End of Year</i>	<u>\$333,881</u>	<u>\$227,077</u>	<u>\$907,475</u>	<u>\$680,398</u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Municipal Income Taxes	\$568,238	\$568,238	\$643,723	\$75,485
Special Assessments	1,000	1,000	1,285	285
Intergovernmental	655,000	655,000	613,380	(41,620)
Fees, Licenses and Permits	103,000	103,000	36,432	(66,568)
Investment Earnings/Interest	101	101	97	(4)
Other	25,000	25,000	43,372	18,372
<i>Total Revenues</i>	<u>1,352,339</u>	<u>1,352,339</u>	<u>1,338,289</u>	<u>(14,050)</u>
Expenditures				
Current:				
Transportation	1,261,971	1,299,471	1,189,433	110,038
Capital Outlay	14,000	12,000	9,420	2,580
Debt Service:				
Principal Retirement	257,585	282,664	280,837	1,827
Interest	62,385	70,234	69,410	824
<i>Total Expenditures</i>	<u>1,595,941</u>	<u>1,664,369</u>	<u>1,549,100</u>	<u>115,269</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(243,602)</u>	<u>(312,030)</u>	<u>(210,811)</u>	<u>101,219</u>
Other Financing Sources				
OPWC Loan Issued	33,752	33,752	31,252	(2,500)
Transfers In	100,000	100,000	60,000	(40,000)
<i>Total Other Financing Sources</i>	<u>133,752</u>	<u>133,752</u>	<u>91,252</u>	<u>(42,500)</u>
<i>Net Change in Fund Balance</i>	(109,850)	(178,278)	(119,559)	58,719
<i>Fund Balance Beginning of Year</i>	175,235	175,235	175,235	0
Prior Year Encumbrances Appropriated	11,329	11,329	11,329	0
<i>Fund Balance End of Year</i>	<u>\$76,714</u>	<u>\$8,286</u>	<u>\$67,005</u>	<u>\$58,719</u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$2,620	\$2,620	\$661,505	\$658,885
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	2,620	2,620	661,505	658,885
<i>Fund Balance Beginning of Year</i>	656,265	656,265	656,265	0
<i>Fund Balance End of Year</i>	<u>\$658,885</u>	<u>\$658,885</u>	<u>\$1,317,770</u>	<u>\$658,885</u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2022

	Business-Type Activities		
	Water	Sewer	Total
Assets			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$1,069,499	\$1,270,209	\$2,339,708
Materials and Supplies Inventory	158,182	64,241	222,423
Receivables:			
Accounts	310,222	302,182	612,404
Special Assessments	1,255	419	1,674
<i>Total Current Assets</i>	<u>1,539,158</u>	<u>1,637,051</u>	<u>3,176,209</u>
<i>Noncurrent Assets:</i>			
Special Assessment Receivable	4,600	4,469	9,069
Restricted Assets:			
Net OPEB Asset	173,677	144,731	318,408
Capital Assets:			
Nondepreciable Capital Assets	1,210,952	70,013	1,280,965
Depreciable Capital Assets, Net	10,691,350	13,303,286	23,994,636
<i>Total Noncurrent Assets</i>	<u>12,080,579</u>	<u>13,522,499</u>	<u>25,603,078</u>
<i>Total Assets</i>	<u>13,619,737</u>	<u>15,159,550</u>	<u>28,779,287</u>
Deferred Outflows of Resources			
Asset Retirement Obligation	0	3,037,103	3,037,103
Pension	261,350	217,615	478,965
OPEB	6,695	5,579	12,274
<i>Total Deferred Outflows of Resources</i>	<u>268,045</u>	<u>3,260,297</u>	<u>3,528,342</u>
Liabilities			
<i>Current Liabilities:</i>			
Accounts Payable	142,104	37,706	179,810
Contracts Payable	1,914	13,473	15,387
Accrued Wages	36,440	27,340	63,780
Intergovernmental Payable	21,748	15,407	37,155
Compensated Absences Payable	42,417	27,984	70,401
Accrued Interest Payable	22,507	36,366	58,873
General Obligation Bonds Payable	0	67,100	67,100
OPWC Loans Payable	24,520	18,485	43,005
OWDA Loans Payable	86,524	348,355	434,879
<i>Total Current Liabilities</i>	<u>378,174</u>	<u>592,216</u>	<u>970,390</u>
<i>Long-Term Liabilities (net of current portion):</i>			
Compensated Absences Payable	166,704	133,466	300,170
General Obligation Bonds Payable	0	268,400	268,400
OPWC Loans Payable	627,257	224,047	851,304
OWDA Loans Payable	2,347,034	2,814,119	5,161,153
Asset Retirement Obligation	0	3,950,634	3,950,634
Net Pension Liability	509,036	424,197	933,233
<i>Total Long-Term Liabilities</i>	<u>3,650,031</u>	<u>7,814,863</u>	<u>11,464,894</u>
<i>Total Liabilities</i>	<u>4,028,205</u>	<u>8,407,079</u>	<u>12,435,284</u>
Deferred Inflows of Resources			
Pension	620,342	516,882	1,137,224
OPEB	183,685	153,073	336,758
<i>Total Deferred Inflows of Resources</i>	<u>804,027</u>	<u>669,955</u>	<u>1,473,982</u>
Net Position			
Net Investment in Capital Assets	8,816,967	9,632,793	18,449,760
Restricted for Pension Plans	3,657	2,937	6,594
Unrestricted (Deficit)	234,926	(292,917)	(57,991)
<i>Total Net Position</i>	<u>\$9,055,550</u>	<u>\$9,342,813</u>	<u>\$18,398,363</u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022*

	Business-Type Activities		
	Water	Sewer	Total
Operating Revenues			
Charges for Services	\$2,419,031	\$2,379,394	\$4,798,425
Tap-In Fees	9,420	8,000	17,420
Special Assessments	1,428	1,413	2,841
Rentals	7,800	0	7,800
Other	4,423	3,438	7,861
<i>Total Operating Revenues</i>	<u>2,442,102</u>	<u>2,392,245</u>	<u>4,834,347</u>
Operating Expenses			
Personal Services	1,160,584	943,137	2,103,721
Purchased Services	118,688	100,501	219,189
Contractual Services	189,999	430,876	620,875
Materials and Supplies	138,361	169,286	307,647
Depreciation	351,675	537,655	889,330
Other	1,752	1,897	3,649
<i>Total Operating Expenses</i>	<u>1,961,059</u>	<u>2,183,352</u>	<u>4,144,411</u>
<i>Operating Income</i>	481,043	208,893	689,936
Non-Operating Expenses			
Interest	(59,385)	(81,137)	(140,522)
<i>Income before Capital Contributions and Transfers</i>	421,658	127,756	549,414
Capital Contributions	118,089	172,482	290,571
Transfers In	1,680	2,500	4,180
Transfers Out	0	(1,680)	(1,680)
<i>Change in Net Position</i>	541,427	301,058	842,485
<i>Net Position Beginning of Year</i>	<u>8,514,123</u>	<u>9,041,755</u>	<u>17,555,878</u>
<i>Net Position End of Year</i>	<u>\$9,055,550</u>	<u>\$9,342,813</u>	<u>\$18,398,363</u>

See accompanying notes to the basic financial statements

City of Conneaut, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-Type Activities		
	Water	Sewer	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$2,407,946	\$2,369,734	\$4,777,680
Cash Received from Tap-In Fees	9,420	8,000	17,420
Cash Received from Rentals	7,800	0	7,800
Other Cash Receipts	3,838	1,098	4,936
Cash Payments to Employees for Services	(1,438,305)	(1,161,819)	(2,600,124)
Cash Payments for Goods and Services	(476,332)	(764,776)	(1,241,108)
Other Cash Payments	(1,752)	(1,897)	(3,649)
<i>Net Cash Provided by Operating Activities</i>	<u>512,615</u>	<u>450,340</u>	<u>962,955</u>
Cash Flows from Noncapital Financing Activities			
Advances Out	<u>0</u>	<u>(5,361)</u>	<u>(5,361)</u>
Cash Flows from Capital and Related Financing Activities			
Transfers In for Debt Payment	1,680	2,500	4,180
Transfers Out for Debt Payment	0	(1,680)	(1,680)
Capital Contributions	118,089	172,482	290,571
OWDA Loans Issued	933,803	0	933,803
OPWC Loans Issued	438,503	12,401	450,904
Principal Paid on OWDA Loans	(101,761)	(347,767)	(449,528)
Interest Paid on OWDA Loans	(60,828)	(73,716)	(134,544)
Principal Paid on OPWC Loans	(22,020)	(18,265)	(40,285)
Principal Paid on General Obligation Bond	(4,305)	(76,274)	(80,579)
Interest Paid on General Obligation Bond	(133)	(12,439)	(12,572)
Payments for Capital Acquisitions	(1,970,534)	(641,838)	(2,612,372)
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(667,506)</u>	<u>(984,596)</u>	<u>(1,652,102)</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(154,891)	(539,617)	(694,508)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,224,390</u>	<u>1,809,826</u>	<u>3,034,216</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,069,499</u>	<u>\$1,270,209</u>	<u>\$2,339,708</u>

(continued)

City of Conneaut, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2022

	Business-Type Activities		
	Water	Sewer	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$481,043	\$208,893	\$689,936
Adjustments:			
Depreciation	351,675	537,655	889,330
(Increase) Decrease in Assets and Deferred Outflows:			
Accounts Receivable	(14,307)	(13,138)	(27,445)
Special Assessments Receivable	1,794	2,065	3,859
Materials and Supplies Inventory	(13,107)	(548)	(13,655)
Asset Retirement Obligation	0	1,975,319	1,975,319
Deferred Outflows - Asset Retirement Obligation	0	(1,906,371)	(1,906,371)
Deferred Outflows - Pension	210,296	187,736	398,032
Deferred Outflows - OPEB	77,632	72,818	150,450
Increase (Decrease) in Liabilities and Deferred Inflows:			
Accounts Payable	110,311	17,257	127,568
Contracts Payable	(120,635)	(152,110)	(272,745)
Retainage Payable	(6,438)	0	(6,438)
Accrued Wages	3,459	2,525	5,984
Compensated Absences Payable	28,208	17,505	45,713
Intergovernmental Payable	(266)	(1,737)	(2,003)
Net Pension Liability	(29,246)	(24,373)	(53,619)
Net OPEB Liability	2,518	2,097	4,615
Deferred Inflows - Pension	(347,139)	(289,268)	(636,407)
Deferred Inflows - OPEB	(223,183)	(185,985)	(409,168)
<i>Total Adjustments</i>	31,572	241,447	273,019
<i>Net Cash Provided by Operating Activities</i>	\$512,615	\$450,340	\$962,955

See accompanying notes to the basic financial statements

City Of Conneaut, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2022

Assets	
Cash and Cash Equivalents in Segregated Accounts	\$7,239
Special Assessment Receivable	129,094
	<hr/>
<i>Total Assets</i>	136,333
	<hr/>
Liabilities	
Accounts Payable	3,268
Intergovernmental Payable	133,065
	<hr/>
<i>Total Liabilities</i>	136,333
	<hr/>
Net Position	
Restricted for Individuals, Organizations and Other Governments	\$0
	<hr/> <hr/>

See accompanying notes to the basic financial statements

City Of Conneaut, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2022

<hr/> <hr/>	
Additions	
Fines and Forfeitures for Individuals	\$71,438
Fines and Forfeitures for Other Governments	83,044
Special Assessment Collections for Distribution	<u>10,758</u>
<i>Total Additions</i>	<u>165,240</u>
Deletions	
Distributions to Individuals	71,438
Distributions to the State of Ohio	83,044
Distributions to Other Governments	<u>10,758</u>
<i>Total Distributions</i>	<u>165,240</u>
<i>Change in Fiduciary Net Position</i>	0
<i>Net Position Beginning of Year</i>	<u>0</u>
<i>Net Position End of Year</i>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

City of Conneaut, 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 Conneaut (the “City”) is a charter municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. The City was incorporated as a city in 1902. The City operates under its own charter and is governed by a City Manager-Council form of government with the Council appointing the City Manager and Clerk of Council. The City Manager, with the advice and consent of a majority vote of the members of Council appoint the City Director of Finance. Members of Council are elected to two-year terms.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Conneaut, this includes the agencies and departments that provide the following services: police protection, firefighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water and wastewater. The operation of each of these activities is directly controlled by Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

The component unit column in the basic financial statements identifies the financial data of the City’s discretely component units, the Conneaut Board of Health and Conneaut Port Authority. They are discretely reported to emphasize that they are legally separate from the City.

Conneaut Board of Health The City of Conneaut Board of Health (Board) was created as a legally separate organization under chapter 3709 of the Ohio Revised Code. Among its various duties, the Board provides for the prompt diagnosis and control of communicable diseases. The Board may also inspect businesses where food is manufactured, handled, stored, or offered for sale. The Board is operated by a five-member board with all members being appointed by the City. The rates charged by the Board are subject to the approval of City Council. In addition, the City provides funding to the Board, thus the City can impose will on the Board, and the Board imposes a financial burden to the City. Therefore, the Board of Health is considered a discretely presented component unit of the City. Information for the component unit is identified in Note 28. Statements for the Board can be obtained from the City Finance Director.

Conneaut Port Authority The Conneaut Port Authority is a legally separate organization, statutorily created under Section 4582.02 of the Ohio Revised Code, served by a seven-member board of directors appointed by the City Manager. Charged with the responsibility of industrial development and the improvement of Conneaut’s waterways, the Port Authority is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The voting majority of the Board of the Port Authority is appointed by the City. The Port Authority has the potential to impose a financial burden on the City in that the City issued debt on behalf of the Port Authority and is therefore presented as a component unit of the City. Information for the component unit is identified in Note 29. Statements for the Port Authority can be obtained from the Conneaut Port Authority, 1205 Broad Street, Conneaut, Ohio 44030.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

The City is associated with two insurance purchasing pools, the Ohio Municipal League Workers' Compensation Group Retrospective Rating Program and the Ohio Government Benefit Cooperative, two jointly governed organizations, the Conneaut Energy Special Improvement District, Inc., and the Northeast Ohio Public Energy Council (NOPEC) and one related organization, the Conneaut Public Library. These organizations are presented in Notes 14, 21 and 22 to the basic financial statements.

The City participates in the Public Entities Pool of Ohio a Public Entity Risk Pool. This organization is presented in Note 15 to the basic financial statements.

Information in the following notes to the basic financial statements is applicable to the primary government.

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues 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 program is self-financing or draws from the general revenues of the City.

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Fund Accounting

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

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

The following are the City's major governmental funds:

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

Street Construction, Maintenance and Repair Fund The street construction, maintenance and repair special revenue fund accounts for and reports its portion of municipal income tax collections and the portion of the gasoline tax and motor vehicle registration fees restricted for maintenance and repair of dedicated streets within the City.

American Rescue Plan Act Fund The American rescue plan act special revenue fund is used to account for and report restricted monies received from the federal government to assist local governments with the coronavirus pandemic.

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

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

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

Water Fund The water fund accounts for and reports revenues generated from the charges for distribution of water to the residential and commercial users of the City.

Sewer Fund The sewer fund accounts for sewer services to City individuals and commercial users in the City. The costs of providing these services are financed primarily through user charges.

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

The City's fiduciary funds are custodial funds. The City's custodial funds account for municipal court fines and fees imposed by State statute which are to be distributed to individuals and to the State and for special assessments collected on behalf of the Energy Special Improvement District fund.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and 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 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 fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

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

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

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

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB and the business-type activities also have asset retirement obligations. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 18 and 19.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, payment in lieu of taxes, unavailable revenue, leases, pension and OPEB. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance year 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, special assessments, intergovernmental grants, franchise taxes and ambulance charges. These amounts are deferred and recognized as an inflow of resources in the period the amounts became available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 18 and 19).

Pensions/Other Postemployment Benefits (OPEB) For purposes of measuring the net pension/OPEB asset/liability, 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.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as “equity in pooled cash and cash equivalents.”

The City has segregated bank accounts for monies held separate from the City's central bank account. These depository accounts are presented as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the City treasury.

During 2022, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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 their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million per day, 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.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment Earnings/Interest revenue credited to the general fund during 2022 amounted to \$92,785 which includes \$71,099 assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Inventory

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

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the general fund represent money set aside for unclaimed monies and for construction deposits held payable. Restricted assets in the deposits on fire losses special revenue fund represent fire losses deposits. Restricted assets in the enterprise fund represents amounts held in trust by the OPEB plans for future benefits.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital 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 enterprise 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. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of three thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extended an asset's life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15 - 45 years
Furniture, Fixtures and Equipment	3 - 10 years
Vehicles	5 - 20 years
Infrastructure	25 - 40 years
Water and Sewer Lines	50 years

The City's infrastructure consists of traffic lights, roads, bridges and storm sewers and includes infrastructure acquired prior to December 31, 1980.

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 all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent 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. Accumulated unused sick leave is paid to employees who retire at various rates depending on City policy and length of service.

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.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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 fiscal year. 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. Bonds, leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

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" criteria includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, unless the use of the proceeds from the collection of those receivables is restricted, committed, or assigned.

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 legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution, as both are equally legally binding) 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 or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be 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. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. State Statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2023's appropriated budget.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Net Position

Net position represents the difference between all other elements in a statement of financial 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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for marina improvements. Restricted Net Position for Pension plans represent the corresponding restricted asset amounts after considering the related deferred outflows and deferred inflows.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and wastewater treatment. Operating expenses are necessary costs incurred to provide the good or services that is the primary activity of the fund. Revenues and expenses which do not meet these definitions are reported as non-operating.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility criteria requirements are met.

OneOhio Opioid Settlement Monies

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Although the settlement has been reached, uncertainties remain related to measurement. As a participating subdivision, the City/County received the first of eighteen distributions in 2022. This distribution of \$4,329 is reflected as fines, forfeitures and settlements revenue in the One Ohio special revenue fund in the accompanying financial statements.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from contributions of capital assets from outside contributions of resources restricted to capital acquisition and construction.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Leases

The City serves as lessor in various noncancellable leases which are accounted for as follows:

Lessor At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Interfund Balances

On the fund financial statements, outstanding interfund loans and unpaid amounts for the interfund services are reported as “interfund receivables/payables”. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between 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. Interfund payments for services provided and used are not eliminated.

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

Estimates

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

Budgetary Process

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

City of Conneaut, Ohio
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The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original and final appropriations were enacted by Council.

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

Note 3 – Change in Accounting Principle

For fiscal year 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* and related guidance from (GASB) Implementation Guide No. 2019-3, *Leases*. The City also implemented GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 92, *Omnibus 2020*, GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and *Implementation Guide No. 2020-1*.

GASB Statement 87 enhances 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 \$310,715 in leases receivable at January 1, 2022; however, this entire amount was offset by the deferred inflows related to leases.

GASB 91 clarifies 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.

GASB 92 addresses a variety of topics including reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers and references to nonrecurring fair value measurements of assets or liabilities in authoritative literature. These changes did not impact the City’s financial statements.

GASB 97, among other items, requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan.

The changes for GASB 87, GASB 91 and GASB 97 were incorporated in the City’s 2022 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget (non-GAAP basis) and Actual presented for the general and major special revenue funds is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

City of Conneaut, Ohio
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The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but reported on the operating statements prepared using GAAP.
4. Advances in and out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).

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

Net Change in Fund Balances			
	General	Street Construction, Maintenance and Repair	American Rescue Plan Act
GAAP Basis	\$410,418	(\$113,460)	\$0
Net Adjustment for Revenue Accruals	(27,855)	(22,776)	661,505
Net Adjustment for Expenditures Accruals	(207,469)	41,085	0
Beginning Unrecorded Cash	12,659	143	0
Ending Unrecorded Cash	(25,862)	(2,576)	0
Advances In	7,086	0	0
Advances Out	(387,700)	0	0
Encumbrances	(80,835)	(21,975)	0
Budget Basis	(\$299,558)	(\$119,559)	\$661,505

Note 5 - Fund Deficits

Fund balance at December 31, 2022, included the following individual fund deficits:

Fund	Amount
<i>Special Revenue Funds:</i>	
Marina	\$11,543
Street Lighting	45,925
TID Grant	246,709
Police Pension	35,056
Fire Pension	35,576
<i>Capital Projects Funds:</i>	
Conneaut Dredge Facility	595,852

City of Conneaut, Ohio
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The deficits were caused by the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the general fund needed for operations until the receipt of grant monies. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 6 - Fund Balances

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

Fund Balances	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total
<i>Nonspendable</i>				
Unclaimed Monies	\$29,818	\$0	\$0	\$29,818
Inventory	20,942	62,780	0	83,722
<i>Total Nonspendable</i>	50,760	62,780	0	113,540
<i>Restricted for</i>				
Capital Projects	0	0	405,395	405,395
Street Construction, Maintenance and Repair	0	171,768	42,539	214,307
Police and Fire Operations	0	0	277,680	277,680
Drug and Alcohol Enforcement	0	0	116,076	116,076
Cemetery Operations	0	0	74,919	74,919
Economic Development	0	0	82,637	82,637
Other Purposes	0	0	54,354	54,354
<i>Total Restricted</i>	0	171,768	1,053,600	1,225,368
<i>Committed to</i>				
Recreation	0	0	102,651	102,651
Capital Improvements	0	0	132,560	132,560
<i>Total Committed</i>	0	0	235,211	235,211
<i>Assigned to</i>				
Purchases on Order:				
General Government	46,218	0	0	46,218
Security of Persons and Property	21,759	0	0	21,759
Leisure Time Activities	2,668	0	0	2,668
Community Development	3,395	0	0	3,395
Year 2023 Appropriations	303,087	0	0	303,087
<i>Total Assigned</i>	377,127	0	0	377,127
<i>Unassigned (Deficit)</i>	1,195,230	0	(970,661)	224,569
<i>Total Fund Balances</i>	\$1,623,117	\$234,548	\$318,150	\$2,175,815

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 7 - Deposits and Investments

The City has chosen to follow State statutes and classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon 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 five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies held by the City can be deposited or invested in the following securities:

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

City of Conneaut, Ohio
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For The Year Ended December 31, 2022

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

Investments may only be made through specified dealers and institutions located within the State of Ohio. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to invest 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.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2022, \$645,152 of the City's total bank balance of \$2,404,261 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The City's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

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

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

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

Investments

At December 31, 2022, the City had \$4,318,081 invested in STAR Ohio measured at net asset value per share with an average maturity of 31.9 days.

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within two years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
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Credit Risk The Star Ohio investment carried a rating of AAAm by Standards & Poor’s. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk.

Note 8 - Receivables

Receivables at December 31, 2022, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, loans, leases and accounts (billings for user charged services, including unbilled utility services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivable except property taxes, special assessments, leases and loans receivable are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$18,223 in the special assessment bond retirement fund, \$4,600 in the water enterprise fund and \$4,469 in the sewer enterprise fund. At December 31, 2022, the amount of delinquent special assessments was \$27,292.

The City entered into a project funding agreement with the Conneaut Port Authority to provide funds, through a note from the City, for marina improvements. As of December 31, 2022, the City has a loan receivable in the amount of \$372,000 in the marina special revenue fund. See Note 16 for additional information.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022 on the assessed value as of January 1, 2022 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

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 personal property currently 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 which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2022, was \$14.38 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2022 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Residential/Agricultural	\$134,050,200
Other Real Estate	55,490,810
Public Utility Property	<u>11,731,940</u>
Total Assessed Values	<u><u>\$201,272,950</u></u>

City of Conneaut, Ohio
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For The Year Ended December 31, 2022

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2022 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2022 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collective delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Payments in Lieu of Taxes

According to State law, the City has established a tax incremental financing district within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners’ contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

Income Taxes

The City levies a municipal income tax of 1.65 percent on gross salaries, wages and other compensation, and net profits earned within the City, as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality to a maximum of the total amount assessed.

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 file a declaration annually and quarterly estimated tax payments are recommended.

Income tax proceeds are received by the general fund, street construction, maintenance and repair, street lighting and recreation special revenue funds and the street improvement and capital improvement capital projects funds.

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

Governmental Activities	Amounts
Gasoline Tax	\$290,731
Local Government	258,919
TID Grant	246,709
Land Bank Grant	138,740
Homestead and Rollback	111,594
Permissive Tax	68,735
Dredge Facility Grant	41,193
Auto License Tax	37,061
Insurance Reimbursement	28,564
Total	\$1,222,246

City of Conneaut, Ohio
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Leases Receivable

The City is reporting leases receivable of \$308,058 in the general fund at December 31, 2022. These amounts represent the discounted future lease payments. This discount is being amortized using the interest method. For 2022, the City recognized lease revenue of \$2,657 and interest revenue of \$6,468 in the general fund related to lease payments received. A description of the City’s leasing arrangements is as follows:

Cell Tower Leases – The City has entered into a lease agreement for cell towers with Ameritech Wireless Communications LLC commencing in 2018 for 35 years ending in 2053 paid monthly.

A summary of future lease revenue is as follows:

	General	
Year	Principal	Interest
2023	\$3,285	\$6,411
2024	4,164	6,330
2025	4,252	6,242
2026	4,342	6,152
2027	4,433	6,061
2028-2032	30,886	28,536
2033-2037	43,665	24,670
2038-2042	59,259	19,328
2043-2047	78,186	12,188
2048-2052	67,638	4,363
2053	7,948	55
	\$308,058	\$120,336

Note 9 – Tax Abatements

As of December 31, 2022, the City provides tax abatements through a Community Reinvestment Area (CRA) Tax Abatement.

Pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area to provide property tax abatements to encourage revitalization of existing buildings and the construction of new structures. Abatements are obtained through application by the property owner, including proof that the improvements have been made, and equal 35 percent of the additional property tax resulting from the increase in assessed value as a result of the improvement. The amount of the abatement is deducted from the recipient’s tax bill. The value of the taxes being abated amounted to \$777 at December 31, 2022.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 10 - Capital Assets

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

Governmental Activities	Balance 12/31/2021	Additions	Deductions	Balance 12/31/2022
<i>Capital Assets not being Depreciated:</i>				
Land	\$871,522	\$0	\$0	\$871,522
Construction in Progress	0	862,371	0	862,371
<i>Total Capital Assets not being Depreciated</i>	<u>871,522</u>	<u>862,371</u>	<u>0</u>	<u>1,733,893</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	2,006,453	3,581	0	2,010,034
Furniture, Fixtures and Equipment	4,673,314	248,711	0	4,922,025
Vehicles	4,638,545	187,142	(31,743)	4,793,944
Infrastructure:				
Traffic Lights	992,571	0	0	992,571
Roads	31,195,177	871,127	0	32,066,304
Bridges	13,548,533	0	0	13,548,533
Storm Sewers	4,302,773	0	0	4,302,773
<i>Total Capital Assets being Depreciated</i>	<u>61,357,366</u>	<u>1,310,561</u>	<u>(31,743)</u>	<u>62,636,184</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(1,873,314)	(23,593)	0	(1,896,907)
Furniture, Fixtures and Equipment	(3,254,366)	(322,738)	0	(3,577,104)
Vehicles	(3,803,154)	(198,208)	20,633	(3,980,729)
Infrastructure:				
Traffic Lights	(139,359)	(24,357)	0	(163,716)
Roads	(19,314,328)	(1,379,816)	0	(20,694,144)
Bridges	(3,460,414)	(270,970)	0	(3,731,384)
Storm Sewers	(1,378,018)	(64,285)	0	(1,442,303)
<i>Total Accumulated Depreciation</i>	<u>(33,222,953)</u>	<u>(2,283,967) *</u>	<u>20,633</u>	<u>(35,486,287)</u>
Total Capital Assets being Depreciated, Net	<u>28,134,413</u>	<u>(973,406)</u>	<u>(11,110)</u>	<u>27,149,897</u>
Governmental Activities Capital Assets, Net	<u><u>\$29,005,935</u></u>	<u><u>(\$111,035)</u></u>	<u><u>(\$11,110)</u></u>	<u><u>\$28,883,790</u></u>

*Depreciation expense was charged to governmental functions as follows:

General Government	\$117,285
Security of Persons and Property	273,885
Leisure Time Activities	18,806
Community Development	3,519
Transportation	<u>1,870,472</u>
Total Depreciation Expense	<u><u>\$2,283,967</u></u>

City of Conneaut, Ohio
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For The Year Ended December 31, 2022

	Balance 12/31/2021	Additions	Deductions	Balance 12/31/2022
Business-Type Activities:				
<i>Capital Assets not being Depreciated:</i>				
Land	\$18,428	\$0	\$0	\$18,428
Construction in Progress	202,120	1,060,417	0	1,262,537
<i>Total Capital Assets not being Depreciated</i>	<u>220,548</u>	<u>1,060,417</u>	<u>0</u>	<u>1,280,965</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	3,479,794	121,355	0	3,601,149
Equipment	8,664,519	132,511	0	8,797,030
Vehicles	1,305,527	177,708	0	1,483,235
Infrastructure:				
Water and Sewer Lines	26,246,640	1,120,381	0	27,367,021
<i>Total Capital Assets being Depreciated</i>	<u>39,696,480</u>	<u>1,551,955</u>	<u>0</u>	<u>41,248,435</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(1,037,973)	(95,070)	0	(1,133,043)
Equipment	(5,679,764)	(254,830)	0	(5,934,594)
Vehicles	(563,796)	(59,874)	0	(623,670)
Infrastructure:				
Water and Sewer Lines	(9,082,936)	(479,556)	0	(9,562,492)
<i>Total Accumulated Depreciation</i>	<u>(16,364,469)</u>	<u>(889,330)</u>	<u>0</u>	<u>(17,253,799)</u>
Total Capital Assets being Depreciated, Net	<u>23,332,011</u>	<u>662,625</u>	<u>0</u>	<u>23,994,636</u>
Business-Type Activities Capital Assets, Net	<u>\$23,552,559</u>	<u>\$1,723,042</u>	<u>\$0</u>	<u>\$25,275,601</u>

Note 11 – Interfund Transactions

Interfund Balances

Interfund balances at December 31, 2022 included an interfund receivable/payable of \$387,700 between the general fund and the land bank grant and TID grant special revenue funds and the Conneaut dredge facility capital projects fund pending the receipt of grant money. The interfund balances of \$100,067, \$246,709 and \$40,924, respectively, will be repaid within one year.

