

CITY OF MOUNT VERNON
KNOX COUNTY
REGULAR AUDIT
JANUARY 1, 2022 – DECEMBER 31, 2022



OHIO AUDITOR OF STATE
KEITH FABER



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

City Council
City of Mount Vernon
40 Public Square
Mount Vernon, Ohio 43050

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

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 15, 2023

This page intentionally left blank.

**CITY OF MOUNT VERNON
KNOX COUNTY**

TABLE OF CONTENTS

TITLE

PAGE

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

1

This page intentionally left blank.

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

City of Mount Vernon
Knox County
40 Public Square
Mount Vernon, Ohio 43050

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mount Vernon, Knox County, (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

City of Mount Vernon
Knox County
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

Report on Compliance and Other Matters

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

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.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
July 28, 2023



City of Mount Vernon, Ohio

Annual Comprehensive Financial Report

Year Ended December 31, 2022





ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2022

Prepared by the Auditor's Office

Terry Scott
City Auditor



TABLE OF CONTENTS

CITY OF MOUNT VERNON
KNOX COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittal v
B List of Principal Officials xvi
C City Organizational Chart xvii
D Certificate of Achievement for Excellence in Financial Reporting xviii

II FINANCIAL SECTION

A Independent Auditor’s Report..... 1
B Management’s Discussion and Analysis..... 5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position 16
 Statement of Activities 18
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 20
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities 22
 Statement of Revenues, Expenditures and Changes in Fund Balances 24
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities 26
 Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund 27
 Municipal Income Tax #1 ½% (Voted) Fund 28
 Municipal Income Tax #2 ½% (Voted) Fund 29
 Community Development Block Grant Fund 30
 Local Coronavirus Relief Fund 31
 Proprietary Funds:
 Statement of Net Position 32
 Statement of Revenues, Expenses and Changes in Fund Net Position 35
 Statement of Cash Flows 36
 Fiduciary Funds:
 Statement of Net Position 38
 Statement of Changes in Net Position 39
 Notes to the Basic Financial Statements 40

D	Required Supplementary Information:	
	Schedule of City’s Proportionate Share of the Net Pension Liability.....	102
	Schedule of City Pension Contributions.....	104
	Schedule of City’s Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset).....	106
	Schedule of City’s Other Postemployment Benefit (OPEB) Contributions	108
	Notes to the Required Supplementary Information	110
E	Combining and Individual Fund Statements and Schedules:	
	Nonmajor Governmental Financial Statements:	
	Combining Balance Sheet.....	120
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	121
	Combining Balance Sheet – Nonmajor Special Revenue Funds	122
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	128
	Combining Balance Sheet – Nonmajor Capital Projects Funds	134
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	135
	Individual Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
	Major Governmental Funds:	
	<i>General Fund</i>	136
	<i>Special Revenue Funds:</i>	
	Municipal Income Tax #1 ½% (Voted) Fund.....	142
	Municipal Income Tax #2 ½% (Voted) Fund.....	143
	Community Development Block Grant Fund.....	144
	Local Coronavirus Relief Fund	145
	<i>Debt Service Fund:</i>	
	General Bond Retirement Fund.....	146
	<i>Capital Projects Funds:</i>	
	Capital Improvement Fund.....	147
	TIF District-Coshocton Road Fund	148
	Roads and Bridges Capital Improvement Fund.....	149

Nonmajor Governmental Funds:

Special Revenue Funds:

Street Construction, Maintenance and Repair Fund.....	150
State Highway Improvement Fund.....	151
Permissive Auto License Tax Fund.....	152
Cemetery Fund	153
Park Development Fund.....	154
Parking Fund	155
Law Enforcement Trust Fund.....	156
Drug Enforcement Trust Fund.....	157
Permissive License Registration Fund	158
Indigent Drivers Alcohol Treatment Fund	159
DUI - Enforcement and Education Fund.....	160
Court Computerization Fund.....	161
Probation Services Fund.....	162
Municipal Court Special Projects Fund.....	163
Court Clerk Computer Fund.....	164
Lodging Excise Tax Fund	165
Driver's Interlock and Alcohol Monitoring Fund	166
Public Service Street Repair Fund.....	167
Hiawatha Water Park Scholarship Fund.....	168
Available Petition Fund.....	169
College Township Fire-EMS Fund	170
OneOhio Opioid Fund.....	171
Police Pension Fund	172
Fire Pension Fund.....	173
Mausoleum Fund.....	174
Insurance Fund	175
Bonds and Inspection Fee Fund	176
Veterans Honor Walkway Fund	177

Debt Service Fund:

General Bond Retirement Fund-Income Tax Fund	178
--	-----

Capital Projects Funds:

TIF District – Industrial Area Fund.....	179
TIF District-Sandusky Street Corridor Fund.....	180

Permanent Fund:

Perpetual Care Fund	181
---------------------------	-----

III

STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2
Changes in Net Position - Last Ten Years..... S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Income Tax Revenues by Source, Governmental Funds - Last Ten Years S 14
Income Tax Collections - Current Year and Nine Years Ago..... S 17
Ratio of Outstanding Debt By Type - Last Ten Years S 18
Ratios of General Bonded Debt Outstanding - Last Ten Years S 20
Computation of Direct and Overlapping - Debt Attributable to
Governmental Activities - Current Year S 23
Debt Limitations - Last Ten Years S 24
Pledged Revenue Coverage - Last Ten Years S 26
Demographic and Economic Statistics - Last Ten Years S 28
Principal Employers - Current Year and Nine Years Ago S 31
Full Time Equivalent Employees by Function - Last Ten Years S 32
Operating Indicators by Function - Last Ten Years S 34
Capital Asset Statistics by Function - Last Ten Years S 36



Introductory Section







CITY OF MOUNT VERNON

40 Public Square • Mount Vernon, Ohio 43050
Terry Scott, City Auditor

phone (740) 393-9523

fax (740)-397-5288

July 28, 2023

To The Members of Council and
all Citizens of the City of
Mount Vernon, Ohio

As City Auditor, I am pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Mount Vernon for the fiscal year ended December 31, 2022. The report has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Introduction

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Mount Vernon (the City) to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Mount Vernon's MD&A can be found immediately following the Independent Auditor's Report.

THE REPORTING ENTITY:

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City. There were no potential component units that met the criteria imposed by GASB 14 to be included in the City's reporting entity. Therefore, the reporting entity of the City includes the following services: police protection, fire/emergency medical service protection, parks and recreation, cemetery, planning, zoning, street maintenance, and other governmental services. In addition, the City owns and operates the water treatment and distribution system and the wastewater treatment and collection system, each of which is reported as an enterprise fund.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Knox County General Health District as a combined agency was created in 1983 as provided in Section 3709.07 of the Ohio Revised Code. The jointly governed organization's board is composed of nine members; six members from the townships and villages, and three members from the City. The combined Knox County General Health District was organized to provide public health services as required by the Ohio Revised Code and the Ohio Administrative Code, and such other services as are duly authorized or required by regulations of the District and can be furnished within the financial resources available to the District. The combined Knox County General Health District Board is responsible for the fiscal operations of the District. Under a contractual arrangement, the District sets the amount the City shall contribute on an annual basis. The remaining funding necessary for the District shall be apportioned by the County Auditor on the basis of taxable valuations among each township and village. Any fees charged for services by the District shall be placed in the District Health Fund. The City appropriated \$60,500 for operations of the combined District for 2022.

Certain organizations share some degree of name similarity with the City; however, they constitute separate and distinct entities, not only from the City but also from each other. The City has no financial accountability for these entities. Due to their independent nature, none of these organizations' financial statements are included in this report. These organizations are as follows:

Mount Vernon City School District (the District) - The District encompasses the City of Mount Vernon as well as areas outside of the corporate boundaries. The members of the Board of Education of the District are elected by the voters within the District. The Board is a body politic and corporate, capable of suing, contracting, possessing, acquiring and disposing of real property. The Board controls its own operations and budget and the City has no ability to significantly influence operations and no accountability over the fiscal matters of the District. Therefore, the District's separate financial statements are excluded from the City's financial statements.

The Mount Vernon Public Library (the Library) - The Mount Vernon Public Library provides library services to the citizens of the City and surrounding communities. The Library is a separate entity from the City; it has a separately selected governing authority and a separate designation of management. In addition, the City has no ability to significantly influence operations and no financial accountability over the fiscal matters of the Library.

***Letter of Transmittal
For the Year Ended December 31, 2022***

The City of Mount Vernon:

The City of Mount Vernon was founded in 1805 and was incorporated on February 22, 1830, under the laws of the State of Ohio. Mount Vernon is located in the center of the state, approximately 50 miles northeast of Columbus, Ohio, and is the county seat of Knox County. Mount Vernon operates under a statutory Mayor-Council form of government, as set forth in the Ohio Revised Code. Mount Vernon's 9.8 square mile area serves a residential population of 16,990. State highways 3, 13, 229 and 586 and U. S. Highway 36 serve as some of the City's major transportation arteries. Mount Vernon is the birthplace of Daniel Decatur Emmett, composer of the southern classic "Dixie" and Paul Lynde, a nationally known comedian.

The Management:

The citizens of Mount Vernon elect one full-time Mayor (for a four year term), who appoints the Clerk of Council and his Administrative Assistant (combined as one full-time position) and the Safety-Service Director, who is a full-time employee. The Safety-Service Director is responsible for each of the following departments:

Police Department - The department employs a total of thirty-four individuals including both civilian employees and sworn police officers. The department is responsible for enforcing various criminal and traffic statutes as well as local parking laws.

Fire Department - The department is comprised of five firefighters, thirty-seven firefighter/paramedics, twelve part-time firefighter/paramedics and one executive secretary. All Fire Department services including all basic fire protection, emergency medical and rescue services are tax supported. There is a charge levied to health insurance companies for emergency medical services described above.

Property Maintenance and Code Enforcement Department – This department has one full-time inspector who is responsible to address non-compliant property maintenance issues as well as zoning code related violations. This would include buildings as well as general property grounds.

Engineering Department - This department has a total of six full-time engineering personnel. They are responsible for issuance of building permits, plan reviews for new construction and remodeling, insuring compliance with prevailing wage statutes and working with the Water and Wastewater Commission.

Public Building and Land and Parks Department - These two departments work very closely together under the leadership of a single department head. There is a total of five full-time employees and up to five part-time or seasonal employees. The departments maintain all the City's buildings and grounds including all vacant land and park facilities.

Recreation and Pool Departments - These departments employ part-time and seasonal employees, only. In the summertime, one hundred people are hired to coordinate and administer organized recreational programs in the City's two major parks and to operate the municipal water park/pool.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Street Department - The Street Department is responsible for the on-going maintenance and improvement of the City's highways, streets, alleys, storm water drainage facilities, and traffic signs and signals. The department includes nine full-time employees and five part-time or seasonal employees to help with the summer road maintenance projects, mowing, and fall leaf pick-up program.

Cemetery Department - This department is operated with four full-time employees and five and one fourth seasonal employees. The Cemetery department is responsible for the operation and maintenance of the City's cemetery, as well as the sale of burial lots.

Water Department - This department operates with ten full-time employees and fifteen shared full-time employees. The shared employees also work with the Wastewater Department. The Water Department is responsible for the treatment and distribution of potable water to the City's 6,638 customers and customers located in the Village of Gambier (approximately three miles east of Mount Vernon). All treatment plant employees are required to have a Class I operator's license within two years of employment.

Wastewater Department - This department operates with twelve full-time employees and fifteen shared full-time employees as described above. The Wastewater Department is responsible for the collection and treatment of all sewerage within the City of Mount Vernon and Clinton Township (a township adjacent to the City). All plant employees are required to have a Class I operator's license within two years of employment.

The citizens of Mount Vernon elect one full-time Auditor (for a four year term), who appoints the staff of the Auditor's Office. There are two full-time employees, who in conjunction with the City Auditor, are responsible for the accounting and financial administration functions, including recording all revenues, investing idle funds, debt service management, accounts payable processing, payroll, expenditure tracking, financial records administration, budgeting and financial reporting.

The citizens of Mount Vernon elect one part-time Treasurer (for a four year term), who appoints the staff of the Income Tax Department. The Income Tax Department has three full-time employees, who are responsible for the administration and collection of the City's 2.0% earnings tax. In addition, the Income Tax Department offers direct taxpayer assistance services to all residents and businesses.

The citizens of Mount Vernon elect one full-time Law Director (for a four year term), who appoints the Law Department. The Law Department has one assistant Law Director, one Victim's Advocate, and three full-time employees, who along with the Law Director are responsible for writing all legislation, assisting victims of crime, and prosecuting the entire City's court cases.

The citizens of Mount Vernon elect one part-time President of Council, (for a two year term), who is responsible for conducting the council meetings and assigning committees of council.

The citizens of Mount Vernon elect one part-time councilperson from each of the four wards and three part-time council-at-large for a total of seven. Council members serve a two year term and are elected in odd numbered years. The City Council meets on the second and fourth Monday night of each month, in a public meeting, to hear proposed legislation and take action on various issues pending before the legislative body.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Economic Outlook

Public utilities continue to be a significant focus for the city and the regulators who continue to strength their efforts in making certain water safety and wastewater discharge products remain in check. The water treatment plant has contracted with a consulting firm to help assess the needs within this facility. During the year, the management team secured the requisition by placing an order for two new lime silos along with upgrades to the clarifiers that are used during the processing of clean water services to the public.

With the plant now twenty-two year old, it is reaching that nominal twenty-five year upgrades just to keep up with technology and learning better ways to acquire and distribute water to the public. In Ohio, the city is sitting directly on top of the largest underground aquifer in the state. Purification is diminished significantly due to the natural water being so pure and without natural hardness.

During the next year, this facility will have attained its goal to bring the operation to a more efficient plant and hopefully retain a lower operating cost for the customers.

The wastewater plant facility continues to be pressured heavily by the regulators to contain more and more phosphorus from the discharge clean water from the facility. The cost factor is significant and the operations team continues to determine what would be the best method to contain this product. While time is running low, the team will be challenged to provide their plan with the regulators. Once the regulators have approved the plan, the team will then begin to obtain the necessary equipment needs and processing procedures to secure the phosphorus. The overall affect will be having cleaner streams and rivers, but mostly for the discharge of clean water into the Ohio River.

The City continues to have several improvement projects ongoing into the new year. One of the major projects will be the design work and assessment of needs for the new Mount Vernon Municipal Court building. The City acquired three building within the center core of the city all of which will be raised and new construction will begin. The Mount Vernon Municipal Court will be relocated on the corner of East High Street and North Gay Street once the construction is completed. On the corner of North Main Street and East Chestnut Street, the City will construct a new City Hall Annex facility that will provide for the operations of the City income tax department along with the Water and Wastewater customer service and billing office. Assessments and design work will continue into the new year, with the goal of having renderings being available for the viewing public to see and give comments.

The City has been actively continuing its tree plantings and tree replacement program over the past several years. This ongoing project continued for 2022 merely due to the extreme generosity of the Ariel Foundation. This Foundation has contributed tens of thousands of dollars into tree plantings and tree replacements over the past years and in 2022, an additional \$176,350 was provided to continue the ongoing efforts. Our tree lined streets and recreation parks all have been the beneficiary of this project and more is planned for the upcoming year as well.

The City recognizes that it has been a large benefactor in grant awards distributed on behalf of The Ariel Foundation as well as Ariel Corporation. The numerous projects and ongoing improvements throughout the city will be everlasting and certainly provides for the wonderful aesthetics that continues to make Mount Vernon, Ohio a great place to live, work and raise a family. We say “Thank You” to The Ariel Foundation and Ariel Corporation for your heartfelt support.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Thanks to the foresight of City management, coupled with the cooperation of the City's department heads, the growth in the local economy resulted in a favorable impact on the City's ability to provide quality services to the public. The Engineering Department issued three hundred eight building permits in 2022 and two hundred five in 2021, an increase of one hundred three permits.

Long-term Financial Planning:

The City is adorned with nine miles of brick streets which accents our historical districts greatly with the renowned architecture of homes within these districts. The ongoing task has been how best to rebuild, restore and repair these brick roadways. Burgess Street and Hamtramck Street from North Main Street east are the two largest brick street projects facing the City at this time. The engineering department has completed most of the survey work, and now the task of preparing drawings in order to establish a cost value of these improvements is the next step. Both streets cover at least five to seven city blocks and being located within a heavily populated residential community, on-street parking is all that is available for the vast majority of residents. Discussions with council members have been centered on the possibility of issuing debt to raise the necessary resources to make these much needed improvements. Estimated costs could be in the range of \$2,000,000 to perhaps as much as \$3,000,000 to rehabilitate both streets completely.

This would take several community meeting with the residents affected within the area to inform them what the improvements would consist of, how the improvements would be done (block-by-block, or multiple blocks at a time), and how parking would affect them during the project. Ideally one street would be done at a time and would span over a two year construction period.

Employee Relations:

The City of Mount Vernon is in the second year of a three year contract with the City's three unions. All union contracts were effective January 1, 2021, through December 31, 2023. For the OCSEA and the FOP there were no raises in 2021 and negotiations are currently being held in 2022. The IAFF received a 2% wage increase for 2021, a 1% wage increase effective January 1, 2022, and another 1% wage increase effective June 1, 2022.

The first is, the Dan Emmett Chapter of the Ohio Civil Service Employees Association (OCSEA), Local 11/American Federation of State, County and Municipal Employees, AFL-CIO, which consists of forty-nine members from the public service departments (Engineering, Public Building and Land, Parks, Street, Cemetery, Water and Wastewater). The second is the Ohio Association of Professional Firefighters, The Mount Vernon Firefighters and Paramedics Local 3712 which consists of thirty-nine members of the fire department. The final bargaining unit is the Kokosing Chapter of the Fraternal Order of Police, Ohio Labor Council, Inc. (FOP) which consists of twenty-eight members of the police department. The remaining departments along with all the department heads are not represented by any union.

The City continues to experience a good working relationship with these three unions for the betterment of the citizens of this community.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Unemployment Rates:

The City of Mount Vernon's economic outlook showed signs of steady improvement at the beginning of 2022. The year started out at 4.2 percent unemployment. The unemployment rate continued a steady decline reaching 2.7% by May. Beginning with June at 3.8%, there was a steady plateau through September which saw a continued decline to 2.8% in November and closed December showing 3.2% finishing out the year. Overall the city has experienced a reasonable flattening in the unemployment. The City's diverse mix of employment opportunities helps to offset such economic fluctuations.

Major Initiatives

Various departments were beneficiaries to upgrades of information technology equipment during 2022. The Police Department finally received their two new police cruisers that had been placed in a parking lot in West Virginia to await those infamous "chips" those automobiles so desperately needed in order to make the vehicle start. Cost value per cruiser was \$36,488 in addition to the equipment change over cost from the old cruisers. The department also received a replacement of an unmarked vehicle within the fleet.

The fire department acquired a new LifePak 15 monitor/defibrillator device during the year. This device is used on critical patients who are experiencing heart related symptoms. Features within this device allows the emergency medical personnel in the field to transmit heart rhythm read outs back to the local hospital allowing the medical doctors to analyze the readouts and provide feedback to the emergency medical personnel for any needed medications prior to transport. The cost of the LifePak was \$18,365.

In 2021, the city created the Department of Human Resources to help provide services for new employees, current employees, and those employees who may be leaving the City due to retirement and/or other employment. In 2022, the department took on the major task of structuring an onboarding program for new employees. The department embarked with a new software program to begin collecting pertinent data related to employment with the City. The department has begun uploading data into the program, allowing employees to have access to all the necessary forms and documents related to HR. This will be an ongoing collaboration with the Auditor's Office as the data is available.

The Parks Department was able to acquire a new Ventrac Mower with a trailer for transport at a cost of \$44,249. This specialized mower will be able to mow terraces and sloping areas throughout our public lands. Safety is always at the forefront with our workforce and this equipment will definitely provide that.

The Street department received a two new leaf boxes that are used during the leaf pickup during the fall. The cost of these two items came in at \$16,550. The department also received funding to acquire portable traffic lights that will be used while the work crews are performing road repairs and maintenance. The safety of the workforce is what initiated the request for the acquisition. Work crews can now perform the task needed for road repairs, allowing the lights to control the traffic at the same time. Having two flaggers at both end of the roadway directing traffic will no long be necessary with this acquisition.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Road resurfacing was performed on various streets across the city. One significant road repair project came about during a lightning strike to a water main line. The block between North Main Street and North Gay Street had to be completely rebuilt, renewing all of the public utility systems and a full rebuild of the roadway from base course through surface course. American Rescue Plan Act (ARPA) funding was utilized to complete this project. Total cost value was \$85,700.

The Cemetery Department was able to acquire two new zero turn mowers for the department in 2022. Total cost for these two mowers came in at \$21,598. It is worth noting that most of our equipment needs are acquired locally when possible. The City prefers to support our local retail businesses as they in turn provide revenues back to us in the form of income tax revenues from the business operations and employment.

The operations of water and wastewater began assessing the deep dive needs for these two significant operations within our community. The current water treatment plant was put online in the year to 2000. This facility operates twenty-four hours a day, three hundred sixty five days a year with no shut down time. The facility is in need of new lime silos as well as making significant improvements to the clarifiers. In conjunction with consultants who are familiar in the field of water plants, the department is currently awaiting replacements to the lime silos and extensive repairs to the clarifiers. The operational costs for these two items are being secured from the department's treasury without any debt issuance. Structured improvement funds were able to secure the funding for the orders that should be in place sometime during the year of 2023.

Financial Information

Internal Control, Budgetary Control and the Accounting System:

The City of Mount Vernon's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition, and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation, and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Auditor's Office.

***Letter of Transmittal
For the Year Ended December 31, 2022***

All internal control evaluations occur within this framework. It is the belief of the administration and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by Mount Vernon City Council. All funds are included in the annual appropriated budget. The level of budgetary control (that is, the levels at which expenditures cannot legally exceed the appropriated amount) is at the object level within each department. Budgetary control is maintained within the personal services, operating expenses, and capital outlay categories with each department though the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Encumbered appropriations carry forward to the following year(s) until expended or liquidated. Unencumbered amounts lapse at year end.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Other Information

Independent Audit:

This report of the City of Mount Vernon was audited by the independent firm of Wilson, Shannon & Snow, Inc. of Newark, Ohio. They have audited the basic financial statements and the related notes as indicated in their letter. Their examination was conducted in accordance with *Generally Accepted Government Auditing Standards* which includes a financial and compliance audit as well as an evaluation of internal accounting controls and tests of transactions. The auditor's unmodified opinion letter is included in this report.

Awards:

The Government Finance Officers Association of the United State and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mount Vernon, Ohio for its Annual Comprehensive Financial Report for the year ended December 31, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. The City of Mount Vernon received a Certificate of Achievement for the last thirty-one consecutive years (fiscal years ended 1991-2021). I believe this current report continues to conform to the Certificate of Achievement program requirements, and I am submitting it to GFOA.

***Letter of Transmittal
For the Year Ended December 31, 2022***

Public Disclosure:

The publication of this Annual Comprehensive Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to the citizens. In addition to the citizens of Mount Vernon, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

Acknowledgments:

I would like to thank my staff and extend special recognition to all related departments within the City, who assisted with the preparation of the 2022 Annual Comprehensive Financial Report and annual independent audit.

Special appreciation is extended to the staff of Wilson, Shannon & Snow, Inc., for timely completion of the audit.

In closing, without the leadership and support of the Mount Vernon City Council and Administration, preparation of this report would not have been possible.

Respectfully,



Terry Scott
City Auditor

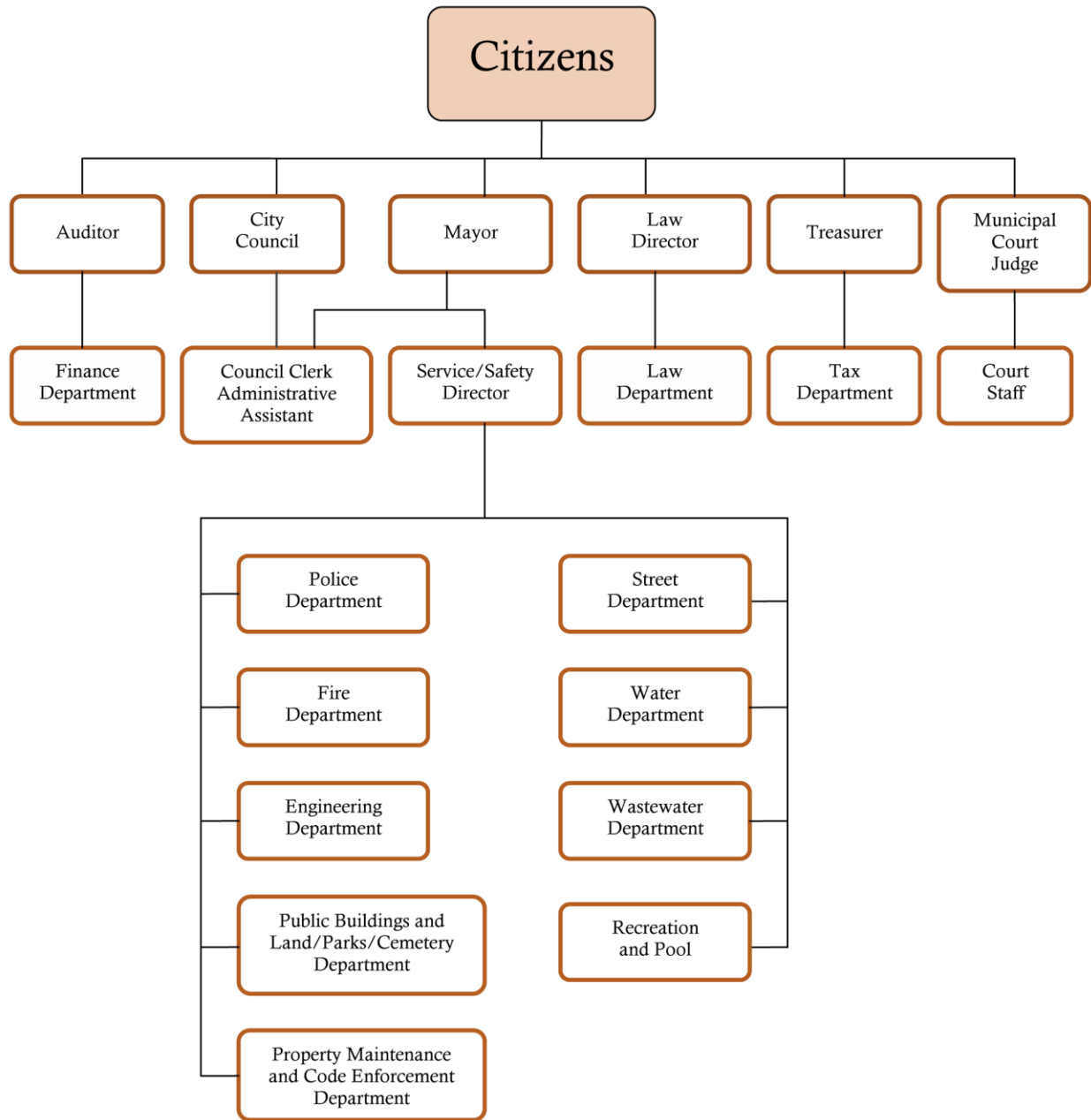


CITY OF MOUNT VERNON, OHIO

***List of Principal Officials
For the Year Ended December 31, 2022***

<i>NAME</i>	<i>TITLE</i>	<i>YEARS OF SERVICE</i>
<u>City Council</u>		
Bruce Hawkins	President	16
Josh Kirby	First Ward Member	1
John Francis	Second Ward Member	11
Tammy Woods	Third Ward Member	3
Michael Hillier	Fourth Ward Member	4
Mel Severns	Member At-Large	1
Amber Keener	Member At-Large	1
Janis Seavolt	Member At-Large	11
<u>City Administration</u>		
Matthew T. Starr	Mayor	3
Terry Scott	Auditor	28
P. Robert Broren	Law Director	9
David M. Stuller	Treasurer	5
Richard S. Dzik	Safety-Service Director	3
Todd Hill	Clerk of Council	1
<u>Department Heads</u>		
Lisa Brown	Income Tax Administrator	8
Robert K. Morgan	Police Chief	23
Chad Christopher	Fire Chief	21
Thomas Hinkle	Street Superintendent	17
Thomas Marshall	Public Utility Director	1

***City Organizational Chart
For the Year Ended December 31, 2022***



***Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting***



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Mount Vernon
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

Financial Section





INDEPENDENT AUDITOR'S REPORT

City of Mount Vernon
Knox County
40 Public Square
Mount Vernon, Ohio 43050

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 Mount Vernon Knox 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 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 Mount Vernon, Knox 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, Municipal Income Tax #1 ½% (Voted), Municipal Income Tax #2 ½% (Voted), Community Development Block Grant, and Local Coronavirus Relief funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit 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.

