



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF BELPRE
WASHINGTON COUNTY
DECEMBER 31, 2022**

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**CITY OF BELPRE
WASHINGTON COUNTY
DECEMBER 31, 2022**

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OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

City of Belpre
Washington County
715 Park Drive
Belpre, Ohio 45714

To the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belpre, Washington County, Ohio (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 basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belpre, Washington County, 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 Fund, Local Fiscal Recovery Fund, and EMS Levy Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2022, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* and restated capital assets and long-term liabilities due to them being understated in the prior year. Our opinion is 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's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension (Asset) and Other Post-Employment Benefit Liabilities (Assets) and Pension and Other Post-Employment Benefit Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and,

although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

May 29, 2024

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CITY OF BELPRE, OHIO

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

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

Financial Highlights

Key financial highlights for 2022 are as follows:

- The total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at December 31, 2022 by \$23,127,159 (net position). Of this amount, \$426,342 is considered restricted for various purposes. Another 19,744,903 represents the net investment in capital assets and the remaining unrestricted net position is \$2,955,914.
- Total net position increased \$1,829,674 during the year. Net position of governmental activities increased \$890,027, while the net position of business-type activities increased \$939,647.
- The total cost of the City's service programs was \$7,176,648. These costs were offset by program revenues (primarily charges for services and sales) of \$5,743,692 and general revenues (primarily property taxes and income taxes) of 3,262,630.

Using this Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City of Belpre as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in those assets. This change in assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as the condition of City capital assets will also need to be evaluated.

CITY OF BELPRE, OHIO

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

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

Governmental Activities - Most of the City's services are reported here including police, fire, administration, and all departments with the exception of our sewer and water activities.

Business-Type Activities - Sewer and water services have charges based upon the amount of usage. The City charges fees to recoup the cost of the entire operations of our Sewer and Water Treatment Plants as well as all depreciation associated with the facilities.

Reporting the City of Belpre's Most Significant Funds

Fund Financial Statements

The basic governmental fund financial statements begin on page 15. Fund financial statements provide detailed information about the City's major funds. Based upon restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Belpre, our major funds are the General, Street, Local Fiscal Recovery, EMS Levy, Water, and Sewer Funds.

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

Proprietary Funds - When the City charges customers for the services it provides, these services are generally reported in 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. They are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

CITY OF BELPRE, OHIO

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

The City of Belpre as a Whole

Recall that the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2022 compared to 2021. Certain items for 2021 have been restated, as described in Note 3.A in the notes to the basic financial statements.

(Table 1)
Net Position

	Governmental Activities	(Restated) Governmental Activities	Business Type Activities	Business Type Activities	Total	(Restated) Total
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$ 4,796,602	\$ 4,758,474	\$ 3,436,739	\$ 3,571,546	\$ 8,233,341	\$ 8,330,020
Capital Assets, Net	7,481,876	7,409,300	12,458,586	11,573,465	19,940,462	18,982,765
<i>Total Assets</i>	<u>12,278,478</u>	<u>12,167,774</u>	<u>15,895,325</u>	<u>15,145,011</u>	<u>28,173,803</u>	<u>27,312,785</u>
Deferred outflows of resources						
Pension	624,959	348,501	167,915	76,514	792,874	425,015
OPEB	121,782	181,422	3,378	30,906	125,160	212,328
<i>Total deferred outflows of resources</i>	<u>746,741</u>	<u>529,923</u>	<u>171,293</u>	<u>107,420</u>	<u>918,034</u>	<u>637,343</u>
<i>Total Assets and Deferred Outflows of Resources</i>	<u>13,025,219</u>	<u>12,697,697</u>	<u>16,066,618</u>	<u>15,252,431</u>	<u>29,091,837</u>	<u>27,950,128</u>
Liabilities						
Current and						
Other Liabilities	403,687	735,574	263,713	239,897	667,400	975,471
Long-term Liabilities:						
Due Within One Year	58,804	83,139	21,612	23,832	80,416	106,971
Net Pension Liability	1,835,739	2,339,017	329,602	529,822	2,165,341	2,868,839
Net OPEB Liability	240,032	241,394	-	-	240,032	241,394
Other Amounts	93,238	179,123	90,270	124,708	183,508	303,831
<i>Total Liabilities</i>	<u>2,631,500</u>	<u>3,578,247</u>	<u>705,197</u>	<u>918,259</u>	<u>3,336,697</u>	<u>4,496,506</u>
Deferred inflows of resources						
Property Taxes Levied for						
The Next Fiscal Year	691,446	659,860	-	-	691,446	659,860
Pension	1,128,525	632,627	401,080	240,051	1,529,605	872,678
OPEB	291,692	434,934	115,238	188,665	406,930	623,599
<i>Total Deferred Inflows Of Resources</i>	<u>2,111,663</u>	<u>1,727,421</u>	<u>516,318</u>	<u>428,716</u>	<u>2,627,981</u>	<u>2,156,137</u>
<i>Total Liabilities and Deferred Inflows of Resources</i>	<u>4,743,163</u>	<u>5,305,668</u>	<u>1,221,515</u>	<u>1,346,975</u>	<u>5,964,678</u>	<u>6,652,643</u>
Net Position						
Net Investment in						
Capital Assets	7,386,027	6,899,757	12,358,876	11,452,529	19,744,903	18,352,286
Restricted	426,342	683,435	-	187,217	426,342	870,652
Unrestricted (Deficit)	469,687	(191,163)	2,486,227	2,265,710	2,955,914	2,074,547
<i>Total Net Position</i>	<u>\$ 8,282,056</u>	<u>\$ 7,392,029</u>	<u>\$ 14,845,103</u>	<u>\$ 13,905,456</u>	<u>\$ 23,127,159</u>	<u>\$ 21,297,485</u>

CITY OF BELPRE, OHIO

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

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

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

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

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

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

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

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

CITY OF BELPRE, OHIO

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

As the preceding table illustrates, some of the more significant changes in net position compared to the prior year were a result of reporting the net pension liability/asset and net OPEB liability/asset, and the related deferred inflows and outflows of resources. These will fluctuate annually based on a number of factors including investment returns, actuarial assumptions used, and the City's proportionate share of the net pension and net OPEB cost. See notes 13 and 14 in the notes to the basic financial statements for more detailed information.

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

(Table 2)
Changes in Net Position

	Governmental Activities 2022	Business- Type Activities 2022	Total 2022	Governmental Activities 2021	Business- Type Activities 2021	Total 2021
Revenues						
Program Revenues						
Charges for Services	\$ 1,498,077	\$ 3,017,017	\$ 4,515,094	\$ 1,507,867	\$ 3,029,313	\$ 4,537,180
Operating Grants, Contributions and Interest	1,070,098	-	1,070,098	619,608	-	619,608
Capital Grants and Contributions	-	158,500	158,500	-	-	-
Total Program Revenues	2,568,175	3,175,517	5,743,692	2,127,475	3,029,313	5,156,788
General Revenues						
Property Taxes	680,391	-	680,391	627,893	-	627,893
Income Tax	2,025,592	-	2,025,592	2,002,786	-	2,002,786
Franchise Tax	96,070	-	96,070	106,029	-	106,029
Permissive Tax	36,053	-	36,053	37,988	-	37,988
Grants and Entitlements	246,385	-	246,385	251,758	-	251,758
Interest	72,948	-	72,948	42,794	-	42,794
Donations	7,857	-	7,857	6,349	-	6,349
Other	32,390	64,944	97,334	244,432	48,970	293,402
Total General Revenues	3,197,686	64,944	3,262,630	3,320,029	48,970	3,368,999
Total Revenues	5,765,861	3,240,461	9,006,322	5,447,504	3,078,283	8,525,787

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CITY OF BELPRE, OHIO

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

(Table 2)
Changes in Net Position (Continued)

	Governmental Activities 2022	Business- Type Activities 2022	Total 2022	Governmental Activities 2021	Business- Type Activities 2021	Total 2021
Program Expenses						
General Government	557,500	-	557,500	565,097	-	565,097
Security of Persons and Property:						
Police	1,355,990	-	1,355,990	1,285,168	-	1,285,168
Fire	347,730	-	347,730	413,191	-	413,191
Public Health Services	1,153,563	-	1,153,563	964,568	-	964,568
Transportation	676,734	-	676,734	803,077	-	803,077
Leisure Time Activities:						
Senior Center	90,607	-	90,607	85,075	-	85,075
Parks	140,264	-	140,264	100,616	-	100,616
Pool	98,871	-	98,871	96,048	-	96,048
Other	13,212	-	13,212	-	-	-
Interest and Fiscal Charges	4,625	-	4,625	7,104	-	7,104
Water	-	1,185,566	1,185,566	-	1,013,820	1,013,820
Sewer	-	1,551,986	1,551,986	-	1,202,496	1,202,496
Sanitation	-	-	-	-	442,858	442,858
<i>Total Program Expenses</i>	<u>4,439,096</u>	<u>2,737,552</u>	<u>7,176,648</u>	<u>4,319,944</u>	<u>2,659,174</u>	<u>6,979,118</u>
<i>Increase (Deficiency)</i>						
<i>Before Transfers</i>	1,326,765	502,909	1,829,674	1,127,560	419,109	1,546,669
Transfers	<u>(436,738)</u>	<u>436,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Increase (Decrease)</i>						
<i>in Net Position</i>	890,027	939,647	1,829,674	1,127,560	419,109	1,546,669
<i>Net Position Beginning of</i>						
Year	7,392,029	13,905,456	21,297,485	6,264,469	13,486,347	19,750,816
<i>Net Position End of Year</i>	<u>\$ 8,282,056</u>	<u>\$ 14,845,103</u>	<u>\$ 23,127,159</u>	<u>\$ 7,392,029</u>	<u>\$ 13,905,456</u>	<u>\$ 21,297,485</u>

Governmental Activities

Several revenue sources fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate is 1.0 percent. General revenues from property taxes and grants and entitlements, such as local government funds, are also a large revenue generator. The City monitors all of these revenue sources very closely for fluctuations because these three revenue sources represent 51.20 percent of all revenues in the governmental activities.

The most noticeable change in revenue for 2022 was federal American Recovery Plan Act (ARPA) grant money as the City recognized \$566,217 in revenue. The only significant decrease in revenue, reflected in other general revenues on the table above, is a result of additional refunds and rebates received in 2021 from the Ohio Bureau of Workers' Compensation.

The City has worked very hard on increasing our income tax base by being proactive with new businesses and is continuing to strive to provide better service to the taxpayers at the lowest possible cost. The ability of the City to continue to provide quality services without income tax increases rests on City Management's ability to keep costs in line. The level of services provided have put a strain on the City's finances since no increase has occurred in the income tax rates since the enactment of the income tax levy in 1976.