City of Conneaut, Ohio
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For The Year Ended December 31, 2022

Interfund Transfers

At December 31, 2022 interfund transfers were as follows:

Transfers To	Transfers From				Total
	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Sewer	
<i>Major Funds:</i>					
Street Construction, Maintenance and Repair	\$60,000	\$0	\$20,871	\$0	\$80,871
Water	0	0	0	1,680	1,680
Sewer	0	2,500	0	0	2,500
Other Governmental Funds	51,000	0	0	0	51,000
Total	\$111,000	\$2,500	\$20,871	\$1,680	\$136,051

The general fund transfers to other governmental funds were made to provide additional resources for police and fire pension payments. The transfers from the general fund and other governmental funds to the street construction, maintenance and repair fund were made to provide additional resources for street maintenance operations and for debt service payments. The transfer from the street construction, maintenance and repair fund to the sewer enterprise fund were made for debt payments. The transfer from the sewer enterprise fund to the water enterprise fund were made for debt payments.

Note 12 – Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Vacation leave is accrued based on negotiated agreements. Sick leave is accrued without limit. Upon retirement, an employee with ten or more years of service can be paid an amount not to exceed 1,200 hours of accumulated sick leave at the employee’s rate of pay at the time of retirement. Upon retirement or resignation, an employee shall receive a maximum vacation payout equal to the previous two years’ vacation credit that was earned but not used, together with the current years unused vacation credit.

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with the Internal Revenue Code Section 456 and is considered an other employee benefit plan. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Note 13 - Risk Management

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. During 2022, the City contracted with the Public Entities Pool of Ohio (PEP) for various types of insurance as follows:

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Type	Coverage
Bodily Injury and Property	\$3,000,000
Law Enforcement	3,000,000
Public Officials	3,000,000
Employee Benefit	1,000,000
Stop Gap	3,000,000
Medical Payments	5,000
Automobile	3,000,000
Uninsured/Underinsured Motorist	100,000

Claims have not exceeded this coverage in any of the past three years and there has been no significant reduction in commercial coverage in any of the past three years.

Worker's Compensation

For 2022, the City participated in the Ohio Municipal League Workers' Compensation Group Rating Retrospective Plan (GRP), an insurance purchasing pool (Note 14). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating city is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its worker's compensation premium to the State based on the rate for the GRP rather than its individual rate.

Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm CompManagement, Inc. provides administrative, cost control and rating services to the GRP.

Insurance

The City provided health, dental and vision insurance to its employees through Medical Mutual of Ohio. The City's portion of monthly premiums for health, dental and vision insurance for single, employee/spouse, employee/child, and family were \$841.43, \$1,860.79, \$1,427.85 and \$2,615.69, respectively. City employees may also obtain supplemental vision reimbursement through AFSCME. The City also provides, at no cost to the employees, \$10,000 of term life insurance through AFSCME for all employees.

Note 14 – Insurance Purchasing Pools

Ohio Municipal League Workers' Compensation Group Retrospective Rating Program

The City participates in the Ohio Municipal League Workers' Compensation Group Retrospective Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by an eleven member Board of directors. The board is a self-appointing board that coordinates the program. Each year, the participating members pay an enrollment fee to the GRP to cover the costs of administering the program. See also Workers' Compensation discussion in Note 13.

Ohio Government Benefit Cooperative

The City participates in the Ohio Government Benefit Cooperative (OGBC), a claims servicing and group purchasing pool comprised of eleven cities. The OGBC is created and organized pursuant to and as authorized by Section 9.833 of the Ohio Revised Code. The Board of Directors is the governing body of the consortium. Each City appoints one individual to be its representative on the Board of Directors. The City of North Royalton serves as the fiscal agent for OGBC. OGBC is an unincorporated, non-profit association of its members which has created for the purpose of enabling members of the Plan to maximize benefits and/or reduce costs of medical, prescription drug, vision, dental, life and/or other group insurance coverage for their employees, and their eligible dependents and designated beneficiaries of such employees.

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Participants pay an initial \$500 membership fee to OGBC. OGBC offers to options to participants. Participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision, dental and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OGBC's third party administrator. Medical Mutual is the administrator of the OGBC. During 2022, the City elected to participate in the joint insurance program (group purchasing pool) for medical, prescription drug, and vision coverage. Financial information can be obtained by contacting Jennie Esarey, Fiscal Officer, 14600 State Road, North Royalton, Ohio 44133.

Note 15 – Public Entity Risk Pool

Property and Liability

The City 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. (YORK), functions as the administrator of PEP and provides 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 the Pool and other market conditions to determine the appropriate level of risk the Pool will retain. 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 (latest information available):

<u>Casualty and Property Coverage</u>	<u>2021</u>
Assets	\$59,340,305
Liabilities	<u>17,071,953</u>
Net Position - Unrestricted	<u><u>\$42,268,352</u></u>

At December 31, 2021, the liabilities above include unknown amounts of estimated incurred claims payable. The casualty coverage assets and net position above include approximately \$13.9 million of unpaid claims to be billed to approximately 589 member governments in the future, as of December 31, 2021 (latest information available). These amounts will be included in future contributions from members when the related claims are due for payment. This payable includes subsequent year's contributions due if the City terminates participation, as described in the last paragraph below.

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 not expected to change significantly from those used to determine the historical contributions detailed below. 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.

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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 are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. 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. This was the second year the City was a member of the PEP. The contribution for 2022 was \$100,871.

Note 16 - Notes Payable

Changes in the City's note activity for the year ended December 31, 2022, were as follows:

	Outstanding 12/31/2021	Additions	Reductions	Outstanding 12/31/2022
<i>Marina Special Revenue Fund:</i>				
Port Authority 1.72 %	406,000	0	(406,000)	0
Port Authority 6.18 %	0	372,000	0	372,000
<i>Total Governmental Activities</i>	<u>\$406,000</u>	<u>\$372,000</u>	<u>(\$406,000)</u>	<u>\$372,000</u>

In 2021, the City issued a \$406,000 marina improvement note, on behalf of the Port Authority, for the purpose of acquiring, constructing, reconstructing, and improving boat docks and slips with an interest rate of 1.72 percent. The notes matured and were fully repaid on December 21, 2022.

In 2022, the City issued a \$372,000 marina improvement note, on behalf of the Port Authority, for the purpose of acquiring, constructing, reconstructing, and improving boat docks and slips with an interest rate of 6.18 percent maturing on December 20, 2023. As of December 31, 2022 all proceeds had been disbursed.

The notes are backed by the full faith and credit of the City of Conneaut and mature within one year. The note liabilities are reflected in the funds which receive the proceeds. The notes are generally issued in anticipation of long-term bond financing and are refinanced until such bonds are issued.

Note 17 - Long-Term Obligations

The original issue date, amount, interest rate and maturity date for each of the City's debt issues follow:

Debt Issue	Original Issue Date	Interest Rate	Original Issue Amount	Year of Maturity
Governmental Activities				
Long-term Obligations from Direct Placements:				
<i>General Obligation Bonds:</i>				
Energy Conservation	2012	3.10%	\$544,352	2022
Vehicle Acquisition	2014	5.35	55,000	2024
Various Purpose Improvements	2014	3.48	305,000	2024
Fire Truck Acquisition	2015	2.50	450,000	2025
Various Purpose Improvements	2017	3.30	214,000	2027
Street Improvements	2020	2.20	420,000	2030
Street Improvements	2021	2.20	498,000	2031
<i>Loans:</i>				
Industrial Park	2008	3.25	500,000	2023

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Debt Issue	Original Issue Date	Interest Rate	Original Issue Amount	Year of Maturity
Governmental Activities <i>(continued)</i>				
Loans from Direct Borrowings:				
<i>State Infrastructure Bank Loans:</i>				
Chestnut Street	2018	3.00 %	\$103,000	2028
Chamberlain and Parish Rehabilitation	2019	3.00	823,999	2033
Lake Road Storm Sewer	2020	3.00	132,500	2029
U.S. Route 20 East Paving	2020	3.00	116,618	2029
U.S Route 7 and U.S. Route 531	2020	3.00	245,254	2029
<i>Ohio Public Works Commission Loan:</i>				
Under Ridge Road Culvert	2004	0.00	31,626	2025
Roadway Safety	2012	0.00	14,240	2033
Chestnut Street Storm Sewer Improvements	2019	0.00	50,000	2039
Chestnut Street Storm Water Phase III	2022	0.00	3,991	2042
Business-Type Activities				
Loans from Direct Borrowings:				
<i>Ohio Water Development Authority:</i>				
Wastewater Improvement Loan	2006	3.25	3,258,282	2026
Industrial Park	2011	3.00	199,183	2022
Wastewater Aeration Repairs	2012	2.80	130,587	2032
Lake Erie Street Sanitary Sewer	2012	3.32	240,548	2032
Aerial Sewer Repairs	2013	0.00	339,372	2032
Creek Road Elevated Storage Tank	2013	3.24	1,640,127	2034
Harbor Street Infrastructure	2015	3.16	604,001	2035
Wastewater Improvements Loan	2017	1.55	2,042,357	2038
<i>Ohio Public Works Commission</i>				
Liberty Water Line	2003	0.00	118,483	2023
Madison Sanitary Sewer	2004	0.00	37,833	2024
Finished Water and Booster Pump	2011	0.00	40,875	2030
Water and Booster Pump Station	2011	0.00	11,001	2030
Sandusky Sanitary Sewer	2011	0.00	28,178	2030
Sanitary Sewer Repairs	2011	0.00	10,051	2032
Roadway Safety	2012	0.00	31,700	2033
Wastewater Aeration Improvement	2012	0.00	18,130	2033
Creek Road Water Tank	2013	0.00	150,000	2034
Aerial Sewer	2013	0.00	50,000	2034
Harbor Street Infrastructure	2014	0.00	50,000	2035
Water Treatment Plant Improvements	2014	0.00	35,123	2034
Orange Street Water Line	2017	0.00	35,706	2037
Headworks Sewer Project	2017	0.00	29,320	2038
U.S. Route 20 Waterline Replacement	2019	0.00	49,204	2039
U.S. Route 20 Waterline Replacement Phase II	2022	0.00	50,000	2042
Chestnut Street Storm Water Phase III	2022	0.00	12,401	2042
Water Treatment Plant Filter Media	2022	0.00	38,503	2042
Long-term Obligations from Direct Placements:				
<i>General Obligation Bonds:</i>				
Energy Conservation	2012	3.10	125,648	2022
Various Purpose Improvement Bonds	2017	3.30	617,000	2027

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

	Outstanding 12/31/2021	Additions	Reductions	Outstanding 12/31/2022	Amount Due In one Year
Governmental Activities:					
Long-term Obligations from Direct Placements:					
<i>General Obligation Bonds</i>					
Energy Conservation	\$58,284	\$0	\$58,284	\$0	\$0
Vehicle Acquisition	18,050	0	5,858	12,192	6,015
Various Purpose Improvements 2014	102,846	0	33,116	69,730	34,269
Fire Truck Acquisition	186,000	0	46,000	140,000	46,000
Various Purpose Improvements 2017	128,400	0	21,400	107,000	21,400
Street Improvements 2020	382,000	0	39,000	343,000	40,000
Street Improvements 2021	455,000	0	41,000	414,000	42,000
Total General Obligation Bonds	<u>1,330,580</u>	<u>0</u>	<u>244,658</u>	<u>1,085,922</u>	<u>189,684</u>
<i>Loans:</i>					
Industrial Park	116,865	0	55,185	61,680	61,680
Total Long-term Obligations from Direct Placements	<u>1,447,445</u>	<u>0</u>	<u>299,843</u>	<u>1,147,602</u>	<u>251,364</u>
Loans from Direct Borrowings:					
<i>State Infrastructure Bank Loans:</i>					
Chestnut Street	91,426	0	11,923	79,503	12,284
Chamberlain and Parrish Rehab	797,852	0	53,476	744,376	55,093
Lake Road Storm Sewer	132,500	0	14,889	117,611	15,338
U.S. Route 20 East Paving	103,896	0	13,327	90,569	13,730
U.S. Route 7 and U.S. Route 531	252,612	0	29,929	222,683	30,833
Total State Infrastructure Bank Loans	<u>1,378,286</u>	<u>0</u>	<u>123,544</u>	<u>1,254,742</u>	<u>127,278</u>
<i>OPWC Loans:</i>					
Under Ridge Road Culvert	6,328	0	1,581	4,747	1,581
Roadway Safety	8,544	0	712	7,832	712
Chestnut Street Storm Sewer Improvements	45,000	0	2,500	42,500	2,500
Lake Road Storm Sewer	48,750	0	2,500	46,250	2,500
Chestnut Middle Road Improvements	16,248	31,252	0	47,500	0
Chestnut Street Storm Water Phase III	0	3,991	0	3,991	200
Total OPWC Loans	<u>124,870</u>	<u>35,243</u>	<u>7,293</u>	<u>152,820</u>	<u>7,493</u>
Total Loans from Direct Borrowings	<u>1,503,156</u>	<u>35,243</u>	<u>130,837</u>	<u>1,407,562</u>	<u>134,771</u>
<i>Other Long-Term Liabilities:</i>					
Financed Purchases from Direct Placements	431,158	0	82,103	349,055	85,127
Compensated Absences	863,019	202,464	256,952	808,531	232,843
Total Other Long-Term Liabilities	<u>1,294,177</u>	<u>202,464</u>	<u>339,055</u>	<u>1,157,586</u>	<u>317,970</u>
<i>Net Pension Liability:</i>					
OPERS	1,757,385	0	654,473	1,102,912	0
OPF	5,088,398	202,568	0	5,290,966	0
Total Net Pension Liability	<u>6,845,783</u>	<u>202,568</u>	<u>654,473</u>	<u>6,393,878</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OPF	790,842	137,437	0	928,279	0
Total Governmental Activities Long-Term Obligations	<u><u>\$11,881,403</u></u>	<u><u>\$577,712</u></u>	<u><u>\$1,424,208</u></u>	<u><u>\$11,034,907</u></u>	<u><u>\$704,105</u></u>

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	Outstanding 12/31/2021	Additions	Reductions	Outstanding 12/31/2022	Amount Due In one Year
Business-Type Activities:					
Loans from Direct Borrowings:					
<i>OWDA Loans</i>					
Wastewater Improvement Loan	\$1,040,558	\$0	\$194,913	\$845,645	\$201,300
Industrial Park	16,962	0	16,962	0	0
Wastewater Aeration Repairs	151,702	0	11,955	139,747	12,292
Lake Erie Street Sanitary Sewer	157,188	0	11,431	145,757	11,813
Aerial Sewer Repairs	129,516	0	10,792	118,724	10,792
Creek Road Elevated Storage Tank	1,169,202	0	73,631	1,095,571	76,035
Harbor Street Infrastructure	420,451	0	25,413	395,038	26,223
Wastewater Improvements Loan	1,770,525	0	94,947	1,675,578	96,424
Water Treatment Plant Improvements	255,653	933,803	9,484	1,179,972	0
<i>Total OWDA Loans</i>	<u>5,111,757</u>	<u>933,803</u>	<u>449,528</u>	<u>5,596,032</u>	<u>434,879</u>
<i>OPWC Loans:</i>					
Liberty Water Line	14,813	0	5,924	8,889	5,924
Madison Sanitary Sewer	6,615	0	1,892	4,723	1,892
Finished Water and Booster Pump	19,413	0	2,044	17,369	2,044
Water and Booster Pump Station	5,226	0	550	4,676	550
Sandusky Sanitary Sewer	13,384	0	1,410	11,974	1,410
Sanitary Sewer Repairs	5,526	0	502	5,024	502
Roadway Safety	19,020	0	1,585	17,435	1,585
Wastewater Aeration Improvement	10,882	0	906	9,976	906
Creek Road Water Tank	97,500	0	7,500	90,000	7,500
Aerial Sewer	32,500	0	2,500	30,000	2,500
Harbor Street Infrastructure	35,000	0	2,500	32,500	2,500
Water Treatment Plant Improvements	23,709	0	1,756	21,953	1,756
Orange Street Water Line	30,349	0	1,786	28,563	1,786
Headworks Sewer Project	125,469	0	6,970	118,499	6,970
US 20 Waterline Replacement	44,284	0	2,460	41,824	2,460
US 20 Waterline Replacement Phase II	0	50,000	0	50,000	2,500
Chestnut Street Storm Water Phase III	0	12,401	0	12,401	220
Water Treatment Plant Filter Media	0	388,503	0	388,503	0
<i>Total OPWC Loans</i>	<u>483,690</u>	<u>450,904</u>	<u>40,285</u>	<u>894,309</u>	<u>43,005</u>
Total Loans from Direct Borrowings	<u>5,595,447</u>	<u>1,384,707</u>	<u>489,813</u>	<u>6,490,341</u>	<u>477,884</u>
Long-term Obligations from Direct Placements:					
<i>General Obligation Bonds:</i>					
Energy Conservation	13,479	0	13,479	0	0
Various Purpose Improvement	402,600	0	67,100	335,500	67,100
<i>Total Long-term Obligations from Direct Placements:</i>	<u>416,079</u>	<u>0</u>	<u>80,579</u>	<u>335,500</u>	<u>67,100</u>
<i>Other Long-Term Liabilities:</i>					
Compensated Absences	324,858	115,656	69,943	370,571	70,401
Asset Retirement Obligations	1,975,315	1,975,319	0	3,950,634	0
Net Pension Liability:					
OPERS	1,487,020	0	553,787	933,233	0
<i>Total Other Long-Term Liabilities:</i>	<u>3,787,193</u>	<u>2,090,975</u>	<u>623,730</u>	<u>5,254,438</u>	<u>70,401</u>
<i>Total Business-Type Activities Long-Term Obligations</i>	<u>\$9,798,719</u>	<u>\$3,475,682</u>	<u>\$1,194,122</u>	<u>\$12,080,279</u>	<u>\$615,385</u>

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General obligation bonds are direct obligations of the City and will be paid from the bond retirement debt service fund using property tax revenues and from the water fund using operating revenues. Special assessment debt will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City. The OWDA loans will be paid partly with special assessments levied against benefited property owners as well as user charges from the appropriate enterprise fund. The OPWC loans in the enterprise funds will be paid with user charges. The loans will be paid from the general fund, street construction, maintenance and repair special revenue fund and capital improvements funds and the water and sewer enterprise funds. Compensated absences will be paid from the general fund, street construction, maintenance and repair special revenue fund and the water and sewer enterprise funds. Financed purchases will be paid from police levy II, police levy and street construction, maintenance and repair special revenue funds. The asset retirement obligation will be paid from the sewer enterprise fund. There is no repayment schedule for the net pension liability and net OPEB liability.

However, employer pension/OPEB contributions are made from the following funds: general, street construction, maintenance and repair, cemetery, police levy II, recreation, police pension and fire pension special revenue funds and the sewer and water enterprise funds. For additional information related to the net pension liability and net OPEB liability see Notes 18 and 19.

In 2012, the City issued \$670,000 in energy conservation bonds through direct placement for the purpose of acquisition, installation and construction of certain energy conservation measures including lighting upgrades for municipal facilities, mechanical upgrades for municipal facilities, control upgrades cooling tower fan repairs and vending miser sensor controls. The bonds were issued with an interest rate of 3.10 percent. The bonds were issued for a ten year period and matured on December 1, 2022.

In 2014, the City issued \$55,000 in vehicle acquisition bonds through direct placement and \$305,000 in various purpose improvement bonds through direct placement for the purchase police vehicles and improvements to the public works department. The bonds were issued with an interest rate of 5.35 percent and 3.48 percent, respectively. The bonds were issued for a ten year period with final maturity at October, 1, 2024.

In 2015, the City issued \$450,000 in fire truck acquisition bonds through direct placement for the purchase of a new fire truck. The bonds were issued with an interest rate of 2.50 percent. The bonds were issued for a ten year period with final maturity at April 1, 2025.

In 2017, the City issued \$831,000 in various purpose improvement bonds through direct placement for improvements to the City Hall and the purchase of vehicles for the public works department. The bonds were issued for 3.30 percent. The bonds were issued for a ten year period with final maturity in 2027.

In 2020, the City issued \$420,000 in street improvement bonds through direct placement for street improvements to Route 20 West and related expenses. The bonds were issued for 2.20 percent. The bonds were issued for a ten year period with final maturity in 2030.

In 2021, the City issued \$498,000 in street improvement bonds through direct placement for street improvements to Route 20, Center Road bridge improvements and related expenses. The bonds were issued for 2.20 percent. The bonds were issued for a ten year period with final maturity in 2031.

In 2008, the City issued a \$500,000 industrial park loan through direct placement for the purpose of developing and constructing an industrial park. The loan was issued with an interest rate of 3.25 percent. The loan was issued for a fifteen year period with final maturity in 2023.

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The City's outstanding OWDA loans from direct borrowings of \$5,596,032 related to business-type activities contain provisions that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

The City's outstanding OPWC loans from direct borrowings of \$152,820 related to governmental activities and \$894,309 related to business-type activities contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

Lines of credit have been established with the Ohio Public Works Commission in the amount of \$50,000 and \$500,000 for Chestnut Middle Road improvements and water treatment plant filter media improvements. The balance of the loans at December 31, 2022 were \$47,500 and \$388,503, respectively. Since the loan repayment schedules have not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. The loans will be paid from the street construction, maintenance and repair special revenue fund and water enterprise fund.

The City's outstanding State Infrastructure Bank loans financed through the Department of Transportation from direct borrowings related to governmental activities in the amount of \$1,254,742 were issued for the rehabilitation of Chestnut Street, Chamberlain Road and Parrish Road, Lake Road storm sewer, U.S. Route 20 East paving, U.S. Route 7 and U.S. Route 531. As of December 31, 2022, all proceeds have been spent.

The City has entered into contractual agreements for construction loans from the Ohio Water Development Authority (OWDA). Under the terms of these agreements, the OWDA will reimburse, advance or directly pay the construction costs of approved projects. The OWDA will capitalize administrative costs and construction interest and then add them to the total amount of the final loan.

Lines of credit have been established with the Ohio Water Development Authority in the amount of \$1,404,454 for water treatment plant improvements in the water enterprise funds. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates. The balance of this loan at December 31, 2022 was \$1,179,972.

The City has pledged future revenues, net of operating expenses less depreciation, to repay OPWC and OWDA loans in the water enterprise fund. The debt is payable solely from net revenues and are payable through 2049. Annual principal and interest payments on the debt issues are expected to require 22.71 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$3,357,748. Principal and interest paid for the current year and total net revenues were \$184,609 and \$832,718 respectively.

The City has pledged future revenues, net of operating expenses, to repay OPWC and OWDA loans in the sewer enterprise fund. The debt is payable solely from net revenues and are payable through 2039. Annual principal and interest payments on the debt issues are expected to require 58.90 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$3,784,818. Principal and interest paid for the current year and total net revenues were \$439,748 and \$1,645,697 respectively.

City of Conneaut, Ohio
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The City's overall legal debt margin was \$18,395,816 with an unvoted debt margin of \$8,332,168 at December 31, 2022. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2022, are as follows:

<i>Governmental Activities</i>						
<i>Direct Placements</i>						
	General Obligation		Loans Payable		Financed Purchases	
	Bonds				Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$189,684	\$25,830	\$61,680	\$335	\$85,127	\$11,694
2024	194,038	20,645	0	0	88,266	8,555
2025	154,400	15,353	0	0	91,524	5,297
2026	108,400	12,168	0	0	60,559	2,267
2027	110,400	9,549	0	0	23,579	583
2028-2031	329,000	16,764	0	0	0	0
Total	<u>\$1,085,922</u>	<u>\$100,309</u>	<u>\$61,680</u>	<u>\$335</u>	<u>\$349,055</u>	<u>\$28,396</u>

<i>Governmental Activities (continued)</i>			
<i>Direct Borrowings</i>			
	State Infrastructure Bank		OPWC
	Loans Payable		Loans
	Principal	Interest	Principal
2023	\$127,278	\$37,993	\$7,493
2024	128,378	34,225	7,494
2025	132,257	30,347	7,496
2026	136,255	26,347	5,912
2027	140,371	22,231	5,912
2028-2032	478,063	52,595	29,560
2033-2037	112,140	3,381	26,712
2038-2042	0	0	14,741
Total	<u>\$1,254,742</u>	<u>\$207,119</u>	<u>\$105,320</u>

<i>Business-Type Activities</i>					
	<i>Direct Borrowings</i>			<i>Direct Placement</i>	
	OWDA		OPWC	General Obligation	
	Loans		Loans	Bonds	
	Principal	Interest	Principal	Principal	Interest
2023	\$434,879	\$106,241	\$43,005	\$67,100	\$9,949
2024	448,259	94,508	40,439	67,100	7,738
2025	460,825	82,424	36,533	67,100	5,527
2026	473,775	70,968	35,587	67,100	3,316
2027	258,112	58,840	35,587	67,100	1,105
2028-2032	1,387,853	195,935	171,925	0	0
2033-2037	891,816	42,840	106,069	0	0
2038-2040	60,541	469	36,661	0	0
Total	<u>\$4,416,060</u>	<u>\$652,225</u>	<u>\$505,806</u>	<u>\$335,500</u>	<u>\$27,635</u>

Note 18 - Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

The net pension liability and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/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) calculations are 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 these estimates annually.

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* 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 *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 19 for the required OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

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

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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.

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

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

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

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

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

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

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

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

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

** These pension and employer health care rates are for the traditional plan. The employer contributions rate for the member-directed plan is all for health care with the remainder going to pension.

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

For 2022, the City's contractually required contribution was \$487,272 for the traditional plan, \$0 for the combined plan and \$4,717 for the member-directed plan. Of these amounts, \$77,123 is reported as an intergovernmental payable for the traditional plan, \$0 for the combined plan, and \$994 for the member-directed plan.

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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 that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$471,420 for 2022. Of this amount, \$79,070 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 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 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 of the City's defined benefit pension plans:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability:				
Current Measurement Date	0.02340288%	0.00000000%	0.08469040%	
Prior Measurement Date	<u>0.02191008%</u>	<u>0.00000000%</u>	<u>0.07464180%</u>	
Change in Proportionate Share	<u>0.00149280%</u>	<u>0.00000000%</u>	<u>0.01004860%</u>	
Proportionate Share of the:				
Net Pension Liability	\$2,036,145	\$0	\$5,290,966	\$7,327,111
Pension Expense	(222,280)	2,445	438,431	218,596

2022 pension expense for the member-directed defined contribution plan was \$6,879. The aggregate pension expense for all pension plans was \$225,475 for 2022.

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

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	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$103,800	\$0	\$152,561	\$256,361
Changes of assumptions	254,618	0	966,961	1,221,579
Changes in proportion and differences between City contributions and proportionate share of contributions	184,721	15,513	586,231	786,465
City contributions subsequent to the measurement date	<u>487,272</u>	<u>0</u>	<u>471,420</u>	<u>958,692</u>
Total Deferred Outflows of Resources	<u>\$1,030,411</u>	<u>\$15,513</u>	<u>\$2,177,173</u>	<u>\$3,223,097</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$44,658	\$0	\$275,057	\$319,715
Net difference between projected and actual earnings on pension plan investments	2,421,921	0	1,387,210	3,809,131
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>14,420</u>	<u>100</u>	<u>72,755</u>	<u>87,275</u>
Total Deferred Inflows of Resources	<u>\$2,480,999</u>	<u>\$100</u>	<u>\$1,735,022</u>	<u>\$4,216,121</u>

\$958,692 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in 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 Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2023	(\$203,014)	\$2,442	\$93,994	(\$106,578)
2024	(780,083)	2,445	(274,040)	(1,051,678)
2025	(569,491)	2,442	(39,932)	(606,981)
2026	(385,272)	2,445	8,694	(374,133)
2027	0	2,452	182,015	184,467
Thereafter	<u>0</u>	<u>3,187</u>	<u>0</u>	<u>3,187</u>
Total	<u>(\$1,937,860)</u>	<u>\$15,413</u>	<u>(\$29,269)</u>	<u>(\$1,951,716)</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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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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 key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented below:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2022, then 2.05 percent, simple	3.0 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Key actuarial assumptions and methods used in the prior actuarial valuation, prepared as of December 31, 2020, are presented below:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent 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 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 these tables.