Supplementary information

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

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shannon & Sons, Inc.

Newark, Ohio
July 28, 2023



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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- ❑ In total, net position increased \$7,147,420. Net position of governmental activities increased \$4,903,381 which represents a 9.59% increase from 2021. Net position of business-type activities increased \$2,244,039 from 2021.
- ❑ General revenues accounted for \$21,555,678 in revenue or 56.83% of all revenues. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for \$16,374,940 or 43.17% of total revenues of \$37,930,618.
- ❑ The City had \$23,082,527 in expenses related to governmental activities; only \$6,430,748 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues of \$21,555,160 provided for these programs.
- ❑ Among major funds, the general fund had \$10,080,527 in revenues and \$10,313,264 in expenditures and other financing uses. The general fund's fund balance decreased from \$5,547,589 to \$5,314,852.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining and individual statements and schedules* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net-position (the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

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

Fund Financial Statements

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The City's major funds are the General Fund, the Municipal Income Tax ½% (Voted) Fund, the Municipal Income Tax ½% #2 (Voted) Fund, the Community Development Block Grant Fund, the Local Coronavirus Relief Fund, the General Bond Retirement Fund, the Capital Improvement Fund, the TIF District-Coshocton Road Fund, and the Roads and Bridges Capital Improvement Fund. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

CITY OF MOUNT VERNON, OHIO

**Management’s Discussion and Analysis
For the Year Ended December 31, 2022**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The proprietary fund financial statements provide separate information for the Water, Sewer, and Storm Water funds, all of which are considered major funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City’s net position for 2022 compared to 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$28,903,576	\$25,348,864	\$11,569,076	\$11,422,588	\$40,472,652	\$36,771,452
Net OPEB asset	743,280	409,203	346,960	198,547	1,090,240	607,750
Capital assets, Net	58,500,347	57,619,123	33,165,929	32,542,421	91,666,276	90,161,544
Total assets	88,147,203	83,377,190	45,081,965	44,163,556	133,229,168	127,540,746
Deferred outflows of resources	5,941,334	4,025,358	535,389	506,289	6,476,723	4,531,647
Long-term liabilities outstanding	7,090,556	7,722,983	6,969,585	8,094,168	14,060,141	15,817,151
Net pension liability	14,085,900	16,934,111	926,258	1,571,053	15,012,158	18,505,164
Net OPEB liability	2,123,181	2,128,668	0	0	2,123,181	2,128,668
Other liabilities	3,710,057	1,680,591	815,383	384,455	4,525,440	2,065,046
Total liabilities	27,009,694	28,466,353	8,711,226	10,049,676	35,720,920	38,516,029
Deferred inflows of resources	11,053,723	7,814,456	1,565,908	1,523,988	12,619,631	9,338,444
Net position:						
Net investment in capital assets	53,042,998	51,502,443	26,234,302	24,760,366	79,277,300	76,262,809
Restricted	12,575,973	11,282,845	854,448	1,902,437	13,430,421	13,185,282
Unrestricted (Deficit)	(9,593,851)	(11,663,549)	8,251,470	6,433,378	(1,342,381)	(5,230,171)
Total net position	\$56,025,120	\$51,121,739	\$35,340,220	\$33,096,181	\$91,365,340	\$84,217,920

The implementation of GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27” and GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” significantly revised accounting for costs and liabilities related to pensions and other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability.

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

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.

CITY OF MOUNT VERNON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2022**

Unaudited

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

Changes in Net Position – The following table shows the changes in net position for 2022 compared to 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for Services and Sales	\$4,219,439	\$3,312,230	\$9,944,192	\$11,028,991	\$14,163,631	\$14,341,221
Operating Grants and Contributions	1,864,135	1,741,529	0	0	1,864,135	1,741,529
Capital Grants and Contributions	347,174	1,941,225	0	0	347,174	1,941,225
Total Program Revenues	6,430,748	6,994,984	9,944,192	11,028,991	16,374,940	18,023,975
General Revenues:						
Property Taxes	2,606,377	2,449,131	0	0	2,606,377	2,449,131
Income Taxes	16,948,453	14,258,201	0	0	16,948,453	14,258,201
Other Local Taxes	169,952	127,228	0	0	169,952	127,228
Intergovernmental Revenues, Unrestricted	507,409	471,917	0	0	507,409	471,917
Investment Earnings	252,846	34,673	518	184	253,364	34,857
Miscellaneous	1,070,123	341,935	0	0	1,070,123	341,935
Total General Revenues	21,555,160	17,683,085	518	184	21,555,678	17,683,269
Total Revenues	27,985,908	24,678,069	9,944,710	11,029,175	37,930,618	35,707,244
Program Expenses						
Security of Persons and Property	9,014,949	9,381,852	0	0	9,014,949	9,381,852
Public Health and Welfare Services	398,776	324,121	0	0	398,776	324,121
Leisure Time Activities	1,228,307	660,458	0	0	1,228,307	660,458
Community Environment	415,055	574,485	0	0	415,055	574,485
Transportation	3,585,920	4,588,251	0	0	3,585,920	4,588,251
General Government	8,259,017	5,710,902	0	0	8,259,017	5,710,902
Interest and Fiscal Charges	180,503	214,409	0	0	180,503	214,409
Water	0	0	4,101,500	2,409,282	4,101,500	2,409,282
Sewer	0	0	3,347,719	3,067,527	3,347,719	3,067,527
Storm Water	0	0	251,452	125,461	251,452	125,461
Total Expenses	23,082,527	21,454,478	7,700,671	5,602,270	30,783,198	27,056,748
Total Change in Net Position	4,903,381	3,223,591	2,244,039	5,426,905	7,147,420	8,650,496
Beginning Net Position	51,121,739	47,898,148	33,096,181	27,669,276	84,217,920	75,567,424
Ending Net Position	\$56,025,120	\$51,121,739	\$35,340,220	\$33,096,181	\$91,365,340	\$84,217,920

***Management’s Discussion and Analysis
For the Year Ended December 31, 2022***

Unaudited

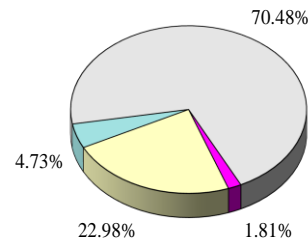
Governmental Activities

Net position of the City’s governmental activities increased by \$4,903,381 compared to 2021. Expenses returned to levels consistent with years prior to 2021. In 2021, expenses decreased approximately \$3 million due to a plan design change with the OPERS OPEB plan. OPERS no longer offered a self-insured OPEB plan to its retirees. Instead, retirees receive a monthly fixed stipend based on their eligibility. As a result, the OPERS OPEB 2020 net liability converted to a net asset in 2021 with the offset recognized as a reduction in OPEB expense. The increase in Net Position is the result of revenues exceeding expenses in conjunction to receiving additional income tax revenues.

The City receives an income tax, which is based on 2.0% of all salaries, wages, commissions and other compensation and on net profits earned from those working in the City.

Income taxes and property taxes made up 60.56% and 9.31% respectively of revenues for governmental activities for the City in 2022. The City’s reliance upon tax revenues is demonstrated by the following graph indicating 70.48% of total revenues from general tax revenues:

Revenue Sources	2022	Percent of Total
General Tax Revenues	\$19,724,782	70.48%
Intergovernmental Revenues, Unrestricted	507,409	1.81%
Program Revenues	6,430,748	22.98%
General Other	1,322,969	4.73%
Total Revenue	<u>\$27,985,908</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business type activities increased by \$2,244,039. This increase is the result of actively addressing delinquent accounts, shut offs, and liens coupled with customers having better knowledge of the monthly billing process. Storm water utility is not in its second year of operation. The resources being provided from this new utility has been extremely helpful for failing infrastructure along with being able to perform repair work to the catch basins and renew other related infrastructure items.

CITY OF MOUNT VERNON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2022**

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$20,550,226, which is an increase from last year's balance of \$18,659,136. The schedule below indicates the fund balance and the total change in fund balance by fund as of December 31, 2022 and 2021.

	Fund Balance December 31, 2022	Fund Balance December 31, 2021	Increase (Decrease)
General	\$5,314,852	\$5,547,589	(\$232,737)
Municipal Income Tax 1/2% (Voted)	1,079,634	485,025	594,609
Municipal Income Tax #2 1/2% (Voted)	1,440,131	1,080,769	359,362
Community Development Block Grant	42,091	79,058	(36,967)
Local Coronavirus Relief	0	0	0
General Bond Retirement	12,500	0	12,500
Capital Improvement	1,863,584	3,229,118	(1,365,534)
TIF District-Coshocton Road	5,879,435	4,492,376	1,387,059
Roads and Bridges Capital Improvement	1,846,108	1,130,080	716,028
Other Governmental	3,071,891	2,615,121	456,770
Total	\$20,550,226	\$18,659,136	\$1,891,090

General Fund – The City's General Fund balance decrease is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2022 Revenues	2021 Revenues	Increase (Decrease)
Property and Other Taxes	\$5,226,335	\$4,536,406	\$689,929
Intergovernmental Revenue	1,129,376	1,113,340	16,036
Charges for Services	2,693,967	2,165,068	528,899
Licenses and Permits	35,197	25,928	9,269
Investment Earnings	243,501	33,932	209,569
Fines and Forfeitures	606,516	539,638	66,878
All Other Revenue	145,635	152,739	(7,104)
Total	\$10,080,527	\$8,567,051	\$1,513,476

General Fund revenues in 2022 increased approximately 17.67% compared to revenues in 2021. The major contributors are EMS billings along with fire service contracts being updated with new millage from the surrounding townships that contract with the city.

CITY OF MOUNT VERNON, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2022***

Unaudited

	2022	2021	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$286,674	\$221,424	\$65,250
Public Health and Welfare Services	87,722	82,200	5,522
Leisure Time Activities	1,016,411	878,520	137,891
Community Environment	44,607	32,870	11,737
Transportation	39,522	38,040	1,482
General Government	8,517,852	6,987,319	1,530,533
Debt Service:			
Principal Retirement	15,998	15,339	659
Interest and Fiscal Charges	11,877	12,536	(659)
Total	<u>\$10,020,663</u>	<u>\$8,268,248</u>	<u>\$1,752,415</u>

General Fund expenditures increased by \$1,752,415 or 21.2% compared to the prior year primarily due to attentive fiscal responsibility and income tax receipts being increased along with EMS Billings and fire service contracts.

General Bond Retirement Fund – The General Debt Retirement Fund balance had no significant change.

Municipal Income Tax ½% (Voted) Fund - The Municipal Income Tax ½% (Voted) Fund balance increased from \$485,025 to \$1,079,634 due to increases in income tax revenues.

Municipal Income Tax #2 ½% (Voted) Fund - The Municipal Income Tax ½% (Voted) Fund balance increased from \$1,080,769 to \$1,440,131 due to substantial increase in income tax revenues.

Community Development Block Grant Fund – Community Development Block Grant Fund balance had no significant change.

Capital Improvement Fund - The Capital Improvement Fund balance decreased from \$3,229,118 to \$1,863,584 due to the acquisition of real estate located in and around City Hall for future development.

TIF District-Coshocton Road Fund - The TIF District-Coshocton Road Fund balance increased from \$4,492,376 to \$5,879,435 due to a reduction in operational costs being performed during the year.

Roads and Bridges Capital Improvement Fund - The Roads and Bridges Capital Improvement Fund balance increased from \$1,130,080 to \$1,846,108 due to increased income tax revenues.

CITY OF MOUNT VERNON, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2022***

Unaudited

Budget - 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.

During the course of 2022 the City amended its General Fund budget several times. The increase in the final budget of \$15,147,696 over the original budget of \$12,544,813 primarily was the result of a grant from Crime Victim Assistance for a Victims of Crime Advocate within the law director's department and Ohio Department of Rehabilitation and Correction Grant for a Probation Improvement and Incentive Program within the municipal court system and grants received. Actual expenditures and other financing uses were less than the final budget by \$2,929,441 because of significant reduction in expenditures, additional appropriations (\$428,823) to the budget stabilization appropriation formula the legislative body created in 2018 along with conservative fiscal management practices due to known lost revenues throughout the year.

For the General Fund, actual revenues and other financing sources increased from final budget basis revenue of \$10,583,033 increased by \$527,859 due to an increase in income tax revenues and emergency medical service charges along with the manuscript debt transaction that was provided for an Advance In, which was then offset by a negative variance in All Other Revenue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022 the City had \$91,666,276 net of accumulated depreciation invested in land, construction in progress, buildings, infrastructure, equipment and vehicles. Of this total, \$58,500,347 was related to governmental activities and \$33,165,929 to the business-type activities. The following table shows 2022 and 2021 balances:

	Governmental Activities		Increase (Decrease)
	2022	2021	
Land	\$16,205,399	\$14,536,696	\$1,668,703
Construction In Progress	1,682,077	1,131,137	550,940
Buildings	18,351,209	18,211,993	139,216
Improvements Other than Buildings	2,593,652	2,593,652	0
Infrastructure	58,064,116	57,484,044	580,072
Machinery and Equipment	12,136,948	11,829,622	307,326
Less: Accumulated Depreciation	(50,533,054)	(48,168,021)	(2,365,033)
Totals	<u>\$58,500,347</u>	<u>\$57,619,123</u>	<u>\$881,224</u>

Land increased due to the purchase of property for a new court house and a new City Hall Annex facility. Constructions in Progress increased due to on-going construction projects. Improvements Other than Buildings had a no change. Infrastructures increased due to the completion of prior year projects and road resurfacing in 2022. Machinery and Equipment increased due to acquisition of vehicles for the police department, self-contained breathing apparatus and turn out gear for the fire department with equipment for the parks and street department.

CITY OF MOUNT VERNON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2022**

Unaudited

	Business-Type Activities		Increase (Decrease)
	2022	2021	
Land	\$819,311	\$819,311	\$0
Construction in Progress	2,389,079	2,653,300	(264,221)
Buildings and Improvements	36,409,033	35,472,437	936,596
Utility Structures in Service	33,160,272	31,898,644	1,261,628
Machinery and Equipment	5,903,253	5,358,986	544,267
Less: Accumulated Depreciation	(45,515,019)	(43,660,257)	(1,854,762)
Totals	<u>\$33,165,929</u>	<u>\$32,542,421</u>	<u>\$623,508</u>

Business type capital assets increased during the year. Construction in Progress decreased due to a project being completed during the year. Utility Structures in Service increased in conjunction with roadway improvements are renewed utility structures that are replaced at the same time. Machinery and equipment had a slight increase due to the acquisition of a new sewer vacuum truck. Additional information on the City's capital assets can be found in Note 8.

Debt

At December 31, 2022, the City had \$6,177,650 in general obligation bonds outstanding, \$835,000 due within one year. The following table summarizes the City's liabilities outstanding as of December 31, 2022 and 2021.

	2022	2021
Governmental Activities:		
General Obligation Bonds Payable	\$3,939,150	\$4,592,200
Ohio Public Works Commission Loan	578,169	633,599
Special Obligation Bonds Payable	670,000	795,000
Police and Firemen's Pension Accrued Liability	267,415	283,413
Compensated Absences	1,635,822	1,418,771
Total Governmental Activities	<u>7,090,556</u>	<u>7,722,983</u>
Business-Type Activities:		
General Obligation Bonds Payable	2,238,500	2,804,690
Special Obligation Bonds Payable	670,000	795,000
Ohio Public Works Commission Loan	70,131	79,482
Ohio Water Development Authority Loan	3,796,566	4,152,626
Compensated Absences	194,388	262,370
Total Business-Type Activities	<u>6,969,585</u>	<u>8,094,168</u>
Totals	<u>\$14,060,141</u>	<u>\$15,817,151</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2022, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 11.

ECONOMIC FACTORS

The economic outlook for the city is displaying to be plentiful. From the engineering department we are seeing an increase in new housing construction beginning. Our city has been declining in additional housing to the point employers have indicated it is nearly impossible for new workers to find available housing due to the limited amount available. While home sales continue to increase, along with that provides for additional real estate tax revenues being tied to the increased market values for real estate.

A major home builder is underway with construction of large upscale rental apartments in the east side of town. The developer is expected to begin breaking ground by fall of this year and estimates that new occupants could arrive by next year at this time.

In and near the same housing project, a second developer is currently underway with platting out single family homes and also beginning new construction. These homes are expected to be priced between the upper \$200,000 to mid \$300,000 range. This development is expected to continue development over the next two to three years.

Heartland Progress Park under the direction of the Knox County Area Development Foundation has now obtained deeds to most of the properties located within park. The Foundation will be seeking new businesses or existing businesses within the city to relocate to this complex. More than forty-four acres of structures are available for variety of business types. The complex has the ability to be sub divided if necessary. At this time there are three businesses located in the park with further interest with approximately additional interested businesses to call this park their home place. Those discussions and negotiations are still ongoing but during this year, the city hopes to have at least a couple new employers bringing employment to the city.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Terry Scott, City Auditor of the City of Mount Vernon.

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

CITY OF MOUNT VERNON, OHIO

**Statement of Net Position
December 31, 2022**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 16,216,556	\$ 6,725,293	\$ 22,941,849
Investments	4,704,810	1,795,189	6,499,999
Receivables:			
Taxes	5,217,551	0	5,217,551
Accounts	376,640	2,879,038	3,255,678
Intergovernmental	1,316,802	0	1,316,802
Interest	14,513	0	14,513
Inventory of Supplies	60,288	131,660	191,948
Prepaid Items	336,879	37,896	374,775
Restricted Assets:			
Cash and Cash Equivalents	556,647	0	556,647
Cash and Cash Equivalents with Fiscal Agent	102,890	0	102,890
Net OPEB Asset	743,280	346,960	1,090,240
Capital Assets			
Capital Assets not Being Depreciated	17,887,476	3,208,390	21,095,866
Capital Assets Being Depreciated	40,612,871	29,957,539	70,570,410
Total Assets	88,147,203	45,081,965	133,229,168
Deferred Outflows of Resources:			
Deferred Charge on Refunding	64,274	141,508	205,782
Pension	4,814,637	393,881	5,208,518
OPEB	1,062,423	0	1,062,423
Total Deferred Outflows of Resources	5,941,334	535,389	6,476,723
Liabilities:			
Accounts Payable	312,192	93,833	406,025
Accrued Wages and Benefits	312,413	63,906	376,319
Contracts Payable	651,607	569,881	1,221,488
Retainage Payable	59,669	63,245	122,914
Due to Others	49,371	0	49,371
Unearned Revenue	2,322,496	0	2,322,496
Matured Bonds & Interest Payable	0	650	650
Accrued Interest Payable	2,309	23,868	26,177
Long-term Liabilities:			
Due Within One Year	1,096,215	939,068	2,035,283
Due in More than One Year:			
Net Pension Liability	14,085,900	926,258	15,012,158
Net OPEB Liability	2,123,181	0	2,123,181
Other Amounts Due in More than One Year	5,994,341	6,030,517	12,024,858
Total Liabilities	27,009,694	8,711,226	35,720,920

(Continued)

CITY OF MOUNT VERNON, OHIO

	Governmental Activities	Business-Type Activities	Total
Deferred Inflow of Resources:			
Property Taxes	2,518,100	0	2,518,100
Pension	6,799,589	1,171,265	7,970,854
OPEB	1,736,034	394,643	2,130,677
Total Deferred Inflows of Resources	11,053,723	1,565,908	12,619,631
Net Position:			
Net Investment in Capital Assets	53,042,998	26,234,302	79,277,300
Restricted For:			
Capital Projects	6,816,754	854,448	7,671,202
Perpetual Care, Nonexpendable	556,647	0	556,647
Security of Persons and Property	2,999,487	0	2,999,487
Leisure Time Activities	42,567	0	42,567
Community Environment	42,091	0	42,091
Transportation	1,257,140	0	1,257,140
Public Health and Welfare	197,238	0	197,238
General Government	664,049	0	664,049
Unrestricted (Deficit)	(9,593,851)	8,251,470	(1,342,381)
Total Net Position	\$ 56,025,120	\$ 35,340,220	\$ 91,365,340

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Activities
For the Year Ended December 31, 2022**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 9,014,949	\$ 2,655,392	\$ 59,000	\$ 0
Public Health and Welfare Services	398,776	107,579	0	0
Leisure Time Activities	1,228,307	328,322	0	0
Community Environment	415,055	24,229	0	0
Transportation	3,585,920	0	1,079,414	347,174
General Government	8,259,017	1,103,917	725,721	0
Interest and Fiscal Charges	180,503	0	0	0
Total Governmental Activities	23,082,527	4,219,439	1,864,135	347,174
Business-Type Activities:				
Water	4,101,500	4,233,683	0	0
Sewer	3,347,719	3,738,031	0	0
Storm Water	251,452	1,972,478	0	0
Total Business-Type Activities	7,700,671	9,944,192	0	0
Totals	\$ 30,783,198	\$ 14,163,631	\$ 1,864,135	\$ 347,174

General Revenues

Property Taxes Levied for:
 General Purposes
 Special Purposes
 Debt Service
 Capital Outlay
 Municipal Income Tax
 Other Local Taxes
 Intergovernmental Revenue, Unrestricted
 Investment Earnings
 Miscellaneous
 Total General Revenues
 Change in Net Position
 Net Position Beginning of Year
 Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (6,300,557)	\$ 0	\$ (6,300,557)
(291,197)	0	(291,197)
(899,985)	0	(899,985)
(390,826)	0	(390,826)
(2,159,332)	0	(2,159,332)
(6,429,379)	0	(6,429,379)
(180,503)	0	(180,503)
<u>(16,651,779)</u>	<u>0</u>	<u>(16,651,779)</u>
0	132,183	132,183
0	390,312	390,312
0	1,721,026	1,721,026
<u>0</u>	<u>2,243,521</u>	<u>2,243,521</u>
<u>(16,651,779)</u>	<u>2,243,521</u>	<u>(14,408,258)</u>
725,093	0	725,093
167,788	0	167,788
145,595	0	145,595
1,567,901	0	1,567,901
16,948,453	0	16,948,453
169,952	0	169,952
507,409	0	507,409
252,846	518	253,364
1,070,123	0	1,070,123
<u>21,555,160</u>	<u>518</u>	<u>21,555,678</u>
4,903,381	2,244,039	7,147,420
51,121,739	33,096,181	84,217,920
<u>\$ 56,025,120</u>	<u>\$ 35,340,220</u>	<u>\$ 91,365,340</u>

CITY OF MOUNT VERNON, OHIO

**Balance Sheet
Governmental Funds
December 31, 2022**

	General	Municipal Income Tax 1/2% (Voted)	Municipal Income Tax #2 1/2% (Voted)	Community Development Block Grant
Assets:				
Cash and Cash Equivalents	\$ 3,456,677	\$ 782,354	\$ 1,043,887	\$ 42,091
Investments	2,118,326	0	0	0
Receivables:				
Taxes	1,621,014	643,709	643,709	0
Accounts	359,954	16,246	440	0
Intergovernmental	200,015	0	0	631,495
Interest	14,513	0	0	0
Interfund Loans Receivables	0	0	0	0
Inventory of Supplies	3,931	0	0	0
Prepaid Items	263,248	0	27,721	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Total Assets	\$ 8,037,678	\$ 1,442,309	\$ 1,715,757	\$ 673,586
Liabilities:				
Accounts Payable	\$ 138,811	\$ 0	\$ 36,175	\$ 0
Accrued Wages and Benefits Payable	77,663	153,234	20,989	0
Contracts Payable	142,485	0	9,021	0
Retainage Payable	0	0	0	0
Due to Others	0	0	0	0
Unearned Revenue	0	0	0	0
Interfund Loans Payable	1,143,160	0	0	0
Total Liabilities	1,502,119	153,234	66,185	0
Deferred Inflows of Resources:				
Property Tax	790,300	0	0	0
Unavailable Revenue	430,407	209,441	209,441	631,495
Total Deferred Inflows of Resources	1,220,707	209,441	209,441	631,495
Fund Balances:				
Nonspendable	267,179	0	27,721	0
Restricted	0	1,079,634	1,412,410	42,091
Committed	0	0	0	0
Assigned	5,047,673	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	5,314,852	1,079,634	1,440,131	42,091
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,037,678	\$ 1,442,309	\$ 1,715,757	\$ 673,586