CITY OF BELPRE, OHIO

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

The City's governmental activity expenses totaled \$4,439,096 in 2022, which represents an increase of \$119,152 (2.76%) from 2021. This is primarily due to lower OPEB expense reported in 2021 as a result of changes in the Ohio Public Employees Retirement System which were reflected in the City's expenses in 2021. Partially offsetting this was an increase in expenses as the City began spending the ARPA grant money in 2022.

Security of persons and property is a major activity of the City, representing 38.38% of the governmental expenses in 2022. These activities are, for the most part, funded by the municipal income tax. The City attempts to supplement the activities of the police department with grants to enable the police department to widen the scope of its activities. The Belpre Volunteer Firefighters, Inc., an entity separate and distinct from the City, has worked hand in hand with the City to help reduce costs to the taxpayer by providing much of the equipment used by the fire department.

The City's second largest category of expenses is public health and welfare, comprising 25.99% of the governmental expenses in 2022. These expenses are primarily for costs of providing sanitation services to the City's residents. Finally, transportation is another major activity for the City, accounting for 15.24% of the governmental expenses. The expenses were related to street maintenance, paving, and patching as well as street lighting.

Business-Type Activities

The City's business-type activities provide water and sewer services. Business-type activities are primarily funded by charges to users for services provided. Charges for services and other revenues were sufficient to cover the costs of operating these activities in 2022 as total net position increased \$939,647.

The City's Funds

The City's governmental funds are accounted for using the modified accrual basis of accounting. Total fund balance for all governmental funds increased during 2022, from \$2,593,194 to \$2,918,314 at December 31, 2022.

The fund balance of the General Fund increased \$345,438. Revenues increased \$69,096 (1.59%) from 2021 levels mainly due to an increase in income tax collections. Expenditures also increased, up \$273,790 (7.36%) compared to the prior year. This is primarily due to reporting a full year of expenditures for the City's sanitation services in 2022, whereas previously those costs had been reported in an enterprise fund.

The City's other major governmental funds in 2022 were the Street Fund, Local Fiscal Recovery Fund, and EMS Levy Fund. The Local Fiscal Recovery Fund was established in 2021 to account for the federal ARPA grant money. The City began spending the funds in 2022, and expenditures amounted to \$566,217.

The City's major enterprise funds are the Water and Sewer Funds. Charges for services revenues increased slightly for the Water Fund while decreasing slightly for the Sewer Fund. Expenses for both funds were higher in 2022 due to the lower OPEB expense reported in 2021, as discussed above. Despite the increased expenses, both funds still reported operating income for the year. Another revenue source for the Sewer Fund in 2022 was capital contributions in the amount of \$436,738. This represents money spent by the Local Fiscal Recovery Fund on a force main project for the Sewer Fund. The Water Fund received capital contributions of \$158,500 which represents intergovernmental grant money used for a waterline improvement project. The overall increase in net position for 2022 was \$304,368 and \$635,279 for the Water Fund and Sewer Fund, respectively.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. From time to time during the year, the fund's budget may be amended as needs or conditions change.

During the course of 2022, the City's original and final and estimated revenues were \$3,879,289. Actual revenues and other financing sources totaled \$4,124,909 which is \$245,620 (6.33%) more than the final budget. This variance is due in large part to a conservative estimate of income tax collections.

CITY OF BELPRE, OHIO

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

Appropriations were increased \$45,401 during the year to \$3,866,499 in the final budget. Actual expenditures and other financing sources amounted to \$3,896,842 which is \$30,343 more than the final budget. Recommendations for any budget changes come from the City Auditor to the Finance Committee of Council for review before going to Council for Ordinance enactment on the change. The allocation of appropriations among objects, except personal services, within a fund may be modified during the year by the City Auditor without an ordinance of Council. With the General Fund supporting many of our major activities such as our police and fire departments, as well as most legislative and executive activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

Capital Assets and Debt Administration

(Table 3)

Capital Assets at December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	(Restated)				(Restated)	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,727,575	\$ 2,727,575	\$ 242,194	\$ 242,194	\$ 2,969,769	\$ 2,969,769
Construction in Progress	334,288	331,300	224,581	87,762	558,869	419,062
Buildings and Improvements	2,214,509	2,320,719	96,033	111,072	2,310,542	2,431,791
Machinery and Equipment	213,240	155,138	517,349	497,159	730,589	652,297
Vehicles	654,645	641,496	578,548	422,406	1,233,193	1,063,902
Infrastructure:						
City Streets	1,185,751	1,069,256	-	-	1,185,751	1,069,256
Street Signals	110,412	118,072	-	-	110,412	118,072
Water System	-	-	5,155,333	4,853,657	5,155,333	4,853,657
Sewer System	-	-	5,644,548	5,359,215	5,644,548	5,359,215
Intangible Right to Use:						
Leased Land	41,456	45,744	-	-	41,456	45,744
Totals	\$ 7,481,876	\$ 7,409,300	\$ 12,458,586	\$ 11,573,465	\$ 19,940,462	\$ 18,982,765

The capital assets of the City are reported at historical cost, net of depreciation/amortization. The City added several capital assets in 2022 for both the governmental activities and business-type activities, consisting of machinery and equipment, vehicles, and infrastructure. For governmental activities, total asset additions amounted to \$439,369 and depreciation/amortization expense was \$366,793. The business-type activities recognized asset additions of \$1,358,859 and depreciation expense of \$473,738 in 2022.

For additional information on capital assets, see Note 9 in the notes to the basic financial statements.

CITY OF BELPRE, OHIO

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

The following table shows the City’s outstanding debt obligations as of December 31, 2022 and 2021.

(Table 4)

Outstanding Debt at December 31, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	(Restated)				(Restated)	
	2022	2021	2022	2021	2022	2021
OPWC Loans	\$ -	\$ -	\$ 18,777	\$ 33,174	\$ 18,777	\$ 33,174
OWDA Loan	-	-	80,933	88,825	80,933	88,825
Fire Truck Loan	53,995	132,499	-	-	53,995	132,499
Police Pension Liability	12,520	13,265	-	-	12,520	13,265
Leases Payable	41,854	45,744	-	-	41,854	45,744
Totals	\$ 108,369	\$ 191,508	\$ 99,710	\$ 121,999	\$ 208,079	\$ 313,507

There were no significant additions to long-term debt in 2022. Due to the implementation of GASB Statement No. 87, the City is now reporting a long-term liability for leases payable for its lease of land. This is payable through the year 2032.

For additional information on debt, see Note 10 in the notes to the basic financial statements.

Current Financial Related Activities

The City of Belpre continues to grow with Marietta Memorial Hospital. They are currently adding Akron Children’s clinic and logistics for the entire Marietta Memorial Health System.

The City of Belpre welcomed a new restaurant in 2022, Las Trancas. The City will be receiving another restaurant and a coffee shop in 2023.

The City has contracted with Tiano-Knopp Associates to explore grant opportunities. The Mayor continues to offer guidance to them regarding specific needs in the community. Grants have not been plentiful but they are continuing to look for opportunities.

The City of Belpre received ARPA funds in 2021 and 2022 in the amount of \$671,611. So far, those funds have been spent on expanding our force main, upgrading handicap ramps, and paving roads. As of December 31, 2022 we still have unspent ARPA funds in the amount of \$305,394.

Contacting the City Auditor’s Department

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with an overview of the City’s finances and to show the City’s accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Tina Nolan, Belpre City Auditor, 715 Park Drive, Belpre, Ohio 45714, 740-423-7592.

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CITY OF BELPRE, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 2,803,486	\$ 3,034,790	\$ 5,838,276
Cash and cash equivalents in segregated accounts	3,733	-	3,733
Cash with fiscal and escrow agents	30,337	-	30,337
Receivables:			
Income taxes	613,625	-	613,625
Property taxes	703,951	-	703,951
Accounts	123,582	251,581	375,163
Intergovernmental	308,079	-	308,079
Materials and supplies inventory	35,420	23,639	59,059
Prepayments	17,713	16,295	34,008
Net OPEB asset	156,676	110,434	267,110
Capital assets:			
Not being depreciated/amortized	3,061,863	466,775	3,528,638
Being depreciated/amortized, net	<u>4,420,013</u>	<u>11,991,811</u>	<u>16,411,824</u>
Total capital assets, net	<u>7,481,876</u>	<u>12,458,586</u>	<u>19,940,462</u>
Total assets	<u>12,278,478</u>	<u>15,895,325</u>	<u>28,173,803</u>
Deferred outflows of resources:			
Pension	624,959	167,915	792,874
OPEB	<u>121,782</u>	<u>3,378</u>	<u>125,160</u>
Total deferred outflows of resources	<u>746,741</u>	<u>171,293</u>	<u>918,034</u>
Liabilities:			
Accounts payable	47,338	34,539	81,877
Accrued wages and benefits payable	30,620	12,119	42,739
Intergovernmental payable	8,181	5,221	13,402
Unearned revenue	305,394	-	305,394
Accrued interest payable	35	246	281
Vacation benefits payable	12,119	11,780	23,899
Customer deposits payable	-	199,808	199,808
Long-term liabilities:			
Due within one year	58,804	21,612	80,416
Due in more than one year:			
Net pension liability	1,835,739	329,602	2,165,341
Net OPEB liability	240,032	-	240,032
Other amounts due in more than one year	<u>93,238</u>	<u>90,270</u>	<u>183,508</u>
Total liabilities	<u>2,631,500</u>	<u>705,197</u>	<u>3,336,697</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	691,446	-	691,446
Pension	1,128,525	401,080	1,529,605
OPEB	<u>291,692</u>	<u>115,238</u>	<u>406,930</u>
Total deferred inflows of resources	<u>2,111,663</u>	<u>516,318</u>	<u>2,627,981</u>
Net position:			
Net investment in capital assets	7,386,027	12,358,876	19,744,903
Restricted for:			
Capital projects	4,236	-	4,236
Street improvements	175,499	-	175,499
Community development programs	35,171	-	35,171
Law enforcement	29,439	-	29,439
Parks and recreation	376	-	376
Mayor's court	39,328	-	39,328
Unclaimed monies	9,576	-	9,576
Other purposes	132,717	-	132,717
Unrestricted (deficit)	<u>469,687</u>	<u>2,486,227</u>	<u>2,955,914</u>
Total net position	<u>\$ 8,282,056</u>	<u>\$ 14,845,103</u>	<u>\$ 23,127,159</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 557,500	\$ 223,037	\$ 436,738	\$ -
Security of persons and property:				
Police	1,355,990	86,131	-	-
Fire	347,730	-	10,579	-
Public health and welfare	1,153,563	1,122,123	-	-
Transportation	676,734	30,733	620,636	-
Leisure time activities:				
Senior center	90,607	-	-	-
Parks	140,264	-	-	-
Pool	98,871	36,053	2,145	-
Other	13,212	-	-	-
Interest and fiscal charges	4,625	-	-	-
Total governmental activities	4,439,096	1,498,077	1,070,098	-
Business-type activities:				
Water	1,185,566	1,286,716	-	158,500
Sewer	1,551,986	1,730,301	-	-
Total business-type activities	2,737,552	3,017,017	-	158,500
Total primary government	\$ 7,176,648	\$ 4,515,094	\$ 1,070,098	\$ 158,500