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For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all the above-described 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 for 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 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized below:

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

Discount Rate The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The discount rate for the prior year was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based

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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 City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$5,368,387	\$2,036,145	(\$736,723)

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2021, are presented below.

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income *	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	125.00 %	

Note: Assumptions are geometric.

* levered 2x

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

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Discount Rate For 2021, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$7,846,429	\$5,290,966	\$3,162,897

Note 19 – Defined Benefit OPEB Plans

See Note 18 for a description of the net OPEB liability (asset).

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

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OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. 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 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 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

City of Conneaut, Ohio
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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 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,886 for 2022. Of this amount, \$299 is reported as an intergovernmental payable.

Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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

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

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

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

The City’s contractually required contribution to OP&F was \$11,294 for 2022. Of this amount, \$1,904 is reported as an intergovernmental payable.

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

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

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.02217984%	0.08469040%	
Prior Measurement Date	<u>0.02070048%</u>	<u>0.07464180%</u>	
Change in Proportionate Share	<u>0.00147936%</u>	<u>0.01004860%</u>	
Proportionate Share of the:			<u>Total</u>
Net OPEB Liability	\$0	\$928,279	\$928,279
Net OPEB Asset	(\$694,708)	\$0	(\$694,708)
OPEB Expense	(\$597,295)	\$85,572	(\$511,723)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$42,228	\$42,228
Changes of assumptions	0	410,885	410,885
Changes in proportion and differences between City contributions and proportionate share of contributions	24,891	81,149	106,040
City contributions subsequent to the measurement date	<u>1,886</u>	<u>11,294</u>	<u>13,180</u>
Total Deferred Outflows of Resources	<u>\$26,777</u>	<u>\$545,556</u>	<u>\$572,333</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$105,377	\$122,685	\$228,062
Changes of assumptions	281,211	107,815	389,026
Net difference between projected and actual earnings on OPEB plan investments	331,186	83,855	415,041
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>16,970</u>	<u>9,256</u>	<u>26,226</u>
Total Deferred Inflows of Resources	<u>\$734,744</u>	<u>\$323,611</u>	<u>\$1,058,355</u>

\$13,180 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase in the net OPEB asset in 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&F</u>	<u>Total</u>
Year Ending December 31:			
2023	(\$444,548)	\$47,852	(\$396,696)
2024	(145,379)	35,403	(109,976)
2025	(72,364)	39,971	(32,393)
2026	(47,562)	18,066	(29,496)
2027	0	30,273	30,273
Thereafter	<u>0</u>	<u>39,086</u>	<u>39,086</u>
Total	<u>(\$709,853)</u>	<u>\$210,651</u>	<u>(\$499,202)</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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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. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used for 2021 compared to those used for 2020 are as follows:

	December 31, 2021	December 31, 2020
Wage Inflation	2.75 percent	3.25 percent
Projected Salary Increases,	2.75 to 10.75 percent	3.25 to 10.75 percent
	including wage inflation	including wage inflation
Single Discount Rate	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial	8.5 percent, initial
	3.50 percent, ultimate in 2034	3.50 percent, ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent 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.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above-described tables.

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

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, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. 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 14.3 percent for 2021.

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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 rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	0.91%
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00%	3.45%

Discount Rate A single discount rate of 6.0 percent was used to measure the 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) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

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

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	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	\$408,553	\$694,708	\$932,219

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 liability. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$702,214	\$694,708	\$685,801

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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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
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

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

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

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

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 18.

Discount Rate For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.05 percent at December 31, 2021, and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.5 percent for 2021 and 8 percent for 2020, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal

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Bond Index Rate. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$1,166,868	\$928,279	\$732,159

Note 21 – Jointly Governed Organizations

Conneaut Energy Special Improvement District, Inc.

The Conneaut Energy Special Improvement District, Inc. (the “District”) is a jointly governed organization that is to enhance the value of properties within the District and improve the environment by developing and assisting in developing the District special energy improvement projects. The District is governed by a minimum of five Board of Directors including a municipal executive of each participating political subdivision, a person appointed by the legislative authority of each participating political subdivision and Members or executive representatives of Members elected, designated or appointed by the Members of the District. For the District, this includes the President of Cortina Leathers, the City Manager, the Executive Director of the Conneaut Public Library and two Members appointed by each representative. The Board has total control over budgeting, personnel and all other financial matters. The degree of control exercised by any participating government is limited to its representation in the General Assembly of and on the Board. For 2022, the City did not contribute to the District. For more information contact John Williams, Treasurer, Conneaut Energy Special Improvement District, Inc, 294 Main Street, Conneaut, Ohio 44030.

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC), a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas. NOPEC is currently comprised of 240 communities who have been authorized by ballot to purchase electricity on behalf of their citizens.

The intent of NOPEC is to provide electricity and natural gas at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity and natural gas to the citizens of its member communities.

NOPEC is governed by General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board has total control over budgeting, personnel and all other financial matters. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Conneaut did not contribute to NOPEC during 2022. Financial information can be obtained by contacting Ronald McVoy, Chairman, 31320 Solon Road, Suite 20, Solon, Ohio 11120.

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Note 22 – Related Organization

The Conneaut Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the City of Conneaut; however, the City cannot influence the Library’s operation nor does the library represent a potential financial benefit for or burden on the City. The Board of Trustees possesses its own contracting and budgeting authority and hires and fires personnel. Although the City does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Conneaut Public Library, Claudia Fill, Board President, 304 Buffalo Street, Conneaut, Ohio 44030.

Note 23 – Related Party Transactions

The Conneaut Port Authority, a component unit of the City of Conneaut, owes the City \$372,000 as of December 31, 2022 for a marina improvement note issued by the City. During 2022, the Port Authority paid the City \$406,000, the amount of the principal and interest on the note. The financial statements reflect \$372,000 in ‘Loans Receivable from Component Unit.’”

Note 24 - Contingencies

Grants

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

Litigation

The City of Conneaut is a party to legal proceedings. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Note 25 – Encumbrances

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

Governmental Funds		Proprietary Funds	
General	\$80,835	Water	\$348,636
Street Construction,		Sewer	192,937
Maintenance and Repair	21,975		
Other Governmental Funds	245,293	Total Proprietary Funds	\$541,573
Total	\$348,103		

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Note 26 – 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 City will continue to spend available COVID-19 funding consistent with the applicable program guidelines. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

The 2022 activity includes, \$151,953 which was sub-granted to other governments. These amounts are reflected as intergovernmental expenditures in the general fund on the accompanying financial statements.

Note 27 – Asset Retirement Obligations

The Governmental Accounting Standard Board's (GASB) Statement No. 83, Certain Asset Retirement Obligations, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their waste water treatment facilities. The City Engineer estimates these public safety issues to include removing/filling any tankage, cleaning/removing certain equipment, and backfilling certain exposed areas. This asset retirement obligation (ARO) of \$3,037,103 associated with the City waste water treatment facilities was estimated by the City engineer. The remaining useful life of these facilities range from 10 to 40 years.

Note 28 – Conneaut Board of Health

Description of Reporting Entity

The Conneaut Board of Health, (Board) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Board is directed by a five member Board and a Health Commissioner, all of which are appointed by the City. Among its various duties, the Board provides for the prompt diagnosis and control of communicable diseases. The Board may also inspect businesses where food is manufactured, handled, stored, or offered for sale.

Summary of Significant Accounting Policies

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

Basis of Presentation

The Board'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.

Fund Accounting

The Board uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Board's general fund is a governmental fund.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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.

Measurement Focus

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the Board are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

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.

Non-exchange transactions, in which the Board receives value without directly giving equal value in return, include grants. Revenue from grants are 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 Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes 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.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

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.

Cash and Cash Equivalents

The City of Conneaut's Finance Director is custodian for the Board's deposits. The City's deposit and investment pool holds the Board's assets, valued at the Finance Director's reported carrying amount

Inventory

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Capital Assets

The Board’s only capital assets are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the general fund. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the financial statements of the general fund.

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 value as of the date received. The Board maintains a capitalization threshold of \$100 for furniture and equipment.

All 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:

Description	Governmental Activities Estimated Lives
Furniture and Equipment	6 - 10 years

A summary of changes in capital assets during 2022 follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2023
Governmental Activities				
Depreciable Capital Assets				
Intangible Right to Use - Building	\$37,882	\$0	\$0	\$37,882
Furniture and Equipment	19,943	0	0	19,943
<i>Total Capital Assets, Being Depreciated</i>	<u>57,825</u>	<u>0</u>	<u>0</u>	<u>57,825</u>
Less Accumulated Depreciation/Amortization				
Intangible Right to Use - Building	0	(9,471)	0	(9,471)
Furniture and Equipment	(1,786)	(2,225)	0	(4,011)
<i>Total Accumulated Depreciation</i>	<u>(1,786)</u>	<u>(11,696)</u>	<u>0</u>	<u>(13,482)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>\$56,039</u>	<u>(\$11,696)</u>	<u>\$0</u>	<u>\$44,343</u>

Depreciation expense for 2022 was charged to public health services in the amount of \$11,696.

** Of the current year depreciation total of \$11,696, \$9,471 is presented as public health expense on the Statement of Activities related to the Board’s intangible asset of building space, which is included as an Intangible Right to Use Lease. With the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB asset/liabilities, 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 plans. 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.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements

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

Long-Term Obligations

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

	Principal Outstanding 1/1/2022	Additions	Deletions	Principal Outstanding 12/31/2022	Amounts Due In One Year
<i>Governmental Activities</i>					
Other Long-term Obligations					
Net Pension Liability:					
OPERS	\$135,185	\$0	\$50,345	\$84,840	\$0
Leases Payable	37,882	0	8,849	29,033	9,535
Compensated Absences	11,256	5,457	3,054	13,659	5,258
<i>Total Governmental Activities</i>	<u>\$184,323</u>	<u>\$5,457</u>	<u>\$62,248</u>	<u>\$127,532</u>	<u>\$14,793</u>

Compensated absences will be paid from the general fund. The Board pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability and net OPEB liability. However, employer pension and OPEB contributions are made from the general fund.

The Board has an outstanding agreement to lease office space and buildings. Due to the implementation of GASB Statement 87, these leases plus existing prior year capital leases have met the criteria of leases thus requiring them to be recorded by the Board. The future lease payments were discounted based on the interest rate implicit in the lease or using the Board's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest
2023	\$9,535	\$365
2024	9,677	223
2025	9,821	78
	<u>\$29,033</u>	<u>\$666</u>

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

The Board participates in the Ohio Public Employees Retirement System. See Note 18 for a description of the plan and the related actuarial assumptions.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

The Board's contractually required contribution was \$20,303 for the traditional plan and \$79 for the member-directed plan. Of these amounts, \$3,085 is reported as an intergovernmental payable for the traditional plan and \$12 for the member-directed plan.

The net pension liability (asset) for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability (asset) was based on the Board'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 of the Board's defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.00097512%	0.00000000%	
Prior Measurement Date	<u>0.00091292%</u>	<u>0.00000000%</u>	
Change in Proportionate Share	<u>0.00006220%</u>	<u>0.00000000%</u>	
Proportionate Share of the:			
Net Pension Liability	\$84,840	\$0	\$84,840
Pension Expense	(\$9,263)	\$101	(\$9,162)

2022 pension expense for the member-directed defined contribution plan was \$79. The aggregate pension expense for all pension plans was (\$9,083) for 2022.

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

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$4,325	\$0	\$4,325
Changes of assumptions	10,609	0	10,609
Changes in proportion and differences between Board contributions and proportionate share of contributions	7,697	648	8,345
Board contributions subsequent to the measurement date	<u>20,303</u>	<u>0</u>	<u>20,303</u>
Total Deferred Outflows of Resources	<u>\$42,934</u>	<u>\$648</u>	<u>\$43,582</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$1,860	\$0	\$1,860
Net difference between projected and actual earnings on pension plan investments	100,914	0	100,914
Changes in proportion and differences between Board contributions and proportionate share of contributions	<u>600</u>	<u>0</u>	<u>600</u>
Total Deferred Inflows of Resources	<u>\$103,374</u>	<u>\$0</u>	<u>\$103,374</u>

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

\$20,303 reported as deferred outflows of resources related to pension resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 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 Plan	OPERS Combined Plan	Total
Year Ending December 31:			
2023	(\$8,458)	\$105	(\$8,353)
2024	(32,504)	101	(32,403)
2025	(23,729)	105	(23,624)
2026	(16,052)	102	(15,950)
2027	0	102	102
Thereafter	0	133	133
Total	(\$80,743)	\$648	(\$80,095)

Sensitivity of the Board's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the Board's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the Board's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Board's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$223,683	\$84,840	(\$30,697)

Net Other Postemployment Benefits Liability

The Board participates in Ohio Public Employees Retirement System. See Note 18 and 19 for a description of the net OPEB liability. The Board's contractually required contribution was \$79 for 2022. Of this amount, \$12 is reported as an intergovernmental payable.

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

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 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's proportion of the net OPEB asset was based on the Board'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:

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	OPERS
Proportion of the Net OPEB Liability (Asset)	
Prior Measurement Date	0.00086252%
Current Measurement Date	0.00092416%
Change in Proportionate Share	0.00006164%
Proportionate Share of the Net OPEB Liability (Asset):	(\$28,945)
OPEB Expense	(\$24,887)

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

	OPERS
Deferred Outflows of Resources	
Changes in proportion and differences between Board contributions and proportionate share of contributions	\$1,037
Board contributions subsequent to the measurement date	79
Total Deferred Outflows of Resources	\$1,116
Deferred Inflows of Resources	
Differences between expected and actual experience	\$4,390
Changes of assumptions	11,716
Net difference between projected and actual earnings on OPEB plan investments	13,800
Changes in proportion and differences between Board contributions and proportionate share of contributions	708
Total Deferred Inflows of Resources	\$30,614

79 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2023	(\$18,523)
2024	(6,057)
2025	(3,015)
2026	(1,982)
Total	(\$29,577)

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
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	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Board's proportionate share of the net OPEB liability (asset)	(\$17,023)	(\$28,945)	(\$38,842)

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Board's proportionate share of the net OPEB liability (asset)	(\$29,259)	(\$28,945)	(\$28,575)

Note 29 – Conneaut Port Authority

Description of Reporting Entity

The Conneaut Port Authority, Ashtabula County, (Port Authority) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port Authority for the City of Conneaut is directed by a seven-member Board appointed by the City Manager with the approval of Conneaut City Council.

Charged with the responsibility of industrial development and the improvement of Conneaut's interconnecting waterways, the Port Authority is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The Port Authority operates two marinas and leases other lakefront facilities at the Port to private entities. The Port Authority's management believes these financial statements present all activities for which the Port Authority is financially accountable. The Conneaut Port Authority has the potential to impose a financial burden on the City in that the City issued debt on behalf of the Port Authority and is therefore presented as a component unit of the City.

Summary of Significant Accounting Policies

The financial statements of the Port Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. All transactions have been accounted for in a single enterprise fund.

Basis of Presentation

The Port Authority accounts for all transaction in a single enterprise fund. The financial statement consist of a statement of net position, statement of revenues, expenses and changes in net position and a statement of cash flows.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All asset and liabilities associated with the operation this fund are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Port Authority finances and meets the cash flow needs of its activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The single proprietary fund used the accrual basis of accounting.

Revenues – Exchange and Nonexchange 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.

Nonexchange transactions, in which the Port Authority receives value without directly giving equal value in return, include grants and donations. On an accrual basis, revenue from grants 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 Port Authority 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.

Unearned Revenue Unearned revenue arises when assets (cash) are recognized before revenue recognition criteria have been satisfied.

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

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Port Authority, deferred inflows of resources were reported for pension and OPEB.

Cash and Cash Equivalents

All monies of the Port Authority are maintained in one bank account. Investment procedures are restricted by the provisions of the Ohio Revised Code. During 2022, the Port Authority maintained no investment accounts.

For the purposes of the statement of cash flows, all bank deposits, including investments with maturity of less than three months are considered to be cash equivalents.

Inventory

Inventories are presented at cost on a first-in, first-out basis and expenses when used.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Capital Assets

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 Port Authority maintains a capitalization threshold of \$500. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred on related debt during the construction of capital assets is also capitalized.

When assets are sold, or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any profit or loss arising from such disposition is included as income or expense in the year in which sold.

All capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15 - 40 years
Dock Improvements	10 - 40 years
Vehicles	5 - 20 years
Machinery and Equipment	3 - 10 years

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital asset, 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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Operating Revenues

Operating revenues are those revenues generated directly from the primary activity of the proprietary fund. For the Port Authority, these revenues are dock rentals and property leases. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. Revenue and expenses which do not meet these definitions are reported as non-operating.

Estimates

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

Deposits and Investments

The Conneaut Port Authority follows the same guidelines identified in Note 7.

Deposits At year-end, all of the Port Authority's bank balance of \$111,921 was covered by federal depository insurance.

The Conneaut Port Authority did not have any investments at year end.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Capital Assets

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

	Balance 12/31/2021	Additions	Deductions	Balance 12/31/2022
Capital Assets not being Depreciated:				
Land	\$66,821	\$48,000	\$0	\$114,821
Land Improvements	31,021	0	0	31,021
Construction in Progress	217,889	15,800	0	233,689
<i>Capital Assets not being Depreciated</i>	<u>315,731</u>	<u>63,800</u>	<u>0</u>	<u>379,531</u>
Capital Assets being Depreciated:				
Buildings and Improvements	2,808,976	10,742	0	2,819,718
Dock Improvements	1,368,822	10,550	0	1,379,372
Vehicles	10,068	0	(10,068)	0
Machinery and Equipment	245,548	8,028	(7,335)	246,241
Intangible Right to Use - Equipment	56,178	10,344	0	66,522
<i>Total Capital Assets being Depreciated</i>	<u>4,489,592</u>	<u>39,664</u>	<u>(17,403)</u>	<u>4,511,853</u>
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(2,361,687)	(14,843)	0	(2,376,530)
Dock Improvements	(641,114)	(50,496)	0	(691,610)
Vehicles	(10,068)	0	10,068	0
Machinery and Equipment	(165,039)	(15,831)	7,335	(173,535)
Intangible Right to Use - Equipment	(5,556)	(13,383)	0	(18,939)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(3,183,464)</u>	<u>(94,553)</u>	<u>17,403</u>	<u>(3,260,614)</u>
Total Capital Assets being Depreciated, Net	<u>1,306,128</u>	<u>(54,889)</u>	<u>0</u>	<u>1,251,239</u>
Governmental Activities Capital Assets, Net	<u>\$1,621,859</u>	<u>\$8,911</u>	<u>\$0</u>	<u>\$1,630,770</u>

Long-Term Obligations

The Port Authority is liable for a note payable to the City of Conneaut. A \$372,000 note was issued on December 21, 2022 with an interest rate of 6.18 percent. The Port Authority is also liable for a zero percent interest note payable to the Conneaut Foundation in the amount of \$14,000. In addition, the Port Authority is liable for lease payables in the amount of \$54,840.

Lease Payables

In 2022, the Port Authority has outstanding agreements to lease vehicles and a zero turn mower. Due to the implementation of GASB Statement 87, these leases have met the criteria of leases thus requiring it to be recorded Port Authority. The future lease payments were discounted based on the interest rate implicit in the lease or using the Port Authority's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. A summary of the principal and interest amounts for the remaining leases is as follows:

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	Principal	Interest	Total
2023	\$14,246	\$1,696	\$15,942
2024	14,729	1,213	15,942
2025	13,983	720	14,703
2026	11,882	342	12,224
Total	<u>\$54,840</u>	<u>\$3,971</u>	<u>\$58,811</u>

Net Pension Liability

The Conneaut Port Authority participates in the Ohio Public Employee Retirement System (OPERS). See Note 18. The Conneaut Port Authority required contributions to OPERS in the amount of \$25,963 for 2022. Of this amount, \$1,875 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Port Authority's proportion of the net pension liability was based on the Port Authority'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</u>
Proportion of the Net Pension Liability	
Current Measurement Date	0.001317%
Prior Measurement Date	<u>0.001276%</u>
Change in Proportionate Share	<u>0.000041%</u>
Proportionate Share of the Net Pension Liability	\$114,584
Pension Expense	(\$11,352)

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

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	OPERS
Deferred Outflows of Resources	
Differences between expected and actual experience	\$5,841
Changes of assumptions	\$14,329
Changes in proportion and differences between Port Authority contributions and proportionate share of contributions	7,484
Port Authority contributions subsequent to the measurement date	25,963
Total Deferred Outflows of Resources	\$53,617
Deferred Inflows of Resources	
Differences between expected and actual experience	\$2,513
Net difference between projected and actual earnings on pension plan investments	136,294
Total Deferred Inflows of Resources	\$138,807

\$25,963 reported as deferred outflows of resources related to pension resulting from Port Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability 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
Year Ending December 31:	
2023	(\$11,997)
2024	(45,427)
2025	(32,048)
2026	(21,681)
Total	(\$111,153)

Sensitivity of the Port Authority 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 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90 percent), or one percentage point higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.9%)
Port Authority proportionate share of the net pension liability (asset)	\$302,107	\$114,584	(\$41,459)

Net Other Postemployment Benefits Liability

See Note 18 and 19 for a description of the net OPEB liability. The Conneaut Port Authority required contributions to OPERS was \$0 for 2022.

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 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 Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the net OPEB liability current measurement date	0.0012260%
Proportion of the net OPEB liability prior measurement date	0.0011910%
Change in proportionate share	-0.0000350%
Proportionate share of the net OPEB liability (asset)	(\$38,400)
OPEB expense	(\$32,383)

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

	OPERS
Deferred Outflows of Resources	
Changes in proportion and differences between contributions and proportionate share of contributions	\$1,111
Deferred Inflows of Resources	
Differences between expected and actual experience	\$5,825
Changes of assumptions	15,544
Net difference between projected and actual earnings on OPEB plan investments	18,307
Total Deferred Inflows of Resources	\$39,676

No amount was reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will not be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022.

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

	OPERS
Year Ending December 31:	
2023	(\$23,628)
2024	(8,308)
2025	(4,000)
2026	(2,629)
Total	(\$38,565)

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 6 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB liability (asset)	(\$22,583)	(\$38,400)	(\$51,529)

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

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability (asset)	(\$38,815)	(\$38,400)	(\$160,508)

Risk Management

The Port Authority is exposed to various risks of property and casualty losses, and injuries to employees.

The Port Authority insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Port Authority 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 Insurance Services Group, Inc. (York) functions as the administrator of PEP and provides 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 also 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, PEP retained \$500,000 for casualty claims and \$250,000 for property claims.

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

Financial Position PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2021 (latest information available):

City of Conneaut, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2022

	<u>2021</u>
Assets	\$41,996,850
Liabilities	<u>(14,974,099)</u>
Net Position	<u>\$27,022,751</u>

At December 31, 2021, the liabilities above include unknown amounts of estimated incurred claims payable. The assets above also include approximately \$13.7 million of unpaid claims to be billed to approximately 553 members (latest information available). These amounts will be included in future contributions from members when the related claims are due for payment. This payable includes subsequent year's contributions due if the City terminates participation, as described in the last paragraph below.

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 not expected to change significantly 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.

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. 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 the withdrawal. During 2022, member contributions amounted to \$35,330.

Grants

Amounts grantor agencies pay to the Port Authority are subject to audit and adjustment by the grantor, principally the Federal government. Grantors may require refunding any disallowed cost or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recapture amounts would not have a material adverse effect on the overall financial position at December 31, 2022.

Litigation and Claims

In the normal course of operations, the Port Authority may be subject to litigation and claims. At December 31, 2022, the Port Authority was not aware of any such matters that would have a material effect on the financial statements.

City of Conneaut, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
*Last Nine Years (1)**

	2022	2021	2020
City's Proportion of the Net Pension Liability	0.02340288%	0.02191008%	0.02222112%
City's Proportionate Share of the Net Pension Liability	\$2,036,145	\$3,244,405	\$4,392,155
City's Covered Payroll	\$3,396,571	\$3,085,964	\$3,126,529
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.13%	140.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to required supplementary information

2019	2018	2017	2016	2015	2014
0.02188704%	0.02119392%	0.02178200%	0.02178200%	0.02104400%	0.02104400%
\$5,994,416	\$3,324,914	\$4,946,323	\$3,772,918	\$2,538,142	\$2,480,813
\$2,957,678	\$2,800,800	\$2,815,825	\$2,710,885	\$2,580,033	\$2,356,597
202.67%	118.71%	175.66%	139.18%	98.38%	105.27%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

City of Conneaut, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
*Last Seven Years (1)**

	2022	2021	2020
City's Proportion of the Net Pension Asset	0.00000000%	0.00000000%	0.00941472%
City's Proportionate Share of the Net Pension Asset	\$0	\$0	\$19,631
City's Covered Payroll	\$0	\$0	\$41,914
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	N/A	N/A	46.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2016 is not available. An additional column will be added each year.

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

See accompanying notes to required supplementary information

2019	2018	2017	2016
0.01467840%	0.01542912%	0.01586500%	0.01158000%
\$16,413	\$21,004	\$8,830	\$7,720
\$62,779	\$63,190	\$61,758	\$42,125
26.14%	33.24%	14.30%	18.33%
126.64%	137.28%	116.55%	116.90%

City of Conneaut, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System - OPEB Plan
*Last Six Years (1)**

	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.02217984%	0.02070048%	0.02121888%
City's Proportionate Share of the Net OPEB Liability/(Asset)	(\$694,708)	(\$368,797)	\$2,930,878
City's Covered Payroll	\$3,458,796	\$3,130,639	\$3,205,768
City's Proportionate Share of the Net OPEB (Asset) Liability as a Percentage of its Covered Payroll	-20.09%	-11.78%	91.43%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to required supplementary information

2019	2018	2017
0.02106144%	0.02132000%	0.02108000%
\$2,745,914	\$2,222,587	\$2,129,152
\$3,056,357	\$2,899,040	\$2,877,583
89.84%	76.67%	73.99%
46.33%	54.14%	54.04%

City of Conneaut, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
*Last Nine Years (1) **

	2022	2021	2020
City's Proportion of the Net Pension Liability	0.08469040%	0.07464180%	0.07529040%
City's Proportionate Share of the Net Pension Liability	\$5,290,966	\$5,088,398	\$5,071,962
City's Covered Payroll	\$2,196,423	\$1,878,644	\$1,798,764
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	240.89%	270.85%	281.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to required supplementary information

2019	2018	2017	2016	2015	2014
0.07670900%	0.07649200%	0.07630900%	0.07869500%	0.07675840%	0.07675840%
\$6,261,483	\$4,694,660	\$4,833,336	\$5,062,505	\$3,976,405	\$3,738,375
\$1,784,628	\$1,716,989	\$1,683,660	\$1,621,815	\$1,552,383	\$1,524,286
350.86%	273.42%	287.07%	312.15%	256.15%	245.25%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

City of Conneaut, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund - OPEB Plan
*Last Six Years (1)**

	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.08469040%	0.07464180%	0.07529040%
City's Proportionate Share of the Net OPEB Liability	\$928,279	\$790,842	\$743,699
City's Covered Payroll	\$2,196,400	\$1,878,644	\$1,798,764
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.26%	42.10%	41.35%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.90%	45.40%	47.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to required supplementary information

2019	2018	2017
0.07670900%	0.07649200%	0.07630900%
\$698,554	\$4,333,929	\$3,622,217
\$1,784,628	\$1,716,989	\$1,683,660
39.14%	252.41%	215.14%
46.57%	14.13%	15.96%

City of Conneaut, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$487,272	\$475,520	\$432,035	\$437,714
Contributions in Relation to the Contractually Required Contribution	<u>(487,272)</u>	<u>(475,520)</u>	<u>(432,035)</u>	<u>(437,714)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$3,480,514	\$3,396,571	\$3,085,964	\$3,126,529
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Asset - Combined Plan				
Contractually Required Contribution (1)	\$0	\$0	\$0	\$5,868
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,868)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$0	\$0	\$0	\$41,914
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	14.00%
Net OPEB Liability - OPERS Plan (2)				
Contractually Required Contribution	\$1,886	\$2,489	\$1,787	\$1,493
Contributions in Relation to the Contractually Required Contribution	<u>(1,886)</u>	<u>(2,489)</u>	<u>(1,787)</u>	<u>(1,493)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$3,480,514	\$3,458,796	\$3,130,639	\$3,205,768
Contributions as a Percentage of Covered Payroll	<u>0.05%</u>	<u>0.07%</u>	<u>0.06%</u>	<u>0.05%</u>

(1) Prior to 2015, no split between traditional and combined is available.