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

Local Coronavirus Relief	General Bond Retirement	Capital Improvement	TIF District- Coshocton Road	Roads and Bridges Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 2,346,945	\$ 12,500	\$ 1,232,454	\$ 2,935,564	\$ 1,923,979	\$ 2,440,105	\$ 16,216,556
0	0	764,805	1,821,679	0	0	4,704,810
0	0	213,494	1,387,688	213,494	494,443	5,217,551
0	0	0	0	0	0	376,640
0	0	20,000	0	0	465,292	1,316,802
0	0	0	0	0	0	14,513
0	0	0	1,143,160	0	0	1,143,160
0	0	0	0	0	56,357	60,288
0	0	0	0	0	45,910	336,879
0	0	0	0	0	556,647	556,647
0	0	0	0	0	102,890	102,890
<u>\$ 2,346,945</u>	<u>\$ 12,500</u>	<u>\$ 2,230,753</u>	<u>\$ 7,288,091</u>	<u>\$ 2,137,473</u>	<u>\$ 4,161,644</u>	<u>\$ 30,046,736</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 137,206	\$ 312,192
0	0	0	0	0	60,527	312,413
24,449	0	287,931	20,968	152,458	14,295	651,607
0	0	0	0	59,669	0	59,669
0	0	0	0	0	49,371	49,371
2,322,496	0	0	0	0	0	2,322,496
0	0	0	0	0	0	1,143,160
<u>2,346,945</u>	<u>0</u>	<u>287,931</u>	<u>20,968</u>	<u>212,127</u>	<u>261,399</u>	<u>4,850,908</u>
0	0	0	1,350,000	0	377,800	2,518,100
0	0	79,238	37,688	79,238	450,554	2,127,502
0	0	79,238	1,387,688	79,238	828,354	4,645,602
0	0	0	0	0	658,914	953,814
0	12,500	1,863,584	5,879,435	1,846,108	2,335,698	14,471,460
0	0	0	0	0	79,078	79,078
0	0	0	0	0	0	5,047,673
0	0	0	0	0	(1,799)	(1,799)
<u>0</u>	<u>12,500</u>	<u>1,863,584</u>	<u>5,879,435</u>	<u>1,846,108</u>	<u>3,071,891</u>	<u>20,550,226</u>
<u>\$ 2,346,945</u>	<u>\$ 12,500</u>	<u>\$ 2,230,753</u>	<u>\$ 7,288,091</u>	<u>\$ 2,137,473</u>	<u>\$ 4,161,644</u>	<u>\$ 30,046,736</u>

CITY OF MOUNT VERNON, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2022***

Total Governmental Fund Balances		\$ 20,550,226
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.		58,500,347
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		2,127,502
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	4,814,637	
Deferred Inflows - Pension	(6,799,589)	
Net Pension Liability	<u>(14,085,900)</u>	(16,070,852)
The net OPEB liability/asset is not due and payable in the current period; therefore, the liability/asset and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - OPEB	1,062,423	
Deferred Inflows - OPEB	(1,736,034)	
Net OPEB Asset	743,280	
Net OPEB Liability	<u>(2,123,181)</u>	(2,053,512)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(3,939,150)	
Less: Deferred Charges on Refunding	64,274	
Special Obligation Bonds Payable	(670,000)	
Ohio Public Works Commission Loan Payable	(578,169)	
Police and Firemen's Pension Accrued Liability	(267,415)	
Compensated Absences Payable	(1,635,822)	
Accrued Interest Payable	<u>(2,309)</u>	<u>(7,028,591)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$ 56,025,120</u></u>

See accompanying notes to the basic financial statements



CITY OF MOUNT VERNON, OHIO

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

	General	Municipal Income Tax 1/2% (Voted)	Municipal Income Tax #2 1/2% (Voted)	Community Development Block Grant
Revenues:				
Taxes	\$ 5,226,335	\$ 4,272,633	\$ 4,272,633	\$ 0
Intergovernmental Revenues	1,129,376	0	59,000	328,692
Charges for Services	2,693,967	0	6,432	0
Licenses and Permits	35,197	0	0	0
Investment Earnings	243,501	0	0	3
Fines and Forfeitures	606,516	0	0	0
All Other Revenue	145,635	16,246	37,769	4,786
Total Revenue	10,080,527	4,288,879	4,375,834	333,481
Expenditures:				
Current:				
Security of Persons and Property	286,674	3,694,270	3,227,660	0
Public Health and Welfare Services	87,722	0	0	0
Leisure Time Activities	1,016,411	0	0	0
Community Environment	44,607	0	0	370,448
Transportation	39,522	0	0	0
General Government	8,517,852	0	0	0
Debt Service:				
Principal Retirement	15,998	0	0	0
Interest and Fiscal Charges	11,877	0	0	0
Total Expenditures	10,020,663	3,694,270	3,227,660	370,448
Excess (Deficiency) of Revenues Over Expenditures	59,864	594,609	1,148,174	(36,967)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	19,362	0
Transfers In	0	0	0	0
Transfers Out	(292,601)	0	(808,174)	0
Total Other Financing Sources (Uses)	(292,601)	0	(788,812)	0
Net Change in Fund Balances	(232,737)	594,609	359,362	(36,967)
Fund Balances at Beginning of Year	5,547,589	485,025	1,080,769	79,058
Fund Balances End of Year	\$ 5,314,852	\$ 1,079,634	\$ 1,440,131	\$ 42,091

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

Local Coronavirus Relief	General Bond Retirement	Capital Improvement	TIF District- Coshocton Road	Roads and Bridges Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 1,588,318	\$ 1,351,830	\$ 1,588,318	\$ 1,420,762	\$ 19,720,829
68,006	0	22,000	0	325,174	1,031,198	2,963,446
0	0	0	0	0	662,267	3,362,666
0	0	0	0	0	1,135	36,332
0	0	0	0	2,413	6,929	252,846
0	0	0	0	0	214,144	820,660
0	0	0	905,822	(66,659)	26,305	1,069,904
<u>68,006</u>	<u>0</u>	<u>1,610,318</u>	<u>2,257,652</u>	<u>1,849,246</u>	<u>3,362,740</u>	<u>28,226,683</u>
0	0	0	0	0	1,618,647	8,827,251
0	0	24,948	0	0	279,197	391,867
0	0	94,202	0	0	538	1,111,151
0	0	0	0	0	0	415,055
0	0	751,129	667,774	918,726	1,191,792	3,568,943
68,006	0	2,105,573	0	0	334,060	11,025,491
0	708,480	0	0	0	125,000	849,478
0	136,884	0	0	0	20,661	169,422
<u>68,006</u>	<u>845,364</u>	<u>2,975,852</u>	<u>667,774</u>	<u>918,726</u>	<u>3,569,895</u>	<u>26,358,658</u>
0	(845,364)	(1,365,534)	1,589,878	930,520	(207,155)	1,868,025
0	0	0	0	0	3,703	23,065
0	857,864	0	0	0	818,547	1,676,411
0	0	0	(202,819)	(214,492)	(158,325)	(1,676,411)
<u>0</u>	<u>857,864</u>	<u>0</u>	<u>(202,819)</u>	<u>(214,492)</u>	<u>663,925</u>	<u>23,065</u>
0	12,500	(1,365,534)	1,387,059	716,028	456,770	1,891,090
0	0	3,229,118	4,492,376	1,130,080	2,615,121	18,659,136
<u>\$ 0</u>	<u>\$ 12,500</u>	<u>\$ 1,863,584</u>	<u>\$ 5,879,435</u>	<u>\$ 1,846,108</u>	<u>\$ 3,071,891</u>	<u>\$ 20,550,226</u>

CITY OF MOUNT VERNON, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2022***

Net Change in Fund Balances - Total Governmental Funds \$ 1,891,090

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

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

Capital Outlay	3,478,589	
Depreciation Expense	<u>(2,597,365)</u>	881,224

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (240,775)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 1,650,788

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (417,893)

Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability/asset are reported as OPEB expense in the statement of activities. 517,601

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net

General Obligation Bond Principal Payment	653,050	
Special Obligation Bond Principal Payment	125,000	
Ohio Public Works Commission Loan Payment	55,430	
Police Firemen's Pension Accrued Liability Principal Payment	<u>15,998</u>	849,478

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (369)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(217,051)	
Amortization of Deferred Charge on Refunding	<u>(10,712)</u>	<u>(227,763)</u>

Change in Net Position of Governmental Activities \$ 4,903,381

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, 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**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 4,684,200	\$ 5,211,684	\$ 5,256,289	\$ 44,605
Intergovernmental Revenue	651,959	1,296,207	1,126,417	(169,790)
Charges for Services	1,963,530	2,213,926	2,515,824	301,898
Licenses and Permits	18,000	18,000	35,197	17,197
Investment Earnings	24,961	24,961	232,480	207,519
Fines and Forfeitures	528,000	528,000	599,606	71,606
All Other Revenues	109,500	1,290,255	201,919	(1,088,336)
Total Revenues	<u>7,980,150</u>	<u>10,583,033</u>	<u>9,967,732</u>	<u>(615,301)</u>
Expenditures:				
Current:				
Security of Persons and Property	491,832	1,491,492	1,471,727	19,765
Public Health and Welfare Services	120,500	119,800	102,722	17,078
Leisure Time Activities	1,144,892	1,144,273	1,062,559	81,714
Community Environment	67,168	66,170	48,939	17,231
Transportation	44,500	44,498	42,313	2,185
General Government	10,380,921	11,977,813	9,197,394	2,780,419
Total Expenditures	<u>12,249,813</u>	<u>14,844,046</u>	<u>11,925,654</u>	<u>2,918,392</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,269,663)	(4,261,013)	(1,957,922)	2,303,091
Other Financing Sources (Uses):				
Transfers Out	(295,000)	(303,650)	(292,601)	11,049
Advances In	0	0	1,143,160	1,143,160
Total Other Financing Sources (Uses):	<u>(295,000)</u>	<u>(303,650)</u>	<u>850,559</u>	<u>1,154,209</u>
Net Change in Fund Balance	(4,564,663)	(4,564,663)	(1,107,363)	3,457,300
Fund Balance at Beginning of Year	4,081,269	4,081,269	4,081,269	0
Prior Year Encumbrances	578,079	578,079	578,079	0
Fund Balance at End of Year	<u>\$ 94,685</u>	<u>\$ 94,685</u>	<u>\$ 3,551,985</u>	<u>\$ 3,457,300</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Municipal Income Tax #1 ½% (Voted) Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,650,000	\$ 3,650,000	\$ 4,274,098	\$ 624,098
All Other Revenues	0	0	13,256	13,256
Total Revenues	<u>3,650,000</u>	<u>3,650,000</u>	<u>4,287,354</u>	<u>637,354</u>
Expenditures:				
Security of Persons and Property	3,659,203	3,659,203	3,659,203	0
Total Expenditures	<u>3,659,203</u>	<u>3,659,203</u>	<u>3,659,203</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,203)	(9,203)	628,151	637,354
Fund Balance at Beginning of Year	<u>154,203</u>	<u>154,203</u>	<u>154,203</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 145,000</u>	<u>\$ 145,000</u>	<u>\$ 782,354</u>	<u>\$ 637,354</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Municipal Income Tax #2 ½% (Voted) Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,650,000	\$ 4,252,303	\$ 4,274,098	\$ 21,795
Intergovernmental Revenues	0	23,415	59,000	35,585
Charges for Services	0	2,670	6,432	3,762
All Other Revenues	0	17,597	42,948	25,351
Total Revenues	<u>3,650,000</u>	<u>4,295,985</u>	<u>4,382,478</u>	<u>86,493</u>
Expenditures:				
Security of Persons and Property	3,545,852	4,225,037	3,462,130	762,907
Total Expenditures	<u>3,545,852</u>	<u>4,225,037</u>	<u>3,462,130</u>	<u>762,907</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	104,148	70,948	920,348	849,400
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	19,362	19,362
Transfers Out	(850,000)	(816,800)	(808,174)	8,626
Total Other Financing Sources (Uses)	<u>(850,000)</u>	<u>(816,800)</u>	<u>(788,812)</u>	<u>27,988</u>
Net Change in Fund Balance	(745,852)	(745,852)	131,536	877,388
Fund Balance at Beginning of Year	510,145	510,145	510,145	0
Prior Year Encumbrances	236,661	236,661	236,661	0
Fund Balance at End of Year	<u>\$ 954</u>	<u>\$ 954</u>	<u>\$ 878,342</u>	<u>\$ 877,388</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Community Development Block Grant Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,400,000	\$ 1,400,000	\$ 328,692	\$ (1,071,308)
Investment Earnings	0	0	3	3
All Other Revenues	0	0	4,786	4,786
Total Revenues	<u>1,400,000</u>	<u>1,400,000</u>	<u>333,481</u>	<u>(1,066,519)</u>
Expenditures:				
Community Environment	1,483,118	1,483,118	416,060	1,067,058
Total Expenditures	<u>1,483,118</u>	<u>1,483,118</u>	<u>416,060</u>	<u>1,067,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,118)	(83,118)	(82,579)	539
Fund Balance at Beginning of Year	39,922	39,922	39,922	0
Prior Year Encumbrances	43,196	43,196	43,196	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 539</u>	<u>\$ 539</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Local Coronavirus Relief Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 878,285	\$ 878,285	\$ 1,635,298	\$ 757,013
Total Revenues	<u>878,285</u>	<u>878,285</u>	<u>1,635,298</u>	<u>757,013</u>
Expenditures:				
General Government	1,634,629	1,634,629	73,244	1,561,385
Total Expenditures	<u>1,634,629</u>	<u>1,634,629</u>	<u>73,244</u>	<u>1,561,385</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(756,344)	(756,344)	1,562,054	2,318,398
Fund Balance at Beginning of Year	728,154	728,154	728,154	0
Prior Year Encumbrances	28,190	28,190	28,190	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,318,398</u>	<u>\$ 2,318,398</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2022**

	Business-Type Activities			Total
	Enterprise Funds			
	Water	Sewer	Storm Water	
ASSETS				
Current assets:				
Cash and Cash Equivalents	\$ 3,643,122	\$ 1,671,128	\$ 1,411,043	\$ 6,725,293
Investments	1,051,568	743,621	0	1,795,189
uncollectibles)	1,176,940	432,530	1,269,568	2,879,038
Inventory of Supplies	68,161	63,499	0	131,660
Prepaid Items	24,040	13,624	232	37,896
Total current assets	<u>5,963,831</u>	<u>2,924,402</u>	<u>2,680,843</u>	<u>11,569,076</u>
Noncurrent assets:				
Net OPEB Asset	169,227	177,733	0	346,960
Capital assets:				
Capital Assets Not Being Depreciated	1,438,885	1,515,690	253,815	3,208,390
Capital Assets Being Depreciated	13,942,175	15,631,390	383,974	29,957,539
Total capital assets	<u>15,381,060</u>	<u>17,147,080</u>	<u>637,789</u>	<u>33,165,929</u>
Total noncurrent assets	<u>15,550,287</u>	<u>17,324,813</u>	<u>637,789</u>	<u>33,512,889</u>
Total Assets	<u>21,514,118</u>	<u>20,249,215</u>	<u>3,318,632</u>	<u>45,081,965</u>
Deferred Outflows of Resources:				
Deferred Charges on Refunding	19,336	122,172	0	141,508
Pension	192,112	201,769	0	393,881
Total Deferred Outflows of Resources	<u>211,448</u>	<u>323,941</u>	<u>0</u>	<u>535,389</u>
LIABILITIES				
Current liabilities:				
Accounts Payable	48,986	44,847	0	93,833
Accrued Wages and Benefits	32,530	31,376	0	63,906
Contracts Payable	131,541	307,374	130,966	569,881
Retainage Payable	63,245	0	0	63,245
Matured Bonds and Interest Payable	650	0	0	650
Accrued Interest Payable	755	23,113	0	23,868
General Obligation Bonds Payable - Current	33,200	331,750	0	364,950
OWDA Loans Payable - Current	0	360,202	0	360,202
OPWC Loans Payable - Current	9,351	0	0	9,351
Compensated Absences Payable - Current	34,160	42,905	0	77,065
Special Obligation Bonds Payable - Current	63,750	63,750	0	127,500
Total Current Liabilities	<u>418,168</u>	<u>1,205,317</u>	<u>130,966</u>	<u>1,754,451</u>

(Continued)

CITY OF MOUNT VERNON, OHIO

	Business-Type Activities			Total
	Enterprise Funds			
	Water	Sewer	Storm Water	
Noncurrent Liabilities:				
General Obligation Bonds Payable	132,800	1,740,750	0	1,873,550
OWDA Loans Payable	0	3,436,364	0	3,436,364
OPWC Loans Payable	60,780	0	0	60,780
Special Obligation Bonds Payable	271,250	271,250	0	542,500
Compensated Absences Payable	57,448	59,875	0	117,323
Net Pension Liability	451,775	474,483	0	926,258
Total noncurrent liabilities	974,053	5,982,722	0	6,956,775
Total Liabilities	1,392,221	7,188,039	130,966	8,711,226
Deferred Inflows of Resources:				
Pension	580,610	590,655	0	1,171,265
OPEB	199,400	195,243	0	394,643
Total Deferred Inflows of Resources	780,010	785,898	0	1,565,908
NET POSITION:				
Net Investment in Capital Assets	14,665,044	10,931,469	637,789	26,234,302
Restricted for Capital Projects	505,288	349,160	0	854,448
Unrestricted	4,383,003	1,318,590	2,549,877	8,251,470
Total Net Position	\$ 19,553,335	\$ 12,599,219	\$ 3,187,666	\$ 35,340,220

See accompanying notes to the basic financial statements



CITY OF MOUNT VERNON, OHIO

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

	Business-Type Activities			Total
	Enterprise Funds			
	Water	Sewer	Storm Water	
Operating Revenues:				
Charges for Services	\$ 4,228,582	\$ 3,707,523	\$ 1,972,478	\$ 9,908,583
Other Operating Revenues	5,101	30,508	0	35,609
Total Operating Revenues	4,233,683	3,738,031	1,972,478	9,944,192
Operating Expenses:				
Personal Services	993,298	1,152,885	0	2,146,183
Contractual Services	370,619	559,646	226,785	1,157,050
Materials and Supplies	1,522,540	193,195	22,256	1,737,991
Utilities	207,364	265,987	0	473,351
Depreciation	988,685	1,020,812	2,411	2,011,908
Total Operating Expenses	4,082,506	3,192,525	251,452	7,526,483
Operating Income	151,177	545,506	1,721,026	2,417,709
Non-Operating Revenues (Expenses):				
Interest Income	518	0	0	518
Interest and Fiscal Charges	(18,994)	(155,194)	0	(174,188)
Total Non-Operating Revenues (Expenses)	(18,476)	(155,194)	0	(173,670)
Change in Net Position	132,701	390,312	1,721,026	2,244,039
Net Position Beginning of Year	19,420,634	12,208,907	1,466,640	33,096,181
Net Position End of Year	\$ 19,553,335	\$ 12,599,219	\$ 3,187,666	\$ 35,340,220

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022**

	Business-Type Activities			Total
	Enterprise Funds			
	Water	Sewer	Storm Water	
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$4,521,883	\$5,091,225	\$1,102,809	\$10,715,917
Cash Payments for Goods and Services	(2,161,592)	(956,505)	(120,467)	(3,238,564)
Cash Payments to Employees	(1,394,638)	(1,585,011)	0	(2,979,649)
Net Cash Provided by Operating Activities	965,653	2,549,709	982,342	4,497,704
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition and Construction of Assets	(1,099,848)	(904,426)	(439,867)	(2,444,141)
Principal Paid on General Obligation Bonds	(38,865)	(527,325)	0	(566,190)
Principal Paid on Ohio Public Works Commission Loan	(9,351)	0	0	(9,351)
Principal Paid on Special Obligation Bonds	(62,500)	(62,500)	0	(125,000)
Principal Paid on OWDA Loan	0	(356,060)	0	(356,060)
Interest Paid on All Debt	(15,558)	(128,326)	0	(143,884)
Net Cash Used for Capital and Related Financing Activities	(1,226,122)	(1,978,637)	(439,867)	(3,644,626)
<u>Cash Flows from Investing Activities:</u>				
Proceeds from Sale of Investments	158,650	0	0	158,650
Purchase of Investments	0	(78,168)	0	(78,168)
Receipt of Interest	518	0	0	518
Net Cash Provided(Used) by Investing Activities	159,168	(78,168)	0	81,000
Net Increase (Decrease) in Cash and Cash Equivalents	(101,301)	492,904	542,475	934,078
Cash and Cash Equivalents at Beginning of Year	3,744,423	1,178,224	868,568	5,791,215
Cash and Cash Equivalents at End of Year	\$3,643,122	\$1,671,128	\$1,411,043	\$6,725,293

(Continued)

CITY OF MOUNT VERNON, OHIO

	Business-Type Activities			Total
	Enterprise Funds			
	Water	Sewer	Storm Water	
<u>Reconciliation of Operating Income to Net Cash</u>				
<u>Provided by Operating Activities:</u>				
Operating Income	\$151,177	\$545,506	\$1,721,026	\$2,417,709
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	988,685	1,020,812	2,411	2,011,908
Changes in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:				
(Increase) Decrease in Accounts Receivable	288,200	1,353,194	(869,669)	771,725
Increase in Inventory	(30,974)	(31,657)	0	(62,631)
(Increase) Decrease in Prepaid Items	(1,790)	(797)	601	(1,986)
Increase in Net OPEB Asset	(71,044)	(77,369)	0	(148,413)
Increase Deferred Outflows-Pension	(58,188)	(88,417)	0	(146,605)
Decrease Deferred Outflows-OPEB	48,268	49,340	0	97,608
Increase (Decrease) in Accounts Payable	45,983	(15,910)	0	30,073
Increase in Accrued Wages and Benefits	9,967	7,998	0	17,965
Increase (Decrease) in Contracts Payable	(56,461)	109,756	127,973	181,268
Decrease in Compensated Absences	(5,515)	(62,527)	0	(68,042)
Decrease in Net Pension Liability	(325,122)	(319,673)	0	(644,795)
Increase in Deferred Inflows-Pension	146,307	200,768	0	347,075
Decrease in Deferred Inflows-OPEB	(163,840)	(141,315)	0	(305,155)
Total Adjustments	814,476	2,004,203	(738,684)	2,079,995
Net Cash Provided by Operating Activities	\$965,653	\$2,549,709	\$982,342	\$4,497,704

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2022 the Water and Sewer Funds had outstanding liabilities of \$100,976 and \$133,657 respectively for certain capital assets.

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Net Position
Fiduciary Fund
December 31, 2022**

	<u>Custodial</u>
Assets:	
Cash and Cash Equivalents	\$ 112,923
Total Assets	<u>112,923</u>
Liabilities:	
Intergovernmental Payable	15,228
Due to Others	<u>97,695</u>
Total Liabilities	<u>112,923</u>
Net Position:	
Restricted for Individuals, Organizations and Other Governments	<u>0</u>
Total Net Position	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF MOUNT VERNON, OHIO

**Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2022**

	<u>Custodial</u>
Additions:	
Fines and Forfeiture Collections for Other Governments	\$ 378,833
Charges Collected for Others	<u>730,021</u>
Total Additions	<u>1,108,854</u>
Deductions:	
Distribution of Fines and Forfeitures to Other Governments	378,833
Distribution of Charges Collected for Others	<u>730,021</u>
Total Deductions	<u>1,108,854</u>
Change in Net Position	0
Net Position at Beginning of Year	<u>0</u>
Net Position End of Year	<u><u>\$ 0</u></u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Mount Vernon, Ohio (the "City") was incorporated on February 22, 1830 under the laws of the State of Ohio. The City operates under the general statutory form of government.

The financial statements are presented as of December 31, 2022 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government. The reporting entity of the City includes the following services: police and fire protection, emergency medical, parks, recreation, cemetery, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system and a wastewater treatment and collection system which are reported as enterprise funds.

The Knox County General Health District as a combined agency was created in 1983 as provided in Section 3709.07 of the Ohio Revised Code. The jointly governed organization's board is composed of nine members; six members from the townships and villages, and three members from the City. The combined Knox County General Health District was organized to provide public health services as required by the Ohio Revised Code and the Ohio Administrative Code, and such other services as are duly authorized or required by regulations of the District and can be furnished within the financial resources available to the District.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The combined Knox County General Health District Board is responsible for the fiscal operations of the District. Under a contractual arrangement, the District sets the amount the City shall contribute on an annual basis. The remaining funding necessary for the District shall be apportioned by the County Auditor on the basis of taxable valuations among each township and village. Any fees charged for services by the District shall be placed in the District Health Fund. The City appropriated \$60,500 for operations of the combined District for 2022.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, net position, revenues and expenditures or expenses. The following fund types are used by the City:

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources and uses and balances of financial resources). The following are the City's major governmental funds:

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

Municipal Income Tax ½% (Voted) – This fund is used to account for income tax levied in 1982, which is dedicated solely for the police, fire, and emergency medical services departments.

Municipal Income Tax #2 ½% (Voted) – This fund is used to account for income tax levied in 2017, which is dedicated solely for the police, fire, and emergency medical services departments.

Community Development Block Grant Fund – This fund is used to account for state grants designated for community environmental improvements.

Local Coronavirus Relief Fund - This fund is used to account for Coronavirus State and Local Fiscal Recovery funds received as part of the American Rescue Plan Act. The funds are to be used to support the response and recovery from the COVID-19 public health emergency.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

General Bond Retirement Fund – This fund is used for the accumulation of resources for, and the payment of, principal and interest on general obligation debt other than those accounted for in the proprietary funds.

Capital Improvement Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

TIF District – Coshocton Road Fund – This fund is used to account for financial resources used for the improvements within the described boundaries of the Coshocton Road area.

Roads and Bridges Capital Improvement Fund – This fund is used to account for income tax and other financial resources to be used for the expenses of road improvements, road reconstruction, road resurfacing, drainage and drainage systems, curbing and gutters, land acquisition, right-of-way acquisition, traffic control devices, Americans with Disabilities Act (ADA) compliance requirements, and all necessary appurtenances.

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

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

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Storm Water Fund – This fund is used to account for the operation of the City's storm water drainage service.

Fiduciary Funds

Custodial Funds - These funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units. The custodial funds account for municipal court collections that are distributed to various local governments.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which the City considers to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual at year end include income taxes, interest on investments, and state levied locally shared taxes, including motor vehicle license fees and local government assistance. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

The accrual basis of accounting is utilized for reporting purposes by governmental activities, the proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the modified tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by a resolution of the City Council.