General revenues:

- Property taxes levied for general purposes
- Property taxes levied for fire/EMS
- Income taxes levied for general purposes
- Franchise taxes
- Permissive taxes
- Grants and entitlements not restricted to specific programs
- Investment earnings
- Donations
- Gain on disposal of capital assets
- Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position at beginning of year

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ 102,275	\$ -	\$ 102,275
(1,269,859)	-	(1,269,859)
(337,151)	-	(337,151)
(31,440)	-	(31,440)
(25,365)	-	(25,365)
(90,607)	-	(90,607)
(140,264)	-	(140,264)
(60,673)	-	(60,673)
(13,212)	-	(13,212)
(4,625)	-	(4,625)
<u>(1,870,921)</u>	<u>-</u>	<u>(1,870,921)</u>
-	259,650	259,650
-	178,315	178,315
-	437,965	437,965
<u>(1,870,921)</u>	<u>437,965</u>	<u>(1,432,956)</u>
448,433	-	448,433
231,958	-	231,958
2,025,592	-	2,025,592
96,070	-	96,070
36,053	-	36,053
246,385	-	246,385
72,948	-	72,948
7,857	-	7,857
-	8,440	8,440
32,390	56,504	88,894
<u>3,197,686</u>	<u>64,944</u>	<u>3,262,630</u>
<u>(436,738)</u>	<u>436,738</u>	<u>-</u>
<u>2,760,948</u>	<u>501,682</u>	<u>3,262,630</u>
890,027	939,647	1,829,674
7,392,029	13,905,456	21,297,485
<u>\$ 8,282,056</u>	<u>\$ 14,845,103</u>	<u>\$ 23,127,159</u>

CITY OF BELPRE, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	<u>General</u>	<u>Street</u>	<u>Local Fiscal Recovery</u>	<u>EMS Levy</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 2,145,162	\$ 57,385	\$ 305,394	\$ 113,699	\$ 172,270	\$ 2,793,910
Cash and cash equivalents in segregated accounts	3,593	-	-	-	140	3,733
Cash with fiscal and escrow agents	-	-	-	-	30,337	30,337
Receivables:						
Income taxes	613,625	-	-	-	-	613,625
Property taxes	478,366	-	-	225,585	-	703,951
Accounts	123,582	-	-	-	-	123,582
Intergovernmental	81,787	201,880	-	4,158	20,254	308,079
Materials and supplies inventory	3,876	31,544	-	-	-	35,420
Prepayments	14,057	2,014	-	-	1,642	17,713
Restricted assets:						
Equity in pooled cash and cash equivalents	9,576	-	-	-	-	9,576
Total assets	<u>\$ 3,473,624</u>	<u>\$ 292,823</u>	<u>\$ 305,394</u>	<u>\$ 343,442</u>	<u>\$ 224,643</u>	<u>\$ 4,639,926</u>
Liabilities:						
Accounts payable	\$ 42,579	\$ 4,759	\$ -	\$ -	\$ -	\$ 47,338
Accrued wages and benefits payable	27,139	3,481	-	-	-	30,620
Intergovernmental payable	7,437	744	-	-	-	8,181
Unearned revenue	-	-	305,394	-	-	305,394
Total liabilities	<u>77,155</u>	<u>8,984</u>	<u>305,394</u>	<u>-</u>	<u>-</u>	<u>391,533</u>
Deferred inflows of resources:						
Property taxes levied for the next fiscal year	469,162	-	-	222,284	-	691,446
Delinquent property tax revenue not available	9,204	-	-	3,301	-	12,505
Income tax revenue not available	421,767	-	-	-	-	421,767
Other nonexchange transactions	51,163	137,865	-	4,158	11,175	204,361
Total deferred inflows of resources	<u>951,296</u>	<u>137,865</u>	<u>-</u>	<u>229,743</u>	<u>11,175</u>	<u>1,330,079</u>
Fund balances:						
Nonspendable	17,933	33,558	-	-	1,642	53,133
Restricted	9,576	112,416	-	113,699	211,826	447,517
Committed	594,885	-	-	-	-	594,885
Unassigned	1,822,779	-	-	-	-	1,822,779
Total fund balances	<u>2,445,173</u>	<u>145,974</u>	<u>-</u>	<u>113,699</u>	<u>213,468</u>	<u>2,918,314</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,473,624</u>	<u>\$ 292,823</u>	<u>\$ 305,394</u>	<u>\$ 343,442</u>	<u>\$ 224,643</u>	<u>\$ 4,639,926</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

Total governmental fund balances		\$	2,918,314
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			7,481,876
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Income taxes receivable	\$	421,767	
Real and other taxes receivable		12,505	
Intergovernmental receivable		204,361	
Total		638,633	638,633
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(35)
Vacation is accrued on the statement of net position, whereas in the funds, vacation leave expenditures are reported when taken.			(12,119)
The net pension liability is not due and payable in the current period; therefore, therefore, the liability and related deferred inflows/outflows of resources are not reported in governmental funds.			
Deferred outflows of resources		624,959	
Deferred inflows of resources		(1,128,525)	
Net pension liability		(1,835,739)	
Total		(2,339,305)	(2,339,305)
The net OPEB asset is not available pay for current period expenditures and the net OPEB liability is not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows of resources are not reported in governmental funds.			
Net OPEB asset		156,676	
Deferred outflows of resources		121,782	
Deferred inflows of resources		(291,692)	
Net OPEB liability		(240,032)	
Total		(253,266)	(253,266)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences		(43,673)	
Police pension liability		(12,520)	
Loans payable		(53,995)	
Leases payable		(41,854)	
Total		(152,042)	(152,042)
Net position of governmental activities		\$	8,282,056

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	General	Street	Local Fiscal Recovery	EMS Levy	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Income taxes	\$ 2,102,259	\$ -	\$ -	\$ -	\$ -	\$ 2,102,259
Property and other taxes	449,267	-	-	233,515	36,053	718,835
Charges for services	1,333,958	-	-	-	36,053	1,370,011
Licenses and permits	107,665	-	-	-	-	107,665
Fines and forfeitures	78,905	-	-	-	7,489	86,394
Intergovernmental	235,529	407,631	566,217	8,316	66,486	1,284,179
Investment income	72,948	7,295	-	2,145	825	83,213
Rental income	4,450	-	-	-	-	4,450
Contributions and donations	7,857	-	-	-	2,145	10,002
Other	22,861	30,733	-	-	5,079	58,673
Total revenues	4,415,699	445,659	566,217	243,976	154,130	5,825,681
Expenditures:						
Current:						
General government	694,207	-	-	-	-	694,207
Security of persons and property:						
Police	1,520,687	-	-	-	7,237	1,527,924
Fire	175,204	-	-	148,284	-	323,488
Public health and welfare	1,162,429	-	-	-	-	1,162,429
Transportation	75,777	534,950	-	-	76,265	686,992
Leisure time activities:						
Senior center	78,269	-	-	-	-	78,269
Parks	136,213	-	-	-	-	136,213
Pool	-	-	-	-	76,002	76,002
Other	-	-	-	-	13,212	13,212
Capital outlay	147,879	-	566,217	-	-	714,096
Debt service:						
Principal retirement	4,635	-	-	78,504	-	83,139
Interest and fiscal charges	961	-	-	3,629	-	4,590
Total expenditures	3,996,261	534,950	566,217	230,417	172,716	5,500,561
Excess (deficiency) of revenues over (under) expenditures	419,438	(89,291)	-	13,559	(18,586)	325,120
Other financing sources (uses):						
Transfers in	-	20,000	-	-	54,000	74,000
Transfers (out)	(74,000)	-	-	-	-	(74,000)
Total other financing sources (uses)	(74,000)	20,000	-	-	54,000	-
Net change in fund balances	345,438	(69,291)	-	13,559	35,414	325,120
Fund balances at beginning of year	2,099,735	215,265	-	100,140	178,054	2,593,194
Fund balances at end of year	\$ 2,445,173	\$ 145,974	\$ -	\$ 113,699	\$ 213,468	\$ 2,918,314

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, 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	\$	325,120
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Capital asset additions	\$ 439,369	
Current year depreciation	(366,793)	
Total		72,576
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	(76,667)	
Property taxes	(2,391)	
Accounts	(656)	
Intergovernmental revenues	19,894	
Total		(59,820)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		83,139
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due. More interest is reported in the statement of activities due to the following:		
Increase in accrued interest payable		(35)
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows of resources.		
Pension	236,888	
OPEB	3,111	
Total		239,999
Except for amounts reported as deferred inflows/outflows of resources, changes in the net pension liability and net OPEB asset/liability are reported as pension/OPEB expense in the statement of activities.		
Pension	46,950	
OPEB	150,471	
		197,421
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		31,627
Change in net position of governmental activities	\$	890,027

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Income taxes	\$ 1,692,930	\$ 1,692,930	\$ 1,810,489	\$ 117,559
Real and other taxes	410,287	410,287	449,267	38,980
Charges for services	1,318,981	1,318,981	1,333,272	14,291
Fees, licenses and permits	111,733	111,733	109,867	(1,866)
Fines and forfeitures	89,626	89,626	80,154	(9,472)
Intergovernmental	194,488	194,488	233,711	39,223
Investment income	31,867	31,867	72,948	41,081
Rental income	1,494	1,494	4,450	2,956
Contributions and donations	3,983	3,983	7,857	3,874
Other	23,900	23,900	22,894	(1,006)
Total revenues	3,879,289	3,879,289	4,124,909	245,620
Expenditures:				
Current:				
General government	679,347	679,347	676,276	3,071
Security of persons and property:				
Police	1,440,255	1,481,656	1,514,360	(32,704)
Fire	186,950	186,950	179,150	7,800
Public health and welfare	1,137,770	1,137,770	1,160,976	(23,206)
Transportation	94,000	94,000	75,488	18,512
Leisure time activities:				
Senior center	80,300	80,300	78,303	1,997
Parks	131,171	131,171	136,984	(5,813)
Debt service:				
Principal retirement	745	745	745	-
Interest and fiscal charges	560	560	560	-
Total expenditures	3,751,098	3,792,499	3,822,842	(30,343)
Excess (deficiency) of revenues over (under) expenditures	128,191	86,790	302,067	215,277
Other financing sources (uses):				
Transfers out	(70,000)	(74,000)	(74,000)	-
Total other financing sources (uses)	(70,000)	(74,000)	(74,000)	-
Net change in fund balance	58,191	12,790	228,067	215,277
Fund balance at beginning of year	1,321,210	1,321,210	1,321,210	-
Fund balance at end of year	\$ 1,379,401	\$ 1,334,000	\$ 1,549,277	\$ 215,277