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

(3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information

2018	2017	2016	2015	2014	2013
\$414,075	\$364,104	\$337,899	\$325,306	\$309,604	\$306,358
<u>(414,075)</u>	<u>(364,104)</u>	<u>(337,899)</u>	<u>(325,306)</u>	<u>(309,604)</u>	<u>(306,358)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$2,957,678	\$2,800,800	\$2,815,825	\$2,710,885	\$2,580,033	\$2,356,597
<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$8,789	\$8,215	\$7,411	\$5,055		
<u>(8,789)</u>	<u>(8,215)</u>	<u>(7,411)</u>	<u>(5,055)</u>		
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		
\$62,779	\$63,190	\$61,758	\$42,125		
14.00%	13.00%	12.00%	12.00%		
\$1,436	\$31,295	\$57,552			
<u>(1,436)</u>	<u>(31,295)</u>	<u>(57,552)</u>			
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			
\$3,056,357	\$2,899,040	\$2,877,583			
<u>0.05%</u>	<u>1.08%</u>	<u>2.00%</u>			

City of Conneaut, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Pension Liability				
Contractually Required Contribution	\$471,420	\$457,436	\$386,963	\$370,621
Contributions in Relation to the Contractually Required Contribution	<u>(471,420)</u>	<u>(457,436)</u>	<u>(386,963)</u>	<u>(370,621)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$2,258,981	\$2,196,423	\$1,878,644	\$1,798,764
Contributions as a Percentage of Covered Payroll:	<u>20.87%</u>	<u>20.83%</u>	<u>20.60%</u>	<u>20.60%</u>
Net OPEB Liability				
Contractually Required Contribution	\$11,294	\$10,982	\$9,394	\$8,994
Contributions in Relation to the Contractually Required Contribution	<u>(11,294)</u>	<u>(10,982)</u>	<u>(9,394)</u>	<u>(8,994)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll:	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll:	<u>21.37%</u>	<u>21.33%</u>	<u>21.10%</u>	<u>21.10%</u>

(1) The City's covered payroll is the same for the pension and OPEB.

See accompanying notes to the required supplementary information

2018	2017	2016	2015	2014	2013
\$368,299	\$354,441	\$346,650	\$335,890	\$321,229	\$267,948
<u>(368,299)</u>	<u>(354,441)</u>	<u>(346,650)</u>	<u>(335,890)</u>	<u>(321,229)</u>	<u>(267,948)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,784,628	\$1,716,989	\$1,683,660	\$1,621,815	\$1,552,383	\$1,524,286
<u>20.64%</u>	<u>20.64%</u>	<u>20.59%</u>	<u>20.71%</u>	<u>20.69%</u>	<u>17.58%</u>
\$8,923	\$8,585	\$8,419	\$8,109	\$7,762	\$55,128
<u>(8,923)</u>	<u>(8,585)</u>	<u>(8,419)</u>	<u>(8,109)</u>	<u>(7,762)</u>	<u>(55,128)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>3.62%</u>
<u>21.14%</u>	<u>21.14%</u>	<u>21.09%</u>	<u>21.21%</u>	<u>21.19%</u>	<u>21.20%</u>

City of Conneaut, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Changes in Assumptions – OPERS Pension– Traditional Plan

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3.00 percent, simple	3.00 percent, simple	3.00 percent, simple	3.00 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.90 percent	7.20 percent	7.50 percent	8.00 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

2022	3.00 percent, simple through 2022 then 2.05 percent, simple
2021	0.50 percent, simple through 2021 then 2.15 percent, simple
2020	1.40 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.00 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.00 percent, simple through 2018 then 2.80 percent, simple 5.50 to 5.00 percent

Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent 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 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 these tables.

Amounts reported beginning in 2017 use pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

City of Conneaut, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

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

Changes in Assumptions – OPERS Pension – Combined Plan

	2022	2019	2018
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3.00 percent, simple	3.00 percent, simple	3.00 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.90 percent	7.20 percent	7.50 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

Changes in Assumptions – OP&F Pension

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

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.00 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.50 percent	4.25 percent to 11.00 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.50 percent
Cost of Living Adjustments	2.20 percent simple for increases based on the lesser of the increase in CPI and 3.00 percent	3.00 percent simple; 2.60 percent simple for increases based on the lesser of the increase in CPI and 3.00 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022.

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

City of Conneaut, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Rates for surviving beneficiaries are adjusted by 120 percent.

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

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

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

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

Changes in Assumptions – OPERS OPEB

Wage Inflation:	
2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent

City of Conneaut, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

Health Care Cost Trend Rate:	
2022	5.50 percent, initial 3.50 percent, ultimate in 2034
2021	8.50 percent, initial 3.50 percent, ultimate in 2035
2020	10.50 percent, initial 3.50 percent, ultimate in 2030
2019	10.00 percent, initial 3.25 percent, ultimate in 2029
2018	7.50 percent, initial 3.25 percent, ultimate in 2028

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:	
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022.

Changes in Benefit Terms – OPERS OPEB

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Auto Permissive Tax Fund The Permissive Motor Vehicle License Fund accounts for and reports additional motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway Fund The State Highway Fund accounts for and reports that portion of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

Marina Fund The Marina Fund accounts for and reports fees restricted for the implementation of State programs for licensing and inspecting Marinas and payments from the port authority for debt.

Enforcement and Education Fund The Enforcement and Education Fund accounts for and reports restricted court fines used to pay costs incurred in educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol.

Indigent Drivers Fund The Indigent Drivers Fund accounts for and reports the additional fees restricted by the Conneaut Municipal Court under State law. Such funds are to be used in the rehabilitation of DUI indigent citizens.

Cemetery Fund The Cemetery Fund accounts and reports for cemetery lot sales restricted for operation and maintenance of City owned cemeteries.

Police Levy Fund The Police Levy Fund accounts for and reports a restricted property tax operating levy restricted for police officer wages and vehicle acquisition.

Fire Levy Fund The Fire Levy Fund accounts for and reports a restricted property tax operating levy restricted for fire fighters wages.

Indigent Monitoring Fund The Indigent Monitoring Fund accounts for and reports municipal court fines restricted to interlock alcohol monitoring for indigent offenders.

Law Enforcement Trust Fund The Law Enforcement Trust fund accounts for and monies seized from criminals by law enforcement officials in the course of their work and restricted, by State statute, for expenditures that would enhance the police department.

Municipal Probation Services Fund The Municipal Probation Services Fund accounts for and reports restricted fines received from municipal probation.

Police Levy II Fund The Police Levy II Fund accounts for and reports a restricted property tax levy restricted for police officer wages.

Drug Task Force Fund The Drug Task Force Fund accounts for and reports restricted grant monies received to address the national heroin and opioid threat in the City.

Street Lighting Fund The Street Lighting Fund accounts for and reports the service assessment revenue restricted to provide street lighting within the City.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Community Housing Fund The Community Housing Fund accounts for and reports repayments of CHIP loans and grant monies restricted for reinvesting in community housing for qualified applicants.

Land Bank Grant Fund The Land Bank Grant Fund accounts for and reports grant monies received through the Ohio Department of Development restricted for the removal and/or demolition of unsafe, structurally defective, abandoned, deserted, or open and vacant buildings.

One Ohio Fund The One Ohio Fund accounts for and reports restricted settlement monies used to assist local governments with the ongoing opioid crisis.

Office of Justice Grant Fund The Office of Justice Grant Fund accounts for and reports grant monies received through the Department of Justice restricted for equipment in the police department.

Tax Increment Financing (TIF) Fund The TIF Fund accounts for and reports reimbursements from Truck World and payment in lieu of taxes restricted for costs in agreement with the tax increment financing agreement the City made with Truck World.

Transportation Improvement District (TID) Grant Fund The Transportation Improvement District Grant Fund accounts for and reports grant monies restricted for the maintenance of roads running through the energy special improvement district.

Recreation Fund The Recreation Fund accounts for and reports committed income taxes used to maintain the City's parks and provide financial assistance to help the City's sports programs.

Deposits on Fire Losses Fund The Deposits on Fire Losses Fund accounts for and reports restricted insurance proceeds held for homeowners to be paid when repairs caused by fire are completed. If repairs are not completed by the homeowner, the City will complete the repairs.

Police Pension Fund The Police Pension Fund accounts for and reports restricted property taxes for the payment of current employer's pension contributions.

Fire Pension Fund The Fire Pension Fund accounts for and reports restricted property taxes for the payment of current employer's pension contributions.

Nonmajor Debt Service Funds

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

Special Assessment Bond Retirement Fund The special assessment bond retirement fund is used to account for and report restricted special assessments collected for the payment of special assessment debt principal, interest and related costs.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

Street Improvement Fund The street improvement capital projects fund accounts for and reports restricted property taxes for the improvement of streets and curbs within the City.

Municipal Court Improvement Fund The Municipal Court Improvement Fund accounts for and reports the receipt of specific court fees and related expenditures which are restricted to the purchase of equipment and supplies for the Court.

Capital Improvement Fund The Capital Improvement Fund accounts for and reports committed income taxes for capital construction and the acquisition of capital assets.

Conneaut Dredge Facility Fund The Conneaut Dredge Facility Fund accounts for and reports grant monies received through the Ohio Department of Natural Resources restricted for the purpose of building a dredge facility at the Conneaut harbor.

OCJS Municipal Court Grant Fund The Municipal Court Grant Fund accounts for and reports restricted grant monies received through the Ohio Department of Public Safety to purchase computer software for the Conneaut Municipal Court.

FEMA Grant Fund The FEMA Grant Fund accounts for and reports federal and State monies restricted for natural disaster preparation and restoration.

Industrial Park Fund The Industrial Park Fund accounts for and reports restricted loan monies and grants for the development of the City's industrial park.

Chestnut Street Phase III Project Fund The Chestnut Street Phase III Fund accounts for and reports grant monies and loan proceeds received through OPWC restricted for storm water improvements to Chestnut Street.

Paddle Grant Fund The Paddle Grant Fund accounts for and reports grant monies received through the Ohio Department of Natural Resources restricted for the purpose of making dock improvements for paddle boat access to Conneaut Creek. This fund only had budgetary comparison information to present.

Madison Street Grant Fund The Madison Street Grant Fund accounts for and reports grant monies received through Community Development Grant Program restricted for street improvements to Madison Street. This fund only had budgetary comparison information to present.

Broad Street Improvements Fund The Broad Street Improvements Fund accounts for and reports grant monies and loan proceeds received through OPWC restricted for street improvements to Broad Street. This fund only had budgetary comparison information to present.

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City of Conneaut, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Special Assessment Bond Retirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$904,892	\$3,149	\$540,680	\$1,448,721
Intergovernmental Receivable	557,866	0	51,532	609,398
Municipal Income Taxes Receivable	15,555	0	12,962	28,517
Property Taxes Receivable	1,791,519	0	537,142	2,328,661
Payments in Lieu of Taxes Receivable	56,924	0	0	56,924
Loans Receivable from Component Unit	372,000	0	0	372,000
Special Assessments Receivable	0	18,223	0	18,223
<i>Total Assets</i>	<u>\$3,698,756</u>	<u>\$21,372</u>	<u>\$1,142,316</u>	<u>\$4,862,444</u>
Liabilities				
Accounts Payable	\$54,350	\$0	\$6,682	\$61,032
Contracts Payable	118,416	0	550,280	668,696
Accrued Wages	11,380	0	1,425	12,805
Intergovernmental Payable	82,590	0	255	82,845
Deposits Held Payable				
from Restricted Assets	69,839	0	0	69,839
Interfund Payable	346,776	0	40,924	387,700
Retainage Payable	0	0	45,841	45,841
Accrued Interest Payable	22,927	0	0	22,927
Notes Payable	372,000	0	0	372,000
<i>Total Liabilities</i>	<u>1,078,278</u>	<u>0</u>	<u>645,407</u>	<u>1,723,685</u>
Deferred Inflows of Resources				
Property Taxes	1,587,268	0	476,037	2,063,305
Payment in Lieu of Taxes	56,924	0	0	56,924
Unavailable Revenue	603,388	18,223	78,769	700,380
<i>Total Deferred Inflows of Resources</i>	<u>2,247,580</u>	<u>18,223</u>	<u>554,806</u>	<u>2,820,609</u>
Fund Balances				
Restricted	645,056	3,149	405,395	1,053,600
Committed	102,651	0	132,560	235,211
Unassigned (Deficit)	(374,809)	0	(595,852)	(970,661)
<i>Total Fund Balances (Deficit)</i>	<u>372,898</u>	<u>3,149</u>	<u>(57,897)</u>	<u>318,150</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,698,756</u>	<u>\$21,372</u>	<u>\$1,142,316</u>	<u>\$4,862,444</u>

City of Conneaut, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Special Assessment Bond Retirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$1,661,785	\$0	\$497,074	\$2,158,859
Municipal Income Taxes	68,710	0	57,418	126,128
Special Assessments	0	846	0	846
Intergovernmental	520,973	0	307,884	828,857
Fees, Licenses and Permits	181,159	0	0	181,159
Fines, Forfeitures and Settlements	19,202	0	55,965	75,167
Payment In Lieu Of Taxes	56,924	0	0	56,924
Charges for Services	25,050	0	0	25,050
Contributions and Donations	1,239	0	0	1,239
Interest/Investment Earnings	331	0	0	331
Other	68,317	0	28,349	96,666
<i>Total Revenues</i>	<u>2,603,690</u>	<u>846</u>	<u>946,690</u>	<u>3,551,226</u>
Expenditures				
Current:				
General Government	0	92	0	92
Security of Persons and Property	2,325,694	0	0	2,325,694
Public Health Services	478	0	0	478
Leisure Time Activities	30,970	0	0	30,970
Community Development	134,883	0	0	134,883
Basic Utility Services	238,384	0	0	238,384
Transportation	490,330	0	0	490,330
Capital Outlay	0	0	1,674,090	1,674,090
Debt Service:				
Interest	23,005	0	3,291	26,296
<i>Total Expenditures</i>	<u>3,243,744</u>	<u>92</u>	<u>1,677,381</u>	<u>4,921,217</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(640,054)</u>	<u>754</u>	<u>(730,691)</u>	<u>(1,369,991)</u>
Other Financing Sources (Uses)				
OPWC Loans Issued	0	0	3,991	3,991
Transfers In	51,000	0	0	51,000
Transfers Out	0	0	(20,871)	(20,871)
<i>Total Other Financing Sources (Uses)</i>	<u>51,000</u>	<u>0</u>	<u>(16,880)</u>	<u>34,120</u>
<i>Net Change in Fund Balances</i>	(589,054)	754	(747,571)	(1,335,871)
<i>Fund Balances</i>				
<i>Beginning of Year</i>	<u>961,952</u>	<u>2,395</u>	<u>689,674</u>	<u>1,654,021</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$372,898</u>	<u>\$3,149</u>	<u>(\$57,897)</u>	<u>\$318,150</u>

City of Conneaut, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Auto Permissive Tax	State Highway	Marina	Enforcement and Education	Indigent Drivers
Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$6,461	\$7,299	\$11,384	\$14,499	\$72,363
Intergovernmental Receivable	68,735	24,583	0	0	0
Municipal Income Taxes Receivable	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Payments in Lieu of Taxes Receivable	0	0	0	0	0
Loans Receivable from Component Unit	0	0	372,000	0	0
<i>Total Assets</i>	<u>\$75,196</u>	<u>\$31,882</u>	<u>\$383,384</u>	<u>\$14,499</u>	<u>\$72,363</u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deposits Held Payable					
from Restricted Assets	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Accrued Interest Payable	0	0	22,927	0	0
Notes Payable	0	0	372,000	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>394,927</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes	0	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0	0
Unavailable Revenue	48,109	16,430	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>48,109</u>	<u>16,430</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Restricted	27,087	15,452	0	14,499	72,363
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	(11,543)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>27,087</u>	<u>15,452</u>	<u>(11,543)</u>	<u>14,499</u>	<u>72,363</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$75,196</u>	<u>\$31,882</u>	<u>\$383,384</u>	<u>\$14,499</u>	<u>\$72,363</u>

<u>Cemetery</u>	<u>Police Levy</u>	<u>Fire Levy</u>	<u>Indigent Monitoring</u>	<u>Law Enforcement Trust</u>	<u>Municipal Probation Services</u>	<u>Police Levy II</u>
\$78,787	\$89,548	\$26,552	\$29,214	\$12,966	\$51,205	\$284,331
0	19,092	30,671	0	0	0	11,279
0	0	0	0	0	0	0
0	348,282	544,485	0	0	0	585,974
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$78,787</u>	<u>\$456,922</u>	<u>\$601,708</u>	<u>\$29,214</u>	<u>\$12,966</u>	<u>\$51,205</u>	<u>\$881,584</u>
\$750	\$0	\$0	\$0	\$0	\$0	\$0
0	47,416	0	0	0	0	71,000
1,922	0	0	0	0	0	9,458
1,196	0	185	0	0	0	7,658
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>3,868</u>	<u>47,416</u>	<u>185</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>88,116</u>
0	308,536	482,317	0	0	0	519,314
0	0	0	0	0	0	0
0	58,838	92,839	0	0	0	77,939
<u>0</u>	<u>367,374</u>	<u>575,156</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>597,253</u>
74,919	42,132	26,367	29,214	12,966	51,205	196,215
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>74,919</u>	<u>42,132</u>	<u>26,367</u>	<u>29,214</u>	<u>12,966</u>	<u>51,205</u>	<u>196,215</u>
<u>\$78,787</u>	<u>\$456,922</u>	<u>\$601,708</u>	<u>\$29,214</u>	<u>\$12,966</u>	<u>\$51,205</u>	<u>\$881,584</u>

(continued)

City of Conneaut, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2022

	Street Lighting	Community Housing	Land Bank Grant	One Ohio
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,482	\$39,635	\$0	\$4,329
Intergovernmental Receivable	0	0	138,740	0
Municipal Income Taxes Receivable	8,425	0	0	0
Property Taxes Receivable	0	0	0	0
Payments in Lieu of Taxes Receivable	0	0	0	0
Loans Receivable from Component Unit	0	0	0	0
<i>Total Assets</i>	<u>\$10,907</u>	<u>\$39,635</u>	<u>\$138,740</u>	<u>\$4,329</u>
Liabilities				
Accounts Payable	\$52,071	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deposits Held Payable from Restricted Assets	0	0	0	0
Interfund Payable	0	0	100,067	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	0
<i>Total Liabilities</i>	<u>52,071</u>	<u>0</u>	<u>100,067</u>	<u>0</u>
Deferred Inflows of Resources				
Property Taxes	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0
Unavailable Revenue	4,761	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>4,761</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted	0	39,635	38,673	4,329
Committed	0	0	0	0
Unassigned (Deficit)	(45,925)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(45,925)</u>	<u>39,635</u>	<u>38,673</u>	<u>4,329</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$10,907</u>	<u>\$39,635</u>	<u>\$138,740</u>	<u>\$4,329</u>

TIF	TID Grant	Recreation	Deposits on Fire Losses	Police Pension	Fire Pension	Total Nonmajor Special Revenue Funds
\$0	\$0	\$101,112	\$69,839	\$2,730	\$156	\$904,892
0	246,709	0	0	9,970	8,087	557,866
0	0	7,130	0	0	0	15,555
0	0	0	0	172,699	140,079	1,791,519
56,924	0	0	0	0	0	56,924
0	0	0	0	0	0	372,000
<u>\$56,924</u>	<u>\$246,709</u>	<u>\$108,242</u>	<u>\$69,839</u>	<u>\$185,399</u>	<u>\$148,322</u>	<u>\$3,698,756</u>
\$0	\$0	\$1,529	\$0	\$0	\$0	\$54,350
0	0	0	0	0	0	118,416
0	0	0	0	0	0	11,380
0	0	33	0	37,786	35,732	82,590
0	0	0	69,839	0	0	69,839
0	246,709	0	0	0	0	346,776
0	0	0	0	0	0	22,927
0	0	0	0	0	0	372,000
0	246,709	1,562	69,839	37,786	35,732	1,078,278
0	0	0	0	153,000	124,101	1,587,268
56,924	0	0	0	0	0	56,924
0	246,709	4,029	0	29,669	24,065	603,388
<u>56,924</u>	<u>246,709</u>	<u>4,029</u>	<u>0</u>	<u>182,669</u>	<u>148,166</u>	<u>2,247,580</u>
0	0	0	0	0	0	645,056
0	0	102,651	0	0	0	102,651
0	(246,709)	0	0	(35,056)	(35,576)	(374,809)
0	(246,709)	102,651	0	(35,056)	(35,576)	372,898
<u>\$56,924</u>	<u>\$246,709</u>	<u>\$108,242</u>	<u>\$69,839</u>	<u>\$185,399</u>	<u>\$148,322</u>	<u>\$3,698,756</u>

City of Conneaut, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022

	Auto Permissive Tax	State Highway	Marina	Enforcement and Education	Indigent Drivers
Revenues					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	0	0	0	0
Intergovernmental	134,839	49,598	3,385	0	0
Fees, Licenses and Permits	0	0	480	0	0
Fines, Forfeitures and Settlements	0	0	0	520	1,679
Payment In Lieu of Taxes	0	0	0	0	0
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Investment Earnings/Interest	52	25	0	0	0
Other	0	0	0	0	1,030
<i>Total Revenues</i>	<u>134,891</u>	<u>49,623</u>	<u>3,865</u>	<u>520</u>	<u>2,709</u>
Expenditures					
Current:					
Security of Persons and Property	0	0	0	0	0
Public Health Services	0	0	0	0	478
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
Transportation	139,581	47,116	0	0	0
Debt Service:					
Interest	0	0	23,005	0	0
<i>Total Expenditures</i>	<u>139,581</u>	<u>47,116</u>	<u>23,005</u>	<u>0</u>	<u>478</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,690)	2,507	(19,140)	520	2,231
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(4,690)	2,507	(19,140)	520	2,231
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>31,777</u>	<u>12,945</u>	<u>7,597</u>	<u>13,979</u>	<u>70,132</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$27,087</u>	<u>\$15,452</u>	<u>(\$11,543)</u>	<u>\$14,499</u>	<u>\$72,363</u>

Cemetery	Police Levy	Fire Levy	Indigent Monitoring	Law Enforcement Trust	Municipal Probation Services	Police Levy II
\$0	\$323,372	\$505,837	\$0	\$0	\$0	\$542,262
0	0	0	0	0	0	0
0	38,213	61,388	0	0	0	22,575
1,140	0	0	0	0	0	0
0	0	0	823	3,876	7,975	0
0	0	0	0	0	0	0
25,050	0	0	0	0	0	0
0	0	0	0	0	0	0
60	0	0	0	34	0	0
2,566	0	300	741	0	0	828
<u>28,816</u>	<u>361,585</u>	<u>567,525</u>	<u>1,564</u>	<u>3,910</u>	<u>7,975</u>	<u>565,665</u>
0	392,720	598,511	0	744	0	841,463
0	0	0	0	0	0	0
0	0	0	0	0	0	0
34,816	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>34,816</u>	<u>392,720</u>	<u>598,511</u>	<u>0</u>	<u>744</u>	<u>0</u>	<u>841,463</u>
(6,000)	(31,135)	(30,986)	1,564	3,166	7,975	(275,798)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(6,000)	(31,135)	(30,986)	1,564	3,166	7,975	(275,798)
<u>80,919</u>	<u>73,267</u>	<u>57,353</u>	<u>27,650</u>	<u>9,800</u>	<u>43,230</u>	<u>472,013</u>
<u>\$74,919</u>	<u>\$42,132</u>	<u>\$26,367</u>	<u>\$29,214</u>	<u>\$12,966</u>	<u>\$51,205</u>	<u>\$196,215</u>

(continued)

City of Conneaut, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2022

	Drug Task Force	Street Lighting	Community Housing	Land Bank Grant	One Ohio
Revenues					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	37,090	0	0	0
Intergovernmental	7,931	0	9,774	138,740	0
Fees, Licenses and Permits	0	178,639	0	0	0
Fines, Forfeitures and Settlements	0	0	0	0	4,329
Payment In Lieu of Taxes	0	0	0	0	0
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Investment Earnings/Interest	0	0	160	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>7,931</u>	<u>215,729</u>	<u>9,934</u>	<u>138,740</u>	<u>4,329</u>
Expenditures					
Current:					
Security of Persons and Property	9,612	0	0	0	0
Public Health Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	100,067	0
Basic Utility Services	0	238,384	0	0	0
Transportation	0	0	0	0	0
Debt Service:					
Interest	0	0	0	0	0
<i>Total Expenditures</i>	<u>9,612</u>	<u>238,384</u>	<u>0</u>	<u>100,067</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,681)	(22,655)	9,934	38,673	4,329
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(1,681)	(22,655)	9,934	38,673	4,329
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,681</u>	<u>(23,270)</u>	<u>29,701</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$0</u>	<u>(\$45,925)</u>	<u>\$39,635</u>	<u>\$38,673</u>	<u>\$4,329</u>

Office of Justice Grant	TIF	TID Grant	Recreation	Deposits on Fire Losses	Police Pension	Fire Pension	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$160,296	\$130,018	\$1,661,785
0	0	0	31,620	0	0	0	68,710
18,389	0	0	0	0	19,955	16,186	520,973
0	0	0	900	0	0	0	181,159
0	0	0	0	0	0	0	19,202
0	56,924	0	0	0	0	0	56,924
0	0	0	0	0	0	0	25,050
0	0	0	1,239	0	0	0	1,239
0	0	0	0	0	0	0	331
0	0	0	2	62,850	0	0	68,317
<u>18,389</u>	<u>56,924</u>	<u>0</u>	<u>33,761</u>	<u>62,850</u>	<u>180,251</u>	<u>146,204</u>	<u>2,603,690</u>
18,389	0	0	0	62,850	216,194	185,211	2,325,694
0	0	0	0	0	0	0	478
0	0	0	30,970	0	0	0	30,970
0	0	0	0	0	0	0	134,883
0	0	0	0	0	0	0	238,384
0	56,924	246,709	0	0	0	0	490,330
0	0	0	0	0	0	0	23,005
<u>18,389</u>	<u>56,924</u>	<u>246,709</u>	<u>30,970</u>	<u>62,850</u>	<u>216,194</u>	<u>185,211</u>	<u>3,243,744</u>
0	0	(246,709)	2,791	0	(35,943)	(39,007)	(640,054)
0	0	0	0	0	30,000	21,000	51,000
0	0	(246,709)	2,791	0	(5,943)	(18,007)	(589,054)
0	0	0	99,860	0	(29,113)	(17,569)	961,952
<u>\$0</u>	<u>\$0</u>	<u>(\$246,709)</u>	<u>\$102,651</u>	<u>\$0</u>	<u>(\$35,056)</u>	<u>(\$35,576)</u>	<u>\$372,898</u>

City of Conneaut, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022

	Street Improvement	Municipal Court Improvement	Capital Improvement	Conneaut Dredge Facility
Assets				
Equity in Pooled Cash and Cash Equivalents	\$209,869	\$176,903	\$126,923	\$0
Intergovernmental Receivable	10,339	0	0	41,193
Municipal Income Taxes Receivable	0	0	12,962	0
Property Taxes Receivable	537,142	0	0	0
<i>Total Assets</i>	<u>\$757,350</u>	<u>\$176,903</u>	<u>\$139,885</u>	<u>\$41,193</u>
Liabilities				
Accounts Payable	\$5,870	\$812	\$0	\$0
Contracts Payable	0	0	0	550,280
Accrued Wages	0	1,425	0	0
Intergovernmental Payable	0	255	0	0
Interfund Payable	0	0	0	40,924
Retainage Payable	0	0	0	45,841
<i>Total Liabilities</i>	<u>5,870</u>	<u>2,492</u>	<u>0</u>	<u>637,045</u>
Deferred Inflows of Resources				
Property Taxes	476,037	0	0	0
Unavailable Revenue	71,444	0	7,325	0
<i>Total Deferred Inflows of Resources</i>	<u>547,481</u>	<u>0</u>	<u>7,325</u>	<u>0</u>
Fund Balances				
Restricted	203,999	174,411	0	0
Committed	0	0	132,560	0
Unassigned (Deficit)	0	0	0	(595,852)
<i>Total Fund Balances (Deficit)</i>	<u>203,999</u>	<u>174,411</u>	<u>132,560</u>	<u>(595,852)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$757,350</u>	<u>\$176,903</u>	<u>\$139,885</u>	<u>\$41,193</u>

Industrial Park	Chestnut Street Phase III Project	Total Nonmajor Capital Projects Funds
\$4,325	\$22,660	\$540,680
0	0	51,532
0	0	12,962
0	0	537,142
<u>\$4,325</u>	<u>\$22,660</u>	<u>\$1,142,316</u>
\$0	\$0	\$6,682
0	0	550,280
0	0	1,425
0	0	255
0	0	40,924
0	0	45,841
<u>0</u>	<u>0</u>	<u>645,407</u>
0	0	476,037
0	0	78,769
<u>0</u>	<u>0</u>	<u>554,806</u>
4,325	22,660	405,395
0	0	132,560
0	0	(595,852)
<u>4,325</u>	<u>22,660</u>	<u>(57,897)</u>
<u>\$4,325</u>	<u>\$22,660</u>	<u>\$1,142,316</u>

City of Conneaut, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022

	Street Improvement	Municipal Court Improvement	Capital Improvement	Conneaut Dredge Facility	OCJS Municipal Court Grant
Revenues					
Property Taxes	\$497,074	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	0	57,418	0	0
Intergovernmental	20,693	0	0	204,673	0
Fines, Forfeitures and Settlements	0	55,965	0	0	0
Other	0	0	28,349	0	0
<i>Total Revenues</i>	<u>517,767</u>	<u>55,965</u>	<u>85,767</u>	<u>204,673</u>	<u>0</u>
Expenditures					
Capital Outlay	637,988	91,901	26,261	807,812	50,956
Debt Service:					
Interest	0	0	3,291	0	0
<i>Total Expenditures</i>	<u>637,988</u>	<u>91,901</u>	<u>29,552</u>	<u>807,812</u>	<u>50,956</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(120,221)</u>	<u>(35,936)</u>	<u>56,215</u>	<u>(603,139)</u>	<u>(50,956)</u>
Other Financing Sources (Uses)					
OPWC Loans Issued	0	0	0	0	0
Transfers Out	0	0	(20,871)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(20,871)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(120,221)	(35,936)	35,344	(603,139)	(50,956)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>324,220</u>	<u>210,347</u>	<u>97,216</u>	<u>7,287</u>	<u>50,956</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$203,999</u></u>	<u><u>\$174,411</u></u>	<u><u>\$132,560</u></u>	<u><u>(\$595,852)</u></u>	<u><u>\$0</u></u>

FEMA Grant	Industrial Park	Chestnut Street Phase III Project	Paddle Grant	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$497,074
0	0	0	0	57,418
0	0	55,518	27,000	307,884
0	0	0	0	55,965
0	0	0	0	28,349
0	0	55,518	27,000	946,690
24,048	0	35,124	0	1,674,090
0	0	0	0	3,291
24,048	0	35,124	0	1,677,381
(24,048)	0	20,394	27,000	(730,691)
0	0	3,991	0	3,991
0	0	0	0	(20,871)
0	0	3,991	0	(16,880)
(24,048)	0	24,385	27,000	(747,571)
24,048	4,325	(1,725)	(27,000)	689,674
\$0	\$4,325	\$22,660	\$0	(\$57,897)

Combining Statements – 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 trustee agreement or equivalent arrangement that has certain circumstances. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the City's own source revenue.