1. Modified Tax Budget

By July 15, the Mayor submits an annual modified tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificates of estimated resources is amended to include any unencumbered fund balances from the preceding year, and are reported as original budget amounts on the budgetary statements. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the final budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2022.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level. The original appropriation budget ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may only be modified during the year by an ordinance of City Council. During the year, several supplemental appropriations were necessary to budget the use of contingency funds.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the original and the final budgets. The final budget includes all amendments and modifications.

4. Lapsing of Appropriations

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

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and major special revenue funds:

	Net Change in Fund Balance				
	General Fund	Municipal Income Tax #1 1/2% (Voted) Fund	Municipal Income Tax #2 1/2% (Voted) Fund	Community Development Block Grant Fund	Local Coronavirus Relief Fund
GAAP Basis (as reported)	(\$232,737)	\$594,609	\$359,362	(\$36,967)	\$0
Increase (Decrease):					
Accrued Revenues at December 31, 2022 received during 2023	(1,017,060)	(450,514)	(434,708)	0	0
Accrued Revenues at December 31, 2021 received during 2022	904,265	448,989	441,352	0	0
Unearned Revenues at December 31, 2022 received during 2022	0	0	0	0	2,322,496
Unearned Revenues at December 31, 2021 received during 2021	0	0	0	0	(755,204)
Accrued Expenditures at December 31, 2022 paid during 2023	360,259	153,234	66,185	0	24,449
Accrued Expenditures at December 31, 2021 paid during 2022	(248,621)	(118,167)	(122,866)	(4,060)	(1,140)
Interfund Loan Payable for 2023	1,143,160	0	0	0	0
2021 Prepays for 2022	226,556	0	15,477	0	0
2022 Prepays for 2023	(263,248)	0	(27,721)	0	0
Outstanding Encumbrances	(1,979,937)	0	(165,545)	(41,552)	(28,547)
Budget Basis	<u>(\$1,107,363)</u>	<u>\$628,151</u>	<u>\$131,536</u>	<u>(\$82,579)</u>	<u>\$1,562,054</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Assets Reserve (STAR Ohio), and certificates of deposit and investments with original maturities of less than three months. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand. See Note 4, "Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value. Fair value is determined by quoted market prices, except for nonparticipating investment contracts (certificates of deposit) which are reported at cost. All investment income, including changes in the fair value of investments is recognized as revenue in the operating statements. The City allocates interest among the various funds based upon state statutes and City legislation. See Note 4, "Cash, Cash Equivalents and Investments."

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, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

H. Inventory

Inventory of supplies is stated at cost (first-in, first-out). The costs of inventory items are recorded as expenditures in the governmental funds and as expenses in the enterprise funds and on a government-wide basis when used.

I. Prepaid Items

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

1. Capital Assets - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Donated capital assets are recorded at acquisition value at the date received. Capital assets include land, buildings, and improvements other than building, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Capital Assets – Business Type Activities

Capital assets acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at acquisition value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Buildings	15 - 50
Improvements other than Buildings	25-65
Infrastructure and Utility Structures in Service	15-100
Machinery and Equipment	5 - 20

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Bond Retirement Fund Water Fund Sewer Fund
Special Obligation Bonds	General Bond Retirement –Income Tax Fund Water Fund Sewer Fund
Ohio Public Works Loan	General Bond Retirement Fund, Water Fund
Ohio Water Development Authority	Sewer Fund
Police and Fire Pension Accrued Liability	General Fund
Compensated Absences Net Pension Liability Net OPEB Liability	General Fund, Street Construction Maintenance and Repair Fund, Cemetery Fund, Income Tax Fund-Voted, Income Tax Fund Fund-Voted #2, Water Fund, Sewer Fund

L. Compensated Absences

City employees earn vacation at varying rates based upon length of service. A maximum of three weeks of vacation time may be carried over beyond the anniversary date subject to the approval of the department head. Upon separation from the City, the employee (or his estate) is paid for the accumulated unused vacation leave balance.

Sick leave is accrued by employees at the rate of 5 hours for every eighty hours worked. Upon separation from the City, after 10 years of service, 40 hour employees are paid 50% of accumulated sick leave up to a maximum of 480 hours and 48 hour employees up to a maximum of 617 hours. After 20 years of service, 40 hour employees are paid up to a maximum of 720 hours and 48 hour employees up to a maximum of 864 hours. Upon retirement the maximum payments are 1,080 hours with ten or more years of service for 40 hour employees in the police department, 1,200 hours with ten or more years of service for all other 40 hour employees and 1,296 hours for 48 hour employees with ten or more years of service in the fire department.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences (Continued)

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement is accrued to the extent that it is considered probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method for all employees who have completed five years of service, whereby the liability is recorded on the basis of leave accumulated by employees eligible to receive termination payments as of the balance sheet date and on leave balances accumulated by other employees expected to become eligible to receive such payments in the future.

Compensated absences accumulated by employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The noncurrent portion of the liability is not reported.

Compensated absences are expensed in the Water and Sewer Enterprise Funds when earned and the related liability is reported within the fund.

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction of improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use 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 resources are available.

N. Bond Issuance Costs

Bond issuance costs are recognized in the current period.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Pensions/Other Postemployment Benefits (OPEB)

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

P. Interfund Transactions

Transfers between governmental and business type activities on the government-wide financial statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. 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. Interfund activity has been eliminated from the government-wide financial statements.

Q. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Balances (Continued)

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances and resolutions passed by City Council, which are equally binding. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Auditor may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year’s appropriated budget. State statute authorizes the City to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

R. Restricted Assets

Certain assets are classified as restricted cash on the statement of net position and the balance sheet because these funds are being held by Knox County for permissive tax or a trustee as designated by a bond indenture, or in a trustee capacity for perpetual care.

S. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution and wastewater collection and treatment. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

T. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. At December 31, 2022, this includes Local Coronavirus Relief grant revenue received before eligibility requirements have been met.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for the deferred charge on debt refunding and for deferred pension and OPEB amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources are reported for pension and OPEB plans on the government-wide and proprietary funds statement of net position. See Notes 9 and 10.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows.

In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide and proprietary funds statement of net position. See Notes 9 and 10.

V. Fair Value

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.

W. Estimates

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND COMPLIANCE

A. Change in Accounting Principle

For 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, “Leases,” Statement No. 91, “Conduit Debt Obligations,” Statement No. 92, “Omnibus 2020,” and Statement No. 93, “Replacement of Interbank Offered Rates.”

GASB Statement No. 87 establishes standards of accounting and financial reporting for leases. Statement 87 was evaluated for implementation by the City and was deemed immaterial to the financial statements as a whole. The City will continue to evaluate this Statement each year for future reporting.

GASB Statement No. 91 establishes a single method of reporting conduit debt obligations.

GASB Statement No. 92 establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases.

The implementation of these Statements had no effect on beginning net position/fund balance.

B. Compliance

The Fire Pension other governmental special revenue fund reported a deficit of \$1,799 at December 31, 2022 as a result of the recognition of accruals in accordance with generally accepted accounting principles. The General Fund provides transfers when cash is required, not when accruals occur.

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Municipal	Municipal	Community	General Bond	Capital	TIF District-	Roads and	Other	Total
		Income Tax	Income Tax #2	Development	Retirement	Improvement	Coshocton Road	Bridges	Governmental	Governmental
		1/2% (Voted)	1/2% (Voted)	Block Grant	Fund	Fund	Fund	Capital Imp	Funds	Funds
Nonspendable:										
Prepaid Items	\$263,248	\$0	\$27,721	\$0	\$0	\$0	\$0	\$0	\$45,910	\$336,879
Supplies Inventory	3,931	0	0	0	0	0	0	0	56,357	60,288
Endowment	0	0	0	0	0	0	0	0	556,647	556,647
Total Nonspendable	267,179	0	27,721	0	0	0	0	0	658,914	953,814
Restricted:										
Transportation Projects	0	0	0	0	0	1,863,584	5,879,435	1,846,108	981,316	10,570,443
Cemetery	0	0	0	0	0	0	0	0	212,177	212,177
Court Projects	0	0	0	0	0	0	0	0	633,014	633,014
Public Safety	0	1,079,634	1,412,410	0	0	0	0	0	379,339	2,871,383
Community Development	0	0	0	42,091	0	0	0	0	79,650	121,741
Debt Retirement	0	0	0	0	12,500	0	0	0	12,073	24,573
Parks and Recreation	0	0	0	0	0	0	0	0	38,129	38,129
Total Restricted	0	1,079,634	1,412,410	42,091	12,500	1,863,584	5,879,435	1,846,108	2,335,698	14,471,460
Committed:										
Parks and Recreation	0	0	0	0	0	0	0	0	79,078	79,078
Total Committed	0	0	0	0	0	0	0	0	79,078	79,078
Assigned:										
Projected Budgetary Deficit	3,119,723	0	0	0	0	0	0	0	0	3,119,723
Services and Supplies	1,927,950	0	0	0	0	0	0	0	0	1,927,950
Total Assigned	5,047,673	0	0	0	0	0	0	0	0	5,047,673
Unassigned:										
	0	0	0	0	0	0	0	0	(1,799)	(1,799)
Total Fund Balances	\$5,314,852	\$1,079,634	\$1,440,131	\$42,091	\$12,500	\$1,863,584	\$5,879,435	\$1,846,108	\$3,071,891	\$20,550,226

The Nonspendable endowment listed within the table has been established pursuant to state law and binds the City to forever hold such money as a permanent fund and to provide perpetual care of the lots. Income or interest of such money shall be provided directly to the Cemetery Fund (special revenue) for the current operations of the cemetery.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds. The City has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Auditor and Treasurer to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 or interest by the United States;
- 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, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- Nothing in the above classifications of eligible obligations shall be construed to authorize any investment in stripped principal or interest obligations of such eligible obligations, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate fair value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State

At year end the carrying amount of the City's deposits was \$24,199,404 and the bank balance \$23,834,979. The Federal Deposit Insurance Corporation (FDIC) covered \$7,250,000 of the bank balance. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the Ohio Pooled Collateral System	<u>\$16,584,979</u>
Total Balance	<u><u>\$16,584,979</u></u>

Investment earnings of \$184,965 earned by other funds were credited to the General Fund as required by state statute.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The City's investments at December 31, 2022 are summarized below:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years) less than 1</u>
STAR Ohio	<u>\$6,014,904</u>	AAAm ¹	<u>\$6,014,904</u>
Total Investments	<u><u>\$6,014,904</u></u>		<u><u>\$6,014,904</u></u>

¹ Standard & Poor's

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer. Of the City's total investments, 100% are STAR Ohio.

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 investment or collateral securities that are in the possession of an outside party. The above investments are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent, but not in the City's name. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

C. Cash with Fiscal Agents

In addition to deposits and investments, the City has uninsured and uncollateralized cash in the amount of \$102,890 being held by Knox County.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

D. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio is treated as a cash equivalent. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per GASB Statement No. 9	\$23,714,309	\$6,499,999
Certificates of Deposit (with maturities of more than 3 months)	6,499,999	(6,499,999)
Investments:		
STAR Ohio	<u>(6,014,904)</u>	<u>6,014,904</u>
Per GASB Statement No. 3	<u>\$24,199,404</u>	<u>\$6,014,904</u>

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property used in business and located in the City. Real property taxes (other than public utility) collected during 2022 were levied after October 1, 2021 on assessed values as of January 1, 2021, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years, and equalization adjustments are made in the third year following reappraisal. The last revaluation was completed in 2019. Real property taxes are payable annually or semi-annually. The first payment is due January 31; the remainder is payable by June 20.

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. Certain public utility tangible personal property is currently assessed at 100% of its true value. 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 Mount Vernon. The County Auditor periodically remits to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2022 was \$3.20 per \$1,000 of assessed value. The assessed value upon which the 2021 tax receipts were based was \$317,882,000. This amount constitutes \$295,786,000 in real property assessed value and \$22,096,000 in public utility assessed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 5 - TAXES (Continued)

A. Property Taxes (Continued)

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .320% (3.20 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.0% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of up to 1% of the tax paid to another municipality.

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, after payment of collection expenses, have been allocated by City Council as follows: 52% of the unvoted 1% portion of the income tax is credited to the General Fund, 19.5% to the Capital Improvement Fund, 19.5% to the Roads & Bridges Fund, 3% to the Street Construction, Maintenance and Repair Fund, 4% to the Cemetery Fund, 1% to the Police Pension Fund and 1% to the Fire Pension Fund; 100% of the voted 0.5% portion of the income tax is credited to the Municipal Income Tax ½% Voted Fund, and 100% of the voted 0.5% portion of the income tax is credited to the Municipal Income Tax #2 ½% (Voted) Fund.

C. Tax Abatement

As of December 31, 2021, the City provides tax abatements through two programs—Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 5 - TAXES (Continued)

C. Tax Abatement (Continued)

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

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

<u>Tax Abatement Program</u>		<u>City</u>
<u>CRA</u>	<u>Ezone</u>	<u>Taxes Abated</u>
\$ 74,663	\$ 126,783	\$ 201,446

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 6 - RECEIVABLES

Receivables at December 31, 2022 consisted of taxes, accounts, and intergovernmental receivables. All receivables are collectible in full and within one year except for allowance for doubtful accounts related to billings for governmental and proprietary funds.

A summary of the principal items of intergovernmental receivables follows:

<u>Intergovernmental Receivables</u>	<u>Amount</u>
General Fund	
Homestead and Rollback Reimbursement	\$43,331
Local Government	156,684
Total General Fund	<u>200,015</u>
Major Special Revenue Fund:	
CDBG Fund - CDBG Grants	631,495
Major Capital Project Fund:	
Capital Improvement Fund - Grant	20,000
Nonmajor Special Revenue Funds:	
Street Construction, Maintenance and Repair Fund	
Gasoline Tax	359,914
Motor Vehicle Tax	43,083
Total Street Construction, Maintenance and Repair Fund	<u>402,997</u>
State Highway Improvement Fund	
Gasoline Tax	29,183
Motor Vehicle Tax	3,451
Total State Highway Improvement Fund	<u>32,634</u>
Permissive License Registration Fund - Permissive Tax	14,129
Driver's Interlock and Alcohol Monitoring - Fines and Forfeitures	0
Police Pension Fund - Homestead and Rollback Reimbursement	7,766
Fire Pension Fund - Homestead and Rollback Reimbursement	7,766
Total Nonmajor Special Revenue Funds	<u>465,292</u>
Total Governmental Fund Types	<u><u>\$1,316,802</u></u>

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 7 – INTERFUND TRANSACTIONS

Following is a summary of Transfers in and out for all funds for 2022:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$292,601
Municipal Income Tax #2 1/2% (Voted)	0	808,174
General Bond Retirement Fund	857,864	0
TIF District-Coshocton Road Fund	0	202,819
Roads and Bridges Capital Improvement	0	214,492
Other Governmental Funds	818,547	158,325
Total Governmental Funds	<u>\$1,676,411</u>	<u>\$1,676,411</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; and to provide additional resources for current operations or debt service. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14 – 5705.16.

Individual interfund receivables and payables balances at December 31, 2022 are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$0	\$1,143,160
TIF District-Coshocton Road Fund	1,143,160	0
Total Governmental Funds	<u>\$1,143,160</u>	<u>\$1,143,160</u>

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “due from other funds” or “due to other funds” on the balance sheet. Long-term interfund loans are classified as “Interfund Loans Receivable/Payable.” The TIF District-Coshocton Road Fund has advances to the General Fund totaling \$1,143,160. The advance to/from arose from a manuscript debt transaction where the proceeds were utilized for fire equipment (Medic and Pumper Truck). The long term advance will be repaid over the next ten years at an interest rate of 3.5%.

This space intentionally left blank.

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets as of December 31, 2022:

Historical Cost:

Class	Balance at December 31, 2021	Transfers	Additions	Deletions	Balance at December 31, 2022
<i>Capital assets not being depreciated:</i>					
Land	\$14,536,696	\$0	\$1,668,703	\$0	\$16,205,399
Construction in Progress	1,131,137	0	569,077	(18,137)	1,682,077
Subtotal	<u>15,667,833</u>	<u>0</u>	<u>2,237,780</u>	<u>(18,137)</u>	<u>17,887,476</u>
<i>Capital assets being depreciated:</i>					
Buildings	18,211,993	0	139,216	0	18,351,209
Improvements Other than Building	2,593,652	0	0	0	2,593,652
Infrastructure	57,484,044	0	580,072	0	58,064,116
Machinery and Equipment	11,829,622	0	539,658	(232,332)	12,136,948
Subtotal	<u>90,119,311</u>	<u>0</u>	<u>1,258,946</u>	<u>(232,332)</u>	<u>91,145,925</u>
Total Cost	<u>\$105,787,144</u>	<u>\$0</u>	<u>\$3,496,726</u>	<u>(\$250,469)</u>	<u>\$109,033,401</u>

Accumulated Depreciation:

Class	Balance at December 31, 2021	Transfers	Additions	Deletions	Balance at December 31, 2022
Buildings	(\$9,668,529)	\$0	(\$645,674)	\$0	(\$10,314,203)
Improvements	(1,101,079)	0	(83,787)	0	(1,184,866)
Infrastructure	(29,085,988)	0	(1,064,440)	0	(30,150,428)
Machinery and Equipment	(8,312,425)	0	(803,464)	232,332	(8,883,557)
Total Depreciation	<u>(\$48,168,021)</u>	<u>\$0</u>	<u>(\$2,597,365)</u>	<u>\$232,332</u>	<u>(\$50,533,054)</u>
<i>Net Value:</i>	<u>\$57,619,123</u>				<u>\$58,500,347</u>

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$482,562
Leisure Time Activities	443,323
Public Health & Welfare	39,180
Transportation	1,274,020
General Government	358,280
Total Depreciation Expense	<u>\$2,597,365</u>

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 8 – CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets as of December 31, 2022:

Historical Cost:

Class	Balance at December 31, 2021	Transfers	Additions	Deletions	Balance at December 31, 2022
<i>Capital assets not being depreciated:</i>					
Land	\$819,311	\$0	\$0	\$0	\$819,311
Construction in Progress	2,653,300	0	1,538,969	(1,803,190)	2,389,079
Subtotal	3,472,611	0	1,538,969	(1,803,190)	3,208,390
<i>Capital assets being depreciated:</i>					
Buildings	35,472,437	0	936,596	0	36,409,033
Utility Structures in Service	31,898,644	0	1,261,628	0	33,160,272
Machinery and Equipment	5,358,986	0	701,413	(157,146)	5,903,253
Subtotal	72,730,067	0	2,899,637	(157,146)	75,472,558
Total Cost	\$76,202,678	\$0	\$4,438,606	(\$1,960,336)	\$78,680,948

Accumulated Depreciation:

Class	Balance at December 31, 2021	Transfers	Additions	Deletions	Balance at December 31, 2022
Buildings	(\$22,816,324)	\$0	(\$1,206,135)	\$0	(\$24,022,459)
Utility Structures in Service	(16,447,172)	0	(428,570)	0	(16,875,742)
Machinery and Equipment	(4,396,761)	0	(377,203)	157,146	(4,616,818)
Total Depreciation	(\$43,660,257)	\$0	(\$2,011,908)	\$157,146	(\$45,515,019)
<i>Net Value:</i>	\$32,542,421				\$33,165,929

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions 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 represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability 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 are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member’s FAS for the first 30 years of service.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member’s FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS’s Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% 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. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$725,341 for 2022. Of this amount, \$62,249 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF 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 OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF 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 and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

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

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2022 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2022 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
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 OPF was \$1,130,229 for 2022. Of this amount, \$92,046 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$2,910,546	\$12,101,612	\$15,012,158
Proportion of the Net Pension Liability-2022	0.000000%	0.1937057%	
Proportion of the Net Pension Liability-2021	<u>0.033382%</u>	<u>0.2017040%</u>	
Percentage Change	<u>(0.033382%)</u>	<u>(0.0079983%)</u>	
Pension Expense	(\$468,384)	\$668,786	\$200,402

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$363,960	\$2,211,655	\$2,575,615
Differences between expected and actual experience	148,376	348,939	497,315
Change in proportionate share	116,374	163,644	280,018
City contributions subsequent to the measurement date	<u>725,341</u>	<u>1,130,229</u>	<u>1,855,570</u>
Total Deferred Outflows of Resources	<u>\$1,354,051</u>	<u>\$3,854,467</u>	<u>\$5,208,518</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$3,461,989	\$3,172,854	\$6,634,843
Differences between expected and actual experience	63,836	629,119	692,955
Change in proportionate share	<u>49,199</u>	<u>593,857</u>	<u>643,056</u>
Total Deferred Inflows of Resources	<u>\$3,575,024</u>	<u>\$4,395,830</u>	<u>\$7,970,854</u>

\$1,855,570 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 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:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2023	(\$424,100)	(\$155,714)	(\$579,814)
2024	(1,157,438)	(922,541)	(2,079,979)
2025	(814,055)	(426,336)	(1,240,391)
2026	(550,721)	(353,054)	(903,775)
2027	<u>0</u>	<u>186,053</u>	<u>186,053</u>
Total	<u>(\$2,946,314)</u>	<u>(\$1,671,592)</u>	<u>(\$4,617,906)</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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021 and December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2021
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2022. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2020
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	0.5 percent simple through 2021. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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 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.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

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

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. 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 was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$7,673,784	\$2,910,546	(\$1,053,100)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF’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 OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. 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 the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2021, compared with January 1, 2020, are presented below.

	<u>January 1, 2021</u>	<u>January 1, 2020</u>
Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

For the January 1, 2021 valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For the January 1, 2021 valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

<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. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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

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

* levered 2.5x

Note: Assumptions are geometric

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2021, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2020 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$17,946,522	\$12,101,612	\$7,234,245

This Space Intentionally Left Blank

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net 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 these estimates annually.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - 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. This 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 refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 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. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority requiring 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, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.0 percent.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75. OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2022, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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 \$26,052 for 2022. Of this amount, \$2,097 is reported as an accrued wages and benefits.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	(\$1,090,240)	\$2,123,181	\$1,032,941
Proportion of the Net OPEB Liability (Asset) -2022	0.034808%	0.01937057%	
Proportion of the Net OPEB Liability (Asset) -2021	<u>0.034113%</u>	<u>0.20090940%</u>	
Percentage Change	<u>0.000695%</u>	<u>-0.18153883%</u>	
OPEB Expense	(\$971,193)	\$97,632	(\$873,561)

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 10 - 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$939,783	\$939,783
Differences between expected and actual experience	0	96,588	96,588
City contributions subsequent to the measurement date	<u>0</u>	<u>26,052</u>	<u>26,052</u>
Total Deferred Outflows of Resources	<u>\$0</u>	<u>\$1,062,423</u>	<u>\$1,062,423</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$519,750	\$191,794	\$711,544
Changes in assumptions	441,316	246,594	687,910
Differences between expected and actual experience	165,373	280,607	445,980
Change in proportionate share	<u>36,163</u>	<u>249,080</u>	<u>285,243</u>
Total Deferred Inflows of Resources	<u>\$1,162,602</u>	<u>\$968,075</u>	<u>\$2,130,677</u>

\$26,052 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2023	(\$732,801)	\$11,988	(\$720,813)
2024	(241,594)	(16,482)	(258,076)
2025	(113,562)	(5,907)	(119,469)
2026	(74,645)	8,154	(66,491)
2027	0	38,770	38,770
2028	0	21,232	21,232
2029	<u>0</u>	<u>10,541</u>	<u>10,541</u>
Total	<u>(\$1,162,602)</u>	<u>\$68,296</u>	<u>(\$1,094,306)</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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 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. 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	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	1.84 percent
Prior measurement date	2.00 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2034
Prior measurement date	8.5 percent initial, 3.5 percent 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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.

The allocation of investment assets with 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. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

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

Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index").

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the 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 Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB liability (asset)	(\$641,163)	(\$1,090,240)	(\$1,462,980)

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$1,102,021)	(\$1,090,240)	(\$1,076,263)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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 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.

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	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	2.84 percent	2.96 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 10 - DEFINED BENEFIT OPEB 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>125.00 %</u>	

* levered 2.5x

Note: Assumptions are geometric

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 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.05 percent at December 31, 2021 and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.50 percent, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$2,668,886	\$2,123,181	\$1,674,611

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.

This Space Intentionally Left Blank

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2022 were as follows:

			Balance December 31, 2021	Additions	(Reductions)	Balance December 31, 2022	Amounts Due Within One Year
Business-Type Activities:							
General Obligation Bonds:							
1.86%	Wastewater Refunding 2003	2012	\$114,570	\$0	(\$114,570)	\$0	\$0
1.86%	Wastewater Refunding 2003	2012	82,190	0	(82,190)	0	0
1.86%	Water Refunding 2003	2012	6,065	0	(6,065)	0	0
1.86%	Wastewater Refunding 2003	2012	6,065	0	(6,065)	0	0
2.61%	W/W Refunding 2009B	2015	1,225,000	0	(140,000)	1,085,000	145,000
2.51%	Water Refunding 2007	2015	198,800	0	(32,800)	166,000	33,200
2.51%	W/W Refunding 2007	2015	1,172,000	0	(184,500)	987,500	186,750
Total General Obligation Bonds Payable			2,804,690	0	(566,190)	2,238,500	364,950
Special Obligation Bonds:							
2.60%	Water - Building Project	2012	397,500	0	(62,500)	335,000	63,750
2.60%	Wastewater -Building Project	2012	397,500	0	(62,500)	335,000	63,750
Total Special Obligation Bonds Payable			795,000	0	(125,000)	670,000	127,500
Ohio Public Works Commission Loan - Direct Borrowing:							
0.000%	Water Improvements	2009	79,482	0	(9,351)	70,131	9,351
Ohio Water Development Authority - Direct Borrowing:							
1.160%	Wastewater Improvements	2011	4,152,626	0	(356,060)	3,796,566	360,202
Compensated Absences			262,370	146,416	(214,398)	194,388	77,065
Total Business-Type Activities			\$8,094,168	\$146,416	(\$1,270,999)	\$6,969,585	\$939,068

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

			Balance December 31, 2021	Additions	(Reductions)	Balance December 31, 2022	Amounts Due Within One Year
Governmental Activities:							
General Obligation Bond:							
2.00- 4.250%	Highway Project	2009	\$1,040,000	\$0	(\$115,000)	\$925,000	\$115,000
1.86%	Building Refunding 2003	2012	12,150	0	(12,150)	0	0
1.86%	Highway Refunding 2003	2012	178,200	0	(178,200)	0	0
2.51%	Water Park Refund 2007	2015	1,221,850	0	(192,700)	1,029,150	195,050
2.78%	Highway Project	2019	2,140,000	0	(155,000)	1,985,000	160,000
	Total General Obligation Bonds Payable		4,592,200	0	(653,050)	3,939,150	470,050
Special Obligation Bonds:							
2.60%	Building Project	2012	795,000	0	(125,000)	670,000	127,500
	Total Special Obligation Bonds Payable		795,000	0	(125,000)	670,000	127,500
Ohio Public Works Commission Loans - Direct Borrowing:							
0.000%	OPWC Loan Payable	2003	63,750	0	(21,250)	42,500	21,250
0.000%	OPWC Loan Payable	2009	53,125	0	(6,250)	46,875	6,250
0.000%	OPWC Loan Payable	2019	516,724	0	(27,930)	488,794	27,930
	Total OPWC Loans Payable		633,599	0	(55,430)	578,169	55,430
	Compensated Absences		1,418,771	1,319,914	(1,102,863)	1,635,822	426,550
	Police and Firemen's Pension Accrued Liability		283,413	0	(15,998)	267,415	16,685
	Total Governmental Activities		\$7,722,983	\$1,319,914	(\$1,952,341)	\$7,090,556	\$1,096,215

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Long-term Debt Purpose

Business Type Activities: Wastewater Improvements (2009) was for relining of wastewater lines and manhole rehabilitation. Wastewater Improvements (2011) was for upgrades to electrical and instrumentation at treatment plant. Water and Wastewater building project (2012) was for the construction of a combined maintenance facility building for the Distribution and Collection Departments.