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 451,000	\$ 465,250	\$ 410,824	\$ (54,426)
Investment income	3,000	3,000	7,295	4,295
Other	24,950	24,950	30,801	5,851
Total revenues	<u>478,950</u>	<u>493,200</u>	<u>448,920</u>	<u>(44,280)</u>
Expenditures:				
Current:				
Transportation	<u>541,699</u>	<u>565,949</u>	<u>528,040</u>	<u>37,909</u>
Total expenditures	<u>541,699</u>	<u>565,949</u>	<u>528,040</u>	<u>37,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,749)</u>	<u>(72,749)</u>	<u>(79,120)</u>	<u>(6,371)</u>
Other financing sources:				
Transfers in	<u>10,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total other financing sources	<u>10,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	(52,749)	(52,749)	(59,120)	(6,371)
Fund balance at beginning of year	<u>116,505</u>	<u>116,505</u>	<u>116,505</u>	<u>-</u>
Fund balance at end of year	<u>\$ 63,756</u>	<u>\$ 63,756</u>	<u>\$ 57,385</u>	<u>\$ (6,371)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 334,470	\$ 871,631	\$ 337,141	\$ (534,490)
Total revenues	<u>334,470</u>	<u>871,631</u>	<u>337,141</u>	<u>(534,490)</u>
Expenditures:				
Capital outlay	334,470	334,470	366,217	(31,747)
Total expenditures	<u>334,470</u>	<u>334,470</u>	<u>366,217</u>	<u>(31,747)</u>
Net change in fund balance	-	537,161	(29,076)	(566,237)
Fund balance at beginning of year	<u>334,470</u>	<u>334,470</u>	<u>334,470</u>	<u>-</u>
Fund balance at end of year	<u>\$ 334,470</u>	<u>\$ 871,631</u>	<u>\$ 305,394</u>	<u>\$ (566,237)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Real and other taxes	\$ 215,000	\$ 215,000	\$ 233,515	18,515
Intergovernmental	14,800	14,800	8,316	\$ (6,484)
Investment income	60	60	2,145	2,085
Total revenues	<u>229,860</u>	<u>229,860</u>	<u>243,976</u>	<u>14,116</u>
Expenditures:				
Current:				
Security of persons and property - fire	162,100	162,100	148,284	13,816
Debt service:				
Principal retirement	78,504	78,504	78,504	-
Interest and fiscal charges	3,628	3,628	3,629	(1)
Total expenditures	<u>244,232</u>	<u>244,232</u>	<u>230,417</u>	<u>13,815</u>
Net change in fund balance	(14,372)	(14,372)	13,559	27,931
Fund balance at beginning of year	<u>100,140</u>	<u>100,140</u>	<u>100,140</u>	<u>-</u>
Fund balance at end of year	<u>\$ 85,768</u>	<u>\$ 85,768</u>	<u>\$ 113,699</u>	<u>\$ 27,931</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Total
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 1,328,185	\$ 1,506,797	\$ 2,834,982
Receivables:			
Accounts	90,879	160,702	251,581
Materials and supplies inventory	10,003	13,636	23,639
Prepayments	3,488	12,807	16,295
Restricted assets:			
Customer deposits - cash	199,808	-	199,808
Total current assets	<u>1,632,363</u>	<u>1,693,942</u>	<u>3,326,305</u>
Noncurrent assets:			
Net OPEB asset	28,519	81,915	110,434
Capital assets:			
Non-depreciable capital assets	309,935	156,840	466,775
Depreciable capital assets, net	<u>5,749,629</u>	<u>6,242,182</u>	<u>11,991,811</u>
Total noncurrent assets	<u>6,088,083</u>	<u>6,480,937</u>	<u>12,569,020</u>
Total assets	<u>7,720,446</u>	<u>8,174,879</u>	<u>15,895,325</u>
Deferred outflows of resources:			
Pension	53,455	114,460	167,915
OPEB	<u>2,012</u>	<u>1,366</u>	<u>3,378</u>
Total deferred outflows of resources	<u>55,467</u>	<u>115,826</u>	<u>171,293</u>
Liabilities:			
Current liabilities:			
Accounts payable	12,175	22,364	34,539
Accrued wages and benefits payable	3,448	8,671	12,119
Intergovernmental payable	830	4,391	5,221
Accrued interest payable	-	246	246
OWDA loans payable	2,260	7,175	9,435
Vacation benefits payable	4,964	6,816	11,780
OPWC loans payable	-	12,177	12,177
Customer deposits payable from restricted assets	199,808	-	199,808
Total current liabilities	<u>223,485</u>	<u>61,840</u>	<u>285,325</u>
Long-term liabilities:			
Compensated absences payable	5,744	6,428	12,172
OWDA loan payable	32,572	38,926	71,498
OPWC loans payable	-	6,600	6,600
Net pension liability	<u>85,117</u>	<u>244,485</u>	<u>329,602</u>
Total long-term liabilities	<u>123,433</u>	<u>296,439</u>	<u>419,872</u>
Total liabilities	<u>346,918</u>	<u>358,279</u>	<u>705,197</u>
Deferred inflows of resources:			
Pension	104,913	296,167	401,080
OPEB	<u>30,604</u>	<u>84,634</u>	<u>115,238</u>
Total deferred inflows of resources	<u>135,517</u>	<u>380,801</u>	<u>516,318</u>
Total liabilities and deferred inflows of resources	<u>482,435</u>	<u>739,080</u>	<u>1,221,515</u>
Net position:			
Net investment in capital assets	6,024,732	6,334,144	12,358,876
Unrestricted	<u>1,268,746</u>	<u>1,217,481</u>	<u>2,486,227</u>
Total net position	<u>\$ 7,293,478</u>	<u>\$ 7,551,625</u>	<u>\$ 14,845,103</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Total
Operating revenues:			
Charges for services	\$ 1,286,716	\$ 1,730,301	\$ 3,017,017
Other operating revenues	36,278	20,226	56,504
Total operating revenues	<u>1,322,994</u>	<u>1,750,527</u>	<u>3,073,521</u>
Operating expenses:			
Personal services	166,596	439,585	606,181
Contract services	602,284	740,836	1,343,120
Materials and supplies	139,342	136,156	275,498
Depreciation	239,934	233,804	473,738
Other	36,749	167	36,916
Total operating expenses	<u>1,184,905</u>	<u>1,550,548</u>	<u>2,735,453</u>
Operating income (loss)	<u>138,089</u>	<u>199,979</u>	<u>338,068</u>
Nonoperating revenues (expenses):			
Interest and fiscal charges	(661)	(1,438)	(2,099)
Gain on disposal of capital assets	8,440	-	8,440
Total nonoperating revenues (expenses)	<u>7,779</u>	<u>(1,438)</u>	<u>6,341</u>
Income before capital contributions	145,868	198,541	344,409
Capital contributions	<u>158,500</u>	<u>436,738</u>	<u>595,238</u>
Change in net position	304,368	635,279	939,647
Net position at beginning of year	<u>6,989,110</u>	<u>6,916,346</u>	<u>13,905,456</u>
Net position at end of year	<u>\$ 7,293,478</u>	<u>\$ 7,551,625</u>	<u>\$ 14,845,103</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Total
Cash flows from operating activities:			
Cash received from customers	\$ 1,315,441	\$ 1,833,221	\$ 3,148,662
Cash received from other operations	36,347	20,384	56,731
Cash payments for personal services	(216,563)	(620,389)	(836,952)
Cash payments for contractual services	(605,505)	(739,379)	(1,344,884)
Cash payments for materials and supplies	(143,462)	(144,460)	(287,922)
Cash payments for other expenses	(24,158)	(167)	(24,325)
Net cash provided by operating activities	<u>362,100</u>	<u>349,210</u>	<u>711,310</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	8,440	-	8,440
Capital contributions from grants	158,500	-	158,500
Acquisition of capital assets	(736,241)	(185,880)	(922,121)
Loan proceeds	657	886	1,543
Principal retirement	(4,723)	(19,112)	(23,835)
Interest and fiscal charges	(706)	(1,557)	(2,263)
Net cash used in capital and related financing activities	<u>(574,073)</u>	<u>(205,663)</u>	<u>(779,736)</u>
Net change in cash and cash equivalents	(211,973)	143,547	(68,426)
Cash and cash equivalents at beginning of year	<u>1,739,966</u>	<u>1,363,250</u>	<u>3,103,216</u>
Cash and cash equivalents at end of year	<u>\$ 1,527,993</u>	<u>\$ 1,506,797</u>	<u>\$ 3,034,790</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 138,089	\$ 199,979	\$ 338,068
Adjustments:			
Depreciation	239,934	233,804	473,738
Changes in assets, deferred outflows of resources, liabilities and deferred outflows of resources:			
Materials and supplies inventory	(4,120)	(8,304)	(12,424)
Accounts receivable	28,725	102,920	131,645
Intergovernmental receivable	69	158	227
Prepayments	(379)	(1,622)	(2,001)
Net OPEB asset	(14,566)	(36,500)	(51,066)
Deferred outflows - pension	(36,021)	(55,380)	(91,401)
Deferred outflows - OPEB	4,847	22,681	27,528
Accounts payable	(3,239)	2,420	(819)
Accrued wages and benefits	2,141	(91)	2,050
Intergovernmental payable	628	369	997
Compensated absences payable	(1,103)	(13,266)	(14,369)
Vacation benefits payable	4,705	4,459	9,164
Customer deposits payable	12,591	-	12,591
Net pension liability	(39,404)	(160,816)	(200,220)
Deferred inflows - pension	44,883	116,146	161,029
Deferred inflows - OPEB	(15,680)	(57,747)	(73,427)
Net cash provided by (used in) operating activities	<u>\$ 362,100</u>	<u>\$ 349,210</u>	<u>\$ 711,310</u>

Non-cash capital transactions:

In 2022, the Sewer fund received contributions of capital assets from the governmental activities in the amount of \$436,738.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	<u>Custodial</u>
Assets:	
Cash and cash equivalents in segregated accounts	\$ 4,391
Total assets	<u>4,391</u>
Liabilities:	
Intergovernmental payable	<u>4,391</u>
Total liabilities	<u>\$ 4,391</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, OHIO

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

	<u>Custodial</u>
Additions:	
Fines and forfeitures collected for other governments	\$ 36,164
Total additions	<u>36,164</u>
Deductions:	
Fines and forfeitures distributed to other governments	36,164
Total deductions	<u>36,164</u>
Change in net position	-
Net position at beginning of year	<u>-</u>
Net position at end of year	<u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BELPRE, 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 Belpre (the "City") is a home-rule municipal corporation, incorporated under the laws of the State of Ohio. The City is organized as a Mayor/Council form of government. Located in the southern part of Washington County, Belpre became a city in 1961. The Mayor, Auditor, Treasurer, and Law Director, all with four-year terms, and an eight-member Council, with two-year terms, are elected. Department directors and public members of various boards and commissions are appointed by the Mayor.