Custodial Funds

Municipal Court Fund - To account for assets received and disbursed for the benefit of the Conneaut Municipal Court pursuant to the laws of the State of Ohio. When the fines and fees are collected, no further action is needed to release the assets to the beneficiaries.

Energy Special Improvement District Fund - To account for the receipt and disbursement of special assessment tax collections of businesses in the Energy Special Improvement District area for benefit of another government. When the special assessments are collected, no further action is needed to release the assets to the beneficiaries.

City of Conneaut, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2022

	Municipal Court	Energy Special Improvement District	Total Custodial Funds
Assets			
Cash and Cash Equivalents			
In Segregated Accounts	\$7,128	\$111	\$7,239
Special Assessment Receivable	0	129,094	129,094
<i>Total Assets</i>	<u>7,128</u>	<u>129,205</u>	<u>136,333</u>
Liabilities			
Accounts Payable	3,268	0	3,268
Intergovernmental Payable	3,860	129,205	133,065
<i>Total Liabilities</i>	<u>7,128</u>	<u>129,205</u>	<u>136,333</u>
Net Position			
Restricted for Individuals, Organizations and Other Governments	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2022

	Municipal Court	Energy Special Improvement District	Total Custodial Funds
Additions			
Fines and Forfeitures for Individuals	\$71,438	\$0	\$71,438
Fines and Forfeitures for Other Governments	83,044	0	83,044
Special Assessment Collections for Distribution	0	10,758	10,758
<i>Total Additions</i>	<u>154,482</u>	<u>10,758</u>	<u>165,240</u>
Deductions			
Distributions to Individuals	71,438	0	71,438
Distributions to the State of Ohio	83,044	0	83,044
Distributions to Other Governments	0	10,758	10,758
<i>Total Deductions</i>	<u>154,482</u>	<u>10,758</u>	<u>165,240</u>
<i>Change in Fiduciary Net Position</i>	0	0	0
<i>Net Position Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Position End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual**

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$361,787	\$361,787	\$356,213	(\$5,574)
Municipal Income Taxes	2,833,072	2,833,072	2,847,191	14,119
Hotel Taxes	36,000	36,000	47,988	11,988
Intergovernmental	467,457	467,457	537,021	69,564
Fees, Licenses and Permits	97,798	97,798	59,096	(38,702)
Fines, Forfeitures and Settlements	157,953	157,953	151,709	(6,244)
Leases	9,125	9,125	9,125	0
Rentals	20,000	20,000	24,613	4,613
Charges for Services	358,000	358,000	431,783	73,783
Contributions and Donations	4,602	4,602	8,655	4,053
Investment Earnings/Interest	3,500	3,500	86,272	82,772
Franchise Taxes	162,000	162,000	143,894	(18,106)
Other	202,505	382,285	578,724	196,439
<i>Total Revenues</i>	<u>4,713,799</u>	<u>4,893,579</u>	<u>5,282,284</u>	<u>388,705</u>
Expenditures				
Current:				
General Government:				
Council				
Personal Services	51,600	51,600	49,606	1,994
Materials and Supplies	1,183	1,080	896	184
Contractual Services	6,959	7,062	1,345	5,717
Total Council	<u>59,742</u>	<u>59,742</u>	<u>51,847</u>	<u>7,895</u>
Clerk of Council				
Personal Services	8,775	8,875	8,714	161
City Manager				
Personal Services	142,169	143,349	136,618	6,731
Materials and Supplies	2,830	2,830	2,507	323
Contractual Services	4,600	4,600	3,994	606
Capital Outlay	1,500	1,500	798	702
Total City Manager	<u>151,099</u>	<u>152,279</u>	<u>143,917</u>	<u>8,362</u>
Finance Office				
Personal Services	261,475	264,660	264,000	660
Materials and Supplies	26,412	26,412	18,807	7,605
Contractual Services	4,550	4,915	3,169	1,746
Total Finance Office	<u>\$292,437</u>	<u>\$295,987</u>	<u>\$285,976</u>	<u>\$10,011</u>

(continued)

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Law Director				
Personal Services	\$225,326	\$230,876	\$220,819	\$10,057
Materials and Supplies	2,729	2,729	1,644	1,085
Contractual Services	9,709	5,296	4,559	737
Purchased Services	8,000	10,413	4,167	6,246
Capital Outlay	2,500	2,500	1,060	1,440
Total Law Director	248,264	251,814	232,249	19,565
Civil Service				
Personal Services	5,470	5,470	5,305	165
Materials and Supplies	3,425	3,425	1,462	1,963
Contractual Services	1,885	1,885	1,502	383
Total Civil Service	10,780	10,780	8,269	2,511
Court				
Personal Services	426,110	437,110	416,270	20,840
Materials and Supplies	21,727	21,727	18,007	3,720
Contractual Services	23,923	23,923	13,153	10,770
Purchased Services	8,000	9,200	6,920	2,280
Capital Outlay	2,000	2,000	1,129	871
Total Court	481,760	493,960	455,479	38,481
City Hall				
Personal Services	45,180	45,180	38,226	6,954
Materials and Supplies	23,500	23,500	16,060	7,440
Contractual Services	17,500	17,500	11,980	5,520
Total City Hall	86,180	86,180	66,266	19,914
Planning Commission				
Personal Services	5,200	5,200	2,801	2,399
Materials and Supplies	900	900	48	852
Total Planning Commission	6,100	6,100	2,849	3,251
Reserve Fund				
Contractual Services	96,797	96,797	95,219	1,578
Purchased Services	41,000	41,000	28,292	12,708
Capital Outlay	6,002	6,002	5,988	14
Other	0	45,000	45,000	0
Total Reserve Fund	\$143,799	\$188,799	\$174,499	\$14,300

(continued)

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Unclaimed Funds				
Other	\$9,000	\$9,000	\$0	\$9,000
General Services				
Materials and Supplies	8,000	8,000	0	8,000
Contractual Services	338,048	328,798	253,983	74,815
Capital Outlay	237,267	201,589	160,461	41,128
Other	119,900	73,895	46,393	27,502
Total General Services	703,215	612,282	460,837	151,445
Total General Government	2,201,151	2,175,798	1,890,902	284,896
Security of Persons and Property				
Police Department				
Personal Services	1,049,100	1,049,900	1,027,787	22,113
Materials and Supplies	95,306	116,806	104,927	11,879
Contractual Services	76,922	88,122	68,273	19,849
Capital Outlay	69,305	69,305	65,104	4,201
Other	4,215	6,215	5,035	1,180
Total Police Department	1,294,848	1,330,348	1,271,126	59,222
Jail				
Materials and Supplies	5,000	5,000	4,946	54
Contractual Services	10,893	10,893	9,496	1,397
Capital Outlay	40,130	40,130	39,130	1,000
Other	5,100	10,100	4,282	5,818
Total Jail	61,123	66,123	57,854	8,269
Dispatch				
Personal Services	303,631	293,631	284,499	9,132
Fire Department				
Personal Services	812,500	887,728	869,295	18,433
Materials and Supplies	63,043	75,643	64,796	10,847
Contractual Services	108,684	137,683	120,315	17,368
Purchased Services	500	500	123	377
Capital Outlay	58,045	58,045	52,543	5,502
Total Fire Department	1,042,772	1,159,599	1,107,072	52,527
Ambulance Fund				
Capital Outlay	5,000	5,000	0	5,000
Total Security of Persons and Property	\$2,707,374	\$2,854,701	\$2,720,551	\$134,150

(continued)

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public Health Services:				
Health Department				
Intergovernmental Expense	\$0	\$12,542	\$12,542	\$0
Leisure Time Activities:				
Museum Railroad				
Purchased Service	4,000	4,000	4,000	0
Bureau of Tourism				
Personal Services	12,000	12,000	10,000	2,000
Materials and Supplies	11,135	11,135	6,140	4,995
Contractual Services	17,785	17,785	8,735	9,050
Total Bureau of Tourism	40,920	40,920	24,875	16,045
Cable Advisory Board				
Personal Services	32,255	32,255	30,819	1,436
Materials and Supplies	1,000	1,000	956	44
Contractual Services	1,150	1,150	0	1,150
Capital Outlay	5,500	5,500	5,452	48
Total Cable Advisory Board	39,905	39,905	37,227	2,678
Total Leisure Time Activities	84,825	84,825	66,102	18,723
Community Development:				
Housing and Zoning:				
Personal Services	133,068	136,568	134,008	2,560
Materials and Supplies	4,477	4,477	2,904	1,573
Contractual Services	6,770	7,021	4,466	2,555
Purchased Services	12,751	12,500	10,611	1,889
Capital Outlay	6,000	6,000	1,763	4,237
Other	30,000	30,000	0	30,000
Total Community Development	\$193,066	\$196,566	\$153,752	\$42,814

(continued)

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Debt Service				
Principal Retirement	\$215,471	\$224,757	\$224,676	\$81
Interest	20,150	21,732	21,703	29
Total Debt Service	235,621	246,489	246,379	110
<i>Total Expenditures</i>	5,422,037	5,570,921	5,090,228	480,693
<i>Excess of Revenues Over (Under) Expenditures</i>	(708,238)	(677,342)	192,056	869,398
Other Financing Sources (Uses)				
Financed Purchase Issued	0	100,000	0	(100,000)
Advances In	7,086	7,086	7,086	0
Advances Out	0	(387,700)	(387,700)	0
Transfers In	0	150,000	0	(150,000)
Transfers Out	(172,000)	(172,000)	(111,000)	61,000
<i>Total Other Financing Sources (Uses)</i>	(164,914)	(302,614)	(491,614)	(189,000)
<i>Net Change in Fund Balance</i>	(873,152)	(979,956)	(299,558)	680,398
<i>Fund Balance Beginning of Year</i>	804,220	804,220	804,220	0
Prior Year Encumbrances Appropriated	402,813	402,813	402,813	0
<i>Fund Balance End of Year</i>	\$333,881	\$227,077	\$907,475	\$680,398

City of Conneaut, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Municipal Income Taxes	\$568,238	\$568,238	\$643,723	\$75,485
Special Assessments	1,000	1,000	1,285	285
Intergovernmental	655,000	655,000	613,380	(41,620)
Fees, Licenses and Permits	103,000	103,000	36,432	(66,568)
Investment Earnings/Interest	101	101	97	(4)
Other	25,000	25,000	43,372	18,372
<i>Total Revenues</i>	<u>1,352,339</u>	<u>1,352,339</u>	<u>1,338,289</u>	<u>(14,050)</u>
Expenditures				
Current:				
Transportation:				
Street Department				
Personal Services	822,105	830,980	825,514	5,466
Materials and Supplies	163,540	222,454	210,334	12,120
Contractual Services	186,326	168,437	150,340	18,097
Purchased Services	13,000	2,200	2,147	53
Other	77,000	75,400	1,098	74,302
Total Transportation	<u>1,261,971</u>	<u>1,299,471</u>	<u>1,189,433</u>	<u>110,038</u>
Capital Outlay:				
Street Department				
Capital Outlay	<u>14,000</u>	<u>12,000</u>	<u>9,420</u>	<u>2,580</u>
Debt Service:				
Principal Retirement	257,585	282,664	280,837	1,827
Interest	62,385	70,234	69,410	824
Total Debt Service	<u>319,970</u>	<u>352,898</u>	<u>350,247</u>	<u>2,651</u>
<i>Total Expenditures</i>	<u>1,595,941</u>	<u>1,664,369</u>	<u>1,549,100</u>	<u>115,269</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(243,602)</u>	<u>(312,030)</u>	<u>(210,811)</u>	<u>101,219</u>
Other Financing Sources				
OPWC Loan Issued	33,752	33,752	31,252	(2,500)
Transfers In	100,000	100,000	60,000	(40,000)
<i>Total Other Financing Sources</i>	<u>133,752</u>	<u>133,752</u>	<u>91,252</u>	<u>(42,500)</u>
<i>Net Change in Fund Balance</i>	(109,850)	(178,278)	(119,559)	58,719
<i>Fund Balance Beginning of Year</i>	175,235	175,235	175,235	0
Prior Year Encumbrances Appropriated	<u>11,329</u>	<u>11,329</u>	<u>11,329</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$76,714</u>	<u>\$8,286</u>	<u>\$67,005</u>	<u>\$58,719</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Act Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,620	\$2,620	\$661,505	\$658,885
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,620	2,620	661,505	658,885
<i>Fund Balance Beginning of Year</i>	<u>656,265</u>	<u>656,265</u>	<u>656,265</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$658,885</u></u>	<u><u>\$658,885</u></u>	<u><u>\$1,317,770</u></u>	<u><u>\$658,885</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$2,413,350	\$2,413,350	\$2,404,724	(\$8,626)
Tap-In Fees	3,000	3,000	9,420	6,420
Special Assessments	4,000	4,000	3,222	(778)
Intergovernmental	370,089	370,089	118,089	(252,000)
Rentals	4,200	4,200	7,800	3,600
OPWC Loans Issued	550,000	550,000	438,503	(111,497)
OWDA Loans Issued	1,514,698	1,514,698	933,803	(580,895)
Financed Purchase Issued	125,000	125,000	0	(125,000)
Other	10,000	10,000	3,838	(6,162)
<i>Total Revenues</i>	<u>4,994,337</u>	<u>4,994,337</u>	<u>3,919,399</u>	<u>(1,074,938)</u>
Expenses				
Personal Services	1,471,534	1,496,855	1,438,494	58,361
Purchased Services	465,118	512,012	265,483	246,529
Contractual Services	868,584	779,189	439,554	339,635
Materials and Supplies	244,253	289,254	211,204	78,050
Capital Outlay	2,851,493	2,873,170	1,881,098	992,072
Other	4,301	4,303	1,752	2,551
Debt Service:				
Principal Retirement	146,085	156,285	126,406	29,879
Interest	61,780	62,080	60,961	1,119
<i>Total Expenses</i>	<u>6,113,148</u>	<u>6,173,148</u>	<u>4,424,952</u>	<u>1,748,196</u>
<i>Net Change in Fund Equity</i>	(1,118,811)	(1,178,811)	(505,553)	673,258
<i>Fund Equity Beginning of Year</i>	741,268	741,268	741,268	0
Prior Year Encumbrances Appropriated	484,563	484,563	484,563	0
<i>Fund Equity End of Year</i>	<u>\$107,020</u>	<u>\$47,020</u>	<u>\$720,278</u>	<u>\$673,258</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$2,391,100	\$2,391,100	\$2,366,256	(\$24,844)
Tap-In Fees	5,000	5,000	8,000	3,000
Special Assessments	2,500	2,500	3,478	978
Intergovernmental	181,475	181,475	172,482	(8,993)
OPWC Loans Issued	37,825	37,825	12,401	(25,424)
Other	24,030	24,030	1,098	(22,932)
<i>Total Revenues</i>	<u>2,641,930</u>	<u>2,641,930</u>	<u>2,563,715</u>	<u>(78,215)</u>
Expenses				
Personal Services	1,197,425	1,207,164	1,163,683	43,481
Purchased Services	166,859	204,422	156,600	47,822
Contractual Services	473,158	566,583	430,491	136,092
Materials and Supplies	198,892	228,891	194,010	34,881
Capital Outlay	1,071,797	1,028,069	820,367	207,702
Other	7,249	4,901	1,897	3,004
Debt Service:				
Principal Retirement	467,547	469,897	441,486	28,411
Interes	89,798	90,098	86,155	3,943
<i>Total Expenses</i>	<u>3,672,725</u>	<u>3,800,025</u>	<u>3,294,689</u>	<u>505,336</u>
<i>Excess of Revenues Under Expenses before Advances</i>	(1,030,795)	(1,158,095)	(730,974)	427,121
Advances Out	(15,000)	(15,000)	(5,361)	9,639
<i>Net Change in Fund Equity</i>	(1,045,795)	(1,173,095)	(736,335)	436,760
<i>Fund Equity Beginning of Year</i>	1,640,763	1,640,763	1,640,763	0
Prior Year Encumbrances Appropriated	170,504	170,504	170,504	0
<i>Fund Equity End of Year</i>	<u>\$765,472</u>	<u>\$638,172</u>	<u>\$1,074,932</u>	<u>\$436,760</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Auto Permissive Tax Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$134,000	\$134,000	\$135,203	\$1,203
Investment Earnings/Interest	100	100	52	(48)
<i>Total Revenues</i>	<u>134,100</u>	<u>134,100</u>	<u>135,255</u>	<u>1,155</u>
Expenditures				
Current:				
Transportation:				
Auto Permissive				
Personal Services	125,000	129,800	125,000	4,800
Materials and Supplies	15,000	15,000	14,581	419
<i>Total Expenditures</i>	<u>140,000</u>	<u>144,800</u>	<u>139,581</u>	<u>5,219</u>
<i>Net Change in Fund Balance</i>	(5,900)	(10,700)	(4,326)	6,374
<i>Fund Balance Beginning of Year</i>	<u>10,787</u>	<u>10,787</u>	<u>10,787</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,887</u></u>	<u><u>\$87</u></u>	<u><u>\$6,461</u></u>	<u><u>\$6,374</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$51,300	\$51,300	\$49,734	(\$1,566)
Investment Earnings/Interest	5	5	25	20
<i>Total Revenues</i>	<u>51,305</u>	<u>51,305</u>	<u>49,759</u>	<u>(1,546)</u>
Expenditures				
Current:				
Transportation:				
State Highway				
Personal Services	40,000	44,000	40,000	4,000
Materials and Supplies	11,800	11,800	7,116	4,684
<i>Total Expenditures</i>	<u>51,800</u>	<u>55,800</u>	<u>47,116</u>	<u>8,684</u>
<i>Net Change in Fund Balance</i>	(495)	(4,495)	2,643	7,138
<i>Fund Balance Beginning of Year</i>	<u>4,656</u>	<u>4,656</u>	<u>4,656</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,161</u></u>	<u><u>\$161</u></u>	<u><u>\$7,299</u></u>	<u><u>\$7,138</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Marina Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$38,100	\$38,100	\$37,385	(\$715)
Fees, Licenses and Permits	480	480	480	0
<i>Total Revenues</i>	38,580	38,580	37,865	(715)
Expenditures				
Current:				
Leisure Time Activities:				
Marina				
Contractual Services	500	500	0	500
Debt Service:				
Principal Retirement	406,000	406,000	406,000	0
Interest	7,226	7,226	7,061	165
<i>Total Debt Service</i>	413,226	413,226	413,061	165
<i>Total Expenditures</i>	413,726	413,726	413,061	665
<i>Excess of Revenues Under Expenditures</i>	(375,146)	(375,146)	(375,196)	(50)
Other Financing Sources				
General Obligation Notes Issued	376,000	376,000	372,000	(4,000)
<i>Net Change in Fund Balance</i>	854	854	(3,196)	(4,050)
<i>Fund Balance Beginning of Year</i>	14,554	14,554	14,554	0
Prior Year Encumbrances Appropriated	26	26	26	0
<i>Fund Balance End of Year</i>	\$15,434	\$15,434	\$11,384	(\$4,050)

City of Conneaut, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2022*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Forfeitures and Settlements	\$500	\$500	\$485	(\$15)
Expenditures				
Current:				
Community Development:				
Enforcement and Education				
Contractual Services	500	500	0	500
<i>Net Change in Fund Balance</i>	0	0	485	485
<i>Fund Balance Beginning of Year</i>	13,954	13,954	13,954	0
<i>Fund Balance End of Year</i>	<u>\$13,954</u>	<u>\$13,954</u>	<u>\$14,439</u>	<u>\$485</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures and Settlements	\$2,500	\$2,500	\$1,620	(\$880)
Other	1,000	1,000	1,030	30
<i>Total Revenues</i>	3,500	3,500	2,650	(850)
Expenditures				
Current:				
Public Health Services:				
Indigent Drivers				
Contractual Services	1,000	1,000	478	522
<i>Net Change in Fund Balance</i>	2,500	2,500	2,172	(328)
<i>Fund Balance Beginning of Year</i>	70,027	70,027	70,027	0
<i>Fund Balance End of Year</i>	<u>\$72,527</u>	<u>\$72,527</u>	<u>\$72,199</u>	<u>(\$328)</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fees, Licenses and Permits	\$100	\$100	\$1,140	\$1,040
Charges for Services	21,000	21,000	25,050	4,050
Investment Earnings/Interest	80	80	60	(20)
Other	1,000	1,000	2,566	1,566
<i>Total Revenues</i>	<u>22,180</u>	<u>22,180</u>	<u>28,816</u>	<u>6,636</u>
Expenditures				
Current:				
Community Development:				
Cemetery				
Personal Services	23,165	26,165	24,934	1,231
Materials and Supplies	1,500	4,500	4,500	0
Contractual Services	8,000	8,000	4,496	3,504
<i>Total Expenditures</i>	<u>32,665</u>	<u>38,665</u>	<u>33,930</u>	<u>4,735</u>
<i>Net Change in Fund Balance</i>	(10,485)	(16,485)	(5,114)	11,371
<i>Fund Balance at Beginning of Year</i>	<u>83,869</u>	<u>83,869</u>	<u>83,869</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$73,384</u>	<u>\$67,384</u>	<u>\$78,755</u>	<u>\$11,371</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Levy Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$307,402	\$307,402	\$323,372	\$15,970
Intergovernmental	41,570	41,570	38,213	(3,357)
<i>Total Revenues</i>	<u>348,972</u>	<u>348,972</u>	<u>361,585</u>	<u>12,613</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Levy				
Personal Services	339,000	339,000	339,000	0
Capital Outlay	50,000	50,000	47,416	2,584
Other	6,500	6,500	6,304	196
<i>Total Expenditures</i>	<u>395,500</u>	<u>395,500</u>	<u>392,720</u>	<u>2,780</u>
<i>Net Change in Fund Balance</i>	(46,528)	(46,528)	(31,135)	15,393
<i>Fund Balance Beginning of Year</i>	<u>73,267</u>	<u>73,267</u>	<u>73,267</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$26,739</u>	<u>\$26,739</u>	<u>\$42,132</u>	<u>\$15,393</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Levy Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$533,530	\$533,530	\$505,837	(\$27,693)
Intergovernmental	13,300	28,300	61,388	33,088
<i>Total Revenues</i>	<u>546,830</u>	<u>561,830</u>	<u>567,225</u>	<u>5,395</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire Levy				
Personal Services	535,250	589,750	574,053	15,697
Materials and Supplies	0	8,125	8,125	0
Contractual Services	0	7,000	6,756	244
Other	10,400	10,400	9,917	483
<i>Total Expenditures</i>	<u>545,650</u>	<u>615,275</u>	<u>598,851</u>	<u>16,424</u>
<i>Net Change in Fund Balance</i>	1,180	(53,445)	(31,626)	21,819
<i>Fund Balance Beginning of Year</i>	<u>57,353</u>	<u>57,353</u>	<u>57,353</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$58,533</u></u>	<u><u>\$3,908</u></u>	<u><u>\$25,727</u></u>	<u><u>\$21,819</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Monitoring Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Forfeitures and Settlements	\$900	\$900	\$873	(\$27)
Other	600	600	741	141
<i>Total Revenues</i>	1,500	1,500	1,614	114
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	1,500	1,500	1,614	114
<i>Fund Balance Beginning of Year</i>	27,550	27,550	27,550	0
<i>Fund Balance End of Year</i>	<u>\$29,050</u>	<u>\$29,050</u>	<u>\$29,164</u>	<u>\$114</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Forfeitures and Settlements	\$3,000	\$3,000	\$3,132	\$132
Investment Earnings/Interest	0	0	34	34
<i>Total Revenues</i>	3,000	3,000	3,166	166
Expenditures				
Current:				
Security of Persons and Property:				
Law Enforcement Trust:				
Capital Outlay	6,800	6,800	744	6,056
<i>Net Change in Fund Balance</i>	(3,800)	(3,800)	2,422	6,222
<i>Fund Balance Beginning of Year</i>	9,800	9,800	9,800	0
<i>Fund Balance End of Year</i>	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$12,222</u>	<u>\$6,222</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Probation Services Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Forfeitures and Settlements	\$6,000	\$6,000	\$7,868	\$1,868
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	6,000	6,000	7,868	1,868
<i>Fund Balance Beginning of Year</i>	<u>42,750</u>	<u>42,750</u>	<u>42,750</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$48,750</u></u>	<u><u>\$48,750</u></u>	<u><u>\$50,618</u></u>	<u><u>\$1,868</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Levy II Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$520,220	\$520,220	\$542,262	\$22,042
Intergovernmental	26,610	26,610	22,575	(4,035)
Other	0	0	309	309
<i>Total Revenues</i>	<u>546,830</u>	<u>546,830</u>	<u>565,146</u>	<u>18,316</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Levy				
Personal Services	817,191	835,091	734,407	100,684
Capital Outlay	75,000	161,000	151,855	9,145
Other	11,000	11,000	9,996	1,004
Total Security of Persons and Property	<u>903,191</u>	<u>1,007,091</u>	<u>896,258</u>	<u>110,833</u>
Debt Service:				
Principal Retirement	50,000	0	0	0
Interest	6,000	0	0	0
Total Debt Service	<u>56,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenditures</i>	<u>959,191</u>	<u>1,007,091</u>	<u>896,258</u>	<u>110,833</u>
<i>Net Change in Fund Balance</i>	(412,361)	(460,261)	(331,112)	129,149
<i>Fund Balance Beginning of Year</i>	483,959	483,959	483,959	0
Prior Year Encumbrances Appropriated	<u>3,291</u>	<u>3,291</u>	<u>3,291</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$74,889</u>	<u>\$26,989</u>	<u>\$156,138</u>	<u>\$129,149</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Task Force Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$45,000	\$45,000	\$7,931	(\$37,069)
Expenditures				
Current:				
Security of Persons and Property:				
Drug Task Force				
Personal Services	33,000	33,000	4,121	28,879
Other	13,316	13,316	5,851	7,465
<i>Total Expenditures</i>	<u>46,316</u>	<u>46,316</u>	<u>9,972</u>	<u>36,344</u>
<i>Net Change in Fund Balance</i>	(1,316)	(1,316)	(2,041)	(725)
<i>Fund Balance Beginning of Year</i>	725	725	725	0
Prior Year Encumbrances Appropriated	<u>1,316</u>	<u>1,316</u>	<u>1,316</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$725</u>	<u>\$725</u>	<u>\$0</u>	<u>(\$725)</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Municipal Income Taxes	\$32,704	\$32,704	\$36,906	\$4,202
Fees, Licenses and Permits	181,000	181,000	178,639	(2,361)
Other	1,713	1,713	0	(1,713)
<i>Total Revenues</i>	215,417	215,417	215,545	128
Expenditures				
Current:				
Basic Utility Services:				
Street Lighting				
Purchased Services	226,237	233,464	231,436	2,028
<i>Net Change in Fund Balance</i>	(10,820)	(18,047)	(15,891)	2,156
<i>Fund Balance Beginning of Year</i>	18,048	18,048	18,048	0
<i>Fund Balance End of Year</i>	\$7,228	\$1	\$2,157	\$2,156