Ohio Water Development Authority, as administrator for the U. S. Environmental Protection Agency (EPA), provided funding for the construct a septage receiving station and electrical and instrumentation upgrades in 2011. In 2015, Advanced Refunding Bonds were issued to pay off the 2007 Various Purpose bonds for Waterworks and Wastewater Treatment Facility. These bonds were for the construction of a water line and wastewater improvements to the influent screening process. Wastewater Improvement Refunding Bonds were issued to retire Various Purpose Bonds, Series 2012 (B) that provided for relining of two main inceptor lines.

		Original Issue
Business-Type Activities		
General Obligation Bonds:		
Water Refunding 2007	2015	\$330,000
Wastewater Refunding 2007	2015	2,095,000
Total General Obligation Bonds		<u>2,425,000</u>
Special Obligation Bonds:		
Wastewater-Building Project	2012	887,500
Water-Building Project	2012	887,500
Total Special Obligation Bonds		<u>1,775,000</u>
Ohio Public Works Commission Loan:		
Wastewater Improvements	2009	125,362
Ohio Water Development Authority Loan:		
Wastewater Improvements	2011	7,178,446
Total Business Type Activities		<u><u>\$11,503,808</u></u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Long-term Debt Purpose (Continued)

Governmental Activities: Water Park Facility (2007) was for the construction of a new water park/pool complex. Highway Project (2009) was for road improvements to Blackjack Road. Building Project (2012) was for the construction of a combined maintenance facility building for the Street Department. Water Park Facility Refunding (2015) was for the construction of a new water park/pool complex.

General Obligation Bonds:		
Highway Project	2009	\$2,165,000
Water Park Facility Refunding 2007	2015	2,007,500
Highway Project	2019	2,600,000
Total General Obligation Bonds		<u>6,772,500</u>
Special Obligation Bonds:		
Building Project	2012	1,775,000
Total Special Obligation Bonds		<u>1,775,000</u>
Ohio Public Works Commission Loan:		
OPWC Loan Payable	2003	425,000
OPWC Loan Payable	2009	125,000
OPWC Loan Payable	2019	558,620
Total Ohio Public Works Commission Loan Payable		<u>1,108,620</u>
Total Governmental Activities		<u>\$9,656,120</u>

B. Police and Firemen's Pension Fund

The City's liability for past service costs related to the Police and Firemen's Pension Fund at December 31, 2022 was \$347,179 in principal and interest payments through the year 2035.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

C. Principal and Interest Requirements

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

Business-type Activities:

Years	General Obligation Bonds		Ohio Public Works Commission Loan	
	Principal	Interest	Principal	Interest
2023	\$364,950	\$57,453	\$9,351	\$0
2024	375,550	48,147	9,351	0
2025	380,550	38,576	9,351	0
2026	393,500	28,874	9,351	0
2027	401,150	18,842	9,351	0
2028-2031	322,800	12,918	23,376	0
Totals	\$2,238,500	\$204,810	\$70,131	\$0

Years	Ohio Water Development Authority Loan		Special Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$360,202	\$42,999	\$127,500	\$17,420
2024	364,393	38,808	130,000	14,144
2025	368,632	34,569	135,000	10,724
2026	372,921	30,280	137,500	7,216
2027	377,259	25,942	140,000	3,640
2028-2031	1,953,159	62,846	0	0
Totals	\$3,796,566	\$235,444	\$670,000	\$53,144

CITY OF MOUNT VERNON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

C. Principal and Interest Requirements (Continued)

Governmental Activities:

Years	General Obligation Bonds		Police/Fire Pension Liability		Ohio Public Works Commission Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$470,050	\$119,743	\$16,685	\$11,190	\$55,430	\$0
2024	484,450	105,800	17,402	10,473	55,431	0
2025	494,450	91,420	18,149	9,725	34,181	0
2026	511,500	76,389	18,928	8,946	34,181	0
2027	528,700	60,829	19,740	8,132	34,181	0
2028-2032	1,245,000	128,028	112,180	27,193	155,280	0
2033-2037	205,000	5,699	64,331	4,105	139,655	0
2038-2040	0	0	0	0	69,830	0
Totals	<u>\$3,939,150</u>	<u>\$587,908</u>	<u>\$267,415</u>	<u>\$79,764</u>	<u>\$578,169</u>	<u>\$0</u>

Years	Special Obligation Bonds	
	Principal	Interest
2023	\$127,500	\$17,420
2024	130,000	14,144
2025	135,000	10,725
2026	137,500	7,215
2027	140,000	3,640
Totals	<u>\$670,000</u>	<u>\$53,144</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 12 – COMPENSATED ABSENCES

The City provides a liability for accumulated unpaid sick leave, vacation and compensatory time benefits when earned by employees. Accrued employee benefits for Governmental Funds not currently due and payable at yearend are recorded as Long-Term Obligations in the government-wide statements. At December 31, 2022, the total accumulated unpaid sick, vacation and compensatory time recorded was as follows:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	72,823	\$1,073,316
Vacation	16,371	469,192
Compensatory Time	<u>3,392</u>	<u>93,314</u>
Total	<u><u>92,586</u></u>	<u><u>\$1,635,822</u></u>

The portion attributable to the enterprise funds has been recorded within the respective fund and is not included in the figures presented above.

NOTE 13 - 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; and natural disasters.

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2017, PEP retained \$350,000 for casualty claims and \$100,000 for property claims. The Board of Directors and York periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain. As a result of this risk analysis, PEP has elected to increase its retention for casualty and property claims to \$500,000 and \$250,000, respectively, effective January 1, 2019.

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

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 13 - RISK MANAGEMENT (Continued)

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2021 and 2022:

	<u>2021</u>	<u>2022</u>
Assets	\$ 41,996,850	\$ 42,310,794
Liabilities	<u>14,974,099</u>	<u>15,724,479</u>
Net Assets	<u>\$ 27,022,751</u>	<u>\$ 26,586,315</u>

As of December 31, 2022, the City's share of these unpaid claims collectible in future years is approximately \$457,276.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

	<u>Contributions to PEP</u>
2021	\$ 199,911
2022	228,638

After one year of membership, members may withdraw on the anniversary of the date of joined PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

The City pays unemployment claims to the State of Ohio as incurred. Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2022**

NOTE 14 - SIGNIFICANT COMMITMENTS

A. Construction Commitments

As of December 31, 2022, the City had the following commitments with respect to capital projects:

<u>Contractual Commitments</u>	<u>Remaining Contractual Commitments</u>	<u>Expected Date of Completion</u>
Greenwich Electric, Inc.	\$306,266	September 1, 2023
M G Energy	\$165,044	March, 31, 2023
Clintonville Utility Improvements Phase 1 & II	\$204,319	December 9, 2022
Underground Reservoir Rehabilitation	\$56,850	November 28, 2022
Asphalt Paving – 2021 Program	\$192,533	December 14, 2022

B. Encumbrances

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

Governmental Funds:	
General Fund	\$1,979,938
1/2% Tax #2 Voted Fund	165,545
Community Development Block Grant Fund	41,552
Roads & Bridges	460,842
Capital Improvement Fund	1,208,113
TIF District - Coshocton Road Fund	196,009
Other Governmental Funds	<u>250,461</u>
Total Governmental Funds	4,302,460
Enterprise Funds:	
Water Fund	2,481,680
Sewer Fund	<u>1,006,428</u>
Total Enterprise Funds	3,488,108
Custodial Funds	<u>46,720</u>
Total	<u><u>\$7,837,288</u></u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 15 - CONTINGENCIES

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

NOTE 16 - CONDUIT DEBT OBLIGATIONS

The City has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition, construction, renovation, installation and equipping of a 65,000 square foot expansion to the Prince Student Union, which will include a new arena and other intercollegiate athletic facilities, academic and office space facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The City has issued Economic Development Revenue Refunding Bonds, Series 2022, in the amount of \$6,860,000 for the above described bonds, on March 1, 2022. All related provisions as described above remain in place and the City has no financial obligation for repayment of the bonds. As of December 31, 2022, Economic Development Revenue Refunding Bonds outstanding for the Mount Vernon Nazarene University totaled \$6,860,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MOUNT VERNON, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Nine Years***

Ohio Public Employees Retirement System

Year	2014	2015	2016	2017
City's proportion of the net pension liability	0.033673%	0.033673%	0.033191%	0.033942%
City's proportionate share of the net pension liability	\$3,969,608	\$4,061,340	\$5,749,100	\$7,707,651
City's covered payroll	\$4,439,377	\$3,719,758	\$4,089,550	\$4,548,125
City's proportionate share of the net pension liability as a percentage of its covered payroll	89.42%	109.18%	140.58%	169.47%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2014	2015	2016	2017
City's proportion of the net pension liability	0.1944451%	0.1944451%	0.191546%	0.199149%
City's proportionate share of the net pension liability	\$9,470,086	\$10,073,067	\$12,322,265	\$12,613,957
City's covered payroll	\$3,624,240	\$3,757,673	\$3,788,456	\$4,187,303
City's proportionate share of the net pension liability as a percentage of its covered payroll	261.30%	268.07%	325.26%	301.24%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability which is prior year end.

CITY OF MOUNT VERNON, OHIO

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
0.032618%	0.032940%	0.033382%	0.032476%	0.033453%
\$5,117,132	\$9,021,598	\$6,598,179	\$4,808,989	\$2,910,546
\$4,310,262	\$4,525,193	\$4,638,229	\$4,574,114	\$4,902,836
118.72%	199.36%	142.26%	105.13%	59.36%
84.66%	74.70%	82.17%	86.88%	92.62%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
0.204802%	0.197761%	0.201704%	0.2009094%	0.1937057%
\$12,569,623	\$16,142,523	\$13,587,879	\$13,696,175	\$12,101,612
\$4,394,677	\$4,380,180	\$4,691,652	\$4,958,743	\$4,822,190
286.02%	368.54%	289.62%	276.20%	250.96%
70.91%	63.07%	69.89%	70.65%	75.03%

CITY OF MOUNT VERNON, OHIO

***Schedule of City Pension Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015	2016
Contractually required contribution	\$577,119	\$446,371	\$490,746	\$545,775
Contributions in relation to the contractually required contribution	577,119	446,371	490,746	545,775
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$4,439,377	\$3,719,758	\$4,089,550	\$4,548,125
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015	2016
Contractually required contribution	\$672,896	\$814,678	\$821,716	\$905,295
Contributions in relation to the contractually required contribution	672,896	814,678	821,716	905,295
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$3,624,240	\$3,757,673	\$3,788,456	\$4,187,303
Contributions as a percentage of covered payroll	18.57%	21.68%	21.69%	21.62%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

CITY OF MOUNT VERNON, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$560,334	\$633,527	\$649,352	\$640,376	\$686,397	\$725,341
<u>560,334</u>	<u>633,527</u>	<u>649,352</u>	<u>640,376</u>	<u>686,397</u>	<u>725,341</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,310,262	\$4,525,193	\$4,638,229	\$4,574,114	\$4,902,836	\$5,181,007
13.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$944,416	\$946,995	\$1,013,866	\$1,069,105	\$1,045,933	\$1,130,229
<u>944,416</u>	<u>946,995</u>	<u>1,013,866</u>	<u>1,069,105</u>	<u>1,045,933</u>	<u>1,130,229</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,394,677	\$4,380,180	\$4,691,652	\$4,958,743	\$4,822,190	\$5,210,830
21.49%	21.62%	21.61%	21.56%	21.69%	21.69%

CITY OF MOUNT VERNON, OHIO

**Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB)
Liability (Asset)
Last Six Years**

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.036070%	0.034640%	0.034724%
City's proportionate share of the net OPEB liability (asset)	\$3,643,193	\$3,761,649	\$4,527,189
City's covered payroll	\$4,548,125	\$4,310,262	\$4,525,193
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	80.10%	87.27%	100.04%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability	0.199149%	0.204802%	0.197761%
City's proportionate share of the net OPEB liability	\$9,453,155	\$11,603,795	\$1,800,917
City's covered payroll	\$4,187,303	\$4,394,677	\$4,380,180
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	225.76%	264.04%	41.12%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability (Asset) which is prior year end.

CITY OF MOUNT VERNON, OHIO

<u>2020</u>	<u>2021</u>	<u>2022</u>
0.035036%	0.034113%	0.034808%
\$4,839,382	(\$607,750)	(\$1,090,240)
\$4,638,229	\$4,574,114	\$4,902,836
104.34%	(13.29%)	(22.24%)
47.80%	115.57%	128.23%

<u>2020</u>	<u>2021</u>	<u>2022</u>
0.2017043%	0.2009094%	0.1937057%
\$1,992,381	\$2,128,668	\$2,123,181
\$4,691,652	\$4,958,743	\$4,822,190
42.47%	42.93%	44.03%
47.08%	45.42%	46.86%

CITY OF MOUNT VERNON, OHIO

***Schedule of City's Other Postemployment Benefit (OPEB) Contributions
Last Ten Years***

Ohio Public Employees Retirement System

Year	2013	2014	2015	2016
Contractually required contribution	\$44,394	\$74,395	\$81,791	\$90,963
Contributions in relation to the contractually required contribution	44,394	74,395	81,791	90,963
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$4,439,377	\$3,719,758	\$4,089,550	\$4,548,125
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%	2.00%

Source: City Auditor's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2013	2014	2015	2016
Contractually required contribution	\$138,488	\$18,716	\$18,945	\$20,969
Contributions in relation to the contractually required contribution	138,488	18,716	18,945	20,969
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$3,624,240	\$3,757,673	\$3,788,456	\$4,187,303
Contributions as a percentage of covered payroll	3.82%	0.50%	0.50%	0.50%

Source: City Auditor's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

CITY OF MOUNT VERNON, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$43,100	\$0	\$0	\$0	\$0	\$0
<u>43,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,310,262	\$4,525,193	\$4,638,229	\$4,574,114	\$4,902,836	\$5,181,007
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$21,976	\$21,902	\$23,453	\$24,789	\$24,116	\$26,052
<u>21,976</u>	<u>21,902</u>	<u>23,453</u>	<u>24,789</u>	<u>24,116</u>	<u>26,052</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,394,677	\$4,380,180	\$4,691,652	\$4,958,743	\$4,822,190	\$5,210,830
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2022***

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2022.

Changes in assumptions:

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2022***

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2014-2022.

Changes in assumptions:

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%

This Space Intentionally Left Blank

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2022***

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2022***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2022: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.96% to 2.84%.

This Space Intentionally Left Blank



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

State Highway Improvement Fund

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

Permissive Auto License Tax Fund

To account for county-levied motor vehicle registration fees designated for maintenance and repair of roads within the City.

Cemetery Fund

To account for revenue received from the operation of the City's municipal cemetery.

Park Development Fund

To account for the operation and maintenance of public recreational facilities.

Parking Fund

To account for revenues received from the City's parking garage.

Law Enforcement Trust Fund

To account for the proceeds from the confiscation of contraband.

Drug Enforcement Trust Fund

To account for mandatory fines collected for drug offenses.

Permissive License Registration Fund

To account for municipal-levied motor vehicle registration fees designated for street construction, maintenance and repair.

Indigent Drivers Alcohol Treatment Fund

To account for revenues derived from fines levied by the courts to be used for treatment of persons with alcohol related problems.

(Continued)

Special Revenue Funds (Continued)

DUI - Enforcement and Education Fund

To account for the financial resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

Court Computerization Fund

To account for revenues from fines to be used for computers and for updating computerized court functions.

Probation Services Fund

To account for revenues from offenders placed on probation and designated for probation related expenses or reconciliation programs for offenders and victims.

Municipal Court Special Projects Fund

To account for revenues from fines to be used for future special projects and programs within the court.

Court Clerk Computer Fund

To account for revenues from fines to be used for computers and for updating computerized court clerk functions.

Lodging Excise Tax Fund

To promote the development of the arts, cultural and educational, to bring the patronage and business of residents and tourists to the central business district, for the benefit of the citizens of the City and the business community.

Driver's Interlock and Alcohol Monitoring Fund

To account for the financial resources derived from fines levied by the courts to be used for monitoring drivers who have been convicted of driving under the influence.

Public Service Street Repair Fund

To account for revenue received for cab vehicle licenses and cab operator licenses designated for street maintenance and repair.

Hiawatha Water Park Scholarship Fund

To account for public donations to provide scholarships for income eligible youth for day passes to the water park facility.

Available Petition Fund

To account for revenues from lodging excise tax to be used for small grant projects related to arts, cultural development, economic development and other related community programs.

(Continued)

Special Revenue Funds (Continued)

College Township Fire-EMS Fund

This fund is used to account for monies to provide fire and EMS services to College Township.

OneOhio Opioid Fund

This fund is used to account for monies obtained and distributed by the State of Ohio for opioid settlements from drug manufacturers and distributors. It is designated for resources to assist with community drug recovery, prevention and treatment.

Police Pension Fund

To account for .3 mills of property taxes for the partial payment of the current and accrued liability for police disability and pension.

Fire Pension Fund

To account for .3 mills of property taxes for the partial payment of the current and accrued liability for fire disability and pension.

Mausoleum Fund

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the mausoleum.

Insurance Fund

To account for insurance funds on deposit to insure the clean-up of damaged property. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there was no activity during the year.)

Bonds and Inspection Fee Fund

To account for funds on deposit as required by City ordinance for subdivision construction. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there was no activity during the year.)

Veterans Honor Walkway Fund

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the Veterans Walk of Honor and the Civil War monument located on the city square.

(Continued)

Debt Service Fund

The Debt Service Fund is used to account for retirement of the City's long-term debt obligations.

General Bond Retirement-Income Tax Fund

To account for the accumulation of income tax used for the payment of principal and interest on special obligation bonds for the construction of a maintenance building and appurtenant parking.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major capital facilities other than that financed by proprietary or trust funds.

TIF District-Industrial Area Fund

To account for financial resources used for the improvements within the described boundaries of the Industrial Park area. The TIF (tax increment financing) district will expire in January 2036 due to the thirty year maximum lifetime.

TIF District-Sandusky Street Corridor Fund

To account for financial resources used for the improvements within the described boundaries of the Sandusky Street Corridor. The TIF (tax increment financing) district will expire in January 2046 due to the thirty year maximum lifetime.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

Perpetual Care Fund

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the cemetery.

CITY OF MOUNT VERNON, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 2,320,398	\$ 12,073	\$ 107,634	\$ 0	\$ 2,440,105
Receivables:					
Taxes	299,443	0	195,000	0	494,443
Intergovernmental	465,292	0	0	0	465,292
Inventory of Supplies	56,357	0	0	0	56,357
Prepaid Items	45,910	0	0	0	45,910
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	556,647	556,647
Cash and Cash Equivalents with Fiscal Agent	102,890	0	0	0	102,890
Total Assets	\$ 3,290,290	\$ 12,073	\$ 302,634	\$ 556,647	\$ 4,161,644
Liabilities:					
Accounts Payable	\$ 137,206	\$ 0	\$ 0	\$ 0	\$ 137,206
Accrued Wages and Benefits Payable	60,527	0	0	0	60,527
Contracts Payable	14,295	0	0	0	14,295
Due to Others	49,371	0	0	0	49,371
Total Liabilities	261,399	0	0	0	261,399
Deferred Inflows of Resources:					
Deferred Inflow-Property Tax	182,800	0	195,000	0	377,800
Unavailable Revenue	450,554	0	0	0	450,554
Total Deferred Inflows of Resources	633,354	0	195,000	0	828,354
Fund Balances:					
Nonspendable	102,267	0	0	556,647	658,914
Restricted	2,215,991	12,073	107,634	0	2,335,698
Committed	79,078	0	0	0	79,078
Unassigned	(1,799)	0	0	0	(1,799)
Total Fund Balances	2,395,537	12,073	107,634	556,647	3,071,891
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,290,290	\$ 12,073	\$ 302,634	\$ 556,647	\$ 4,161,644

CITY OF MOUNT VERNON, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 1,062,628	\$ 145,595	\$ 212,539	\$ 0	\$ 1,420,762
Intergovernmental Revenues	1,031,198	0	0	0	1,031,198
Charges for Services	662,267	0	0	0	662,267
Licenses and Permits	1,135	0	0	0	1,135
Investment Earnings	6,929	0	0	0	6,929
Fines and Forfeitures	214,144	0	0	0	214,144
All Other Revenue	8,026	0	0	18,279	26,305
Total Revenue	2,986,327	145,595	212,539	18,279	3,362,740
Expenditures:					
Current:					
Security of Persons and Property	1,618,647	0	0	0	1,618,647
Public Health and Welfare Services	279,197	0	0	0	279,197
Leisure Time Activities	538	0	0	0	538
Transportation	1,188,193	0	3,599	0	1,191,792
General Government	334,060	0	0	0	334,060
Debt Service:					
Principal Retirement	0	125,000	0	0	125,000
Interest and Fiscal Charges	0	20,661	0	0	20,661
Total Expenditures	3,420,635	145,661	3,599	0	3,569,895
Excess (Deficiency) of Revenues					
Over Expenditures	(434,308)	(66)	208,940	18,279	(207,155)
Other Financing Sources (Uses):					
Sale of Capital Assets	3,703	0	0	0	3,703
Transfers In	818,547	0	0	0	818,547
Transfers Out	0	0	(158,325)	0	(158,325)
Total Other Financing Sources (Uses)	822,250	0	(158,325)	0	663,925
Net Change in Fund Balances	387,942	(66)	50,615	18,279	456,770
Fund Balances at Beginning of Year	2,007,595	12,139	57,019	538,368	2,615,121
Fund Balances End of Year	\$ 2,395,537	\$ 12,073	\$ 107,634	\$ 556,647	\$ 3,071,891

CITY OF MOUNT VERNON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022**

	Street Construction, Maintenance & Repair	State Highway Improvement	Permissive Auto License Tax	Cemetery
Assets:				
Cash and Cash Equivalents	\$ 486,159	\$ 71,445	\$ 30,706	\$ 187,513
Receivables:				
Taxes	32,845	0	0	43,793
Intergovernmental	402,997	32,634	0	0
Inventory of Supplies	54,616	0	0	1,741
Prepaid Items	5,369	865	0	1,387
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	0	102,890	0
Total Assets	\$ 981,986	\$ 104,944	\$ 133,596	\$ 234,434
Liabilities:				
Accounts Payable	\$ 25,487	\$ 151	\$ 0	\$ 1,917
Accrued Wages and Benefits Payable	16,378	0	0	3,850
Contracts Payable	4,412	2,595	0	286
Due to Others	0	0	0	0
Total Liabilities	46,277	2,746	0	6,053
Deferred Inflows of Resources:				
Deferred Inflows-Property Tax	0	0	0	0
Unavailable Revenue	280,855	21,742	102,890	16,253
Total Deferred Inflows of Resources	280,855	21,742	102,890	16,253
Fund Balances:				
Nonspendable	59,985	865	0	3,128
Restricted	594,869	79,591	30,706	209,000
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	654,854	80,456	30,706	212,128
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 981,986	\$ 104,944	\$ 133,596	\$ 234,434

CITY OF MOUNT VERNON, OHIO

Park Development	Parking	Law Enforcement Trust	Drug Enforcement Trust	Permissive License Registration	Indigent Drivers Alcohol Treatment
\$ 38,129	\$ 4,679	\$ 28,751	\$ 63,025	\$ 155,412	\$ 82,612
0	0	0	0	0	0
0	0	0	0	16,880	0
0	0	0	0	0	0
0	0	0	0	47	0
0	0	0	0	0	0
<u>\$ 38,129</u>	<u>\$ 4,679</u>	<u>\$ 28,751</u>	<u>\$ 63,025</u>	<u>\$ 172,339</u>	<u>\$ 82,612</u>
\$ 0	\$ 702	\$ 0	\$ 0	\$ 3,776	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>702</u>	<u>0</u>	<u>0</u>	<u>3,776</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	47	0
38,129	0	28,751	63,025	168,516	82,612
0	3,977	0	0	0	0
0	0	0	0	0	0
<u>38,129</u>	<u>3,977</u>	<u>28,751</u>	<u>63,025</u>	<u>168,563</u>	<u>82,612</u>
<u>\$ 38,129</u>	<u>\$ 4,679</u>	<u>\$ 28,751</u>	<u>\$ 63,025</u>	<u>\$ 172,339</u>	<u>\$ 82,612</u>

(Continued)

CITY OF MOUNT VERNON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022**

	DUI Enforcement and Education	Court Computerization	Probation Services	Municipal Court Special Projects
Assets:				
Cash and Cash Equivalents	\$ 43,098	\$ 2,947	\$ 185,473	\$ 135,873
Receivables:				
Taxes	0	0	0	0
Intergovernmental	0	0	0	0
Inventory of Supplies	0	0	0	0
Prepaid Items	0	6,744	0	4,613
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Total Assets	\$ 43,098	\$ 9,691	\$ 185,473	\$ 140,486
Liabilities:				
Accounts Payable	\$ 0	\$ 199	\$ 448	\$ 7,400
Accrued Wages and Benefits Payable	0	0	0	0
Contracts Payable	0	0	0	0
Due to Others	0	0	0	0
Total Liabilities	0	199	448	7,400
Deferred Inflows of Resources:				
Deferred Inflows-Property Tax	0	0	0	0
Unavailable Revenue	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances:				
Nonspendable	0	6,744	0	4,613
Restricted	43,098	2,748	185,025	128,473
Committed	0	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	43,098	9,492	185,025	133,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 43,098	\$ 9,691	\$ 185,473	\$ 140,486