Reporting Entity

A reporting entity consists of the primary government, component units, and other organizations that are included to ensure that 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 Belpre, this includes various services including police protection, recreation (including parks), planning and zoning, street maintenance and repair, sanitation, water and sewer, and general administrative services. 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 the deficits of, or provide financial support to the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The City participates in the Community Action Program Corporation of Washington-Morgan Counties, Ohio, and the Wood, Washington, Wirt Planning Commission and the Regional Income Tax Agency, which are defined as jointly governed organizations. Additional information concerning the jointly governed organizations is presented in Note 16.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

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

CITY OF BELPRE, OHIO

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

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

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 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 governmental program or business activity is self-financing or draws from the general revenues of the City.

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

B. Fund Accounting

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

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

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

Street Fund - The Street Fund is used to account for the portion of the State gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

Local Fiscal Recovery Fund - The Local Fiscal Recovery Fund is used to account for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

EMS Levy Fund - The EMS Levy Fund is used to account for the proceeds of a property tax levied for provision of EMS services.

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

CITY OF BELPRE, OHIO

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

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

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

Water Fund - The Water Fund is used to account for the revenues generated from the charges for distribution of water to the residential and commercial users of the City.

Sewer Fund - The Sewer Fund is used to account for the revenues generated from the charges for sanitary sewer services provided to the residential and commercial users of the City.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. There are four categories of fiduciary funds: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Custodial funds are used to report other fiduciary activities that are not required to be reported in a trust fund. The City's only fiduciary fund is a custodial fund. The City's custodial fund accounts for mayor's court collections that are distributed to various local governments.

C. Measurement Focus

Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities accounts for increases (i.e. revenues) and decreases (i.e. expenditures) 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. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

D. Basis of Accounting

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

CITY OF BELPRE, OHIO

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

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

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 13 and 14 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

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

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

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

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

CITY OF BELPRE, OHIO

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

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

E. Budget 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 department level and, within each, at the personal services and other operating level within each fund.

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

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool except for funds from the Mayor's Court, which is reported separately in cash and cash equivalents in segregated accounts. Individual fund integrity is maintained through City records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

At year-end, the City had \$30,337 on deposit with the Washington County Treasurer for permissive funds collected, but not distributed yet to the City. The data regarding insurance and collateralization can be obtained from the Washington County Audit Report for the year ended December 31, 2022. This amount is not included in the City's depository balance.

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 its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides 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 is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transactions 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.

Investment procedures are restricted by provisions of the Ohio Revised Code. Following the Codified Ordinances of the City as well as Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest is distributed to the General Fund, Street Fund, EMS Levy Fund, State Highway Fund, and Permissive Tax Fund. Interest revenue credited to the General Fund during 2022 amounted to \$72,948, which includes \$44,084 assigned from other City funds.

CITY OF BELPRE, OHIO

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

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

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

G. Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types and as expenses in the proprietary fund type.

H. Prepaid Items

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

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash and cash equivalents set aside for repayment of deposits to utility customers. Unclaimed monies that are required to be held for five years before they may be utilized by the City are reported as restricted in the General Fund.

J. 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 value as of the date received. The City maintains a capitalization threshold of one thousand dollars. The City's infrastructure consists of City streets, street signs, traffic signals, and water and sewer systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All capital assets are depreciated/amortized, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. The City is reporting intangible right to use assets related to leased equipment. The intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

CITY OF BELPRE, OHIO

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

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

Depreciation/amortization is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	20 - 50 years	20 - 50 years
Machinery and Equipment	5 - 20 years	5 - 20 years
Vehicles	8 years	8 years
Infrastructure	30 years	50 - 65 years
Intangible right to use - leased land	11 years	N/A

The City’s infrastructure consists of City streets, street signs, traffic signals, and water and sewer systems and includes infrastructure acquired prior to December 31, 1980.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The liability for vacation benefits is recorded as “vacation benefits payable”. The balances are to be used by employees in the year following the year in which the benefit was earned.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after ten years of service.

L. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits 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. Long-term loans, lease purchase agreements and capital leases are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

CITY OF BELPRE, OHIO

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

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

M. Fund Balance

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the City Auditor the authority to constrain monies for intended purposes.

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

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

N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested 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 its use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

CITY OF BELPRE, OHIO

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

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

O. 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 sewer and water utility services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting the definition are reported as non-operating.

P. Contributions of Capital

Contributions of capital in the governmental activities and the proprietary fund financial statements can arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Internal 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. Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the Statement of Activities. Payments of interfund services provided and used are not eliminated.

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

R. Estimates

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

S. Pensions/Other Postemployment Benefits (OPEB)

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

T. Fair Value Measurements

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

CITY OF BELPRE, OHIO

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

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

U. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable” or “due to/from other funds”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

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

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

These changes were incorporated in the City’s 2022 financial statements. The City recognized \$45,744 in governmental activities in leases payable at January 1, 2022; however, this entire amount was offset by the intangible right to use asset.

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

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

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the General Fund and major special revenue funds is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

CITY OF BELPRE, OHIO

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for the General Fund and major special revenue funds.

Net Change in Fund Balance

	Local Fiscal			
	General	Street	Recovery	EMS Levy
Budget basis	\$ 228,067	\$ (59,120)	\$ (29,076)	\$ 13,559
Net adjustment for revenue accruals	40,320	(3,261)	229,076	-
Net adjustment for expenditure accruals	(25,540)	(6,910)	(200,000)	-
Net adjustment for fund reclassification	102,591	-	-	-
GAAP basis	<u>\$ 345,438</u>	<u>\$ (69,291)</u>	<u>\$ -</u>	<u>\$ 13,559</u>

NOTE 5 - 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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Street	EMS Levy	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ 3,876	\$ 31,544	\$ -	\$ -	\$ 35,420
Prepayments	14,057	2,014	-	1,642	17,713
Total nonspendable	<u>17,933</u>	<u>33,558</u>	<u>-</u>	<u>1,642</u>	<u>53,133</u>
Restricted:					
Street improvements	-	112,416	-	78,281	190,697
Community development	-	-	-	35,171	35,171
Law enforcement	-	-	-	29,439	29,439
Pool improvements	-	-	-	31	31
Parks and recreation	-	-	-	13,812	13,812
Mayor's Court	-	-	-	39,328	39,328
Unclaimed monies	9,576	-	-	-	9,576
EMS Services	-	-	113,699	-	113,699
Deposits held	-	-	-	10,700	10,700
Public health and welfare	-	-	-	859	859
Issue II improvements	-	-	-	4,205	4,205
Total restricted	<u>9,576</u>	<u>112,416</u>	<u>113,699</u>	<u>211,826</u>	<u>447,517</u>
Committed:					
Capital improvements	594,885	-	-	-	594,885
Total committed	<u>594,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,885</u>
Unassigned	<u>1,822,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,822,779</u>
Total fund balances	<u>\$ 2,445,173</u>	<u>\$ 145,974</u>	<u>\$ 113,699</u>	<u>\$ 213,468</u>	<u>\$ 2,918,314</u>

CITY OF BELPRE, OHIO

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

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that 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.

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

Interim monies may be deposited or invested in the following securities:

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

CITY OF BELPRE, OHIO

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

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

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. Historically, the City has not purchased these types of investments or issued these types of notes. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

A. Deposits with Financial Institutions

At December 31, 2022, the carrying amount of all City deposits was \$5,522,518 and the bank balance of all City deposits was \$5,664,300. Of the bank balance, \$508,149 was covered by the FDIC and \$5,156,151 was covered by the Ohio Pooled Collateral System.

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

B. Investments

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

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>Investment Maturity 6 months or less</u>	<u>% of Total</u>
<i>Amortized cost:</i>			
STAR Ohio	<u>\$ 323,907</u>	<u>\$ 323,907</u>	100%

Interest Rate Risk: Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the City's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the City Auditor or qualified trustee.

CITY OF BELPRE, OHIO

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

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any one issuer.

NOTE 7 - INTERFUND ACTIVITY

Interfund transfers during 2022 consisted of the following:

<u>Transfers to</u>	<u>Transfers from</u> <u>General</u>
Street	\$ 20,000
Nonmajor Governmental Funds	54,000
Total Transfers	<u>\$ 74,000</u>

Generally, transfers are used to move revenues from the fund that Statute or budget requires to collect them to the fund that Statute or budget requires to expend them; to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and to segregate money for anticipated capital projects.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2022, consisted of municipal income tax, property taxes, accounts (billings for user charged services including unbilled utility services), and intergovernmental receivables arising from entitlements and shared revenues. No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables, except property and income taxes, are expected to be received within one year. Property and income taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A. Property Taxes

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 8 – RECEIVABLES - (Continued)

The full tax rate for all City operations for the year ended December 31, 2022 was \$5.15 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2021 property tax receipts were based are as follows:

Real Property	\$ 168,155,740
Public Utility Tangible Property	<u>4,388,440</u>
Total Assessed Value	<u><u>\$ 172,544,180</u></u>

B. Income Taxes

The City levies a municipal income tax of one percent on substantially all earned income arising from employment or business activities within the City as well as income of residents earned outside of the City.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are distributed to the General Fund. The City contracts with Regional Income Tax Agency (RITA) to collect income taxes on its behalf.

C. Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities:	
Local Government	\$ 72,818
Gasoline and Excise Tax	193,691
Motor Vehicle License Tax	24,554
Rollback and Homestead	13,127
Vehicle Registration	<u>3,889</u>
	<u><u>\$308,079</u></u>

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CITY OF BELPRE, OHIO

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

NOTE 9 - CAPITAL ASSETS

Due to the implementation of GASB Statement No. 87 (see Note 3.A for detail), the City has restated capital assets for the intangible right to use assets which are reflected in the schedule below. Changes in capital assets for the governmental activities for the year ended December 31, 2022 were as follows.