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Housing Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$3,000	\$3,000	\$9,774	\$6,774
Investment Earnings/Interest	40	40	160	120
<i>Total Revenues</i>	3,040	3,040	9,934	6,894
Expenditures				
Current:				
Community Development:				
Community Housing				
Capital Outlay	7,000	7,000	0	7,000
<i>Net Change in Fund Balance</i>	(3,960)	(3,960)	9,934	13,894
<i>Fund Balance Beginning of Year</i>	29,701	29,701	29,701	0
<i>Fund Balance End of Year</i>	<u>\$25,741</u>	<u>\$25,741</u>	<u>\$39,635</u>	<u>\$13,894</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Land Bank Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$250,000	\$250,000	\$0	(\$250,000)
Expenditures				
Current:				
Community Development:				
Land Bank Demolition				
Contractual Services	250,000	250,000	100,067	149,933
<i>Excess of Revenues Under Expenditures</i>	0	0	(100,067)	(100,067)
Other Financing Sources				
Advance In	0	0	100,067	100,067
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
One Ohio Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures and Settlements	\$0	\$0	\$4,329	\$4,329
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	4,329	4,329
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$4,329	\$4,329

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Office of Justice Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$25,000	\$25,000	\$18,389	(\$6,611)
Expenditures				
Current:				
Security of Persons and Property:				
Police Department				
Personal Services	20,000	20,000	18,389	1,611
Capital Outlay	5,000	5,000	0	5,000
<i>Total Expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>18,389</u>	<u>6,611</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
TIF Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payment in Lieu of Taxes	\$57,000	\$57,000	\$56,924	(\$76)
Expenditures				
Current:				
Transportation:				
TIF:				
Other	57,000	57,000	56,924	76
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

City of Conneaut, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Transportation Improvement District Grant Fund
For the Year Ended December 31, 2022*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$250,000	\$250,000	\$0	(\$250,000)
Expenditures				
Current:				
Transportation:				
TID Grant:				
Capital Outlay	250,000	250,000	246,709	3,291
<i>Excess of Revenues Under Expenditures</i>	0	0	(246,709)	(246,709)
Other Financing Sources				
Advances In	0	0	246,709	246,709
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Municipal Income Taxes	\$27,673	\$27,673	\$31,464	\$3,791
Fees, Licenses and Permits	900	900	900	0
Rentals	150	150	0	(150)
Contributions and Donations	700	700	1,239	539
Other	200	200	2	(198)
<i>Total Revenues</i>	<u>29,623</u>	<u>29,623</u>	<u>33,605</u>	<u>3,982</u>
Expenditures				
Current:				
Leisure Time Activities:				
Recreation				
Personal Services	16,635	16,635	9,693	6,942
Materials and Supplies	11,300	11,300	5,293	6,007
Contractual Services	4,248	4,720	1,007	3,713
Purchased Services	472	0	0	0
Other	3,500	3,500	0	3,500
Total Recreation	<u>36,155</u>	<u>36,155</u>	<u>15,993</u>	<u>20,162</u>
Parks				
Personal Services	17,050	16,050	2,483	13,567
Materials and Supplies	4,900	11,900	9,876	2,024
Contractual Services	12,100	12,100	6,708	5,392
Capital Outlay	2,000	0	0	0
Total Parks	<u>36,050</u>	<u>40,050</u>	<u>19,067</u>	<u>20,983</u>
<i>Total Expenditures</i>	<u>72,205</u>	<u>76,205</u>	<u>35,060</u>	<u>41,145</u>
<i>Net Change in Fund Balance</i>	(42,582)	(46,582)	(1,455)	45,127
<i>Fund Balance Beginning of Year</i>	97,088	97,088	97,088	0
Prior Year Encumbrances Appropriated	472	472	472	0
<i>Fund Balance End of Year</i>	<u>\$54,978</u>	<u>\$50,978</u>	<u>\$96,105</u>	<u>\$45,127</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Deposits on Fire Losses Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other	\$75,000	\$75,000	\$62,850	(\$12,150)
Expenditures				
Current:				
Security of Persons and Property:				
Fire Losses				
Other	79,092	79,092	65,303	13,789
<i>Net Change in Fund Balance</i>	(4,092)	(4,092)	(2,453)	1,639
<i>Fund Balance Beginning of Year</i>	68,200	68,200	68,200	0
Prior Year Encumbrances Appropriated	4,092	4,092	4,092	0
<i>Fund Balance End of Year</i>	<u>\$68,200</u>	<u>\$68,200</u>	<u>\$69,839</u>	<u>\$1,639</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$153,164	\$153,164	\$160,296	\$7,132
Intergovernmental	20,425	20,425	19,955	(470)
<i>Total Revenues</i>	<u>173,589</u>	<u>173,589</u>	<u>180,251</u>	<u>6,662</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Pension				
Personal Services	195,000	210,866	210,866	0
Other	3,500	3,500	3,160	340
<i>Total Expenditures</i>	<u>198,500</u>	<u>214,366</u>	<u>214,026</u>	<u>340</u>
<i>Excess of Revenues Under Expenditures</i>	(24,911)	(40,777)	(33,775)	7,002
Other Financing Sources				
Transfers In	40,000	40,000	30,000	(10,000)
<i>Net Change in Fund Balance</i>	15,089	(777)	(3,775)	(2,998)
<i>Fund Balance Beginning of Year</i>	<u>6,505</u>	<u>6,505</u>	<u>6,505</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,594</u></u>	<u><u>\$5,728</u></u>	<u><u>\$2,730</u></u>	<u><u>(\$2,998)</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$124,240	\$124,240	\$130,018	\$5,778
Intergovernmental	16,560	16,560	16,186	(374)
<i>Total Revenues</i>	<u>140,800</u>	<u>140,800</u>	<u>146,204</u>	<u>5,404</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire Pension				
Personal Services	158,300	177,915	177,915	0
Other	2,800	2,800	2,563	237
<i>Total Expenditures</i>	<u>161,100</u>	<u>180,715</u>	<u>180,478</u>	<u>237</u>
<i>Excess of Revenues Under Expenditures</i>	(20,300)	(39,915)	(34,274)	5,641
Other Financing Sources				
Transfers In	32,000	32,000	21,000	(11,000)
<i>Net Change in Fund Balance</i>	11,700	(7,915)	(13,274)	(5,359)
<i>Fund Balance Beginning of Year</i>	<u>13,430</u>	<u>13,430</u>	<u>13,430</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$25,130</u>	<u>\$5,515</u>	<u>\$156</u>	<u>(\$5,359)</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$5,000	\$5,000	\$846	(\$4,154)
Expenditures				
Current:				
General Government:				
Other	500	500	92	408
<i>Net Change in Fund Balance</i>	4,500	4,500	754	(3,746)
<i>Fund Balance Beginning of Year</i>	2,395	2,395	2,395	0
<i>Fund Balance End of Year</i>	<u>\$6,895</u>	<u>\$6,895</u>	<u>\$3,149</u>	<u>(\$3,746)</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Improvement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$476,860	\$476,860	\$497,074	\$20,214
Intergovernmental	24,400	24,400	20,693	(3,707)
<i>Total Revenues</i>	501,260	501,260	517,767	16,507
Expenditures				
Capital Outlay:				
Street Improvement				
Capital Outlay	716,973	860,573	705,967	154,606
<i>Net Change in Fund Balance</i>	(215,713)	(359,313)	(188,200)	171,113
<i>Fund Balance Beginning of Year</i>	252,171	252,171	252,171	0
Prior Year Encumbrances Appropriated	107,173	107,173	107,173	0
<i>Fund Balance End of Year</i>	\$143,631	\$31	\$171,144	\$171,113

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Improvement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures and Settlements	\$67,000	\$67,000	\$55,480	(\$11,520)
Expenditures				
Capital Outlay:				
Municipal Court Improvement				
Capital Outlay	180,808	180,808	93,415	87,393
<i>Net Change in Fund Balance</i>	(113,808)	(113,808)	(37,935)	75,873
<i>Fund Balance Beginning of Year</i>	209,998	209,998	209,998	0
Prior Year Encumbrances Appropriated	808	808	808	0
<i>Fund Balance End of Year</i>	<u>\$96,998</u>	<u>\$96,998</u>	<u>\$172,871</u>	<u>\$75,873</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Municipal Income Taxes	\$50,314	\$50,314	\$57,136	\$6,822
Other	0	0	28,349	28,349
<i>Total Revenues</i>	<u>50,314</u>	<u>50,314</u>	<u>85,485</u>	<u>35,171</u>
Expenditures				
Capital Outlay:				
Capital Improvement Capital Outlay	62,000	62,000	53,915	8,085
Debt Service:				
Principal Retirement	20,872	20,872	20,871	1
Interest	3,300	3,300	3,291	9
Total Debt Service	<u>24,172</u>	<u>24,172</u>	<u>24,162</u>	<u>10</u>
<i>Total Expenditures</i>	<u>86,172</u>	<u>86,172</u>	<u>78,077</u>	<u>8,095</u>
<i>Net Change in Fund Balance</i>	(35,858)	(35,858)	7,408	43,266
<i>Fund Balance Beginning of Year</i>	91,667	91,667	91,667	0
Prior Year Encumbrances Appropriated	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$57,809</u></u>	<u><u>\$57,809</u></u>	<u><u>\$101,075</u></u>	<u><u>\$43,266</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Conneaut Dredge Facility Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$14,826,000	\$14,826,000	\$163,480	(\$14,662,520)
Expenditures				
Capital Outlay:				
Dredge Facility				
Capital Outlay	14,826,000	14,826,000	211,691	14,614,309
<i>Excess of Revenues Under Expenditures</i>	0	0	(48,211)	(48,211)
Other Financing Sources				
Advances In	0	0	40,924	40,924
<i>Net Change in Fund Balance</i>	0	0	(7,287)	(7,287)
<i>Fund Balance Beginning of Year</i>	7,287	7,287	7,287	0
<i>Fund Balance End of Year</i>	<u>\$7,287</u>	<u>\$7,287</u>	<u>\$0</u>	<u>(\$7,287)</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
OCJS Municipal Court Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$50,956	\$50,956	\$0	(\$50,956)
Expenditures				
Capital Outlay:				
OCJS Municipal Court				
Capital Outlay	101,912	101,912	50,956	50,956
<i>Net Change in Fund Balance</i>	(50,956)	(50,956)	(50,956)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	50,956	50,956	50,956	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
FEMA				
Capital Outlay	24,048	24,048	24,048	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	24,048	24,048	24,048	0
<i>Fund Balance End of Year</i>	<u>\$24,048</u>	<u>\$24,048</u>	<u>\$24,048</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Industrial Park Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$21,000	\$21,000	\$0	(\$21,000)
Expenditures				
Capital Outlay:				
Rural Industrial Park				
Capital Outlay	21,000	21,000	0	21,000
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	4,325	4,325	4,325	0
<i>Fund Balance End of Year</i>	<u>\$4,325</u>	<u>\$4,325</u>	<u>\$4,325</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Chestnut Street Phase III Project Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$55,525	\$55,525	\$55,518	(\$7)
Expenditures				
Capital Outlay:				
Chestnut Street				
Capital Outlay	<u>67,700</u>	<u>67,700</u>	<u>35,124</u>	<u>32,576</u>
<i>Excess of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(12,175)</u>	<u>(12,175)</u>	<u>20,394</u>	<u>32,569</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	12,175	12,175	3,991	(8,184)
Advances Out	<u>0</u>	<u>0</u>	<u>(1,725)</u>	<u>(1,725)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>12,175</u>	<u>12,175</u>	<u>2,266</u>	<u>(9,909)</u>
<i>Net Change in Fund Balance</i>	0	0	22,660	22,660
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$22,660</u></u>	<u><u>\$22,660</u></u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Paddle Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$27,000	\$27,000	\$27,000	\$0
Expenditures				
Capital Outlay:				
Paddle Grant				
Capital Outlay	27,000	27,000	27,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Madison Street Grant Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$566,000	\$566,000	\$0	(\$566,000)
Expenditures				
Capital Outlay:				
Madison Street				
Capital Outlay	<u>566,000</u>	<u>566,000</u>	<u>0</u>	<u>566,000</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Conneaut, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Broad Street Improvements Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$335,000	\$335,000	\$0	(\$335,000)
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	335,000	335,000	0	(335,000)
Other Financing Sources				
OPWC Loan Issued	<u>150,000</u>	<u>150,000</u>	<u>0</u>	<u>(150,000)</u>
<i>Net Change in Fund Balance</i>	485,000	485,000	0	(485,000)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$485,000</u></u>	<u><u>\$485,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$485,000)</u></u>

STATISTICAL SECTION

Statistical Section

This part of the City of Conneaut, 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.

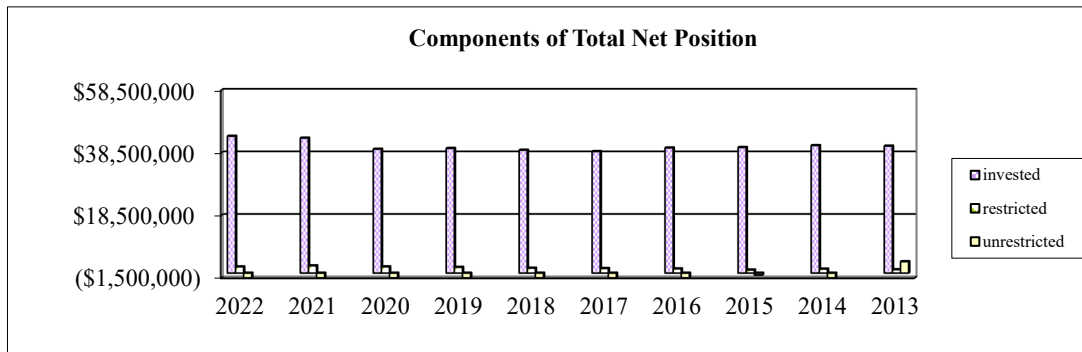
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S13</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S14 – S23</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S24 – S31</i>
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.	
<i>Economic and Demographic Information</i>	<i>S32 – S35</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S36 – S45</i>
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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

City of Conneaut, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019 (3)
Governmental Activities				
Net Investment in Capital Assets	\$25,326,714	\$25,741,041	\$22,887,187	\$23,758,469
Restricted:				
Capital Projects	415,428	551,587	372,596	350,247
Debt Service	0	11,117	0	0
Street Construction, Maintenance and Repair	627,408	705,488	551,318	464,941
Police and Fire Operations	494,330	765,676	848,845	823,205
Drug and Alcohol Enforcement	86,862	84,111	81,428	78,289
Cemetery Operations	74,919	80,919	64,026	63,255
Economic Development	39,635	29,701	18,240	23,707
Pension Plans	8,819	10,228	0	0
Other Purposes	284,621	115,771	105,186	80,855
Unrestricted (Deficit)	<u>(5,581,483)</u>	<u>(6,907,777)</u>	<u>(7,705,898)</u>	<u>(8,184,475)</u>
<i>Total Governmental Activities Net Position</i>	<u>21,777,253</u>	<u>21,187,862</u>	<u>17,222,928</u>	<u>17,458,493</u>
Business-Type - Activities				
Net Investment in Capital Assets	18,449,760	17,429,050	16,734,171	16,134,759
Restricted for Pension Plans	6,594	7,630	0	0
Unrestricted (Deficit)	<u>(57,991)</u>	<u>119,198</u>	<u>(598,588)</u>	<u>(286,499)</u>
<i>Total Business-Type Activities Net Position</i>	<u>18,398,363</u>	<u>17,555,878</u>	<u>16,135,583</u>	<u>15,848,260</u>
Primary Government				
Net Investment in Capital Assets	43,776,474	43,170,091	39,621,358	39,893,228
Restricted	2,038,616	2,362,228	2,041,639	1,884,499
Unrestricted (Deficit)	<u>(5,639,474)</u>	<u>(6,788,579)</u>	<u>(8,304,486)</u>	<u>(8,470,974)</u>
<i>Total Primary Government Net Position</i>	<u>\$40,175,616</u>	<u>\$38,743,740</u>	<u>\$33,358,511</u>	<u>\$33,306,753</u>

- (1) The City reported the impact of GASB Statement No. 68 beginning in 2015.
- (2) The City reported the impact of GASB Statement No. 75 beginning in 2018.
- (3) The City reported the impact of GASB Statement No. 83 beginning in 2019.



2018 (2)	2017	2016	2015 (1)	2014	2013
\$23,893,913	\$24,342,868	\$25,201,005	\$26,060,414	\$26,506,355	\$26,751,490
266,923	167,262	148,285	0	17,713	84,680
0	0	9,204	0	0	0
377,934	413,941	494,648	605,531	768,474	575,566
733,662	736,057	520,364	218,313	296,491	270,622
74,354	69,761	64,271	68,248	76,755	69,654
64,073	52,271	52,507	59,495	49,172	52,533
19,712	10,436	46,956	23,647	55,086	0
0	0	0	0	0	0
71,603	53,926	47,501	48,683	46,645	72,817
(10,617,413)	(9,341,123)	(3,932,829)	(2,507,776)	(2,863,943)	2,101,712
14,884,761	16,505,399	22,651,912	24,576,555	24,952,748	29,979,074
15,419,190	14,549,006	14,833,885	14,125,413	14,298,798	13,880,043
0	0	0	0	0	0
1,285,859	1,860,325	2,058,500	1,931,779	1,089,207	1,580,056
16,705,049	16,409,331	16,892,385	16,057,192	15,388,005	15,460,099
39,313,103	38,891,874	40,034,890	40,185,827	40,805,153	40,631,533
1,608,261	1,503,654	1,383,736	1,023,917	1,310,336	1,125,872
(9,331,554)	(7,480,798)	(1,874,329)	(575,997)	(1,774,736)	3,681,768
\$31,589,810	\$32,914,730	\$39,544,297	\$40,633,747	\$40,340,753	\$45,439,173

City of Conneaut, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019
Program Revenues				
Governmental Activities:				
Charges for Services and Assessments:				
General Government	\$325,960	\$333,604	\$317,378	\$295,566
Security of Persons and Property	362,925	396,052	248,728	395,419
Public Health Services	2,502	2,982	2,978	2,909
Leisure Time Activities	10,635	8,479	11,806	11,392
Community Development	53,454	54,028	41,704	38,323
Basic Utility Services	178,639	179,099	160,203	164,372
Transportation	39,187	31,437	112,531	340,891
Subtotal - Charges for Services	<u>973,302</u>	<u>1,005,681</u>	<u>895,328</u>	<u>1,248,872</u>
Operating Grants and Contributions:				
General Government	0	0	0	0
Security of Persons and Property	183,833	208,271	1,333,560	143,610
Public Health Services	0	0	0	0
Leisure Time Activities	4,624	12,800	2,504	10,940
Community Development	157,169	27,192	6,929	14,374
Transportation	1,023,113	894,909	979,899	720,590
Subtotal - Operating Grants and Contributions	<u>1,368,739</u>	<u>1,143,172</u>	<u>2,322,892</u>	<u>889,514</u>
Capital Grants and Assessments:				
General Government	0	0	0	0
Security of Persons and Property	0	138,173	0	15,219
Leisure Time Activities	0	0	0	0
Community Development	231,673	2,000	737,602	40,972
Transportation	75,966	2,665,923	289,753	783,726
Subtotal - Capital Grants and Assessments	<u>307,639</u>	<u>2,806,096</u>	<u>1,027,355</u>	<u>839,917</u>
<i>Total Governmental Activities</i>				
<i>Program Revenues</i>	<u>2,649,680</u>	<u>4,954,949</u>	<u>4,245,575</u>	<u>2,978,303</u>
Business-Type Activities:				
Charges for Services:				
Water	2,437,679	2,352,770	2,367,443	2,337,153
Sewer	2,388,807	2,299,075	2,359,066	2,375,526
Capital Grants and Assessments				
Water	118,089	159,190	336,200	30,059
Sewer	172,482	87,555	0	0
<i>Total Business-Type Activities</i>				
<i>Program Revenues</i>	<u>5,117,057</u>	<u>4,898,590</u>	<u>5,062,709</u>	<u>4,742,738</u>
<i>Total Primary Government</i>				
<i>Program Revenues</i>	<u>\$7,766,737</u>	<u>\$9,853,539</u>	<u>\$9,308,284</u>	<u>\$7,721,041</u>

2018 (2)	2017	2016	2015 (1)	2014	2013
\$336,197	\$332,884	\$150,111	\$352,705	\$359,075	\$342,133
427,336	399,930	191,510	474,037	453,367	495,024
37,927	36,581	15,264	36,955	37,215	41,973
16,189	13,906	51,692	43,425	45,825	43,477
74,660	62,113	50,346	61,928	54,221	65,248
161,149	157,202	129,363	127,334	123,698	123,056
42,094	111,935	93,937	24,618	91,847	138,364
<u>1,095,552</u>	<u>1,114,551</u>	<u>682,223</u>	<u>1,121,002</u>	<u>1,165,248</u>	<u>1,249,275</u>
0	0	15,252	0	0	0
121,002	184,347	109,401	156,610	123,178	126,853
3,775	6,124	0	0	0	0
29,670	43,598	31,052	3,364	3,287	3,600
47,273	27,400	14,414	209,277	317,792	272,528
607,588	512,243	531,166	595,399	521,060	307,256
<u>809,308</u>	<u>773,712</u>	<u>701,285</u>	<u>964,650</u>	<u>965,317</u>	<u>710,237</u>
0	0	0	107,000	48,351	55,455
0	2,093	10,071	41,491	0	3,800
6,719	18,200	0	0	0	0
0	0	0	0	0	6,000
24,621	0	0	311,480	102,866	115,180
<u>31,340</u>	<u>20,293</u>	<u>10,071</u>	<u>459,971</u>	<u>151,217</u>	<u>180,435</u>
<u>1,936,200</u>	<u>1,908,556</u>	<u>1,393,579</u>	<u>2,545,623</u>	<u>2,281,782</u>	<u>2,139,947</u>
2,353,501	2,333,830	2,274,899	2,244,357	2,234,837	2,164,625
2,399,516	2,422,437	2,398,051	2,404,611	2,381,691	2,299,651
111,853	125,000	50,233	14,268	360	411,285
<u>193,399</u>	<u>326,417</u>	<u>26,764</u>	<u>23,364</u>	<u>256,461</u>	<u>133,803</u>
<u>5,058,269</u>	<u>5,207,684</u>	<u>4,749,947</u>	<u>4,686,600</u>	<u>4,873,349</u>	<u>5,009,364</u>
<u>\$6,994,469</u>	<u>\$7,116,240</u>	<u>\$6,143,526</u>	<u>\$7,232,223</u>	<u>\$7,155,131</u>	<u>\$7,149,311</u>

(continued)

City of Conneaut, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019 (3)
Expenses				
<i>Governmental Activities:</i>				
General Government	\$1,687,502	\$1,200,315	\$1,689,627	\$1,813,569
Security of Persons and Property	4,965,318	4,549,435	4,795,231	1,714,741
Public Health Services	13,020	88,870	173,993	181,513
Leisure Time Activities	112,087	97,071	94,794	161,214
Community Development	71,264	40,340	139,462	185,934
Basic Utility Services	238,384	214,218	177,756	199,418
Transportation	2,921,670	1,302,283	3,800,790	2,900,301
Interest	118,356	78,038	114,937	50,707
<i>Total Governmental Activities Expenses</i>	<u>10,127,601</u>	<u>7,570,570</u>	<u>10,986,590</u>	<u>7,207,397</u>
<i>Business-Type Activities</i>				
Water	2,020,444	1,569,569	2,508,882	2,210,030
Sewer	2,264,489	1,847,248	2,524,594	2,702,728
<i>Total Business-Type Activities Expenses</i>	<u>4,284,933</u>	<u>3,416,817</u>	<u>5,033,476</u>	<u>4,912,758</u>
<i>Total Primary Government Program Expenses</i>	<u>14,412,534</u>	<u>10,987,387</u>	<u>16,020,066</u>	<u>12,120,155</u>
Net (Expense)/Revenue				
Governmental Activities	(7,477,921)	(2,615,621)	(6,741,015)	(4,229,094)
Business-Type Activities	832,124	1,481,773	29,233	(170,020)
<i>Total Primary Government Net Expense</i>	<u>(\$6,645,797)</u>	<u>(\$1,133,848)</u>	<u>(\$6,711,782)</u>	<u>(\$4,399,114)</u>

2018 (3)	2017	2016	2015 (2)	2014	2013
\$1,735,723	\$1,623,407	\$1,574,431	\$1,586,680	\$1,292,248	\$1,228,286
4,772,997	4,219,555	4,386,740	3,634,530	3,322,801	3,275,647
232,483	218,089	202,382	185,703	176,534	177,336
130,195	145,635	114,558	122,354	121,622	124,444
181,611	261,048	139,890	156,956	362,079	463,946
204,919	200,724	162,842	348,553	159,031	157,911
2,247,526	2,680,196	2,391,079	2,455,888	2,544,047	2,492,999
56,681	70,393	78,960	89,634	78,000	84,250
9,562,135	9,419,047	9,050,882	8,580,298	8,056,362	8,004,819
2,368,947	2,564,360	2,009,333	2,149,651	2,276,702	1,959,425
2,437,995	2,458,780	1,920,961	1,900,079	1,846,843	2,069,309
4,806,942	5,023,140	3,930,294	4,049,730	4,123,545	4,028,734
14,369,077	14,442,187	12,981,176	12,630,028	12,179,907	12,033,553
(7,625,935)	(7,510,491)	(7,657,303)	(6,034,675)	(5,774,580)	(5,864,872)
251,327	184,544	819,653	636,870	749,804	980,630
(\$7,374,608)	(\$7,325,947)	(\$6,837,650)	(\$5,397,805)	(\$5,024,776)	(\$4,884,242)

(continued)

City of Conneaut, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019 (3)
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$373,731	\$334,038	\$343,361	\$326,498
Debt Service	0	0	0	0
Capital Outlay	521,494	462,471	508,716	485,056
Other Purposes	1,743,452	1,581,477	1,440,812	1,372,660
Municipal Income Taxes levied for:				
General Purposes	2,980,879	2,535,292	2,222,009	2,619,713
Capital Outlay	59,810	59,389	44,598	52,572
Street Construction, Maintenance and Repair	674,285	573,235	502,376	592,288
Other Purposes	71,580	60,865	53,343	62,889
Hotel Taxes	47,988	105,701	24,076	42,681
Grants and Entitlements not Restricted to Specific Programs				
Payment in Lieu Taxes	583,608	550,326	990,821	569,256
Franchise Taxes	56,924	0	0	0
Unrestricted Contributions	141,272	30,714	152,237	159,801
Investment Earnings/Interest	0	0	9,061	11,774
Gain on Sale of Capital Assets	93,213	4,545	29,967	103,155
Miscellaneous	0	0	0	0
Special Item - Transfer of Health Department Operations (3)	721,576	210,845	540,118	113,928
Transfers	0	0	0	293,055
	(2,500)	71,657	5,827	(2,500)
<i>Total Governmental Activities</i>	<u>8,067,312</u>	<u>6,580,555</u>	<u>6,867,322</u>	<u>6,802,826</u>
Business-Type Activities				
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	7,861	10,179	263,917	85,644
Transfers	2,500	(71,657)	(5,827)	2,500
<i>Total Business-Type Activities</i>	<u>10,361</u>	<u>(61,478)</u>	<u>258,090</u>	<u>88,144</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>8,077,673</u>	<u>6,519,077</u>	<u>7,125,412</u>	<u>6,890,970</u>
Change in Net Position				
Governmental Activities	589,391	3,964,934	126,307	2,573,732
Business-Type Activities	842,485	1,420,295	287,323	(81,876)
<i>Total Primary Government Change in Net Position</i>	<u>\$1,431,876</u>	<u>\$5,385,229</u>	<u>\$413,630</u>	<u>\$2,491,856</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

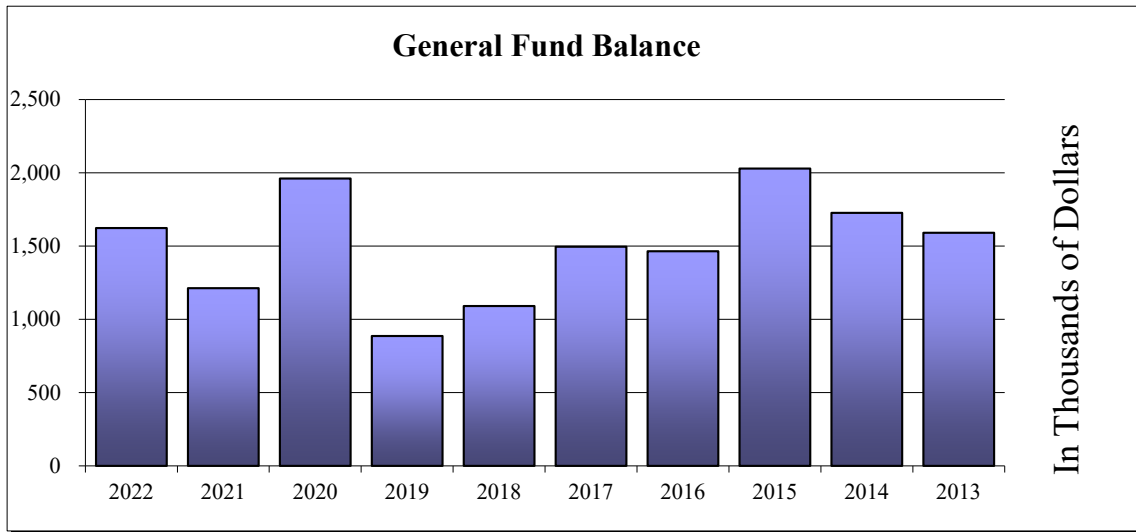
(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

(3) Effective January 1, 2019, the City transferred the operations of their Health Department to the City of Conneaut Board of Health.