CITY OF MOUNT VERNON, OHIO

Court Clerk Computer	Lodging Excise Tax	Driver's Interlock & Alcohol Monitoring	Public Service Street Repair	Hiawatha Water Park Scholarship	Available Petition
\$ 16,762	\$ 1,074	\$ 174,923	\$ 1,398	\$ 4,438	\$ 78,475
0	6,775	0	0	0	676
0	0	0	0	0	0
0	0	0	0	0	0
19,678	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 36,440</u>	<u>\$ 7,849</u>	<u>\$ 174,923</u>	<u>\$ 1,398</u>	<u>\$ 4,438</u>	<u>\$ 79,151</u>
\$ 627	\$ 1,178	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	6,172	0	0	0	0
0	0	0	0	0	0
<u>627</u>	<u>7,350</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
19,678	0	0	0	0	0
16,135	499	174,923	0	0	79,151
0	0	0	1,398	4,438	0
0	0	0	0	0	0
<u>35,813</u>	<u>499</u>	<u>174,923</u>	<u>1,398</u>	<u>4,438</u>	<u>79,151</u>
<u>\$ 36,440</u>	<u>\$ 7,849</u>	<u>\$ 174,923</u>	<u>\$ 1,398</u>	<u>\$ 4,438</u>	<u>\$ 79,151</u>

(Continued)

CITY OF MOUNT VERNON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022**

	College Township Fire- EMS	OneOhio Opioid	Police Pension	Fire Pension
Assets:				
Cash and Cash Equivalents	\$ 276,812	\$ 7,918	\$ 48,481	\$ 72,482
Receivables:				
Taxes	0	0	107,677	107,677
Intergovernmental	0	0	7,766	5,015
Inventory of Supplies	0	0	0	0
Prepaid Items	7,207	0	0	0
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Total Assets	\$ 284,019	\$ 7,918	\$ 163,924	\$ 185,174
Liabilities:				
Accounts Payable	\$ 1,178	\$ 0	\$ 33,634	\$ 60,509
Accrued Wages and Benefits Payable	6,545	0	13,097	20,657
Contracts Payable	830	0	0	0
Due to Others	0	0	0	0
Total Liabilities	8,553	0	46,731	81,166
Deferred Inflows of Resources:				
Deferred Inflows-Property Tax	0	0	91,400	91,400
Unavailable Revenue	0	0	14,407	14,407
Total Deferred Inflows of Resources	0	0	105,807	105,807
Fund Balances:				
Nonspendable	7,207	0	0	0
Restricted	268,259	7,918	11,386	0
Committed	0	0	0	0
Unassigned	0	0	0	(1,799)
Total Fund Balances	275,466	7,918	11,386	(1,799)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 284,019	\$ 7,918	\$ 163,924	\$ 185,174

CITY OF MOUNT VERNON, OHIO

<u>Mausoleum</u>	<u>Insurance</u>	<u>Bonds and Inspection Fee</u>	<u>Veterans Honor Walkway</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 3,177	\$ 28,720	\$ 20,651	\$ 69,265	\$ 2,320,398
0	0	0	0	299,443
0	0	0	0	465,292
0	0	0	0	56,357
0	0	0	0	45,910
0	0	0	0	102,890
<u>\$ 3,177</u>	<u>\$ 28,720</u>	<u>\$ 20,651</u>	<u>\$ 69,265</u>	<u>\$ 3,290,290</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 137,206
0	0	0	0	60,527
0	0	0	0	14,295
0	28,720	20,651	0	49,371
<u>0</u>	<u>28,720</u>	<u>20,651</u>	<u>0</u>	<u>261,399</u>
0	0	0	0	182,800
0	0	0	0	450,554
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>633,354</u>
0	0	0	0	102,267
3,177	0	0	0	2,215,991
0	0	0	69,265	79,078
0	0	0	0	(1,799)
<u>3,177</u>	<u>0</u>	<u>0</u>	<u>69,265</u>	<u>2,395,537</u>
<u>\$ 3,177</u>	<u>\$ 28,720</u>	<u>\$ 20,651</u>	<u>\$ 69,265</u>	<u>\$ 3,290,290</u>

CITY OF MOUNT VERNON, OHIO

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

	Street Construction, Maintenance & Repair	State Highway Improvement	Permissive Auto License Tax	Cemetery
Revenues:				
Taxes	\$ 244,357	\$ 0	\$ 0	\$ 325,809
Intergovernmental Revenues	835,964	56,889	11,034	0
Charges for Services	0	0	0	88,405
Licenses and Permits	0	0	0	0
Investment Earnings	2,111	0	0	4,421
Fines and Forfeitures	0	0	0	0
All Other Revenue	4,187	0	0	1,201
Total Revenue	<u>1,086,619</u>	<u>56,889</u>	<u>11,034</u>	<u>419,836</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Public Health and Welfare Services	0	0	0	279,197
Leisure Time Activities	0	0	0	0
Transportation	1,029,067	44,869	66,776	0
General Government	0	0	0	0
Total Expenditures	<u>1,029,067</u>	<u>44,869</u>	<u>66,776</u>	<u>279,197</u>
Excess (Deficiency) of Revenues Over Expenditures	57,552	12,020	(55,742)	140,639
Other Financing Sources (Uses):				
Sale of Capital Assets	3,703	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>3,703</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	61,255	12,020	(55,742)	140,639
Fund Balances at Beginning of Year	<u>593,599</u>	<u>68,436</u>	<u>86,448</u>	<u>71,489</u>
Fund Balances End of Year	<u>\$ 654,854</u>	<u>\$ 80,456</u>	<u>\$ 30,706</u>	<u>\$ 212,128</u>

CITY OF MOUNT VERNON, OHIO

Park Development	Parking	Law Enforcement Trust	Drug Enforcement Trust	Permissive License Registration	Indigent Drivers Alcohol Treatment
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	98,945	0
5,373	0	0	0	0	0
0	1,095	0	0	0	0
0	0	0	0	0	0
0	530	21,193	0	0	16,438
0	0	0	0	53	0
<u>5,373</u>	<u>1,625</u>	<u>21,193</u>	<u>0</u>	<u>98,998</u>	<u>16,438</u>
0	4,356	8,484	7,115	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	47,481	0
0	0	0	0	0	0
<u>0</u>	<u>4,356</u>	<u>8,484</u>	<u>7,115</u>	<u>47,481</u>	<u>0</u>
5,373	(2,731)	12,709	(7,115)	51,517	16,438
0	0	0	0	0	0
<u>5,373</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>5,373</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10,746	2,269	12,709	(7,115)	51,517	16,438
27,383	1,708	16,042	70,140	117,046	66,174
<u>\$ 38,129</u>	<u>\$ 3,977</u>	<u>\$ 28,751</u>	<u>\$ 63,025</u>	<u>\$ 168,563</u>	<u>\$ 82,612</u>

(Continued)

CITY OF MOUNT VERNON, OHIO

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

	DUI Enforcement and Education	Court Computerization	Probation Services	Municipal Court Special Projects
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	16,076	44,930	49,080
All Other Revenue	0	0	0	0
Total Revenue	<u>0</u>	<u>16,076</u>	<u>44,930</u>	<u>49,080</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation	0	0	0	0
General Government	0	12,151	38,154	47,175
Total Expenditures	<u>0</u>	<u>12,151</u>	<u>38,154</u>	<u>47,175</u>
Excess (Deficiency) of Revenues Over Expenditures	0	3,925	6,776	1,905
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	3,925	6,776	1,905
Fund Balances at Beginning of Year	<u>43,098</u>	<u>5,567</u>	<u>178,249</u>	<u>131,181</u>
Fund Balances End of Year	<u>\$ 43,098</u>	<u>\$ 9,492</u>	<u>\$ 185,025</u>	<u>\$ 133,086</u>

CITY OF MOUNT VERNON, OHIO

Court Clerk Computer	Lodging Excise Tax	Driver's Interlock & Alcohol Monitoring	Public Service Street Repair	Hiawatha Water Park Scholarship	Available Petition
\$ 0	\$ 146,786	\$ 0	\$ 0	\$ 0	\$ 14,588
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	40	0	0
0	0	0	0	0	0
54,679	0	11,218	0	0	0
0	0	0	0	0	0
<u>54,679</u>	<u>146,786</u>	<u>11,218</u>	<u>40</u>	<u>0</u>	<u>14,588</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
72,360	146,464	6,744	0	0	9,639
<u>72,360</u>	<u>146,464</u>	<u>6,744</u>	<u>0</u>	<u>0</u>	<u>9,639</u>
(17,681)	322	4,474	40	0	4,949
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(17,681)	322	4,474	40	0	4,949
53,494	177	170,449	1,358	4,438	74,202
<u>\$ 35,813</u>	<u>\$ 499</u>	<u>\$ 174,923</u>	<u>\$ 1,398</u>	<u>\$ 4,438</u>	<u>\$ 79,151</u>

(Continued)

CITY OF MOUNT VERNON, OHIO

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

	College Township Fire- EMS	OneOhio Opioid	Police Pension	Fire Pension
Revenues:				
Taxes	\$ 0	\$ 0	\$ 165,544	\$ 165,544
Intergovernmental Revenues	0	7,918	10,307	10,141
Charges for Services	567,244	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	2,585	0
Total Revenue	567,244	7,918	178,436	175,685
Expenditures:				
Current:				
Security of Persons and Property	433,247	0	413,708	751,737
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	686	687
Total Expenditures	433,247	0	414,394	752,424
Excess (Deficiency) of Revenues Over Expenditures	133,997	7,918	(235,958)	(576,739)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	241,790	566,384
Total Other Financing Sources (Uses)	0	0	241,790	566,384
Net Change in Fund Balances	133,997	7,918	5,832	(10,355)
Fund Balances at Beginning of Year	141,469	0	5,554	8,556
Fund Balances End of Year	\$ 275,466	\$ 7,918	\$ 11,386	\$ (1,799)

CITY OF MOUNT VERNON, OHIO

Mausoleum	Veterans Honor Walkway	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 1,062,628
0	0	1,031,198
895	350	662,267
0	0	1,135
19	378	6,929
0	0	214,144
0	0	8,026
<u>914</u>	<u>728</u>	<u>2,986,327</u>
0	0	1,618,647
0	0	279,197
0	538	538
0	0	1,188,193
0	0	334,060
<u>0</u>	<u>538</u>	<u>3,420,635</u>
914	190	(434,308)
0	0	3,703
0	0	818,547
<u>0</u>	<u>0</u>	<u>822,250</u>
914	190	387,942
2,263	69,075	2,007,595
<u>\$ 3,177</u>	<u>\$ 69,265</u>	<u>\$ 2,395,537</u>

CITY OF MOUNT VERNON, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022**

	TIF District- Industrial Area	TIF District- Sandusky Street Corridor	Total Nonmajor Capital Projects Funds
Assets:			
Cash and Cash Equivalents	\$ 22,592	\$ 85,042	\$ 107,634
Receivables:			
Taxes	160,000	35,000	195,000
Total Assets	<u>\$ 182,592</u>	<u>\$ 120,042</u>	<u>\$ 302,634</u>
Liabilities:			
Deferred Inflows of Resources:			
Deferred Inflows-Property Tax	\$ 160,000	\$ 35,000	\$ 195,000
Total Deferred Inflows of Resources	<u>160,000</u>	<u>35,000</u>	<u>195,000</u>
Fund Balances:			
Restricted	22,592	85,042	107,634
Total Fund Balances	<u>22,592</u>	<u>85,042</u>	<u>107,634</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 182,592</u>	<u>\$ 120,042</u>	<u>\$ 302,634</u>

CITY OF MOUNT VERNON, OHIO

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

	TIF District- Industrial Area	TIF District- Sandusky Street Corridor	Total Nonmajor Capital Project Funds
Revenues:			
Taxes	\$ 181,788	\$ 30,751	\$ 212,539
Total Revenue	<u>181,788</u>	<u>30,751</u>	<u>212,539</u>
Expenditures:			
Current:			
Transportation	928	2,671	3,599
Total Expenditures	<u>928</u>	<u>2,671</u>	<u>3,599</u>
Excess (Deficiency) of Revenues Over Expenditures	180,860	28,080	208,940
Other Financing Sources (Uses):			
Transfers Out	(158,325)	0	(158,325)
Total Other Financing Sources (Uses)	<u>(158,325)</u>	<u>0</u>	<u>(158,325)</u>
Net Change in Fund Balances	22,535	28,080	50,615
Fund Balances at Beginning of Year	<u>57</u>	<u>56,962</u>	<u>57,019</u>
Fund Balances End of Year	<u>\$ 22,592</u>	<u>\$ 85,042</u>	<u>\$ 107,634</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 761,900	\$ 761,900	\$ 727,793	\$ (34,107)
Municipal Income Tax	3,916,300	4,443,784	4,519,918	76,134
Other Local Taxes	6,000	6,000	8,578	2,578
Total Tax Revenues	4,684,200	5,211,684	5,256,289	44,605
Intergovernmental Revenues:				
State Levied Shared Taxes	385,159	385,159	438,877	53,718
Intergovernmental Revenues	266,800	911,048	687,540	(223,508)
Total Intergovernmental Revenues	651,959	1,296,207	1,126,417	(169,790)
Charges for Services	1,963,530	2,213,926	2,515,824	301,898
Licenses and Permits	18,000	18,000	35,197	17,197
Investment Earnings	24,961	24,961	232,480	207,519
Fines and Forfeitures	528,000	528,000	599,606	71,606
All Other Revenues	109,500	1,290,255	201,919	(1,088,336)
Total Revenues	7,980,150	10,583,033	9,967,732	(615,301)
Expenditures:				
Security of Persons and Property:				
Police Division:				
Materials and Supplies	6,462	11,962	2,464	9,498
Contractual Services	1,506	2,706	1,162	1,544
Total Police Division	7,968	14,668	3,626	11,042
Fire and E.M.S. Division:				
Capital Outlay	0	1,130,660	1,130,660	0
Total Fire and E.M.S. Division	0	1,130,660	1,130,660	0

(Continued)

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Miscellaneous:				
Street Lighting/Radio Repair/Sirens:				
Materials and Supplies	39,995	39,995	31,474	8,521
Contractual Services	415,869	278,169	278,092	77
Debt Services:				
Principal Retirement	13,194	15,998	15,998	0
Interest and Fiscal Charges	14,806	12,002	11,877	125
Total Miscellaneous	483,864	346,164	337,441	8,723
Total Security of Persons and Property	491,832	1,491,492	1,471,727	19,765
Humane Officer:				
Travel and Transportation	14,300	14,300	9,351	4,949
Contractual Services	45,700	45,000	33,271	11,729
Total Humane Officer	60,000	59,300	42,622	16,678
Health Department:				
Contractual Services	60,500	60,500	60,100	400
Total Health Department	60,500	60,500	60,100	400
Total Public Health and Welfare Services	120,500	119,800	102,722	17,078
Leisure Time Activities:				
Parks:				
Personal Services	305,350	294,577	293,181	1,396
Travel and Transportation	1,007	1,260	684	576
Materials and Supplies	10,633	12,992	11,201	1,791
Contractual Services	285,815	316,857	295,088	21,769
Capital Outlay	55,170	49,670	46,140	3,530
Total Parks	657,975	675,356	646,294	29,062

(Continued)

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Recreation:				
Personal Services	15,000	0	0	0
Materials and Supplies	5,327	2,827	400	2,427
Contractual Services	9,000	8,500	3,898	4,602
Total Recreation	29,327	11,327	4,298	7,029
Pool:				
Personal Services	212,500	212,500	208,672	3,828
Travel and Transportation	5,000	5,000	1,400	3,600
Materials and Supplies	107,950	111,900	96,428	15,472
Contractual Services	106,440	102,490	85,390	17,100
Capital Outlay	25,700	25,700	20,077	5,623
Total Pool	457,590	457,590	411,967	45,623
Total Leisure Time Activities	1,144,892	1,144,273	1,062,559	81,714
Community Environment:				
Miscellaneous Area Development, Tree Care and Trimming, Planning and Zoning:				
Materials and Supplies	27,138	27,140	27,139	1
Contractual Services	40,030	39,030	21,800	17,230
Total Community Environment	67,168	66,170	48,939	17,231
Transportation:				
Miscellaneous:				
Rivers and Harbors, Airport, Yauger Road Project, and Kokosing Gap Trail:				
Materials and Supplies	34,500	34,498	33,776	722
Contractual Services	10,000	10,000	8,537	1,463
Total Transportation	44,500	44,498	42,313	2,185
General Government:				
Council:				
Personal Services	72,472	72,472	72,124	348
Travel and Transportation	500	750	720	30
Materials and Supplies	2,998	3,248	2,146	1,102
Contractual Services	0	2,500	2,059	441
Total Council	75,970	78,970	77,049	1,921

(Continued)

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Mayor:				
Personal Services	122,047	122,038	122,035	3
Travel and Transportation	2,550	1,919	1,887	32
Materials and Supplies	5,908	6,548	6,144	404
Total Mayor	130,505	130,505	130,066	439
Auditor:				
Personal Services	350,073	358,073	335,166	22,907
Travel and Transportation	500	500	35	465
Materials and Supplies	130,864	158,864	142,486	16,378
Contractual Services	25,970	25,470	23,800	1,670
Total Auditor	507,407	542,907	501,487	41,420
Treasurer:				
Personal Services	9,059	9,059	9,059	0
Materials and Supplies	300	300	0	300
Total Treasurer	9,359	9,359	9,059	300
Law Director:				
Personal Services	430,237	407,632	386,471	21,161
Travel and Transportation	2,349	7,349	7,051	298
Materials and Supplies	14,659	13,585	11,909	1,676
Contractual Services	8,650	36,330	35,477	853
Total Law Director	455,895	464,896	440,908	23,988
Income Tax:				
Personal Services	165,000	164,500	164,253	247
Travel and Transportation	3,000	2,500	139	2,361
Materials and Supplies	32,435	31,935	25,259	6,676
Contractual Services	188,500	273,000	261,532	11,468
Capital Outlay	7,000	7,000	6,739	261
Total Income Tax	395,935	478,935	457,922	21,013

(Continued)

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Municipal Court:				
Personal Services	894,977	929,677	862,502	67,175
Travel and Transportation	14,360	11,035	8,768	2,267
Materials and Supplies	105,860	99,485	64,299	35,186
Contractual Services	181,883	196,899	105,307	91,592
Total Municipal Court	1,197,080	1,237,096	1,040,876	196,220
Civil Services:				
Personal Services	12,000	12,000	11,956	44
Materials and Supplies	16,651	16,151	14,886	1,265
Total Civil Services	28,651	28,151	26,842	1,309
Safety Service:				
Personal Services	187,335	186,065	181,418	4,647
Travel and Transportation	1,500	2,000	776	1,224
Materials and Supplies	12,195	11,465	9,388	2,077
Contractual Services	96,450	109,450	96,875	12,575
Total Safety Service	297,480	308,980	288,457	20,523
Engineering:				
Personal Services	491,493	465,193	445,330	19,863
Travel and Transportation	3,000	3,600	3,498	102
Materials and Supplies	29,552	31,802	30,518	1,284
Contractual Services	642,268	936,084	849,515	86,569
Capital Outlay	20,000	18,650	12,457	6,193
Total Engineering	1,186,313	1,455,329	1,341,318	114,011
Human Resources:				
Personal Services	76,400	75,850	65,538	10,312
Travel and Transportation	200	1,050	949	101
Materials and Supplies	5,874	5,574	2,262	3,312
Contractual Services	110,800	112,800	107,616	5,184
Total Human Resources	193,274	195,274	176,365	18,909
Public Land and Buildings:				
Personal Services	183,265	222,599	217,035	5,564
Travel and Transportation	1,002	1,002	98	904
Materials and Supplies	72,103	75,101	70,288	4,813
Contractual Services	744,455	788,082	688,426	99,656
Capital Outlay	4,000	3,950	2,656	1,294
Total Public Land and Buildings	1,004,825	1,090,734	978,503	112,231

(Continued)

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Summer Work Program:				
Personal Services	0	30,801	22,898	7,903
Materials and Supplies	112,735	236,735	234,820	1,915
Total Summer Work Program	112,735	267,536	257,718	9,818
Miscellaneous:				
Personal Services	2,085,800	2,868,100	2,827,188	40,912
Materials and Supplies	7,500	33,000	31,072	1,928
Contractual Services	2,692,192	2,788,041	612,564	2,175,477
Total Miscellaneous	4,785,492	5,689,141	3,470,824	2,218,317
Total General Government	10,380,921	11,977,813	9,197,394	2,780,419
Total Expenditures	12,249,813	14,844,046	11,925,654	2,918,392
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,269,663)	(4,261,013)	(1,957,922)	2,303,091
Other Financing Sources (Uses):				
Transfers Out	(295,000)	(303,650)	(292,601)	11,049
Advances In	0	0	1,143,160	1,143,160
Total Other Financing Sources (Uses)	(295,000)	(303,650)	850,559	1,154,209
Net Change in Fund Balance	(4,564,663)	(4,564,663)	(1,107,363)	3,457,300
Fund Balance at Beginning of Year	4,081,269	4,081,269	4,081,269	0
Prior Year Encumbrances	578,079	578,079	578,079	0
Fund Balance at End of Year	\$ 94,685	\$ 94,685	\$ 3,551,985	\$ 3,457,300

CITY OF MOUNT VERNON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Municipal Income Tax #1 ½% (Voted) Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,650,000	\$ 3,650,000	\$ 4,274,098	\$ 624,098
All Other Revenues	0	0	13,256	13,256
Total Revenues	<u>3,650,000</u>	<u>3,650,000</u>	<u>4,287,354</u>	<u>637,354</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	3,659,203	3,659,203	3,659,203	0
Total Expenditures	<u>3,659,203</u>	<u>3,659,203</u>	<u>3,659,203</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,203)	(9,203)	628,151	637,354
Fund Balance at Beginning of Year	<u>154,203</u>	<u>154,203</u>	<u>154,203</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 145,000</u></u>	<u><u>\$ 145,000</u></u>	<u><u>\$ 782,354</u></u>	<u><u>\$ 637,354</u></u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Municipal Income Tax #2 ½% (Voted) Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,650,000	\$ 4,252,303	\$ 4,274,098	\$ 21,795
Intergovernmental Revenues	0	23,415	59,000	35,585
Charges for Services	0	2,670	6,432	3,762
All Other Revenues	0	17,597	42,948	25,351
Total Revenues	<u>3,650,000</u>	<u>4,295,985</u>	<u>4,382,478</u>	<u>86,493</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	1,893,614	2,542,964	2,483,758	59,206
Travel and Transportation	87,234	89,734	74,926	14,808
Materials and Supplies	300,019	312,269	280,026	32,243
Contractual Services	1,209,197	1,229,282	575,624	653,658
Capital Outlay	55,788	50,788	47,796	2,992
Total Expenditures	<u>3,545,852</u>	<u>4,225,037</u>	<u>3,462,130</u>	<u>762,907</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	104,148	70,948	920,348	849,400
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	19,362	19,362
Transfers Out	(850,000)	(816,800)	(808,174)	8,626
Total Other Financing Sources (Uses)	<u>(850,000)</u>	<u>(816,800)</u>	<u>(788,812)</u>	<u>27,988</u>
Net Change in Fund Balance	(745,852)	(745,852)	131,536	877,388
Fund Balance at Beginning of Year	510,145	510,145	510,145	0
Prior Year Encumbrances	236,661	236,661	236,661	0
Fund Balance at End of Year	<u>\$ 954</u>	<u>\$ 954</u>	<u>\$ 878,342</u>	<u>\$ 877,388</u>

CITY OF MOUNT VERNON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Community Development Block Grant Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,400,000	\$ 1,400,000	\$ 328,692	\$ (1,071,308)
Investment Earnings	0	0	3	3
All Other Revenues	0	0	4,786	4,786
Total Revenues	<u>1,400,000</u>	<u>1,400,000</u>	<u>333,481</u>	<u>(1,066,519)</u>
Expenditures:				
Community Environment:				
Contractual Services	1,483,118	1,483,118	416,060	1,067,058
Total Expenditures	<u>1,483,118</u>	<u>1,483,118</u>	<u>416,060</u>	<u>1,067,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,118)	(83,118)	(82,579)	539
Fund Balance at Beginning of Year	39,922	39,922	39,922	0
Prior Year Encumbrances	43,196	43,196	43,196	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 539</u>	<u>\$ 539</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – Local Coronavirus Relief Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 878,285	\$ 878,285	\$ 1,635,298	\$ 757,013
Total Revenues	<u>878,285</u>	<u>878,285</u>	<u>1,635,298</u>	<u>757,013</u>
Expenditures:				
General Government:				
Materials and Supplies	367,000	367,000	11,579	355,421
Other Expenses	100,000	100,000	3,616	96,384
Capital Outlay	1,167,629	1,167,629	58,049	1,109,580
Total Expenditures	<u>1,634,629</u>	<u>1,634,629</u>	<u>73,244</u>	<u>1,561,385</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(756,344)	(756,344)	1,562,054	2,318,398
Fund Balance at Beginning of Year	728,154	728,154	728,154	0
Prior Year Encumbrances	28,190	28,190	28,190	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,318,398</u>	<u>\$ 2,318,398</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund – General Bond Retirement Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Debt Service:				
Principal Retirement	639,675	708,581	708,581	0
Interest and Fiscal Charges	101,027	152,134	149,283	2,851
Total Expenditures	740,702	860,715	857,864	2,851
Excess (Deficiency) of Revenues Over (Under) Expenditures	(740,702)	(860,715)	(857,864)	2,851
Other Financing Sources (Uses):				
General Obligation Bonds Issued	0	12,500	0	(12,500)
Transfers In	740,702	848,215	857,864	9,649
Total Other Financing Sources (Uses)	740,702	860,715	857,864	(2,851)
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Funds – Capital Improvement Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,577,340	\$ 77,340
Intergovernmental Revenues	0	0	22,000	22,000
Total Revenues	1,500,000	1,500,000	1,599,340	99,340
Expenditures:				
Public Health and Welfare:				
Capital Outlay	25,000	25,000	24,948	52
Total Public Health and Welfare	25,000	25,000	24,948	52
Leisure Time Activities:				
Parks:				
Capital Outlay	125,000	125,000	122,969	2,031
Total Leisure Time Activities	125,000	125,000	122,969	2,031
Transportation:				
Street:				
Capital Outlay	584,166	544,166	537,118	7,048
Total Transportation	584,166	544,166	537,118	7,048
General Government:				
Council:				
Capital Outlay	2,400	2,400	2,349	51
Auditor:				
Capital Outlay	15,500	14,500	0	14,500
Safety - Service:				
Capital Outlay	13,500	13,500	13,165	335
Engineering:				
Capital Outlay	61,200	61,200	61,107	93
Public Lands and Buildings:				
Capital Outlay	3,597,720	3,822,220	3,160,420	661,800
Total General Government	3,690,320	3,913,820	3,237,041	676,779
Total Expenditures	4,424,486	4,607,986	3,922,076	685,910
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,924,486)	(3,107,986)	(2,322,736)	785,250
Fund Balance at Beginning of Year	2,542,924	2,542,924	2,542,924	0
Prior Year Encumbrances	568,958	568,958	568,958	0
Fund Balance at End of Year	\$ 187,396	\$ 3,896	\$ 789,146	\$ 785,250