Governmental Activities:	Restated Balance 12/31/21	Increases	Decreases	Balance 12/31/22
Capital Assets not being Depreciated/Amortized:				
Land	\$ 2,727,575	\$ -	\$ -	\$ 2,727,575
Construction in Progress	331,300	2,988	-	334,288
Total Capital Assets not being Depreciated/Amortized	3,058,875	2,988	-	3,061,863
Capital Assets being Depreciated/Amortized:				
Buildings and Improvements	5,023,961	-	-	5,023,961
Machinery and Equipment	1,415,080	110,779	-	1,525,859
Vehicles	3,099,416	125,731	(10,000)	3,215,147
City Streets	21,396,122	199,871	-	21,595,993
Street Signals	698,289	-	-	698,289
Intangible Right to Use - Leased Land	45,744	-	-	45,744
Total Capital Assets being Depreciated/Amortized	31,678,612	436,381	(10,000)	32,104,993
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(2,703,242)	(106,210)	-	(2,809,452)
Machinery and Equipment	(1,259,942)	(52,677)	-	(1,312,619)
Vehicles	(2,457,920)	(112,582)	10,000	(2,560,502)
City Streets	(20,326,866)	(83,376)	-	(20,410,242)
Street Signals	(580,217)	(7,660)	-	(587,877)
Intangible Right to Use - Leased Land	-	(4,288)	-	(4,288)
Total Accumulated Depreciation/Amortization	(27,328,187)	(366,793)	10,000	(27,684,980)
Total Capital Assets being Depreciated/Amortized, Net	4,350,425	69,588	-	4,420,013
Governmental Activities Capital Assets, Net	\$ 7,409,300	\$ 72,576	\$ -	\$ 7,481,876

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

General Government	\$24,507
Security of Persons and Property:	
Police	52,653
Fire	83,867
Transportation	140,900
Leisure Time Activities:	
Senior Center	12,338
Parks	29,659
Pool	22,869
Total	\$366,793

CITY OF BELPRE, OHIO

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

NOTE 9 - CAPITAL ASSETS - (Continued)

Changes in capital assets for the business-type activities for the year ended December 31, 2022 were as follows.

Business-Type Activities:	Balance 12/31/21	Increases	Decreases	Balance 12/31/22
Capital Assets not being Depreciated:				
Land	\$ 242,194	\$ -	\$ -	\$ 242,194
Construction in Progress	87,762	136,819	-	224,581
Total Capital Assets not being Depreciated	<u>329,956</u>	<u>136,819</u>	<u>-</u>	<u>466,775</u>
Capital Assets being Depreciated:				
Buildings and Improvements	766,659	-	-	766,659
Machinery and Equipment	2,256,260	103,237	-	2,359,497
Vehicles	603,341	251,015	(17,551)	836,805
Infrastructure	17,053,326	867,788	-	17,921,114
Total Capital Assets being Depreciated	<u>20,679,586</u>	<u>1,222,040</u>	<u>(17,551)</u>	<u>21,884,075</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(655,587)	(15,039)	-	(670,626)
Machinery and Equipment	(1,759,101)	(83,047)	-	(1,842,148)
Vehicles	(180,935)	(94,873)	17,551	(258,257)
Infrastructure	(6,840,454)	(280,779)	-	(7,121,233)
Total Accumulated Depreciation	<u>(9,436,077)</u>	<u>(473,738)</u>	<u>17,551</u>	<u>(9,892,264)</u>
Total Capital Assets being Depreciated, Net	<u>11,243,509</u>	<u>748,302</u>	<u>-</u>	<u>11,991,811</u>
Business-Type Activities Capital Assets, Net	<u>\$ 11,573,465</u>	<u>\$ 885,121</u>	<u>\$ -</u>	<u>\$ 12,458,586</u>

NOTE 10 - LONG-TERM OBLIGATIONS

Due to the implementation of GASB Statement No. 87 (see Note 3.A for detail), the City has reported obligations for leases payable which are reflected in the schedule below. During 2022, the following activity occurred in the City's long-term obligations.

	Restated Balance 12/31/21	Additions	Retirements	Balance 12/31/22	Amounts Due in One Year
Governmental Activities:					
Fire Truck Loan (direct borrowing)	\$ 132,499	\$ -	\$ (78,504)	\$ 53,995	\$ 53,995
Police Pension	13,265	-	(745)	12,520	777
Leases Payable	45,744	-	(3,890)	41,854	4,032
Net Pension Liability	2,339,017	-	(503,278)	1,835,739	-
Net OPEB Liability	241,394	-	(1,362)	240,032	-
Compensated Absences	70,754	24,432	(51,513)	43,673	-
Total Governmental Activities	<u>\$ 2,842,673</u>	<u>\$ 24,432</u>	<u>\$ (639,292)</u>	<u>\$ 2,227,813</u>	<u>\$ 58,804</u>

CITY OF BELPRE, OHIO

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The following tables present the changes in long-term obligations for the business-type activities during the year.

	Balance 12/31/21	Additions	Retirements	Balance 12/31/22	Amounts Due in One Year
Business-Type Activities:					
OPWC Loans (direct borrowing):					
Water Well - 2%	\$ 2,460	\$ -	\$ (2,460)	\$ -	\$ -
Wastewater Treatment Plant - 2%	30,714	-	(11,937)	18,777	12,177
Total OPWC Loans	<u>33,174</u>	<u>-</u>	<u>(14,397)</u>	<u>18,777</u>	<u>12,177</u>
OWDA Loans (direct borrowing):					
Water System Improvements - 1.92%	36,435	657	(2,260)	34,832	2,260
Sewer System Improvements - 1.92%	52,390	886	(7,175)	46,101	7,175
Total OWDA Loans	<u>88,825</u>	<u>1,543</u>	<u>(9,435)</u>	<u>80,933</u>	<u>9,435</u>
Net Pension Liability	529,822	-	(200,220)	329,602	-
Compensated Absences	26,541	-	(14,369)	12,172	-
Total Business-Type Activities	<u>\$ 678,362</u>	<u>\$ 1,543</u>	<u>\$ (238,421)</u>	<u>\$ 441,484</u>	<u>\$ 21,612</u>

The police pension is paid from general property tax revenues from the General Fund. Compensated absences for sick leave liabilities will be paid from the General Fund, Street Special Revenue Fund, and Sewer and Water Enterprise Funds. See Note 13 and Note 14 for details on the net pension liability and net OPEB liability, respectively.

The final draw on the Ohio Public Works Commission (OPWC) water well loan was received on September 18, 2000. The full amount of the loan was \$80,103 and was used for improvements to the water well. Charges for services in the Water Enterprise Fund will repay this obligation. The OPWC loan matures in 2024.

The final draw on the OPWC wastewater treatment plant loan was received in 2003. The full amount of the loan was \$207,000. On November 18, 1999, the City was approved for a \$1,023,600 loan for its portion of the Issue II treatment plant project. Since the treatment plant improvements were completed under budget, the City did not borrow the full amount of the approved loan. The amount borrowed was \$850,444. Charges for services in the Sewer Enterprise Fund will repay these obligations.

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

The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund capital improvements to the City's water and sewer infrastructure. The amount due to the OWDA is payable solely from water and sewer fund revenues. The loan agreements function similar to a line-of-credit agreement and require semi-annual payments based on the permissible borrowings rather than the actual amount loaned.

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

CITY OF BELPRE, OHIO

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Both of the City's OWDA loans have not been closed out as of December 31, 2021, therefore, the future annual debt service principal and interest requirements are not available.

The City entered into a bank loan in 2018 in the amount of \$373,885 to acquire a fire truck. The loan carries an interest rate of 3.7%. This is a direct borrowing since the terms have been negotiated directly between the lender and the City. Payments are due monthly with the final payment on August 14, 2023.

The City has entered into a lease agreement for the right to use land. Payments are due monthly and are paid from the General Fund. The lease term ends August 31, 2027; however, the City has an option to extend the lease for an additional 5 years, which it is reasonably certain to exercise.

The City's overall legal debt margin was \$18,117,139 at December 31, 2022.

Principal and interest requirements to retire the police pension liability at December 31, 2022, are as follows:

Year	Principal	Interest	Total
2023	\$ 777	\$ 528	\$ 1,305
2024	809	496	1,305
2025	844	461	1,305
2026	879	426	1,305
2027	916	389	1,305
2028 - 2032	5,195	1,330	6,525
2033 - 2035	3,100	211	3,311
	\$ 12,520	\$ 3,841	\$ 16,361

Principal and interest requirements to retire the OPWC loans at December 31, 2022, are as follows:

Year	Principal	Interest	Total
2023	\$ 12,177	\$ 431	\$ 12,608
2024	6,600	128	6,728
	\$ 18,777	\$ 559	\$ 19,336

Principal and interest requirements to retire the bank loan at December 31, 2022, are as follows:

Year	Principal	Interest	Total
2023	\$ 53,995	\$ 760	54,755

CITY OF BELPRE, OHIO

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Principal and interest requirements to retire leases at December 31, 2022, are as follows:

Year	Principal	Interest	Total
2023	\$ 4,032	\$ 400	\$ 4,432
2024	4,073	359	4,432
2025	4,113	319	4,432
2026	4,155	277	4,432
2027	4,271	235	4,506
2028 - 2032	21,210	508	21,718
	\$ 41,854	\$ 2,098	\$ 43,952

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2022, the City contracted with USI Midwest, LLC and insurance coverage is provided by the Public Entity Risk Services of Ohio (PERSO).

The various types of coverages, limits, and deductibles are as follows:

Type of Coverage	Limit	Aggregate	Deductible
Property:			
Blanket Building and Contents	\$28,311,682		\$1,000
Liability:			
General	1,000,000 per occurrence	\$3,000,000	0
Public Officials Liability	1,000,000 per occurrence	3,000,000	2,000
Law Enforcement	1,000,000 per occurrence	3,000,000	2,000
Vehicle:			
Liability	3,000,000		0
Medical Expense	5,000		0

There were no significant reductions in coverage from prior years and claims have not exceeded insurance coverage in any of the last three years.

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

NOTE 12 - EMPLOYEE BENEFITS

A. Insurance

The City provides life insurance and accidental death and dismemberment insurance for the union employees. The insurance is provided through the AFSCME Care Plan for AFSCME union members and through United Commercial Travelers for police personnel.

The City provides comprehensive major medical insurance for full time employees, other than police, through Ohio Insurance Services Agency and for police through the United Food & Commercial Workers Union. The City pays 80% of the total monthly premium for the first plan and 94% of the monthly premium for the second plan. Premiums are paid from the same funds that pay the employees' salaries.

CITY OF BELPRE, OHIO

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

NOTE 12 - EMPLOYEE BENEFITS - (Continued)

B. Compensated Absences

The criteria for determining vested sick leave are derived from negotiated agreements and State laws. Upon retirement, all employees with ten or more years of service with the City are paid twenty-five percent of their sick leave up to a maximum of 240 hours; however, union employees under the American Federation of State, County, and Municipal Employees with twenty or more years of service are paid twenty-five percent of their sick leave up to a maximum of 300 hours. Upon voluntary termination, death, or retirement, all employees will receive 100% of vacation earned for the current year and not previously taken.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

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

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

The net pension liability/asset and the net OPEB liability/asset represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

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

Group A	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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$202,314 for 2022. Of this amount, \$4,093 is reported as intergovernmental payable.