2018 (3)	2017	2016	2015 (2)	2014	2013
\$309,057	\$319,487	\$311,464	\$316,065	\$365,055	\$357,968
0	26	85,082	85,313	84,961	99,499
457,588	492,228	444,849	473,019	563,092	0
1,294,704	1,392,266	1,370,348	722,423	710,714	694,993
2,386,131	2,528,319	2,122,639	2,589,415	2,337,586	2,305,411
47,895	50,738	42,617	51,963	61,935	42,449
539,489	571,624	479,927	585,435	528,499	521,201
57,281	60,698	50,953	62,164	56,118	55,323
28,137	22,877	24,138	20,392	21,381	20,655
389,868	418,681	416,296	479,906	409,787	658,227
0	0	0	0	0	0
168,471	145,056	164,729	133,313	139,189	145,370
6,639	24,650	17,873	19,609	17,098	23,085
95,672	49,920	24,033	6,819	5,253	5,101
0	0	0	18,582	0	0
215,070	162,255	180,212	95,314	174,638	141,150
0	0	0	0	0	0
9,295	(2,500)	(2,500)	(1,250)	296,789	(137,972)
6,005,297	6,236,325	5,732,660	5,658,482	5,772,095	4,932,460
0	120,470	0	0	0	0
53,686	48,574	13,040	31,067	39,405	40,804
(9,295)	2,500	2,500	1,250	(296,789)	137,972
44,391	171,544	15,540	32,317	(257,384)	178,776
6,049,688	6,407,869	5,748,200	5,690,799	5,514,711	5,111,236
(1,620,638)	(1,274,166)	(1,924,643)	(376,193)	(2,485)	(932,412)
295,718	356,088	835,193	669,187	492,420	1,159,406
(\$1,324,920)	(\$918,078)	(\$1,089,450)	\$292,994	\$489,935	\$226,994

City of Conneaut, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019
General Fund				
Nonspendable	\$50,760	\$51,515	\$118,376	\$43,846
Assigned	377,127	836,836	1,081,177	369,229
Unassigned	1,195,230	324,348	761,495	473,253
Total General Fund	1,623,117	1,212,699	1,961,048	886,328
All Other Governmental Funds				
Nonspendable	62,780	77,048	116,052	91,042
Restricted	1,225,368	1,826,582	1,557,405	1,520,847
Committed	235,211	197,076	207,363	160,354
Unassigned (Deficit)	(970,661)	(98,677)	(126,661)	(164,568)
Total All Other Governmental Funds	552,698	2,002,029	1,754,159	1,607,675
Total Governmental Funds	\$2,175,815	\$3,214,728	\$3,715,207	\$2,494,003



2018	2017	2016	2015	2014	2013
\$34,876	\$43,821	\$27,140	\$33,281	\$47,130	\$43,139
637,520	661,488	886,245	822,244	679,916	383,150
418,490	790,303	551,341	1,173,552	999,680	1,164,537
1,090,886	1,495,612	1,464,726	2,029,077	1,726,726	1,590,826
65,282	56,228	49,479	50,738	61,601	51,723
1,379,612	1,324,704	1,410,639	1,152,337	1,406,367	1,209,060
170,366	143,904	120,361	77,864	75,403	38,707
(145,102)	(139,151)	(105,918)	(104,614)	(55,005)	(115,317)
1,470,158	1,385,685	1,474,561	1,176,325	1,488,366	1,184,173
\$2,561,044	\$2,881,297	\$2,939,287	\$3,205,402	\$3,215,092	\$2,774,999

City of Conneaut, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019
Revenues				
Property Taxes	\$2,515,072	\$2,510,553	\$2,194,944	\$2,167,433
Municipal Income Taxes	3,634,737	3,214,521	2,904,977	3,289,860
Hotel Taxes	47,988	105,701	24,076	42,681
Special Assessments	2,131	4,563	36,352	50,464
Intergovernmental	2,012,688	4,343,886	4,364,218	2,273,543
Fees, Licenses and Permits	276,687	348,116	333,425	578,763
Fines, Forfeitures and Settlements	227,531	227,476	221,199	233,855
Payment in Lieu of Taxes	56,924	0	0	0
Leases	2,657	0	0	0
Rentals	24,613	37,637	42,919	48,061
Charges for Services	456,833	433,995	332,747	362,069
Contributions and Donations	9,894	15,810	9,761	19,779
Investment Earnings/Interest	93,213	4,545	29,967	103,155
Franchise Taxes	134,651	42,692	153,032	169,322
Other	721,576	210,845	540,118	113,928
<i>Total Revenues</i>	<u>10,217,195</u>	<u>11,500,340</u>	<u>11,187,735</u>	<u>9,452,913</u>
Expenditures				
Current:				
General Government	1,856,239	1,802,361	1,536,076	1,487,778
Security of Persons and Property	4,812,790	4,618,373	4,149,141	4,252,568
Public Health Services	13,020	88,870	173,993	181,513
Leisure Time Activities	93,754	80,229	72,490	130,788
Community Development	284,791	135,656	118,099	145,283
Basic Utilities Services	238,384	214,218	177,756	199,418
Transportation	1,678,002	1,278,530	1,976,756	1,464,039
Capital Outlay	1,683,510	3,833,820	2,306,941	2,188,464
Debt Service:				
Principal Retirement	512,783	431,836	287,454	327,417
Interest	115,578	93,941	80,437	52,454
Principal Retirement - Current Refunding	0	0	40,000	20,000
<i>Total Expenditures</i>	<u>11,288,851</u>	<u>12,577,834</u>	<u>10,919,143</u>	<u>10,449,722</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,071,656)</u>	<u>(1,077,494)</u>	<u>268,592</u>	<u>(996,809)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
General Obligation Bonds Issued	0	498,000	420,000	0
General Obligation Notes Issued	0	0	0	40,000
Current Refunding	0	0	0	(40,000)
Financed Purchase Issued	0	0	153,671	231,807
State Infrastructure Bank Loan Issued	0	7,358	306,866	652,633
OPWC Loans Issued	35,243	0	66,248	50,000
Transfer of Health Department Operations	0	0	0	(2,172)
Transfers In	131,871	179,608	67,077	49,000
Transfers Out	(134,371)	(107,951)	(61,250)	(51,500)
<i>Total Other Financing Sources (Uses)</i>	<u>32,743</u>	<u>577,015</u>	<u>952,612</u>	<u>929,768</u>
<i>Net Change in Fund Balances</i>	<u>(\$1,038,913)</u>	<u>(\$500,479)</u>	<u>\$1,221,204</u>	<u>(\$67,041)</u>
Debt Service as a Percentage of Noncapital Expenditures	6.9%	7.1%	4.6%	5.0%

2018	2017	2016	2015	2014	2013
\$2,154,234	\$2,175,269	\$2,228,798	\$1,617,111	\$1,632,504	\$1,155,333
3,129,270	3,111,685	2,839,766	3,163,103	3,021,077	2,931,872
28,137	22,877	24,138	23,409	18,364	20,655
46,335	88,436	104,042	94,534	113,575	142,659
1,193,129	1,164,899	1,156,616	1,860,461	1,616,276	1,534,596
349,550	402,943	421,606	324,522	354,471	338,594
367,508	318,365	271,665	301,696	316,332	321,006
0	0	0	0	0	0
0	0	0	0	0	0
30,608	25,500	67,231	51,650	51,725	58,661
344,141	384,055	417,825	418,461	420,540	480,371
33,421	65,255	21,358	20,569	17,598	23,885
95,672	49,920	24,033	6,819	5,253	5,101
170,370	131,414	127,503	153,209	135,793	128,870
215,070	162,255	180,212	95,314	174,638	141,150
8,157,445	8,102,873	7,884,793	8,130,858	7,878,146	7,282,753
1,543,626	1,407,467	1,486,438	1,504,861	1,215,590	1,132,241
3,932,977	3,686,376	3,865,687	3,634,608	3,212,086	3,111,589
218,143	190,285	184,504	188,370	174,357	172,451
100,201	114,268	90,088	95,671	98,353	100,758
168,693	243,395	131,772	353,683	369,484	453,549
204,919	200,724	162,842	156,956	163,261	155,068
1,281,653	1,230,353	1,149,087	1,236,421	1,269,511	1,114,909
726,623	682,739	615,544	1,126,461	836,317	340,170
513,352	514,418	675,992	476,410	400,430	478,715
59,559	72,338	82,230	85,703	81,164	90,358
30,000	30,000	0	0	7,500	7,500
8,779,746	8,372,363	8,444,184	8,859,144	7,828,053	7,157,308
(622,301)	(269,490)	(559,391)	(728,286)	50,093	125,445
0	0	0	18,582	0	0
0	214,000	0	450,000	360,000	0
60,000	90,000	120,000	150,000	37,500	15,000
(60,000)	(90,000)	0	0	(7,500)	(15,000)
204,548	0	175,776	101,264	0	88,485
100,000	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
56,922	96,000	70,750	30,750	161,234	176,308
(59,422)	(98,500)	(73,250)	(32,000)	(161,234)	(177,100)
302,048	211,500	293,276	718,596	390,000	87,693
(\$320,253)	(\$57,990)	(\$266,115)	(\$9,690)	\$440,093	\$213,138
8.1%	8.2%	10.1%	7.5%	6.3%	10.0%

City of Conneaut, Ohio
Assessed Valuation and Estimated True Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2022	\$134,050,200	\$55,490,810	\$541,545,743	\$11,731,940	\$13,331,750
2021	133,949,940	57,211,060	546,174,286	11,867,540	13,485,841
2020	133,626,170	56,604,400	543,515,914	10,446,790	11,871,352
2019	123,089,140	53,629,670	504,910,886	9,669,320	10,987,864
2018	123,141,820	53,647,390	505,112,029	8,879,990	10,090,898
2017	123,541,940	54,806,950	509,568,257	8,499,330	9,658,330
2016	123,731,870	54,135,860	508,193,514	7,968,920	9,055,591
2015	123,666,110	55,173,170	510,969,371	7,546,170	8,575,193
2014	123,558,190	56,595,160	514,723,857	7,137,030	8,110,261
2013	123,185,650	56,632,450	513,766,000	6,846,710	7,780,352

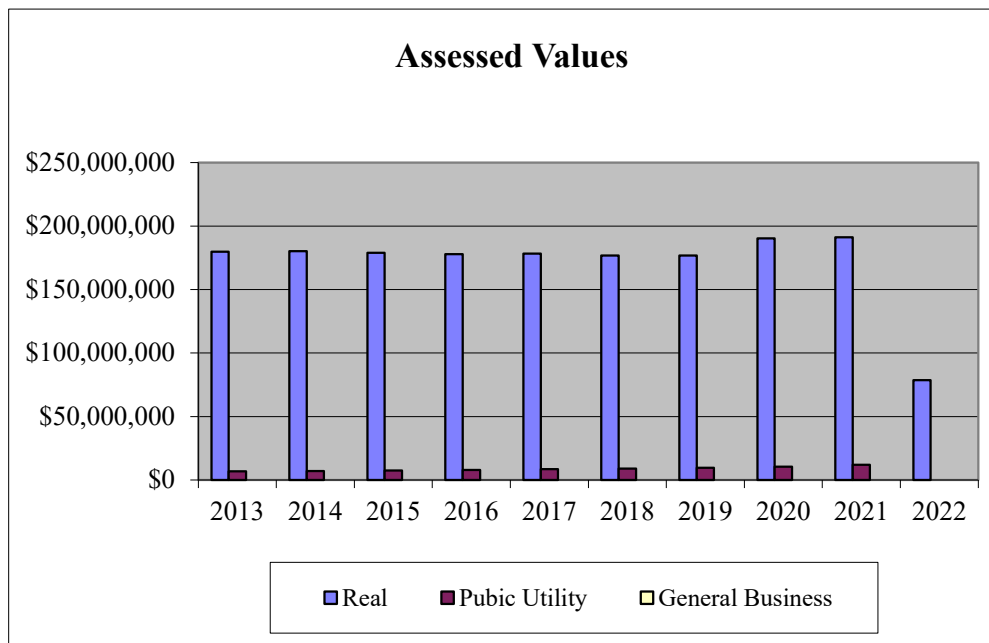
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each appraisal.

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

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

Source: Ashtabula County, Ohio; County Auditor

Assessed Value	Total Estimated Actual Value	Ratio	Weighted Average Tax Rate (per \$1,000 of Assessed Value)
\$201,272,950	\$554,877,493	36.27%	\$13.6865
203,028,540	559,660,127	36.28	13.7090
200,677,360	555,387,267	36.13	13.7099
186,388,130	515,898,749	36.13	12.8418
185,669,200	515,202,926	36.04	12.8404
186,848,220	519,226,587	35.99	12.8341
185,836,650	517,249,105	35.93	12.8352
186,385,450	519,544,565	35.87	13.4615
187,290,380	522,834,119	35.82	9.8012
186,664,810	521,546,352	35.79	7.7511



City of Conneaut, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2022	2021	2020	2019
Unvoted Millage				
Operating	\$2.0000	\$2.0000	\$2.0000	\$2.0000
Fire Pension	0.7300	0.7300	0.7300	0.7300
Police Pension	0.9000	0.9000	0.9000	0.9000
<i>Total Unvoted Millage</i>	<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>
Voted Millage - by levy				
1995 Library Bond	0.0000	0.0000	0.0000	0.0000
2003 Police Operating				
Residential/Agricultural Real	1.7217	1.7232	1.7209	2.0000
Commercial/Industrial and Public Utility Real	1.9637	1.9716	1.9820	1.8673
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
2005 Fire				
Residential/Agricultural Real	0.0000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.0000	0.0000	0.0000	0.0000
2013 Road and Bridge				
Residential/Agricultural Real	2.5356	2.5378	2.5343	2.7500
Commercial/Industrial and Public Utility Real	2.7001	2.7110	2.7253	2.7500
General Business and Public Utility Personal	2.7500	2.7500	2.7500	2.7500
2015 Fire				
Residential/Agricultural Real	0.0000	0.0000	0.0000	1.5000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000	1.5000
General Business and Public Utility Personal	0.0000	0.0000	0.0000	1.5000
2015 Police				
Residential/Agricultural Real	2.7661	2.7685	2.7647	3.0000
Commercial/Industrial and Public Utility Real	2.9455	2.9575	2.9730	3.0000
General Business and Public Utility Personal	3.0000	3.0000	3.0000	3.0000
2020 Fire				
Residential/Agricultural Real	2.7661	2.7685	2.7647	0.0000
Commercial/Industrial and Public Utility Real	2.9455	2.9575	2.9730	0.0000
General Business and Public Utility Personal	3.0000	3.0000	3.0000	0.0000
<i>Total Voted Millage by Type of Property</i>				
Residential/Agricultural Real	\$9.7895	\$9.7980	\$9.7846	\$9.2500
Commercial/Industrial and Public Utility Real	10.5548	10.5976	10.6533	9.1173
General Business and Public Utility Personal	10.7500	10.7500	10.7500	9.2500
<hr/>				
<i>Total Millage by Type of Property</i>				
Residential/Agricultural Real	\$13.4195	\$13.4280	\$13.4146	\$12.8800
Commercial/Industrial and Public Utility Real	14.1848	14.2276	14.2833	12.7473
General Business and Public Utility Personal	14.3800	14.3800	14.3800	12.8800
<i>Total Weighted Average Tax Rate</i>	<u>\$13.6865</u>	<u>\$13.7089</u>	<u>\$13.7099</u>	<u>\$12.8418</u>

2018	2017	2016	2015	2014	2013
\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.2000
0.7300	0.7300	0.7300	0.7300	0.7300	0.6300
0.9000	0.9000	0.9000	0.9000	0.9000	0.8000
<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>	<u>3.6300</u>
0.0000	0.0000	0.0000	0.6300	0.5300	0.5300
2.0000	2.0000	2.0000	2.0000	2.0000	1.8534
1.8628	1.8553	1.8506	1.8466	1.8065	1.9704
2.0000	1.9835	2.0000	2.0000	2.0000	2.0000
0.0000	0.0000	0.0000	0.0000	1.0000	0.9267
0.0000	0.0000	0.0000	0.0000	0.9033	0.9852
0.0000	0.0000	0.0000	0.0000	1.0000	1.0000
2.7500	2.7500	2.7500	2.7500	2.7500	2.7496
2.7500	2.7500	2.7455	2.7395	2.6801	2.7500
2.7500	2.7273	2.7500	2.7500	2.7500	2.7500
1.5000	1.5000	1.5000	1.5000	0.0000	0.0000
1.5000	1.5000	1.5000	1.5000	0.0000	0.0000
1.5000	1.4876	1.5000	1.5000	0.0000	0.0000
3.0000	3.0000	3.0000	3.0000	0.0000	0.0000
3.0000	3.0000	3.0000	3.0000	0.0000	0.0000
3.0000	2.9752	3.0000	3.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
\$9.2500	\$9.2500	\$9.2500	\$9.8800	\$6.2800	\$6.0597
9.1128	9.1053	9.0961	9.7160	5.9199	6.2356
9.2500	9.1736	9.2500	9.8800	6.2800	6.2800
\$12.8800	\$12.8800	\$12.8800	\$13.5100	\$9.9100	\$9.6897
12.7428	12.7353	12.7261	13.3460	9.5499	9.8656
12.8800	12.8036	12.8800	13.5100	9.9100	9.9100
<u>\$12.8404</u>	<u>\$12.8341</u>	<u>\$12.8352</u>	<u>\$13.4615</u>	<u>\$9.8012</u>	<u>\$7.7511</u>

(continued)

City of Conneaut, Ohio
Property Tax Rates - Direct and Overlapping Governments (continued)
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2022	2021	2020	2019
Overlapping Rates by Taxing District				
Conneaut City School District				
Residential/Agricultural Real	\$26.6488	\$27.4139	\$27.3936	\$40.5900
Commercial/Industrial and Public Utility Real	30.8970	30.9237	31.0335	28.2171
General Business and Public Utility Personal	39.8400	40.5900	40.5900	31.2111
Ashtabula County				
Residential/Agricultural Real	8.8906	9.3661	9.3688	11.5200
Commercial/Industrial and Public Utility Real	10.5105	10.9663	10.9510	9.8224
General Business and Public Utility Personal	11.0200	11.5200	11.5200	11.2552
Special Taxing Districts (1)				
Residential/Agricultural Real	6.7894	6.4677	6.4631	8.6500
Commercial/Industrial and Public Utility Real	7.4564	7.1878	7.2022	6.8981
General Business and Public Utility Personal	8.9100	8.6500	8.6500	7.3524

Source: Ashtabula County Auditor

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

Overlapping rates are those of local and county governments that apply to property owners within the City.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

2018	2017	2016	2015	2014	2013
\$40.5900	\$40.5900	\$36.3900	\$36.3900	\$26.0683	\$24.3233
28.1750	28.1145	23.9602	23.9227	23.5787	25.5875
31.1646	30.7731	26.7154	26.6232	36.3900	39.3900
11.5200	11.5200	11.5200	9.5530	10.8876	9.0012
9.8182	9.7962	10.0306	8.0465	9.4306	9.9622
11.2384	11.2001	11.2176	9.2017	11.5200	11.0200
7.1500	7.1500	8.7600	7.6500	3.5383	3.5917
5.4105	5.4034	8.3339	5.9616	3.8581	3.6610
5.8405	5.7964	8.1487	6.2914	5.2500	5.2500

City of Conneaut, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Original Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Original Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2022	\$3,040,629	\$2,644,314	86.97 %	\$87,182	\$2,731,496
2021	2,751,483	2,640,183	95.95	89,031	2,729,214
2020	2,486,165	2,299,263	92.48	80,753	2,380,016
2019	2,371,505	2,275,777	95.96	74,255	2,350,032
2018	2,373,473	2,268,203	95.56	73,412	2,341,615
2017	2,464,939	2,276,626	92.36	91,689	2,368,315
2016	2,497,430	2,378,707	95.25	59,324	2,438,031
2015	1,807,218	1,662,558	92.00	68,344	1,730,902
2014	1,824,225	1,662,089	91.11	79,952	1,742,041
2013	1,319,314	1,223,741	92.76	50,554	1,274,295

Source: Ashtabula County, Ohio; County Auditor

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

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

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

Percent of Total Tax Collections To Original Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes To Original Tax Levy
89.83 %	\$309,133	10.17 %
99.19	248,583	9.03
95.73	318,096	12.79
99.09	220,150	9.28
98.66	203,369	8.57
96.08	296,253	12.02
97.62	267,516	10.71
95.78	284,571	15.75
95.49	304,863	16.71
96.59	207,183	15.70

City of Conneaut, Ohio
Principal Real Property Taxpayers
 2022 and 2013

<i>2022</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Real Assessed Valuation
CCA Western Properties	\$25,051,460	13.21 %
Cleveland Electric Illuminating Co.	7,611,680	4.02
American Transmission	2,459,040	1.30
East Ohio Gas	1,661,220	0.88
Millwork Properties	1,383,590	0.73
Villa At the Lake	1,340,960	0.71
CSP of Ohio LLC	1,015,220	0.54
Truck World	879,060	0.46
Industrial Attitude	857,540	0.45
Overhead Door	791,250	0.41
Total	\$43,051,020	22.71 %
Total Real Assessed Valuation	\$189,541,010	

<i>2013</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Real Assessed Valuation
CCA Western Properties	\$25,049,150	13.93 %
U.S. Bank National Association	7,473,850	4.16
ABC Chemicals, Inc.	4,158,900	2.31
Pinney Dock	4,052,170	2.25
Wal-Mart Real Estate	3,539,800	1.97
First Energy Generation	3,044,270	1.69
Lowe's Home Centers, Inc.	2,047,500	1.14
Sanifill of Ohio, Inc.	1,789,390	1.00
E & L Investors	1,781,380	0.99
HD Development of Maryland, Inc.	1,737,440	0.97
Total	\$54,673,850	30.41 %
Total Real Assessed Valuation	\$179,818,100	

Source: Ashtabula County Auditor

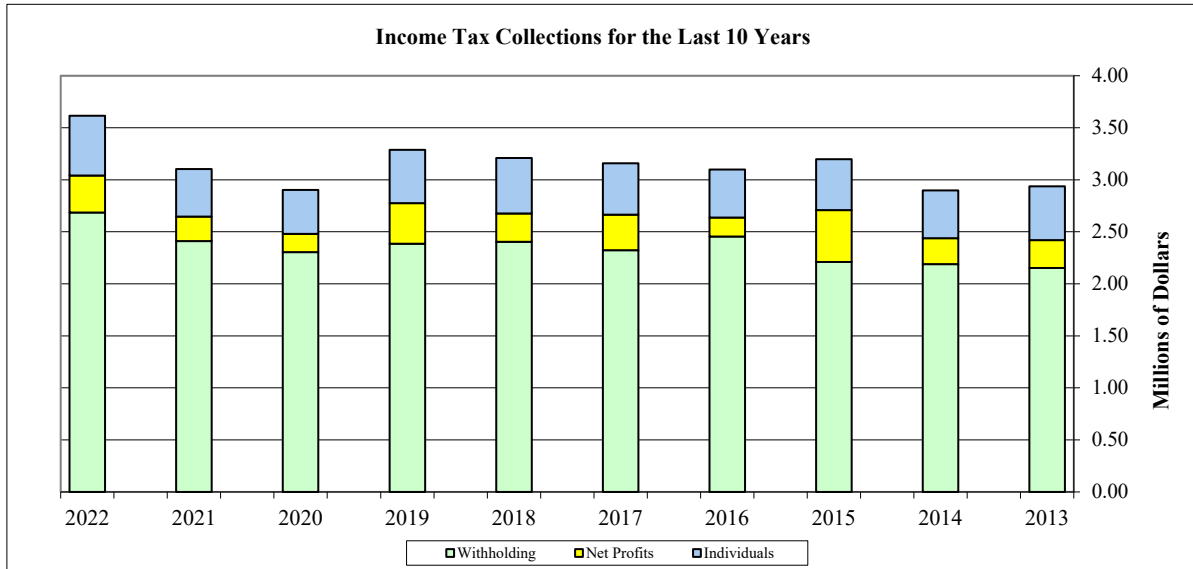
City of Conneaut, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2022	1.65%	\$3,616,420	\$2,685,679	74.26%	\$353,948	9.79%	\$576,793	15.95%
2021	1.65	3,102,338	2,409,734	77.67	237,248	7.65	455,356	14.68
2020	1.65	2,902,905	2,303,999	79.37	175,563	6.05	423,343	14.58
2019	1.65	3,288,730	2,385,388	72.53	389,934	11.86	513,408	15.61
2018	1.65	3,208,973	2,403,041	74.89	272,228	8.48	533,704	16.63
2017	1.65	3,158,615	2,323,420	73.56	340,677	10.78	494,518	15.66
2016	1.65	3,098,326	2,454,624	79.22	183,311	5.92	460,391	14.86
2015	1.65	3,198,238	2,209,573	69.09	498,257	15.58	490,408	15.33
2014	1.65	2,896,554	2,189,229	75.58	249,088	8.60	458,237	15.82
2013	1.65	2,937,263	2,151,241	73.24	269,472	9.17	516,550	17.59

(1) Cash Basis of Accounting

Note: The City is statutory and is prohibited from presenting individual taxpayers.

Source: City Financial Records



City of Conneaut, Ohio
*Ratio of Outstanding Debt to
 Total Personal Income and Debt Per Capita
 Last Ten Years*

Year	Governmental Activities					
	General Obligation Bonds	OWDA Loans	Loans	OPWC Loans	Bond Anticipation Notes	Financed Purchases
2022	\$1,085,922	\$0	\$1,316,422	\$152,820	\$0	\$349,055
2021	1,330,580	0	1,495,151	124,870	0	431,158
2020	1,075,101	0	1,229,920	130,913	0	510,431
2019	814,515	45,596	949,236	67,062	40,000	410,625
2018	970,875	89,638	363,142	20,606	60,000	235,750
2017	1,225,744	144,035	369,181	22,899	90,000	126,956
2016	1,239,337	196,523	512,959	25,192	120,000	215,222
2015	1,462,186	295,554	652,960	27,485	150,000	101,264
2014	1,186,931	390,855	789,295	29,778	37,500	30,236
2013	967,749	485,908	922,072	32,071	15,000	59,725

(1) Personal Income and Population Data are located on S34.