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Funds – TIF District-Coshocton Road Fund
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,350,000	\$ 1,350,000	\$ 1,351,830	\$ 1,830
All Other Revenues	0	0	985,250	985,250
Total Revenues	1,350,000	1,350,000	2,337,080	987,080
Expenditures:				
Transportation:				
Street:				
Contractual Services	420,000	420,000	380,203	39,797
Capital Outlay	5,071,936	4,071,936	546,760	3,525,176
Total Expenditures	5,491,936	4,491,936	926,963	3,564,973
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,141,936)	(3,141,936)	1,410,117	4,552,053
Other Financing Sources (Uses):				
Transfers Out	(212,000)	(212,000)	(202,819)	9,181
Advances Out	(1,143,160)	(1,143,160)	(1,143,160)	0
Total Other Financing Sources (Uses)	(1,355,160)	(1,355,160)	(1,345,979)	9,181
Net Change in Fund Balance	(5,497,096)	(4,497,096)	64,138	4,561,234
Fund Balance at Beginning of Year	4,340,420	4,340,420	4,340,420	0
Prior Year Encumbrances	156,676	156,676	156,676	0
Fund Balance at End of Year	\$ (1,000,000)	\$ 0	\$ 4,561,234	\$ 4,561,234

CITY OF MOUNT VERNON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Funds – Roads and Bridges Capital Improvement Fund
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,577,340	\$ 77,340
Intergovernmental Revenues	0	48,411	325,174	276,763
Investment Earnings	0	0	2,216	2,216
Total Revenues	1,500,000	1,548,411	1,904,730	356,319
Expenditures:				
Transportation:				
Street:				
Capital Outlay	2,275,147	2,323,558	1,232,618	1,090,940
Total Expenditures	2,275,147	2,323,558	1,232,618	1,090,940
Excess (Deficiency) of Revenues Over (Under) Expenditures	(775,147)	(775,147)	672,112	1,447,259
Other Financing Sources (Uses):				
Transfers Out	(230,000)	(230,000)	(214,492)	15,508
Total Other Financing Sources (Uses)	(230,000)	(230,000)	(214,492)	15,508
Net Change in Fund Balance	(1,005,147)	(1,005,147)	457,620	1,462,767
Fund Balance at Beginning of Year	744,694	744,694	744,694	0
Prior Year Encumbrances	260,823	260,823	260,823	0
Fund Balance at End of Year	\$ 370	\$ 370	\$ 1,463,137	\$ 1,462,767

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR				
Revenues:				
Municipal Income Taxes	\$ 200,000	\$ 200,000	\$ 242,668	\$ 42,668
Intergovernmental Revenues	850,000	850,000	834,432	(15,568)
Investment Earnings	0	0	2,111	2,111
All Other Revenues	0	0	4,187	4,187
Total Revenues	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,083,398</u>	<u>33,398</u>
Expenditures:				
Transportation:				
Personal Services	959,711	959,711	779,299	180,412
Travel and Transportation	8,131	8,131	1,733	6,398
Materials and Supplies	322,688	323,688	194,885	128,803
Contractual Services	161,080	160,580	82,789	77,791
Capital Outlay	15,200	14,700	10,336	4,364
Total Expenditures	<u>1,466,810</u>	<u>1,466,810</u>	<u>1,069,042</u>	<u>397,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(416,810)	(416,810)	14,356	431,166
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	3,703	3,703
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>3,703</u>	<u>3,703</u>
Net Change in Fund Balance	(416,810)	(416,810)	18,059	434,869
Fund Balance at Beginning of Year	390,097	390,097	390,097	0
Prior Year Encumbrances	26,882	26,882	26,882	0
Fund Balance at End of Year	<u>\$ 169</u>	<u>\$ 169</u>	<u>\$ 435,038</u>	<u>\$ 434,869</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	STATE HIGHWAY IMPROVEMENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 70,000	\$ 70,000	\$ 67,657	\$ (2,343)
Total Revenues	70,000	70,000	67,657	(2,343)
Expenditures:				
Transportation:				
Capital Outlay	127,764	127,764	59,128	68,636
Total Expenditures	127,764	127,764	59,128	68,636
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,764)	(57,764)	8,529	66,293
Fund Balance at Beginning of Year	54,992	54,992	54,992	0
Prior Year Encumbrances	2,772	2,772	2,772	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 66,293	\$ 66,293

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	PERMISSIVE AUTO LICENSE TAX			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 90,000	\$ 90,000	\$ 11,034	\$ (78,966)
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>11,034</u>	<u>(78,966)</u>
Expenditures:				
Transportation:				
Capital Outlay	176,448	176,448	66,776	109,672
Total Expenditures	<u>176,448</u>	<u>176,448</u>	<u>66,776</u>	<u>109,672</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(86,448)	(86,448)	(55,742)	30,706
Fund Balance at Beginning of Year	19,672	19,672	19,672	0
Prior Year Encumbrances	66,776	66,776	66,776	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 30,706</u>	<u>\$ 30,706</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

CEMETERY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 255,000	\$ 255,000	\$ 323,557	\$ 68,557
Charges for Services	92,900	92,900	88,405	(4,495)
Investment Earnings	1,200	1,200	4,421	3,221
All Other Revenues	0	0	1,201	1,201
Total Revenues	<u>349,100</u>	<u>349,100</u>	<u>417,584</u>	<u>68,484</u>
Expenditures:				
Public Health and Welfare Services:				
Personal Services	288,599	306,583	239,729	66,854
Travel and Transportation	1,005	1,005	100	905
Materials and Supplies	37,349	37,349	6,347	31,002
Contractual Services	63,971	63,987	36,988	26,999
Capital Outlay	33,291	15,291	2,942	12,349
Total Expenditures	<u>424,215</u>	<u>424,215</u>	<u>286,106</u>	<u>138,109</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,115)	(75,115)	131,478	206,593
Other Financing Sources (Uses):				
Transfers In	25,000	25,000	0	(25,000)
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>(25,000)</u>
Net Change in Fund Balance	(50,115)	(50,115)	131,478	181,593
Fund Balance at Beginning of Year	45,444	45,444	45,444	0
Prior Year Encumbrances	4,681	4,681	4,681	0
Fund Balance at End of Year	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 181,603</u>	<u>\$ 181,593</u>

CITY OF MOUNT VERNON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022**

	PARK DEVELOPMENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for Services	\$ 1,000	\$ 1,000	\$ 5,373	\$ 4,373
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>5,373</u>	<u>4,373</u>
Expenditures:				
Leisure Time Activities:				
Capital Outlay	29,383	29,383	0	29,383
Total Expenditures	<u>29,383</u>	<u>29,383</u>	<u>0</u>	<u>29,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,383)	(28,383)	5,373	33,756
Other Financing Sources (Uses):				
Transfers In	1,000	1,000	5,373	4,373
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>1,000</u>	<u>5,373</u>	<u>4,373</u>
Net Change in Fund Balance	(27,383)	(27,383)	10,746	38,129
Fund Balance at Beginning of Year	27,383	27,383	27,383	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 38,129</u>	<u>\$ 38,129</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	PARKING			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and Permits	\$ 0	\$ 0	\$ 1,095	\$ 1,095
Fines and Forfeitures	1,000	1,000	530	(470)
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,625</u>	<u>625</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	14,971	14,971	0	14,971
Materials and Supplies	500	500	0	500
Contractual Services	7,908	7,908	6,097	1,811
Total Expenditures	<u>23,379</u>	<u>23,379</u>	<u>6,097</u>	<u>17,282</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,379)	(22,379)	(4,472)	17,907
Other Financing Sources (Uses):				
Transfers In	20,000	20,000	5,000	(15,000)
Total Other Financing Sources (Uses)	<u>20,000</u>	<u>20,000</u>	<u>5,000</u>	<u>(15,000)</u>
Net Change in Fund Balance	(2,379)	(2,379)	528	2,907
Fund Balance at Beginning of Year	1,379	1,379	1,379	0
Prior Year Encumbrances	1,000	1,000	1,000	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,907</u>	<u>\$ 2,907</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

LAW ENFORCEMENT TRUST				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 0	\$ 21,193	\$ 21,193	\$ 0
Total Revenues	0	21,193	21,193	0
Expenditures:				
Security of Persons and Property:				
Contractual Services	0	8,484	8,484	0
Total Expenditures	0	8,484	8,484	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	12,709	12,709	0
Fund Balance at Beginning of Year	16,042	16,042	16,042	0
Fund Balance at End of Year	\$ 16,042	\$ 28,751	\$ 28,751	\$ 0

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

DRUG ENFORCEMENT TRUST				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Security of Persons and Property:				
Contractual Services	0	7,115	7,115	0
Total Expenditures	0	7,115	7,115	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(7,115)	(7,115)	0
Fund Balance at Beginning of Year	70,140	70,140	70,140	0
Fund Balance at End of Year	<u>\$ 70,140</u>	<u>\$ 63,025</u>	<u>\$ 63,025</u>	<u>\$ 0</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	PERMISSIVE LICENSE REGISTRATION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 115,000	\$ 115,000	\$ 98,809	\$ (16,191)
All Other Revenues	0	0	53	53
Total Revenues	<u>115,000</u>	<u>115,000</u>	<u>98,862</u>	<u>(16,138)</u>
Expenditures:				
Transportation:				
Materials and Supplies	79,911	79,911	28,652	51,259
Contractual Services	138,540	138,540	28,952	109,588
Total Expenditures	<u>218,451</u>	<u>218,451</u>	<u>57,604</u>	<u>160,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,451)	(103,451)	41,258	144,709
Fund Balance at Beginning of Year	99,731	99,731	99,731	0
Prior Year Encumbrances	3,720	3,720	3,720	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 144,709</u>	<u>\$ 144,709</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	INDIGENT DRIVERS ALCOHOL TREATMENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 16,006	\$ 6,006
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>16,006</u>	<u>6,006</u>
Expenditures:				
General Government:				
Contractual Services	75,800	75,800	0	75,800
Total Expenditures	<u>75,800</u>	<u>75,800</u>	<u>0</u>	<u>75,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,800)	(65,800)	16,006	81,806
Fund Balance at Beginning of Year	65,800	65,800	65,800	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 81,806</u>	<u>\$ 81,806</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

DUI - ENFORCEMENT AND EDUCATION				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 100	\$ 100	\$ 0	\$ (100)
Total Revenues	<u>100</u>	<u>100</u>	<u>0</u>	<u>(100)</u>
Expenditures:				
General Government:				
Contractual Services	43,198	43,198	0	43,198
Total Expenditures	<u>43,198</u>	<u>43,198</u>	<u>0</u>	<u>43,198</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,098)	(43,098)	0	43,098
Fund Balance at Beginning of Year	43,098	43,098	43,098	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 43,098</u>	<u>\$ 43,098</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	COURT COMPUTERIZATION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 15,000	\$ 15,000	\$ 15,818	\$ 818
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,818</u>	<u>818</u>
Expenditures:				
General Government:				
Contractual Services	18,927	18,927	18,384	543
Total Expenditures	<u>18,927</u>	<u>18,927</u>	<u>18,384</u>	<u>543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,927)	(3,927)	(2,566)	1,361
Fund Balance at Beginning of Year	3,687	3,687	3,687	0
Prior Year Encumbrances	240	240	240	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,361</u>	<u>\$ 1,361</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	PROBATION SERVICES			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 45,000	\$ 45,000	\$ 44,364	\$ (636)
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>44,364</u>	<u>(636)</u>
Expenditures:				
General Government:				
Personal Services	2,380	5,180	4,603	577
Materials and Supplies	218,304	215,504	33,237	182,267
Total Expenditures	<u>220,684</u>	<u>220,684</u>	<u>37,840</u>	<u>182,844</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(175,684)	(175,684)	6,524	182,208
Fund Balance at Beginning of Year	175,684	175,684	175,684	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 182,208</u>	<u>\$ 182,208</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

MUNICIPAL COURT SPECIAL PROJECTS				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 46,615	\$ 26,615
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>46,615</u>	<u>26,615</u>
Expenditures:				
General Government:				
Materials and Supplies	149,866	149,866	69,413	80,453
Total Expenditures	<u>149,866</u>	<u>149,866</u>	<u>69,413</u>	<u>80,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,866)	(129,866)	(22,798)	107,068
Fund Balance at Beginning of Year	<u>129,866</u>	<u>129,866</u>	<u>129,866</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 107,068</u>	<u>\$ 107,068</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	COURT CLERK COMPUTER			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines and Forfeitures	\$ 45,000	\$ 45,000	\$ 53,593	\$ 8,593
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>53,593</u>	<u>8,593</u>
Expenditures:				
General Government:				
Personal Services	2,000	5,000	3,765	1,235
Contractual Services	55,157	52,157	50,016	2,141
Total Expenditures	<u>57,157</u>	<u>57,157</u>	<u>53,781</u>	<u>3,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,157)	(12,157)	(188)	11,969
Fund Balance at Beginning of Year	11,678	11,678	11,678	0
Prior Year Encumbrances	479	479	479	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,969</u>	<u>\$ 11,969</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	LODGING EXCISE TAX			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Other Local Taxes	\$ 110,000	\$ 150,000	\$ 146,950	\$ (3,050)
Total Revenues	<u>110,000</u>	<u>150,000</u>	<u>146,950</u>	<u>(3,050)</u>
Expenditures:				
General Government:				
Contractual Services	110,000	150,000	145,876	4,124
Total Expenditures	<u>110,000</u>	<u>150,000</u>	<u>145,876</u>	<u>4,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	1,074	1,074
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

DRIVERS INTERLOCK & ALCOHOL MONITORING

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 11,583	\$ 1,583
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>11,583</u>	<u>1,583</u>
Expenditures:				
General Government:				
Contractual Services	179,729	179,729	6,744	172,985
Total Expenditures	<u>179,729</u>	<u>179,729</u>	<u>6,744</u>	<u>172,985</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(169,729)	(169,729)	4,839	174,568
Fund Balance at Beginning of Year	169,729	169,729	169,729	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 174,568</u>	<u>\$ 174,568</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	PUBLIC SERVICE STREET REPAIR			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and Permits	\$ 100	\$ 100	\$ 40	\$ (60)
Total Revenues	<u>100</u>	<u>100</u>	<u>40</u>	<u>(60)</u>
Expenditures:				
General Government:				
Capital Outlay	1,458	1,458	0	1,458
Total Expenditures	<u>1,458</u>	<u>1,458</u>	<u>0</u>	<u>1,458</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,358)	(1,358)	40	1,398
Fund Balance at Beginning of Year	1,358	1,358	1,358	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,398</u>	<u>\$ 1,398</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

HIAWATHA WATER PARK SCHOLARSHIP				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Materials and Supplies	4,438	4,438	0	4,438
Total Expenditures	4,438	4,438	0	4,438
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,438)	(4,438)	0	4,438
Fund Balance at Beginning of Year	4,438	4,438	4,438	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,438</u>	<u>\$ 4,438</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	AVAILABLE PETITION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Other Local Taxes	\$ 10,000	\$ 10,000	\$ 14,588	\$ 4,588
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>14,588</u>	<u>4,588</u>
Expenditures:				
General Government:				
Contractual Services	83,526	83,526	9,639	73,887
Total Expenditures	<u>83,526</u>	<u>83,526</u>	<u>9,639</u>	<u>73,887</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,526)	(73,526)	4,949	78,475
Fund Balance at Beginning of Year	73,526	73,526	73,526	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 78,475</u>	<u>\$ 78,475</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

COLLEGE TOWNSHIP FIRE-EMS				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for Services	\$ 500,000	\$ 526,000	\$ 567,244	\$ 41,244
Total Revenues	<u>500,000</u>	<u>526,000</u>	<u>567,244</u>	<u>41,244</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	382,000	380,845	354,077	26,768
Travel and Transportation	14,000	13,500	5,403	8,097
Materials and Supplies	40,666	81,541	67,405	14,136
Contractual Services	3,675	5,955	1,847	4,108
Capital Outlay	22,000	22,500	20,340	2,160
Total Expenditures	<u>462,341</u>	<u>504,341</u>	<u>449,072</u>	<u>55,269</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,659	21,659	118,172	96,513
Other Financing Sources (Uses):				
Transfers Out	(4,000)	(4,000)	0	4,000
Total Other Financing Sources (Uses)	<u>(4,000)</u>	<u>(4,000)</u>	<u>0</u>	<u>4,000</u>
Net Change in Fund Balance	33,659	17,659	118,172	100,513
Fund Balance at Beginning of Year	144,250	144,250	144,250	0
Prior Year Encumbrances	3,341	3,341	3,341	0
Fund Balance at End of Year	<u>\$ 181,250</u>	<u>\$ 165,250</u>	<u>\$ 265,763</u>	<u>\$ 100,513</u>

CITY OF MOUNT VERNON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022**

	ONEOHIO OPIOID			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 7,918	\$ 7,918
Total Revenues	<u>0</u>	<u>0</u>	<u>7,918</u>	<u>7,918</u>
Expenditures:				
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	7,918	7,918
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,918</u>	<u>\$ 7,918</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	POLICE PENSION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property Taxes	\$ 69,100	\$ 69,100	\$ 84,092	\$ 14,992
Municipal Income Taxes	67,800	67,800	80,889	13,089
Intergovernmental Revenues	9,300	9,300	10,141	841
All Other Revenues	0	0	2,585	2,585
Total Revenues	<u>146,200</u>	<u>146,200</u>	<u>177,707</u>	<u>31,507</u>
Expenditures:				
Security of Persons and Property				
Personal Services	636,808	636,808	440,845	195,963
General Government:				
Contractual Services	1,000	1,000	686	314
Total Expenditures	<u>637,808</u>	<u>637,808</u>	<u>441,531</u>	<u>196,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(491,608)	(491,608)	(263,824)	227,784
Other Financing Sources (Uses):				
Transfers In	457,600	457,600	241,790	(215,810)
Total Other Financing Sources (Uses)	<u>457,600</u>	<u>457,600</u>	<u>241,790</u>	<u>(215,810)</u>
Net Change in Fund Balance	(34,008)	(34,008)	(22,034)	11,974
Fund Balance at Beginning of Year	4,235	4,235	4,235	0
Prior Year Encumbrances	29,773	29,773	29,773	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,974</u>	<u>\$ 11,974</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	FIRE PENSION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property Taxes	\$ 69,100	\$ 69,100	\$ 84,092	\$ 14,992
Municipal Income Taxes	67,800	67,800	80,889	13,089
Intergovernmental Revenues	9,300	9,300	10,141	841
Total Revenues	<u>146,200</u>	<u>146,200</u>	<u>175,122</u>	<u>28,922</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	884,130	884,130	807,075	77,055
General Government:				
Contractual Services	1,000	1,000	687	313
Total Expenditures	<u>885,130</u>	<u>885,130</u>	<u>807,762</u>	<u>77,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(738,930)	(738,930)	(632,640)	106,290
Other Financing Sources (Uses):				
Transfers In	660,700	660,700	566,384	(94,316)
Total Other Financing Sources (Uses)	<u>660,700</u>	<u>660,700</u>	<u>566,384</u>	<u>(94,316)</u>
Net Change in Fund Balance	(78,230)	(78,230)	(66,256)	11,974
Fund Balance at Beginning of Year	4,235	4,235	4,235	0
Prior Year Encumbrances	73,995	73,995	73,995	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,974</u>	<u>\$ 11,974</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	MAUSOLEUM			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for Services	\$ 0	\$ 0	\$ 895	\$ 895
Investment Earnings	0	0	19	19
Total Revenues	<u>0</u>	<u>0</u>	<u>914</u>	<u>914</u>
Expenditures:				
Public Health and Welfare Services:				
Contractual Services	2,263	2,263	0	2,263
Total Expenditures	<u>2,263</u>	<u>2,263</u>	<u>0</u>	<u>2,263</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,263)	(2,263)	914	3,177
Fund Balance at Beginning of Year	2,263	2,263	2,263	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,177</u>	<u>\$ 3,177</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	INSURANCE			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
All Other Revenues	\$ 10,000	\$ 34,000	\$ 24,000	\$ (10,000)
Total Revenues	<u>10,000</u>	<u>34,000</u>	<u>24,000</u>	<u>(10,000)</u>
Expenditures:				
General Government:				
Other Expenses	78,075	102,075	92,075	10,000
Total Expenditures	<u>78,075</u>	<u>102,075</u>	<u>92,075</u>	<u>10,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(68,075)	(68,075)	(68,075)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	68,075	68,075	68,075	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	BONDS AND INSPECTION FEE			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
All Other Revenues	\$ 20,000	\$ 30,000	\$ 32,000	\$ 2,000
Total Revenues	<u>20,000</u>	<u>30,000</u>	<u>32,000</u>	<u>2,000</u>
Expenditures:				
General Government:				
Other Expenses	40,151	50,151	49,500	651
Total Expenditures	<u>40,151</u>	<u>50,151</u>	<u>49,500</u>	<u>651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,151)	(20,151)	(17,500)	2,651
Fund Balance at Beginning of Year	1,651	1,651	1,651	0
Prior Year Encumbrances	18,500	18,500	18,500	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,651</u>	<u>\$ 2,651</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022***

	VETERANS HONOR WALKWAY			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for Services	\$ 500	\$ 500	\$ 350	\$ (150)
Investment Earnings	50	50	378	328
Total Revenues	<u>550</u>	<u>550</u>	<u>728</u>	<u>178</u>
Expenditures:				
Leisure Time Activities				
Materials and Supplies	66,125	66,125	376	65,749
Contractual Services	3,500	3,500	200	3,300
Total Expenditures	<u>69,625</u>	<u>69,625</u>	<u>576</u>	<u>69,049</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,075)	(69,075)	152	69,227
Fund Balance at Beginning of Year	69,037	69,037	69,037	0
Prior Year Encumbrances	38	38	38	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 69,227</u>	<u>\$ 69,227</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Year Ended December 31, 2022***

GENERAL BOND RETIREMENT - INCOME TAX				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Municipal Income Tax	\$ 148,000	\$ 148,000	\$ 145,595	\$ (2,405)
Total Revenues	<u>148,000</u>	<u>148,000</u>	<u>145,595</u>	<u>(2,405)</u>
Expenditures:				
Debt Service:				
Principal Retirement	135,000	135,000	125,000	10,000
Interest and Fiscal Charges	25,139	25,139	20,661	4,478
Total Expenditures	<u>160,139</u>	<u>160,139</u>	<u>145,661</u>	<u>14,478</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,139)	(12,139)	(66)	12,073
Fund Balance at Beginning of Year	12,139	12,139	12,139	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,073</u>	<u>\$ 12,073</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022***

TIF DISTRICT-INDUSTRIAL AREA				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property Taxes	\$ 160,000	\$ 160,000	\$ 181,788	\$ 21,788
Total Revenues	<u>160,000</u>	<u>160,000</u>	<u>181,788</u>	<u>21,788</u>
Expenditures:				
Transportation:				
Street:				
Contractual Services	950	950	928	22
Total Expenditures	<u>950</u>	<u>950</u>	<u>928</u>	<u>22</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	159,050	159,050	180,860	21,810
Other Financing Sources (Uses):				
Transfers Out	(159,107)	(159,107)	(158,325)	782
Total Other Financing Sources (Uses)	<u>(159,107)</u>	<u>(159,107)</u>	<u>(158,325)</u>	<u>782</u>
Net Change in Fund Balance	(57)	(57)	22,535	22,592
Fund Balance at Beginning of Year	57	57	57	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 22,592</u>	<u>\$ 22,592</u>

CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022***

TIF DISTRICT-SANDUSKY STREET CORRIDOR				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 35,000	\$ 35,000	\$ 30,751	\$ (4,249)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>30,751</u>	<u>(4,249)</u>
Expenditures:				
Transportation:				
Street:				
Contractual Services	91,962	91,962	2,671	89,291
Total Expenditures	<u>91,962</u>	<u>91,962</u>	<u>2,671</u>	<u>89,291</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,962)	(56,962)	28,080	85,042
Fund Balance at Beginning of Year	56,962	56,962	56,962	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 85,042</u>	<u>\$ 85,042</u>

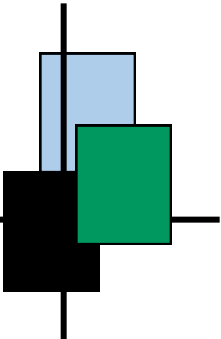
CITY OF MOUNT VERNON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Year Ended December 31, 2022***

	PERPETUAL CARE			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
All Other Revenues	\$ 0	\$ 0	\$ 18,279	\$ 18,279
Total Revenues	<u>0</u>	<u>0</u>	<u>18,279</u>	<u>18,279</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	18,279	18,279
Fund Balance at Beginning of Year	<u>538,368</u>	<u>538,368</u>	<u>538,368</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 538,368</u>	<u>\$ 538,368</u>	<u>\$ 556,647</u>	<u>\$ 18,279</u>



Statistical Section





STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, which is income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

City of Mount Vernon, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2013	2014	2015	2016
Governmental Activities:		(1)		
Net Investment in Capital Assets	\$41,446,062	\$40,927,848	\$43,612,477	\$45,177,791
Restricted	4,315,346	6,576,302	6,512,955	6,521,108
Unrestricted	6,347,089	(3,435,859)	(4,782,532)	(8,162,671)
Total Governmental Activities Net Position	<u>\$52,108,497</u>	<u>\$44,068,291</u>	<u>\$45,342,900</u>	<u>\$43,536,228</u>
Business-type Activities:				
Net Investment in Capital Assets	\$16,711,092	\$18,252,176	\$18,610,103	\$19,396,615
Restricted	1,646,248	1,758,460	1,783,244	1,504,036
Unrestricted	3,616,486	1,083,501	924,045	735,523
Total Business-type Activities Net Postion	<u>\$21,973,826</u>	<u>\$21,094,137</u>	<u>\$21,317,392</u>	<u>\$21,636,174</u>
Primary Government:				
Net Investment in Capital Assets	\$58,157,154	\$59,180,024	\$62,222,580	\$64,574,406
Restricted	5,961,594	8,334,762	8,296,199	8,025,144
Unrestricted	9,963,575	(2,352,358)	(3,858,487)	(7,427,148)
Total Primary Government Net Position	<u>\$74,082,323</u>	<u>\$65,162,428</u>	<u>\$66,660,292</u>	<u>\$65,172,402</u>

(1) Net Position was restated in 2014 as a result of implementing GASB 68.