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$118,219 for 2022. Of this amount, \$2,565 is reported as intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2022, the specific liability of the City was \$13,265 payable in semi-annual payments through the year 2035.

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

	OPERS - Traditional	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.00888500%	0.02278340%	
Proportion of the net pension liability/asset current measurement date	<u>0.00916300%</u>	<u>0.02189900%</u>	
Change in proportionate share	<u>0.00027800%</u>	<u>-0.00088440%</u>	
Proportionate share of the net pension liability	\$ 797,218	\$ 1,368,123	\$ 2,165,341
Pension expense	(161,421)	67,525	(93,896)

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

	OPERS - Traditional	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 40,641	\$ 39,451	\$ 80,092
Changes of assumptions	99,691	250,034	349,725
Changes in employer's proportionate percentage/difference between employer contributions	33,818	8,706	42,524
Contributions subsequent to the measurement date	202,314	118,219	320,533
Total deferred outflows of resources	<u>\$ 376,464</u>	<u>\$ 416,410</u>	<u>\$ 792,874</u>

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

	OPERS - Traditional	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 17,486	\$ 71,122	\$ 88,608
Net difference between projected and actual earnings on pension plan investments	948,261	358,701	1,306,962
Changes in employer's proportionate percentage/ difference between employer contributions	13,671	120,364	134,035
Total deferred inflows of resources	<u>\$ 979,418</u>	<u>\$ 550,187</u>	<u>\$ 1,529,605</u>

\$320,533 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2023.

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	OP&F	Total
Year Ending December 31:			
2023	\$ (114,748)	\$ (38,241)	\$ (152,989)
2024	(316,697)	(123,087)	(439,784)
2025	(222,974)	(63,879)	(286,853)
2026	(150,849)	(47,521)	(198,370)
2027	-	20,732	20,732
Total	<u>\$ (805,268)</u>	<u>\$ (251,996)</u>	<u>\$ (1,057,264)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2021, are presented below.

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2021 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 2,101,901	\$ 797,218	\$ (288,451)

Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Note: assumptions are geometric.

* levered 2x

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

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability	\$ 2,028,907	\$ 1,368,123	\$ 817,853

NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 13 for a description of the net OPEB liability/asset.

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2022.

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

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

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

The City’s contractually required contribution to OP&F was \$3,111 for 2022. Of this amount, \$68 is reported as intergovernmental payable.

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

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.00827500%	0.02278340%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.00852800%</u>	<u>0.02189900%</u>	
Change in proportionate share	<u>0.00025300%</u>	<u>-0.00088440%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 240,032	\$ 240,032
Proportionate share of the net OPEB (asset)	(267,110)	-	(267,110)
OPEB expense	(254,959)	7,523	(247,436)

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	OPERS	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 10,920	\$ 10,920
Changes of assumptions	-	106,242	106,242
Changes in employer's proportionate percentage/difference between employer contributions	3,606	1,281	4,887
Contributions subsequent to the measurement date	-	3,111	3,111
Total deferred outflows of resources	<u>\$ 3,606</u>	<u>\$ 121,554</u>	<u>\$ 125,160</u>

	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 40,517	\$ 31,723	\$ 72,240
Net difference between projected and actual earnings on OPEB plan investments	127,339	21,682	149,021
Changes of assumptions	108,123	27,877	136,000
Changes in employer's proportionate percentage/difference between employer contributions	8,652	41,017	49,669
Total deferred inflows of resources	<u>\$ 284,631</u>	<u>\$ 122,299</u>	<u>\$ 406,930</u>

\$3,111 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability/asset in the year ending December 31, 2023.

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Year Ending December 31:	OPERS	OP&F	Total
2023	\$ (176,736)	\$ (2,229)	\$ (178,965)
2024	(58,178)	(5,447)	(63,625)
2025	(27,824)	(2,652)	(30,476)
2026	(18,287)	449	(17,838)
2027	-	3,376	3,376
Thereafter	-	2,647	2,647
Total	\$ (281,025)	\$ (3,856)	\$ (284,881)

Actuarial Assumptions - OPERS

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

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB asset	\$ 157,086	\$ 267,110	\$ 358,432

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate
- Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

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

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 269,996	\$ 267,110	\$ 263,686

Actuarial Assumptions - OP&F

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

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

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

CITY OF BELPRE, OHIO

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

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Note: assumptions are geometric.

* levered 2x

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

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.84%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.84%), or one percentage point higher (3.84%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 301,725	\$ 240,032	\$ 189,320

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

CITY OF BELPRE, OHIO

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

NOTE 15 - CONTINGENT LIABILITIES

A. Litigation

The City is not party to any legal proceedings that, in the opinion of management, are expected to have a significant adverse effect on the City's financial condition.

B. Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

A. Community Action Program Corporation of Washington-Morgan Counties, Ohio

The Community Action Program Corporation of Washington-Morgan Counties, Ohio, is operated as a non-profit organization formed to provide various programs in Washington and Morgan Counties. Currently, the Corporation administers the Family Service and Outreach Program; the Community Action Bus Line (CABL); the Child Development Program; the Senior Nutrition Program; Women, Infants and Children's Supplemental Nutrition Program; the Home Weatherization Assistance and Energy Program; the Job Training and Partnership Act Program; Housing and Urban Development Section 8 Existing Housing Voucher/Certificate Program; and various other state and federal programs. The Corporation is the direct recipient of the federal and state monies. The Corporation is governed by a fifteen member council. The council is composed of the Mayor of the City of Marietta, the Mayor of the City of Belpre, two commissioners from Washington County, one Commissioner from Morgan County, five lower income representatives, and five private sector representatives from Washington and Morgan Counties selected by outreach workers. Currently, the Corporation, by contract with the City of Belpre and Washington and Morgan Counties, provides administrative services to these governments in specific programs. During 2022, the Corporation did not receive any administrative fees from the City. These fees were received by the Corporation directly from the granting agencies. The continued existence of the Corporation is not dependent on the City's continued participation and the City does not have an equity interest in the Corporation.

B. Wood, Washington, and Wirt Planning Commission

The Wood, Washington, and Wirt Planning Commission was created to fulfill the requirements governing urban transportation planning under the Federal Highway Administration and Urban Mass Transportation Administration program regulations in Wood, Washington, and Wirt Counties. The Commission was formed pursuant to West Virginia Code Sections and Ohio Revised Code Section 713.30 and serves as a form of a regional planning commission. The Commission is composed of representatives from county and city governments and a cross section of members from the community appointed by the governmental units. Currently, the Commission has eight governmental representatives including the Mayor of the City of Belpre. Revenues are derived from Federal Highway and Federal Transportation Administration Grants distributed by the States of Ohio and West Virginia. Local governments contribute a ten percent local match. The continued existence of the Commission is not dependent on the City's continued participation and the City does not have an equity interest in the Commission.

CITY OF BELPRE, OHIO

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

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)

C. Regional Income Tax Agency (RITA)

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form RITA. The City began using RITA for its income tax collection effective January 1, 2012.

Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

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CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.009163%	0.008885%	0.009131%	0.009726%
City's proportionate share of the net pension liability	\$ 797,218	\$ 1,315,675	\$ 1,804,804	\$ 2,663,754
City's covered payroll	\$ 1,315,714	\$ 1,201,943	\$ 1,342,521	\$ 1,315,486
City's proportionate share of the net pension liability as a percentage of its covered payroll	60.59%	109.46%	134.43%	202.49%
Plan fiduciary net position as a percentage of the total pension liability	92.62%	86.88%	82.17%	126.64%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014
0.009879%	0.010217%	0.010255%	0.010707%	0.010707%
\$ 1,549,824	\$ 2,320,107	\$ 1,776,295	\$ 1,291,384	\$ 1,262,216
\$ 1,297,738	\$ 1,255,750	\$ 1,261,683	\$ 1,278,467	\$ 1,230,738
119.43%	184.76%	140.79%	101.01%	102.56%
84.66%	77.25%	81.08%	86.45%	86.36%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability	0.02189900%	0.02278340%	0.02390130%	0.02375900%
City's proportionate share of the net pension liability	\$ 1,368,123	\$ 1,553,165	\$ 1,610,119	\$ 1,939,362
City's covered payroll	\$ 632,721	\$ 595,679	\$ 663,437	\$ 602,321
City's proportionate share of the net pension liability as a percentage of its covered payroll	216.23%	260.74%	242.69%	321.98%
Plan fiduciary net position as a percentage of the total pension liability	75.03%	70.65%	69.89%	63.07%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014
0.02374600%	0.02536800%	0.02275700%	0.02356720%	0.02356720%
\$ 1,457,429	\$ 1,606,792	\$ 1,463,968	\$ 1,220,879	\$ 1,147,797
\$ 584,479	\$ 590,342	\$ 528,095	\$ 521,263	\$ 517,904
249.36%	272.18%	277.22%	234.22%	221.62%
70.91%	68.36%	66.77%	72.20%	73.00%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 202,314	\$ 184,200	\$ 168,272	\$ 187,953
Contributions in relation to the contractually required contribution	<u>(202,314)</u>	<u>(184,200)</u>	<u>(168,272)</u>	<u>(187,953)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,445,100	\$ 1,315,714	\$ 1,201,943	\$ 1,342,521
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 184,168	\$ 168,706	\$ 150,690	\$ 151,402	\$ 153,416	\$ 159,996
<u>(184,168)</u>	<u>(168,706)</u>	<u>(150,690)</u>	<u>(151,402)</u>	<u>(153,416)</u>	<u>(159,996)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,315,486	\$ 1,297,738	\$ 1,255,750	\$ 1,261,683	\$ 1,278,467	\$ 1,230,738
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 118,219	\$ 120,217	\$ 113,179	\$ 126,053
Contributions in relation to the contractually required contribution	<u>(118,219)</u>	<u>(120,217)</u>	<u>(113,179)</u>	<u>(126,053)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 622,205	\$ 632,721	\$ 595,679	\$ 663,437
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
 <i>Fire:</i>				
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 114,441	\$ 111,051	\$ 112,165	\$ 100,338	\$ 99,040	\$ 79,982
<u>(114,441)</u>	<u>(111,051)</u>	<u>(112,165)</u>	<u>(100,338)</u>	<u>(99,040)</u>	<u>(79,982)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 602,321	\$ 584,479	\$ 590,342	\$ 528,095	\$ 521,263	\$ 503,559
19.00%	19.00%	19.00%	19.00%	19.00%	15.88%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,902
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,902)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,237
23.50%	23.50%	23.50%	23.50%	23.50%	20.38%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability/asset	0.008528%	0.008275%	0.008504%	0.009056%
City's proportionate share of the net OPEB liability/(asset)	\$ (267,110)	\$ (147,426)	\$ 1,174,623	\$ 1,180,689
City's covered payroll	\$ 1,315,714	\$ 1,201,943	\$ 1,342,521	\$ 1,297,738
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	20.30%	12.27%	87.49%	90.98%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	128.23%	115.57%	47.80%	46.33%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	<u>2018</u>	<u>2017</u>
	0.009220%	0.009523%
\$	1,001,224	\$ 961,899
\$	1,297,738	\$ 1,255,750
	77.15%	76.60%
	54.14%	54.05%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability	0.02189900%	0.02278340%	0.02390130%	0.02375900%
City's proportionate share of the net OPEB liability	\$ 240,032	\$ 241,394	\$ 236,091	\$ 216,362
City's covered payroll	\$ 632,721	\$ 595,679	\$ 663,437	\$ 584,479
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	37.94%	40.52%	35.59%	37.02%
Plan fiduciary net position as a percentage of the total OPEB liability	46.86%	45.42%	47.08%	46.57%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>
0.02374600%	0.02536800%
\$ 1,345,438	\$ 1,204,162
\$ 584,479	\$ 590,342
230.19%	203.98%
14.13%	15.96%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,445,100	\$ 1,315,714	\$ 1,201,943	\$ 1,342,521
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ -	\$ 12,977	\$ 25,115	\$ 25,234	\$ 26,237	\$ 12,302
-	(12,977)	(25,115)	(25,234)	(26,237)	(12,302)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,315,486	\$ 1,297,738	\$ 1,255,750	\$ 1,261,683	\$ 1,278,467	\$ 1,230,738
0.00%	1.00%	2.00%	2.00%	2.05%	1.00%