Source: City Financial Records

Business-Type Activities							
OWDA Loans	OPWC Loans	General Obligation Bonds	Loans	Bond Anticipation Notes	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$5,596,032	\$894,309	\$335,500	\$0	\$0	\$9,730,060	3.39%	\$789.91
5,111,757	483,690	416,079	0	0	9,393,285	3.27	762.57
5,534,452	543,222	496,427	0	0	9,520,466	4.34	741.41
6,001,227	572,990	576,573	0	0	9,477,824	4.33	738.09
6,169,922	578,606	656,518	30,664	0	9,175,721	4.19	714.56
6,366,372	517,729	807,947	61,331	0	9,732,194	4.44	757.90
4,796,560	501,022	218,995	116,289	0	7,942,099	3.62	618.50
5,172,255	549,341	298,825	376,228	0	9,086,098	4.15	707.58
4,801,507	596,410	376,498	626,509	72,500	8,938,019	4.08	696.05
4,207,834	550,350	452,075	867,539	135,000	8,695,323	3.97	677.15

City of Conneaut, Ohio
*Ratio of General Obligation Bonded Debt to Estimated True Values
of Taxable Property and Bonded Debt Per Capita
Last Ten Years*

Year	Population (1)	Estimated True Values of Taxable Property (2)	Gross Bonded Debt (3)			Ratio of Bonded Debt to Estimated True Values of Taxable Property	Bonded Debt Per Capital
			Governmental	Business- Type	Total		
2022	12,318	\$554,877,493	\$1,085,922	\$335,500	\$1,421,422	0.26 %	\$115.39
2021	12,318	559,660,127	1,330,580	416,079	1,746,659	0.31	141.80
2020	12,841	555,387,267	1,075,101	496,427	1,571,528	0.28	122.38
2019	12,841	515,898,749	814,515	576,573	1,391,088	0.27	108.33
2018	12,841	515,202,926	970,875	656,518	1,627,393	0.32	126.73
2017	12,841	519,226,587	1,225,744	807,947	2,033,691	0.39	158.37
2016	12,841	517,249,105	1,239,337	218,995	1,458,332	0.28	113.57
2015	12,841	519,544,565	1,462,186	298,825	1,761,011	0.34	137.14
2014	12,841	522,834,119	1,186,931	376,498	1,563,429	0.30	121.75
2013	12,841	521,546,352	967,749	452,075	1,419,824	0.27	110.57

Sources:

- (1) Year 2021 - 2022 Federal Census of Population Estimate
Year 2013 - 2020 2010 Federal Census of Population
- (2) Ashtabula County Auditor
- (3) Includes only general obligation bonds.
- (4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

City of Conneaut, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2022

Jurisdiction	Governmental Activites Debt	Percentage Applicable to City (1)	Amount Applicable to City of Conneaut
Direct			
General Obligation Bonds	\$1,085,922	100.00 %	\$1,085,922
Loans	1,316,422	100.00	1,316,422
OPWC Loans	152,820	100.00	152,820
Financed Purchases	349,055	100.00	349,055
<i>Total Direct Debt</i>	<u>2,904,219</u>		<u>2,904,219</u>
Overlapping			
Ashtabula County			
General Obligation Bonds	12,290,000	10.32	1,268,328
OPWC Loans	101,250	10.32	10,449
Conneaut City School District			
General Obligation Bonds	<u>1,300,000</u>	85.55	<u>1,112,150</u>
<i>Total Overlapping Debt</i>	<u>13,691,250</u>		<u>2,390,929</u>
Total	<u><u>\$16,595,469</u></u>		<u><u>\$5,295,148</u></u>

Source: Ashtabula County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Conneaut, Ohio
Legal Debt Margin
Last Ten Years

	2022	2021	2020	2019
Total Assessed Property Value	<u>\$201,272,950</u>	<u>\$203,028,540</u>	<u>\$200,677,360</u>	<u>\$186,388,130</u>
General Bonded Debt Outstanding:				
General Obligation Bonds	\$1,421,422	\$1,746,659	\$1,571,528	\$1,391,088
OWDA Loans	5,596,032	5,111,757	5,534,452	6,046,823
OPWC Loans	1,047,129	608,560	674,135	640,052
Bond Anticipation Notes	0	0	0	120,000
Loans	<u>1,316,422</u>	<u>1,495,151</u>	<u>1,229,920</u>	<u>949,236</u>
Total Gross Indebtedness	9,381,005	8,962,127	9,010,035	9,147,199
Less:				
Bond Anticipation Notes	0	0	0	0
OPWC Loans	(1,047,129)	(608,560)	(674,135)	(640,052)
OWDA Loans	(5,596,032)	(5,111,757)	(5,534,452)	(6,046,823)
General Obligation Bond Retirement Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Debt Applicable to Debt Limit	<u>2,737,844</u>	<u>3,241,810</u>	<u>2,801,448</u>	<u>2,460,324</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>21,133,660</u>	<u>21,317,997</u>	<u>21,071,123</u>	<u>19,570,754</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$18,395,816</u>	<u>\$18,076,187</u>	<u>\$18,269,675</u>	<u>\$17,110,430</u>
Legal Debt Margin as a Percentage of the Debt Limit	87.05%	84.79%	86.70%	87.43%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	<u>\$11,070,012</u>	<u>\$11,166,570</u>	<u>\$11,037,255</u>	<u>\$10,251,347</u>
Total Gross Indebtedness	9,381,005	8,962,127	9,010,035	9,147,199
Less:				
Bond Anticipation Notes	0	0	0	0
OPWC Loans	(1,047,129)	(608,560)	(674,135)	(640,052)
OWDA Loans	(5,596,032)	(5,111,757)	(5,534,452)	(6,046,823)
General Obligation Bond Retirement Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within 5 ½ % Limitations	<u>2,737,844</u>	<u>3,241,810</u>	<u>2,801,448</u>	<u>2,460,324</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$8,332,168</u>	<u>\$7,924,760</u>	<u>\$8,235,807</u>	<u>\$7,791,023</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	75.27%	70.97%	74.62%	76.00%

Source: City Financial Records

2018	2017	2016	2015	2014	2013
<u>\$185,669,200</u>	<u>\$186,848,220</u>	<u>\$185,836,650</u>	<u>\$186,385,450</u>	<u>\$187,290,380</u>	<u>\$186,664,810</u>
\$1,627,393	\$2,033,691	\$1,458,332	\$1,761,011	\$1,563,429	\$1,419,824
6,259,560	6,510,407	4,993,083	5,467,809	5,192,362	4,693,742
599,212	540,628	526,214	576,826	626,188	582,421
180,000	240,000	300,000	440,000	420,000	598,000
393,806	430,512	629,248	1,029,188	1,415,804	1,789,611
9,059,971	9,755,238	7,906,877	9,274,834	9,217,783	9,083,598
0	0	0	(37,500)	(27,500)	(125,500)
(599,212)	(540,628)	(526,214)	(576,826)	(626,188)	(582,421)
(6,259,560)	(6,510,407)	(4,993,083)	(5,467,809)	(5,192,362)	(4,693,742)
0	(96,605)	(200,058)	(190,293)	(196,347)	(201,824)
2,201,199	2,607,598	2,187,522	3,002,406	3,175,386	3,480,111
19,495,266	19,619,063	19,512,848	19,570,472	19,665,490	19,599,805
<u>\$17,294,067</u>	<u>\$17,011,465</u>	<u>\$17,325,326</u>	<u>\$16,568,066</u>	<u>\$16,490,104</u>	<u>\$16,119,694</u>
88.71%	86.71%	88.79%	84.66%	83.85%	82.24%
<u>\$10,211,806</u>	<u>\$10,276,652</u>	<u>\$10,221,016</u>	<u>\$10,251,200</u>	<u>\$10,300,971</u>	<u>\$10,266,565</u>
9,059,971	9,755,238	7,906,877	9,274,834	9,217,783	9,083,598
0	0	0	(37,500)	(27,500)	(125,500)
(599,212)	(540,628)	(526,214)	(576,826)	(626,188)	(582,421)
(6,259,560)	(6,510,407)	(4,993,083)	(5,467,809)	(5,192,362)	(4,693,742)
0	(96,605)	(200,058)	(190,293)	(196,347)	(201,824)
2,201,199	2,607,598	2,187,522	3,002,406	3,175,386	3,480,111
<u>\$8,010,607</u>	<u>\$7,669,054</u>	<u>\$8,033,494</u>	<u>\$7,248,794</u>	<u>\$7,125,585</u>	<u>\$6,786,454</u>
78.44%	74.63%	78.60%	70.71%	69.17%	66.10%

City of Conneaut, Ohio
Pledged Revenue Coverage
Revenue Debt - Water Fund
Last Ten Years

Year	Operating Revenue	Expenses, Net of Depreciation *	Net Revenue Available for Debt Service	Debt Service Requirement**			Coverage
				Principal	Interest	Total	
2022	\$2,442,102	\$1,609,384	\$832,718	\$123,781	\$60,828	\$184,609	4.51
2021	2,355,588	1,170,330	1,185,258	146,656	51,115	197,771	5.99
2020	2,504,271	2,008,064	496,207	122,832	53,909	176,741	2.81
2019	2,369,897	1,725,833	644,064	131,782	52,527	184,309	3.49
2018	2,379,769	1,894,228	485,541	126,800	58,201	185,001	2.62
2017	2,362,700	2,073,595	289,105	138,224	77,861	216,085	1.34
2016	2,278,129	1,541,931	736,198	162,534	60,161	222,695	3.31
2015	2,270,332	1,666,156	604,176	153,649	62,026	215,675	2.80
2014	2,258,092	1,851,666	406,426	80,286	21,395	101,681	4.00
2013	2,188,771	1,541,500	647,271	74,654	10,928	85,582	7.56

* Total operating expenses exclusive of depreciation.

** Revenue debt includes OWDA and OPWC loans payable solely from net revenues in the water enterprise fund.

Source: City Financial Records

City of Conneaut, Ohio
Pledged Revenue Coverage
Revenue Debt - Sewer Fund
Last Ten Years

Year	Operating Revenue	Expenses, Net of Depreciation *	Net Revenue Available for Debt Service	Debt Service Requirement**			Coverage
				Principal	Interest	Total	
2022	\$2,392,245	\$1,645,697	\$746,548	\$366,032	\$73,716	\$439,748	1.70
2021	2,306,436	1,248,955	1,057,481	335,571	82,524	418,095	2.53
2020	2,486,155	1,908,845	577,310	373,711	86,662	460,373	1.25
2019	2,428,426	2,084,452	343,974	362,537	102,967	465,504	0.74
2018	2,426,934	1,873,883	553,051	307,934	93,494	401,428	1.38
2017	2,442,141	1,778,533	663,608	242,740	98,706	341,446	1.94
2016	2,407,861	1,417,069	990,792	261,480	85,425	346,905	2.86
2015	2,409,703	1,378,966	1,030,737	126,673	99,642	226,315	4.55
2014	2,397,841	1,393,600	1,004,241	325,227	40,695	365,922	2.74
2013	2,316,309	1,549,071	767,238	328,697	117,636	446,333	1.72

* Total operating expenses exclusive of depreciation.

** Revenue debt includes OWDA and OPWC loans payable solely from net revenues in the sewer enterprise fund.

Source: City Financial Records

City of Conneaut, Ohio
Principal Employers
Current Year and Nine Years Ago

2022		
Employer	Employees	Percentage of Total City Employment
Corrections Corporation of America (CCA)	266	6.02 %
Conneaut Area City School District	259	5.86
Teijin Automotive Technology	218	4.93
University Hospitals Health System	187	4.23
General Aluminum	159	3.60
Lukejan Metal Products	129	2.92
City of Conneaut	117	2.65
Cascade Ohio	80	1.81
Orlando Brothers	66	1.49
Loves	63	1.44
Total	<u>1,544</u>	<u>34.95 %</u>
Total Employment within the City	<u>4,418</u>	

2013		
Employer	Employees	Percentage of Total City Employment
Infinity Resources	426	9.04 %
Conneaut Area City School District	350	7.42
Continental Structural Plastics	258	5.47
Corrections Corporation of America (CCA)	249	5.28
University Hospitals Health System	209	4.43
ES3 Management	162	3.43
General Aluminum	162	3.43
Cascade Ohio	149	3.16
Ashtabula County	125	2.65
Lukjan Metal Products	97	2.07
Total	<u>2,187</u>	<u>46.36 %</u>
Total Employment within the City	<u>4,717</u>	

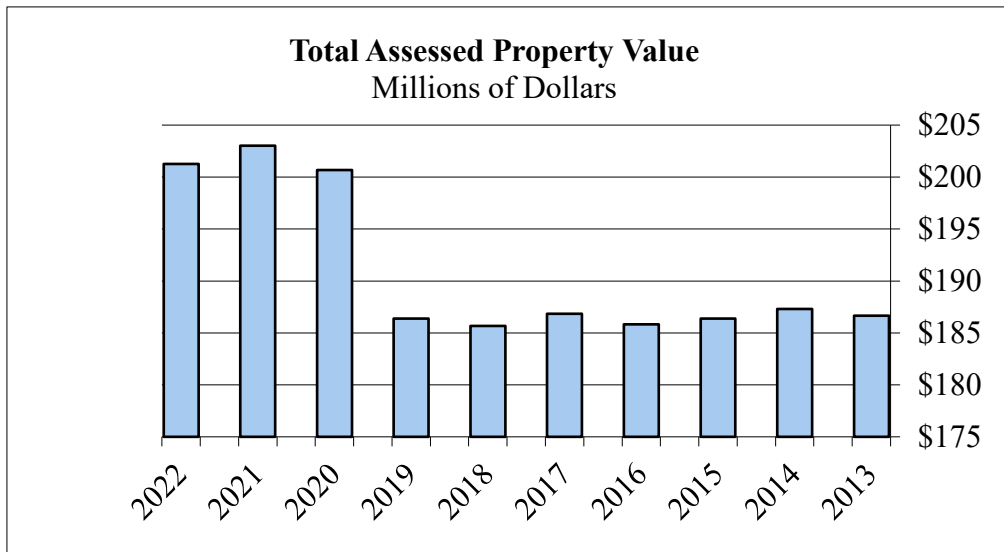
Source: Number of employees obtained from the W2's
from the City's Tax Department

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City of Conneaut, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (3)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
2022	12,318	\$287,181,852	\$23,314	\$47,685	42
2021	12,318	287,181,852	23,314	47,685	42
2020	12,841	219,131,665	17,065	38,250	40
2019	12,841	219,131,665	17,065	38,250	40
2018	12,841	219,131,665	17,065	38,250	40
2017	12,841	219,131,665	17,065	38,250	40
2016	12,841	219,131,665	17,065	38,250	40
2015	12,841	219,131,665	17,065	38,250	40
2014	12,841	219,131,665	17,065	38,250	40
2013	12,841	219,131,665	17,065	38,250	40

- (1) Year 2021 - 2022 2020 Federal Census of Population
 Year 2013 - 2020 2010 Federal Census of Population
- (2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"
- (3) Computation of per capita personal income multiplied by population
- (4) The unemployment rate for the City is unavailable. County rate obtained from Ohio Labor Market Information.



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Ashtabula County Unemployment Rate (4)	Average Sales Price of Residential Property	Total Assessed Property Value
13.2%	1,616	4.4%	\$97,800	\$201,272,950
13.2	1,587	3.9	96,950	203,028,540
11.2	1,618	6.1	104,900	200,677,360
11.2	1,618	4.9	97,000	186,388,130
11.2	1,718	5.3	105,500	185,669,200
11.2	1,726	5.9	99,000	186,848,220
11.2	1,727	5.3	94,900	185,836,650
11.2	1,789	6.2	87,400	186,385,450
11.2	1,785	5.9	84,000	187,290,380
11.2	1,797	9.0	80,000	186,664,810



City of Conneaut, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019
General Government				
Council	7.00	7.00	7.00	7.00
Clerk of Council	1.00	1.00	1.00	1.00
City Manager	2.00	2.00	2.00	2.00
Finance	3.50	3.50	3.50	3.50
Law	2.50	2.50	2.50	2.50
Court	8.00	8.00	8.00	7.00
Security of Persons and Property				
Police	19.00	19.00	19.00	19.00
Police - Dispatchers	4.00	4.00	4.00	4.00
Police - Jailers	2.00	2.00	2.00	2.00
Fire	11.50	11.50	11.50	11.50
Ambulance	5.00	5.00	5.00	5.00
Public Health Services				
Health	3.50	3.50	3.50	3.50
Cemetery	1.00	1.00	1.00	1.00
Leisure Time Activities				
Recreation	1.00	1.00	1.00	1.00
Community Environment				
Housing/Zoning	2.50	2.50	2.00	2.00
Transportation				
Street/Public Works	13.00	13.00	13.00	13.00
Basic Utility Services				
Water	13.00	13.00	13.00	13.00
Sewer	10.00	10.00	10.00	10.00
Totals:	<u>109.50</u>	<u>109.50</u>	<u>109.00</u>	<u>108.00</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

Source: City Financial Records

2018	2017	2016	2015	2014	2013
7.00	7.00	7.00	7.00	7.00	7.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
3.50	3.50	3.50	3.50	3.50	3.50
2.50	2.50	2.50	2.00	2.00	2.00
7.00	6.00	6.00	6.00	6.00	6.00
19.00	19.00	19.00	17.00	17.00	16.00
4.00	4.00	4.00	4.00	4.00	4.00
2.00	2.00	2.00	0.00	0.00	0.00
11.50	11.50	11.50	10.50	10.50	10.00
5.00	5.00	5.00	5.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
1.50	1.00	1.00	1.00	1.00	1.00
13.00	13.00	13.00	12.00	12.00	12.00
15.00	15.00	15.00	15.00	15.00	15.00
11.00	11.00	11.00	11.00	11.00	11.00
110.00	108.50	108.50	102.00	102.00	100.50

City of Conneaut, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2022	2021	2020
General Government			
<i>Council and Clerk</i>			
Number of Ordinances Passed	104	109	107
Number of Resolutions Passed	8	11	11
<i>Finance Department</i>			
Number of checks/vouchers issued	4,268	3,637	3,374
Amount of checks written	\$18,206,658	\$14,963,976	\$16,506,772
Interest earnings for fiscal year (cash basis)	\$86,641	\$4,147	\$30,027
Number of Receipts issued	374	486	564
Number of Budget Adjustments issued	11	12	16
Agency Ratings - Moody's Financial Services	Aaa	Aaa	Aaa
Health Insurance Costs vs General Fund Expenditures %	8.45%	13.39%	16.20%
General Fund Receipts (cash basis)	\$5,250,878	\$4,215,499	\$5,603,100
General Fund Expenditures (cash basis)	\$5,467,735	\$4,916,935	\$4,477,150
General Fund Cash Balances	\$862,661	\$1,077,517	\$1,610,483
<i>Income Tax Department</i>			
Number of Individual Returns	4,425	4,364	4,232
Number of Business Returns	425	456	468
Number of business withholding accounts	746	702	688
Amount of Penalties and Interest Collected	\$125,022	\$62,154	\$29,351
Annual number of Corporate withholding forms processed	6,661	5,750	4,644
Annual number of balance due statements forms processed	1,367	1,392	1,432
Annual number of estimated payment forms processed	1,623	1,518	1,565
Annual number of reconciliations of withholdings processed	746	702	688
<i>Engineer Contracted Services</i>			
Dollar amount of Construction overseen by Engineer	\$1,460,589	\$4,838,490	\$1,227,088
<i>Municipal Court</i>			
Number of Civil Cases	271	272	192
Number of Criminal Cases	601	515	476
<i>Vital Statistics</i>			
<i>Certificates Filed</i>			
Number of Births	4	2	3
Number of Deaths	129	135	112
<i>Certificates Issued</i>			
Number of Births	354	389	318
Number of Deaths	540	596	475
Burial Permits Issued	170	188	138
<i>Civil Service</i>			
Number of police entry tests administered	0	0	0
Number of fire entry tests administered	1	4	0
Number of police promotional tests administered	0	0	0
Number of fire promotional tests administered	0	0	0
Number of hires of Police Officers from certified lists	0	0	0
Number of hires of Fire/Medics from certified lists	1	0	2
Number of promotions from fire certified lists	0	0	1

2019	2018	2017	2016	2015	2014	2013
101	89	97	118	116	100	119
15	9	12	7	6	7	7
3,352	3,775	3,154	3,046	3,347	3,122	3,356
\$16,348,283	\$14,468,162	\$15,672,972	\$13,684,900	\$13,893,413	\$14,399,049	\$13,965,336
\$103,155	\$95,881	\$47,961	\$23,126	\$6,818	\$5,253	\$5,002
570	509	554	573	509	519	667
10	5	8	14	9	11	8
Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
14.05%	14.18%	14.06%	12.76%	12.40%	13.33%	11.85%
\$4,692,478	\$4,358,140	\$4,510,408	\$4,583,015	\$4,902,538	\$4,111,116	\$4,149,116
\$4,875,367	\$4,653,990	\$4,514,923	\$4,822,199	\$4,741,073	\$4,077,850	\$3,974,476
\$653,002	\$835,891	\$1,131,741	\$1,136,255	\$1,375,440	\$1,213,975	\$1,180,709
4,140	4,322	4,322	4,249	4,430	4,534	4,456
489	416	417	408	483	420	441
636	593	532	526	537	524	467
\$38,307	\$37,633	\$48,537	\$50,216	\$34,291	\$41,369	\$37,900
4,232	4,432	4,056	3,325	2,300	2,101	2,130
1,064	1,123	1,224	1,181	982	952	1,128
2,152	2,432	1,862	1,560	1,575	1,635	1,616
600	627	558	548	571	355	429
\$1,910,488	\$1,406,743	\$1,804,480	\$755,002	\$2,282,649	\$719,793	\$1,312,011
288	290	261	270	257	251	220
440	504	506	648	885	1,084	965
1	2	1	1	2	2	1
115	96	108	110	96	85	106
436	380	330	355	391	403	352
456	452	393	443	494	444	549
131	152	134	129	124	137	147
1	0	0	11	4	0	1
0	17	0	9	0	9	1
0	0	0	0	0	0	0
1	0	0	0	5	0	0
2	0	2	0	0	0	0
1	0	0	0	0	0	0
1	0	0	0	1	0	0

(continued)

City of Conneaut, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2022	2021	2020
<i>Building Department Indicators</i>			
Construction Permits			
Estimated Value of Construction	\$6,499,699	\$2,989,198	\$3,453,360
Number of permits issued	180	166	179
Amount of Revenue generated from permits	\$23,070	\$9,050	\$7,360
Security of Persons and Property			
<i>Police</i>			
Total Calls for Services	19,322	17,143	15,159
911 Calls Answered (1)	541	633	600
Arrests/Citations	1,146	905	1,148
Community Policing Hours	1,766	3,240	4,084
Investigations	1,474	1,415	1,698
Jail Inmates	254	216	279
Vehicle Crashes	201	192	187
Prisoner costs	\$14,327	\$13,779	\$10,541
Gasoline costs of fleet	\$57,415	\$39,929	\$31,073
<i>Fire</i>			
EMS Calls	1,850	1,878	1,682
Fire Calls	659	666	637
Fires with Loss	25	38	30
Fires with Losses exceeding \$10K	13	10	8
Fire Losses	\$2,350,100	\$829,800	\$373,010
Fire Safety Inspections	62	62	32
Number of times Mutual Aid given to Fire and EMS	30	47	14
Number of times Mutual Aid received for Fire and EMS	43	27	13
Public Health Services			
Cemetery burials	43	61	42
Cemetery sale of lots	21	37	26
Cemetery receipts	\$26,556	\$22,425	\$27,675
Leisure Time Activities			
<i>Recreation</i>			
City Tax	\$31,464	\$26,991	\$25,256
Softball Fees	900	0	1,100
Facilities rentals	0	0	0
Total Recreation Department receipts	<u>\$32,364</u>	<u>\$26,991</u>	<u>\$26,356</u>

2019	2018	2017	2016	2015	2014	2013
\$3,055,350	\$2,868,702	\$1,991,375	\$2,210,590	\$1,523,971	\$2,873,929	\$3,994,229
131	145	147	167	161	188	161
\$6,945	\$5,940	\$6,080	\$6,840	\$5,290	\$5,210	\$5,585
16,546	19,096	19,982	16,507	17,898	21,028	28,334
296	387	4,890	6,275	5,533	5,779	5,478
1,280	1,474	1,572	1,107	1,135	1,548	1,419
3,169	1,166	942	925	850	8,412	8,642
1,827	2,066	1,918	2,319	2,226	2,481	2,541
355	390	289	324	300	280	247
233	215	245	222	244	269	246
\$11,436	\$9,046	\$5,827	\$7,230	\$6,922	\$8,102	\$9,029
\$28,652	\$32,828	\$29,026	\$22,564	\$25,441	\$38,113	\$36,457
1,642	1,661	1,645	1,727	1,877	1,606	1,558
657	717	623	691	346	221	203
66	54	34	29	49	60	82
4	12	9	4	6	7	10
\$234,750	\$653,380	\$467,330	\$272,416	\$582,402	\$347,732	\$548,385
121	104	117	111	132	132	99
26	12	6	7	10	46	24
34	0	9	9	18	17	23
30	48	44	40	53	39	57
15	39	13	7	16	17	24
\$20,861	\$19,425	\$27,213	\$20,782	\$29,170	\$22,890	\$32,900
\$28,612	\$27,918	\$27,481	\$26,956	\$27,827	\$25,201	\$24,817
0	0	0	0	0	800	600
0	7,500	40,605	37,375	31,650	31,725	28,225
<u>\$28,612</u>	<u>\$35,418</u>	<u>\$68,086</u>	<u>\$64,331</u>	<u>\$59,477</u>	<u>\$57,726</u>	<u>\$53,642</u>

(continued)

City of Conneaut, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years

n/Program	2022	2021	2020
Transportation			
Street Improvements - asphalt overlay (linear feet)	6,170	0	9,286
Crackseal Coating Program (Miles)	4	3	5
Street Repair (Curbs, aprons, berms, asphalt) (hours)	700	722	603
Guardrail Repair (hours)	350	320	35
Paint Striping (hours)	500	450	260
Street Sweeper (hours)	840	1,000	410
Cold Patch (hours)	520	478	930
Snow and Ice Removal regular hours	1,700	1,740	1,768
Snow and Ice Removal overtime hours	500	478	385
Storm Sewer Calls for Service - Sewer Jet Regular Hours	1,050	1,040	971
Storm Sewer Calls for Service - Sewer Jet Overtime Hours	90	98	55
Sewer Crew (hours)	930	948	1,085
Landscaping Stump-Chipper service (hours)	0	0	0
Leaf collection (hours)	498	562	650
Holiday lights setup (hours)	50	60	60
Downtown Square Repair After Events	328	48	0
Street/Traffic Signs (Hours)	325	340	344
Equipment repair/body shop (hours)	2,225	2,080	2,080
Tons of snow melting salt purchased (Nov-Mar)	1,200	1,200	1,300
Cost of salt purchased	\$43,420	\$106,767	\$88,972
Water Department			
Water Rates per 1st 2,000 gallons of water	\$19.90	\$19.90	\$19.90
Avg. number of water accounts billed monthly (Cubic Feet)	4,893	4,878	4,866
Total Water Collections Annually (Including Principal and Interest)	\$2,426,543	\$2,385,191	\$2,322,398
Wastewater Department			
Wastewater Rates per 1st 300 Cubic feet of water used	\$20.55	\$20.55	\$20.10
Total flow of wastewater treatment plant (Billions of Gallons)	0.745	0.793	0.791
Average daily flow (Millions of gallons per day)	2.796	2.059	2.163
Tons of dry sludge removed	299.90	244.29	245.97

Source: City Financial Records and Departments

(1) Beginning in 2018, 911 calls are being run through the Ashtabula County Emergency Management Agency.

2019	2018	2017	2016	2015	2014	2013
20,062	9,815	15,375	16,075	17,935	7,320	0
4	5	6	6	5	7	8
710	791	721	750	771	1,454	578
0	0	0	0	0	0	0
240	239	243	224	192	177	274
372	391	385	380	349	375	308
890	741	608	580	404	501	380
1,864	1,560	1,864	1,750	1,542	2,177	1,763
410	389	636	375	315	454	529
989	1,173	1,241	1,200	1,311	1,180	1,467
57	62	46	56	45	48	24
1,050	1,143	975	1,500	446	431	774
0	0	0	0	10	31	0
661	639	650	640	0	0	0
60	60	60	60	29	30	28
24	24	20	0	0	0	0
305	254	341	800	311	280	352
2,080	2,080	2,080	2,080	2,010	1,200	2,281
1,200	1,180	1,160	1,088	1,564	1,237	937
\$60,228	\$47,879	\$39,093	\$62,674	\$105,000	\$47,741	\$39,565
\$19.90	\$19.90	\$19.41	\$18.84	\$18.29	\$18.29	\$17.76
4,852	4,877	4,901	4,880	4,850	4,800	4,800
\$2,404,914	\$2,383,344	\$2,332,586	\$2,327,785	\$2,266,166	\$2,256,350	\$2,168,960
\$20.10	\$20.10	\$20.10	\$19.70	\$19.70	\$19.70	\$19.30
0.798	0.985	0.885	0.701	0.729	0.949	1.162
2.434	2.705	2.430	1.919	1.998	26.020	3.187
302.69	147.23	219.87	226.71	317.28	177.98	292.48

City of Conneaut, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019
General Government				
Square Footage Occupied	11,580	11,580	11,580	11,580
Inspection Vehicles	1	1	1	1
Police				
Stations	1	1	1	1
Square Footage Occupied	8,944	8,944	8,944	8,944
Vehicles	20	20	20	20
Fire				
Stations	2	2	2	2
Square Footage Occupied	12,880	12,880	12,880	12,880
Vehicles	10	10	10	10
Recreation				
Number of Parks	5	5	5	5
Number of Tennis Courts	2	2	2	2
Number of Baseball Diamonds	2	2	2	2
Square Footage Occupied	1,790	1,790	1,790	1,790
Vehicles	2	2	2	2
Other Public Works				
Streets (lane miles)	565	565	565	565
Service Vehicles	22	22	22	22
Wastewater				
Sanitary Sewers (miles)	60	60	60	60
Storm Sewers (miles)	35	35	35	35
Water Department				
Water Lines (miles)	91	91	91	91
Vehicles	9	9	9	9

Source: City Financial Records

2018	2017	2016	2015	2014	2013
11,580 1	11,580 1	11,580 1	11,580 1	11,580 1	11,580 1
1 8,944 20	1 8,944 20	1 8,944 20	1 8,944 20	1 8,944 20	1 8,944 20
2 12,880 10	2 12,880 10	2 12,880 10	2 12,880 10	2 12,880 10	2 12,880 10
5 2 2 1,790 2	5 2 2 1,790 2	5 2 2 1,790 2	5 2 2 1,790 2	5 2 2 1,790 2	5 2 2 1,790 2
565 22	565 22	565 22	565 22	565 22	565 22
60 35	60 35	60 35	60 35	60 35	60 35
91 9	91 9	91 9	91 9	91 9	91 9

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF CONNEAUT

ASHTABULA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/29/2023

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

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