CITY OF BELPRE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>				
Contractually required contribution	\$ 3,111	\$ 3,164	\$ 2,978	\$ 3,317
Contributions in relation to the contractually required contribution	<u>(3,111)</u>	<u>(3,164)</u>	<u>(2,978)</u>	<u>(3,317)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 622,205	\$ 632,721	\$ 595,679	\$ 663,437
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
 <i>Fire:</i>				
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 3,012	\$ 2,922	\$ 3,031	\$ 2,712	\$ 2,589	\$ 18,096
<u>(3,012)</u>	<u>(2,922)</u>	<u>(3,031)</u>	<u>(2,712)</u>	<u>(2,589)</u>	<u>(18,096)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 602,321	\$ 584,479	\$ 590,342	\$ 528,095	\$ 521,263	\$ 503,559
0.50%	0.50%	0.50%	0.50%	0.50%	3.62%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(690)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,237
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF BELPRE, OHIO

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

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

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

Changes in assumptions :

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

(Continued)

CITY OF BELPRE, OHIO

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

PENSION

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

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

Changes in assumptions :

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

(Continued)

CITY OF BELPRE, OHIO

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

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

Changes in assumptions :

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

(Continued)

CITY OF BELPRE, OHIO

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

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

Changes in assumptions :

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

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OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

City of Belpre
Washington County
715 Park Drive
Belpre, Ohio 45714

To the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belpre, Washington County, Ohio (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 basic financial statements and have issued our report thereon dated May 29, 2024, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 87, *Leases* and restated capital assets and long-term liabilities due to them being understated in the prior year.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2022-002 through 2022-004 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings as item 2022-001.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying Schedule of Findings. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

May 29, 2024

**CITY OF BELPRE
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022**

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

FINDING NUMBER 2022-001

Noncompliance

Ohio Rev. Code § 735.05 states the director of public service may make any contract, purchase supplies or material, or provide labor for any work under the supervision of the department of public service involving not more than the amount specified in § 9.17 of the Revised Code. When an expenditure within the department, other than the compensation of persons employed in the department, exceeds the amount specified in § 9.17 of the Revised Code, the expenditure shall first be authorized and directed by ordinance of the city legislative authority. When so authorized and directed, except where the contract is for equipment, services, materials, or supplies to be purchased under division (D) of § 713.23 or § 125.04 or 5513.01 of the Revised Code or available from a qualified nonprofit agency pursuant to §§ 4115.31 to 4115.35 of the Revised Code, the director shall make a written contract with the lowest and best bidder after advertisement for not less than two nor more than four consecutive weeks in a newspaper of general circulation within the city or as provided in § 7.16 of the Revised Code. No expenditure subject to this section shall be divided into component parts, separate projects, or separate items of work in order to avoid the requirements of this section.

The City did not have procedures in place to document the method of procurement for purchases under Ohio Rev. Code § 735.05. Failure to comply with the competitive bidding process and establishing procurement procedures could result in the City paying more for services and not receiving the lowest and best bids.

The City purchased a Diesel Sewer Jetter truck for the Sewer Department in the amount of \$93,284. The City also purchased two Dodge Ram trucks with accessories for the Water Department for a total of \$133,428 (\$66,714 for each truck). No bidding documentation was presented for audit to verify the City followed the proper competitive bidding requirements as outlined in Ohio Rev. Code § 735.05 for these purchases.

The Council and Management should establish policies and procedures to ensure they are following proper competitive bidding procedures for purchases, projects and contracts exceeding the thresholds set forth in Ohio Rev. Code § 735.05 and 9.17.

Officials' Response: The 2022 Administration found one specific diesel jetter and two specific Dodge Ram trucks available. It was stated there were no other options available.

FINDING NUMBER 2022-002

Significant Deficiency

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

**CITY OF BELPRE
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-002 (Continued)

Significant Deficiency (Continued)

The City's financial statement oversight and review procedures were not sufficient to help ensure activity is properly recorded and reported in the financial statements. As a result, we noted a water line improvement grant in the amount of \$158,500 was posted as a reduction in expenditures in Capital Outlay instead of Capital Contributions from Grants in the Water Fund. This reclassification, to which management agrees, is reflected in the accompanying financial statements.

In addition:

- The purchase of a Diesel Sewer Jetter truck was posted to Materials and Supplies instead of Capital Outlay in the amount of \$93,284 in the Sewer Fund; however, this mis-posting was corrected during the GAAP conversion and was reflected in the financial statements filed in the Hinkle system.
- The purchase of a police vehicle in the amount of \$18,000 was posted to Materials and Supplies instead of Capital Outlay in the General Fund. As this error was not significant to the General Fund, the reclassification noted above was agreed to by management but will not be posted to the financial statements.

When financial transactions are not properly recorded, financial activity could result in material misstatements occurring and remaining undetected and increase the risk that management would not be provided an accurate picture of the City's financial position and operations.

The City Auditor's office should implement financial statement oversight and review procedures to help ensure the completeness and accuracy of the City's year-end financial statements.

Officials' Response: Agreed.

FINDING NUMBER 2022-003

Significant Deficiency

The "City of Belpre, Fixed Asset (Property and Equipment) Policy" states it shall be the duty of the Auditor to ensure that inventories are systematically and accurately recorded, and property records of equipment are updated and adjusted annually. The Auditor shall maintain a system of property records which will show, as appropriate to the item recorded, description, manufacturer, year of purchase, initial cost, location, and depreciation. The policy further states, moveable equipment should be tagged or otherwise identified as being property of the city.

Due to the City not following its Fixed Asset policy, the following items were noted during audit procedures.

The City contracts with Julian & Grube, Inc. to compile the GAAP financial statements. For the past several years, Julian & Grube has proposed adjustments for capital asset additions and disposals that were not accounted for in the City's accounting system. We noted the City has not posted these adjustments to its accounting system. At December 31, 2022, the cumulative total of these adjustments was \$626,310 in capital asset additions and \$29,669 in capital asset disposals. The HINKLE filing reflected these adjustments as they were brought on the City's books during the conversion.

**CITY OF BELPRE
WASHINGTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2022
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-003

Significant Deficiency (Continued)

In addition, we noted the City does not maintain tag numbers on all of its capital assets and the capital asset listing does not have tag numbers assigned. Failure to have tag numbers assigned to assets could result in the loss of the City's assets.

When capital assets are not properly recorded or assigned tag numbers, the GAAP conversion process can become cumbersome and increase the risk that capital assets of the City are not properly reflected on the financial statements.

The City should post the necessary adjustments to the accounting system and follow its Fixed Asset Policy to ensure all capital assets are recorded properly. Further, the City should do a complete count of inventory within each department and ensure all capital assets have tag numbers and the tag numbers are noted in the accounting system.

Officials' Response: Tagging inventory will take place by July 31, 2024.

FINDING NUMBER 2022-004

Significant Deficiency

To help reduce IT security and operations risk, organizations must implement policies and procedures, which are based on the level of risk arising from their systems and data. Logical access to automated information should be restricted by the use of password policies and access rules. The level of access must be commensurate to a specific user's job responsibilities and needs. Establishing a security awareness training program is an effective way to ensure employees are aware of cyber threats so they will not make costly errors that could result in a security incident or data breach. In order to minimize disruption to computer services, a disaster recovery plan, which identifies the procedures to perform in the event of a disaster, should be maintained.

The following was noted during testing:

- System level password policies were not set (length, lifetime, history, lock-out, complexity and monitoring).
- Application level password policies were not set (length, lifetime, history, lock-out, complexity and monitoring).
- Lack of segregation of duties at the system and application level.
- Cyber security training and policies were not implemented.
- Firewall support was not in place during the audit period.
- Anti-virus was not implemented during the audit period.
- Disaster Recovery procedures were not in place during the audit period.
- Backups were being rotated off-site to an unsecure location and not tested periodically.

Without complete, documented, and tested policies and procedures over IT security and operations, critical resources and data are put at a higher risk to be compromised maliciously or accidentally. As a result, the City could incur substantial costs in attempting to retrieve and recreate pertinent financial information for internal and external purposes.

**CITY OF BELPRE
WASHINGTON COUNTY
SCHEDULE OF FINDINGS
DECEMBER 31, 2022
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2022-004 (Continued)

Significant Deficiency (Continued)

Management should establish and enforce policies and procedures over the following areas:

- System level password.
- Application level password.
- Segregation of duties.
- Multi-factor Authentication
- Cyber security.
- Firewall support.
- Anti-virus.
- Disaster Recovery.
- Off-site Backups.

Officials' Response: Will meet with an IT Consultant to develop policy and procedures by September 30, 2024.

OHIO AUDITOR OF STATE KEITH FABER



CITY OF BELPRE

WASHINGTON 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 6/11/2024

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

This report is a matter of public record and is available online at
www.ohioauditor.gov