(2) Net Position was restated in 2017 as a result of implementing GASB 75.

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
(2)					
\$45,255,324	\$47,275,648	\$48,096,358	\$50,897,822	\$51,502,443	\$53,042,998
6,176,687	8,250,183	12,532,422	11,875,528	11,282,845	12,575,973
(22,030,876)	(24,289,990)	(15,831,512)	(14,875,202)	(11,663,549)	(9,593,851)
<u>\$29,401,135</u>	<u>\$31,235,841</u>	<u>\$44,797,268</u>	<u>\$47,898,148</u>	<u>\$51,121,739</u>	<u>\$56,025,120</u>
\$19,432,673	\$21,803,319	\$23,092,516	\$22,502,307	\$24,760,366	\$26,234,302
1,473,090	1,421,106	1,207,733	1,554,090	1,902,437	854,448
2,376,232	2,240,192	2,433,439	3,612,879	6,433,378	8,251,470
<u>\$23,281,995</u>	<u>\$25,464,617</u>	<u>\$26,733,688</u>	<u>\$27,669,276</u>	<u>\$33,096,181</u>	<u>\$35,340,220</u>
\$64,687,997	\$69,078,967	\$71,188,874	\$73,400,129	\$76,262,809	\$79,277,300
7,649,777	9,671,289	13,740,155	13,429,618	13,185,282	13,430,421
(19,654,644)	(22,049,798)	(13,398,073)	(11,262,323)	(5,230,171)	(1,342,381)
<u>\$52,683,130</u>	<u>\$56,700,458</u>	<u>\$71,530,956</u>	<u>\$75,567,424</u>	<u>\$84,217,920</u>	<u>\$91,365,340</u>

City of Mount Vernon, Ohio

Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
Security of Persons and Property	\$6,492,718	\$6,370,982	\$7,035,151	\$7,735,685
Public Health and Welfare Services	709,251	757,435	711,222	783,628
Leisure Time Activities	980,442	1,279,240	870,144	1,210,663
Community Environment	648,532	323,093	763,019	1,012,146
Transportation	3,367,249	5,070,430	6,448,854	2,890,767
General Government	5,316,607	6,294,609	5,154,298	7,057,974
Interest and Fiscal Charges	276,071	263,497	277,043	206,340
<i>Total Governmental Activities Expenses</i>	<u>17,790,870</u>	<u>20,359,286</u>	<u>21,259,731</u>	<u>20,897,203</u>
Business-type Activities:				
Water	3,049,583	3,028,624	3,085,297	3,115,505
Sewer	3,118,011	3,256,742	3,538,970	3,281,725
Storm Water	0	0	0	0
<i>Total Business-type Activities Expenses</i>	<u>6,167,594</u>	<u>6,285,366</u>	<u>6,624,267</u>	<u>6,397,230</u>
<i>Total Primary Government Expenses</i>	<u>\$23,958,464</u>	<u>\$26,644,652</u>	<u>\$27,883,998</u>	<u>\$27,294,433</u>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales				
Security of Persons and Property	\$1,119,039	\$1,252,995	\$1,098,742	\$1,333,712
Public Health and Welfare Services	82,513	48,631	90,889	83,441
Leisure Time Activities	255,558	246,341	261,876	307,643
Community Environment	18,872	9,423	21,127	2,016
Transportation	750	1,094	6,527	825
General Government	768,254	698,554	882,275	765,663
Operating Grants and Contributions	1,937,129	1,470,114	1,114,030	2,763,295
Capital Grants and Contributions	1,590,955	2,781,681	4,682,427	1,281,804
<i>Total Governmental Activities Program Revenues</i>	<u>5,773,070</u>	<u>6,508,833</u>	<u>8,157,893</u>	<u>6,538,399</u>

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$8,259,679	\$10,283,448	\$606,058	\$9,828,410	\$9,381,852	\$9,014,949
760,614	585,043	598,796	581,415	324,121	398,776
1,362,160	1,271,709	1,080,378	741,342	660,458	1,228,307
355,354	891,732	424,589	932,132	574,485	415,055
3,648,289	2,695,510	2,791,472	4,761,583	4,588,251	3,585,920
7,297,638	7,789,359	8,128,518	7,558,015	5,710,902	8,259,017
212,742	196,125	277,036	173,441	214,409	180,503
<u>21,896,476</u>	<u>23,712,926</u>	<u>13,906,847</u>	<u>24,576,338</u>	<u>21,454,478</u>	<u>23,082,527</u>
3,066,560	3,146,692	3,636,006	3,593,035	2,409,282	4,101,500
3,750,082	3,476,860	3,934,492	5,455,506	3,067,527	3,347,719
0	0	0	0	125,461	251,452
<u>6,816,642</u>	<u>6,623,552</u>	<u>7,570,498</u>	<u>9,048,541</u>	<u>5,602,270</u>	<u>7,700,671</u>
<u>\$28,713,118</u>	<u>\$30,336,478</u>	<u>\$21,477,345</u>	<u>\$33,624,879</u>	<u>\$27,056,748</u>	<u>\$30,783,198</u>
\$1,732,071	\$1,707,975	\$1,746,281	\$1,674,457	\$2,052,621	\$2,655,392
68,440	57,821	68,405	98,482	147,209	107,579
280,239	284,339	323,130	7,182	289,465	328,322
13,871	9,688	9,908	18,802	24,619	24,229
2,756	12,638	1,525	5,436	0	0
837,308	1,015,550	926,248	693,243	798,316	1,103,917
1,747,093	2,141,509	2,853,036	4,814,215	1,741,529	1,864,135
1,168,867	226,249	992,876	2,310,007	1,941,225	347,174
<u>5,850,645</u>	<u>5,455,769</u>	<u>6,921,409</u>	<u>9,621,824</u>	<u>6,994,984</u>	<u>6,430,748</u>

(continued)

City of Mount Vernon, Ohio

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2013	2014	2015	2016
Business-type Activities:				
Charges for Services and Sales				
Water	3,450,880	3,684,807	3,562,765	3,537,845
Sewer	3,243,715	3,197,847	3,284,201	3,177,531
Storm Water	0	0	0	0
Operating Grants and Contributions	37,266	37,591	0	0
<i>Total Business-type Activities Program Revenues</i>	6,731,861	6,920,245	6,846,966	6,715,376
<i>Total Primary Government Program Revenues</i>	12,504,931	13,429,078	15,004,859	13,253,775
Net (Expense)/Revenue				
Governmental Activities	(12,017,800)	(13,850,453)	(13,101,838)	(14,358,804)
Business-type Activities	564,267	634,879	222,699	318,146
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$11,453,533)	(\$13,215,574)	(\$12,879,139)	(\$14,040,658)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$552,305	\$536,836	\$434,944	\$582,788
Special Purposes	130,272	131,724	105,810	132,590
Debt Service	143,647	143,215	143,874	143,606
Capital Outlay	720,963	1,249,984	1,339,046	1,403,568
Income Taxes	10,805,563	12,503,753	11,753,826	9,501,005
Other Local Taxes	94,973	103,876	106,100	121,627
Grants and Entitlements not				
Restricted to Specific Programs	451,426	890,797	164,502	322,917
Investment Earnings	29,448	11,260	27,083	44,327
Miscellaneous	327,023	902,455	301,262	299,704
<i>Total Governmental Activities</i>	13,255,620	16,473,900	14,376,447	12,552,132
Business-type Activities:				
Investment Earnings	625	424	556	636
<i>Total Business-type Activities</i>	625	424	556	636
<i>Total Primary Government</i>	\$13,256,245	\$16,474,324	\$14,377,003	\$12,552,768
Change in Net Position				
Governmental Activities	\$1,237,820	\$2,623,447	\$1,274,609	(\$1,806,672)
Business-type Activities	564,892	635,303	223,255	318,782
<i>Total Primary Government Change in Net Position</i>	\$1,802,712	\$3,258,750	\$1,497,864	(\$1,487,890)

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
5,114,590	4,683,774	4,755,471	4,647,435	4,771,468	4,233,683
4,534,373	4,121,428	4,084,098	4,102,383	5,144,124	3,738,031
0	0	0	478,702	1,113,399	1,972,478
0	0	0	755,394	0	0
9,648,963	8,805,202	8,839,569	9,983,914	11,028,991	9,944,192
15,499,608	14,260,971	15,760,978	19,605,738	18,023,975	16,374,940
(16,045,831)	(18,257,157)	(6,985,438)	(14,954,514)	(14,459,494)	(16,651,779)
2,832,321	2,181,650	1,269,071	935,373	5,426,721	2,243,521
<u>(\$13,213,510)</u>	<u>(\$16,075,507)</u>	<u>(\$5,716,367)</u>	<u>(\$14,019,141)</u>	<u>(\$9,032,773)</u>	<u>(\$14,408,258)</u>
\$677,443	\$706,874	\$597,681	\$653,008	\$618,321	\$725,093
156,590	162,492	138,022	148,680	141,658	167,788
145,590	145,217	144,784	144,482	143,782	145,595
1,288,174	1,354,211	1,601,349	1,535,187	1,545,370	1,567,901
10,390,679	16,401,453	16,733,601	13,629,646	14,258,201	16,948,453
131,785	141,874	143,452	85,869	127,228	169,952
342,555	319,344	405,550	405,814	471,917	507,409
91,431	161,072	362,606	155,401	34,673	252,846
510,361	699,326	419,820	1,297,307	341,935	1,070,123
13,734,608	20,091,863	20,546,865	18,055,394	17,683,085	21,555,160
20,902	972	0	215	184	518
20,902	972	0	215	184	518
<u>\$13,755,510</u>	<u>\$20,092,835</u>	<u>\$20,546,865</u>	<u>\$18,055,609</u>	<u>\$17,683,269</u>	<u>\$21,555,678</u>
(\$2,311,223)	\$1,834,706	\$13,561,427	\$3,100,880	\$3,223,591	\$4,903,381
2,853,223	2,182,622	1,269,071	935,588	5,426,905	2,244,039
<u>\$542,000</u>	<u>\$4,017,328</u>	<u>\$14,830,498</u>	<u>\$4,036,468</u>	<u>\$8,650,496</u>	<u>\$7,147,420</u>

City of Mount Vernon, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	\$135,855	\$147,536	\$159,479	\$186,763
Restricted	8,080	8,080	8,080	8,080
Committed	16,480	4,741	426	2,405
Assigned	2,680,908	2,754,129	3,576,344	2,459,740
Unassigned	<u>970,240</u>	<u>1,254,772</u>	<u>1,397,417</u>	<u>649,074</u>
<i>Total General Fund</i>	<u>3,811,563</u>	<u>4,169,258</u>	<u>5,141,746</u>	<u>3,306,062</u>
All Other Governmental Funds				
Nonspendable	454,286	443,738	493,536	530,833
Restricted	4,653,741	6,299,667	6,560,177	5,047,602
Committed	134,995	124,561	117,413	103,467
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,009)</u>
Total All Other Governmental Funds	<u>5,243,022</u>	<u>6,867,966</u>	<u>7,171,126</u>	<u>5,680,893</u>
<i>Total Governmental Funds</i>	<u><u>\$9,054,585</u></u>	<u><u>\$11,037,224</u></u>	<u><u>\$12,312,872</u></u>	<u><u>\$8,986,955</u></u>

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$186,886	\$169,812	\$176,328	\$183,252	\$231,787	\$267,179
676	15,855	16,150	19,021	0	0
7,105	9,060	0	0	0	0
1,586,448	2,103,484	2,932,004	4,625,689	4,602,155	5,047,673
557,397	551,809	651,757	674,295	713,647	0
<u>2,338,512</u>	<u>2,850,020</u>	<u>3,776,239</u>	<u>5,502,257</u>	<u>5,547,589</u>	<u>5,314,852</u>
536,108	592,883	661,892	694,766	649,055	686,635
5,357,929	7,773,875	12,934,559	12,126,484	12,385,913	14,471,460
90,696	79,492	75,850	57,959	76,579	79,078
0	(72,842)	0	0	0	(1,799)
<u>5,984,733</u>	<u>8,373,408</u>	<u>13,672,301</u>	<u>12,879,209</u>	<u>13,111,547</u>	<u>15,235,374</u>
<u>\$8,323,245</u>	<u>\$11,223,428</u>	<u>\$17,448,540</u>	<u>\$18,381,466</u>	<u>\$18,659,136</u>	<u>\$20,550,226</u>

City of Mount Vernon, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2013	2014	2015	2016
Revenues:				
Taxes	\$12,820,372	\$14,018,827	\$14,994,697	\$11,782,401
Intergovernmental Revenues	2,243,029	2,727,769	4,464,177	3,005,589
Charges for Services	1,538,771	1,565,290	1,592,629	1,645,697
Licenses and Permits	10,252	18,747	46,275	20,353
Investment Earnings	29,448	11,260	27,083	44,327
Fines and Forfeitures	696,006	675,007	687,259	805,303
All Other Revenue	1,004,302	1,549,515	442,234	321,651
Total Revenue	18,342,180	20,566,415	22,254,354	17,625,321
Expenditures:				
Current:				
Security of Persons and Property	6,201,515	6,173,136	6,277,707	6,627,332
Public Health and Welfare Services	696,102	747,707	693,979	725,904
Leisure Time Activities	762,156	848,879	825,430	883,875
Community Environment	648,532	323,093	763,019	1,012,146
Transportation	2,868,350	3,526,598	5,509,975	3,687,931
General Government	7,660,676	6,202,716	6,176,909	7,228,697
Debt Service:				
Principal Retirement	500,756	515,327	537,568	579,980
Interest and Fiscal Charges	279,021	264,038	275,624	205,623
Total Expenditures	19,617,108	18,601,494	21,060,211	20,951,488
Excess (Deficiency) of Revenues Over Expenditures	(1,274,928)	1,964,921	1,194,143	(3,326,167)

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$12,742,449	\$18,596,443	\$19,721,322	\$15,969,874	\$16,768,593	\$19,720,829
2,900,021	3,409,113	3,784,210	5,568,191	4,105,939	2,963,446
2,092,297	2,113,540	2,115,513	1,775,389	2,549,321	3,362,666
20,496	69,777	31,557	38,464	26,118	36,332
91,431	161,072	362,606	155,401	34,673	252,846
822,688	976,333	948,914	663,685	715,137	820,660
509,548	604,706	399,147	1,317,371	363,589	1,069,904
<u>19,178,930</u>	<u>25,930,984</u>	<u>27,363,269</u>	<u>25,488,375</u>	<u>24,563,370</u>	<u>28,226,683</u>
6,751,717	7,733,103	7,798,677	8,442,954	8,938,051	8,827,251
687,038	525,850	484,547	506,535	466,760	391,867
960,435	934,831	940,888	529,732	945,792	1,111,151
355,354	891,732	424,589	932,132	574,485	415,055
3,316,511	4,170,486	5,780,368	5,494,570	4,480,742	3,568,943
6,968,691	8,049,543	7,952,411	7,640,512	7,869,482	11,025,491
596,714	606,021	778,802	794,973	826,769	849,478
205,820	172,629	235,002	210,302	162,493	169,422
<u>19,842,280</u>	<u>23,084,195</u>	<u>24,395,284</u>	<u>24,551,710</u>	<u>24,264,574</u>	<u>26,358,658</u>
(663,350)	2,846,789	2,967,985	936,665	298,796	1,868,025

(Continued)

City of Mount Vernon, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2013	2014	2015	2016
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	31,689	3,148	42,156	7,238
Ohio Public Works Commission Loan	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	1,995,150	0
Payment to Refunded Bond Escrow Agent	0	0	(1,969,258)	0
Transfers In	1,656,139	1,252,978	1,242,974	1,187,721
Transfers Out	(1,656,139)	(1,252,978)	(1,242,974)	(1,187,721)
Total Other Financing Sources (Uses)	<u>31,689</u>	<u>3,148</u>	<u>68,048</u>	<u>7,238</u>
Net Change in Fund Balance	<u>(\$1,243,239)</u>	<u>\$1,968,069</u>	<u>\$1,262,191</u>	<u>(\$3,318,929)</u>
 Debt Service as a Percentage of Noncapital Expenditures	 5.03%	 4.53%	 4.21%	 4.37%

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
4,450	25,309	43,413	837	27,247	23,065
0	0	558,620	0	0	0
0	0	2,600,000	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,319,499	1,337,426	1,591,350	1,588,773	1,457,790	1,676,411
(1,319,499)	(1,337,426)	(1,591,350)	(1,588,773)	(1,457,790)	(1,676,411)
4,450	25,309	3,202,033	837	27,247	23,065
(\$658,900)	\$2,872,098	\$6,170,018	\$937,502	\$326,043	\$1,891,090
4.42%	4.11%	5.34%	4.74%	4.66%	4.45%

City of Mount Vernon, Ohio

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years*

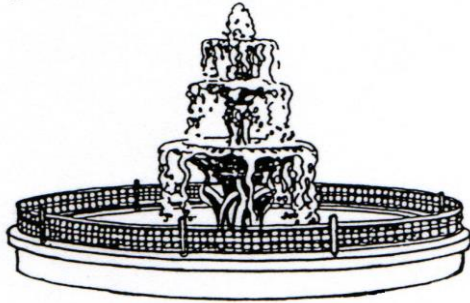
Tax year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands) (1)	\$606,203	\$641,916	\$668,472	\$673,501
Total Tax Collected	\$11,210,717	\$11,725,532	\$12,409,133	\$11,261,723
Income Tax Receipts				
Withholding	8,088,514	8,450,570	8,673,622	9,042,251
Percentage	72.15%	72.07%	69.90%	80.29%
Corporate	2,396,265	2,522,261	2,889,193	1,373,619
Percentage	21.37%	21.51%	23.28%	12.20%
Individuals	725,938	752,701	846,318	845,853
Percentage	6.48%	6.42%	6.82%	7.51%

Source: City Income Tax Department

(1) US Department of Commerce, Bureau of Economic Analysis.

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
1.50%	2.00%	2.00%	2.00%	2.00%	2.00%
\$690,338	\$716,332	\$747,883	\$814,908	\$884,058	\$867,875
\$10,660,851	\$16,016,993	\$16,958,416	\$13,544,998	\$13,905,326	\$17,064,046
8,591,242	11,675,758	12,183,379	11,539,570	11,580,033	12,959,331
80.59%	72.90%	71.84%	85.20%	83.28%	75.95%
1,229,520	3,427,601	3,713,148	984,988	1,343,653	2,949,452
11.53%	21.40%	21.90%	7.27%	9.66%	17.28%
840,089	913,634	1,061,889	1,020,440	981,640	1,155,263
7.88%	5.70%	6.26%	7.53%	7.06%	6.77%



City of Mount Vernon, Ohio

*Income Tax Collections
Current Year and Nine Years Ago*

Calendar Year 2022				
<u>Income Tax Filers</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$8,034,978	47.09%	\$160,700	47.09%
All Others	9,029,068	52.91%	\$180,581	52.91%
Total	<u>\$17,064,046</u>	<u>100.00%</u>	<u>\$341,281</u>	<u>100.00%</u>

Calendar Year 2013				
<u>Income Tax Filers</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	\$392,401,581	52.50%	\$5,886,028	52.50%
All Others	354,979,267	47.50%	5,324,689	47.50%
Total	<u>\$747,380,848</u>	<u>100.00%</u>	<u>\$11,210,717</u>	<u>100.00%</u>

Source: City Income Tax Department

City of Mount Vernon, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2013	2014	2015	2016
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$5,812,400	\$5,436,000	\$5,205,500	\$4,770,450
Special Obligation Bonds Payable	1,677,500	1,577,500	1,475,000	1,370,000
Ohio Public Works Commission Loan Payable	336,875	309,375	281,875	254,375
Business-type Activities ⁽¹⁾				
Ohio Public Works Commission Loan Payable	\$103,424	\$97,156	\$90,888	\$126,237
Ohio Water Development Authority	6,476,726	6,500,028	6,154,888	5,872,440
General Obligation Bonds Payable	9,582,600	8,604,000	7,828,650	6,747,950
Special Obligation Bonds Payable	1,677,500	1,577,500	1,475,000	1,370,000
Mortgage Revenue Bonds Payable	2,780,000	2,345,000	1,895,000	1,430,000
Total Primary Government	<u>\$28,447,025</u>	<u>\$26,446,559</u>	<u>\$24,406,801</u>	<u>\$21,941,452</u>
Population ⁽²⁾				
City of Mount Vernon	16,990	16,990	16,990	16,990
Outstanding Debt Per Capita	\$1,674.34	\$1,556.60	\$1,436.54	\$1,291.43
Income ⁽³⁾				
Personal (in thousands)	606,203	641,916	668,472	673,501
Percentage of Personal Income	4.69%	4.12%	3.65%	3.26%

Sources:

- (1) City Auditor's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation.

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$4,324,200	\$3,871,700	\$5,849,500	\$5,228,200	\$4,592,200	\$3,939,150
1,260,000	1,147,500	1,032,500	915,000	795,000	670,000
226,875	199,375	730,495	689,029	633,599	578,169
\$116,886	\$107,535	\$98,184	\$88,833	\$79,482	\$70,131
5,536,388	5,196,426	4,852,509	4,504,591	4,152,626	3,796,566
5,617,700	4,450,200	3,917,400	3,363,700	2,804,690	2,238,500
1,260,000	1,147,500	1,032,500	915,000	795,000	670,000
950,000	0	0	0	0	0
<u>\$19,292,049</u>	<u>\$16,120,236</u>	<u>\$17,513,088</u>	<u>\$15,704,353</u>	<u>\$13,852,597</u>	<u>\$11,962,516</u>
16,990	16,990	16,990	16,990	16,990	16,679
\$1,135.49	\$948.81	\$1,030.79	\$924.33	\$815.34	\$717.22
690,338	716,332	747,883	814,908	884,058	867,875
2.79%	2.25%	2.34%	1.93%	1.57%	1.38%

City of Mount Vernon, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

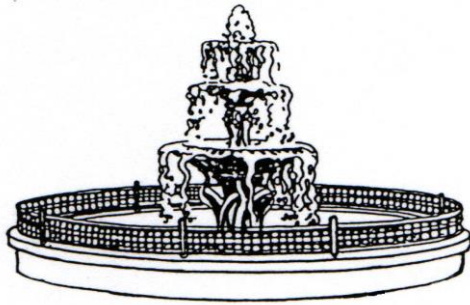
Year	2013	2014	2015	2016
Population ⁽¹⁾	16,990	16,990	16,990	16,990
Assessed Value ⁽²⁾	\$249,053,880	\$249,125,840	\$252,156,720	\$254,007,140
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$15,395,000	\$14,040,000	\$13,034,150	\$11,518,400
Resources Available to Pay Principal ⁽⁴⁾	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$15,395,000	\$14,040,000	\$13,034,150	\$11,518,400
Ratio of Net Bonded Debt to Assessed Value	6.18%	5.64%	5.17%	4.53%
Net Bonded Debt per Capita	\$906.12	\$826.37	\$767.17	\$677.95

Sources:

- (1) U.S. Bureau of Census of Population
- (2) Knox County Auditor
- (3) Includes all general obligation bonded debt.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
16,990	16,990	16,990	16,990	16,990	16,679
\$271,302,780	\$274,214,680	\$275,605,460	\$317,194,360	\$317,882,000	\$312,921,050
\$9,941,900	\$8,321,900	\$9,766,900	\$8,591,900	\$7,396,890	\$6,177,650
\$0	\$0	\$0	\$0	\$0	\$12,500
\$9,941,900	\$8,321,900	\$9,766,900	\$8,591,900	\$7,396,890	\$6,165,150
3.66%	3.03%	3.54%	2.71%	2.33%	1.97%
\$585.16	\$489.81	\$574.86	\$505.70	\$435.37	\$369.64



City of Mount Vernon, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2022*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Mount Vernon</u>	<u>Amount Applicable to the City of Mount Vernon</u>
Direct:			
City of Mount Vernon	\$5,187,319	100.00%	\$5,187,319
Overlapping:			
Knox County	7,721,372	53.84%	4,157,187
Knox County Career Center	5,756,000	42.01%	<u>2,418,096</u>
		Subtotal	<u>6,575,283</u>
		Total	<u><u>\$11,762,602</u></u>

Source: Knox County Auditor and Fiscal Officers of Subdivision

(1) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Mount Vernon, Ohio

*Debt Limitations
Last Ten Years*

Collection Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Debt				
Net Assessed Valuation	\$249,053,880	\$249,125,840	\$252,156,720	\$254,007,140
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	26,150,657	26,158,213	26,476,456	26,670,750
City Debt Outstanding (2)	2,477,600	2,342,400	2,360,300	2,185,850
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>2,477,600</u>	<u>2,342,400</u>	<u>2,360,300</u>	<u>2,185,850</u>
Overall Legal Debt Margin	<u><u>\$23,673,057</u></u>	<u><u>\$23,815,813</u></u>	<u><u>\$24,116,156</u></u>	<u><u>\$24,484,900</u></u>
Unvoted Debt				
Net Assessed Valuation	\$249,053,880	\$249,125,840	\$252,156,720	\$254,007,140
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	13,697,963	13,701,921	13,868,620	13,970,393
City Debt Outstanding (2)	2,477,600	2,342,400	2,360,300	2,185,850
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>2,477,600</u>	<u>2,342,400</u>	<u>2,360,300</u>	<u>2,185,850</u>
Overall Legal Debt Margin	<u><u>\$11,220,363</u></u>	<u><u>\$11,359,521</u></u>	<u><u>\$11,508,320</u></u>	<u><u>\$11,784,543</u></u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.

Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Tax Increment Financing Bonds and General Obligation Bonds supported by income taxes are not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$271,302,780	\$274,214,680	\$275,605,460	\$317,194,360	\$317,882,000	\$312,921,050
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
28,486,792	28,792,541	28,938,573	33,305,408	33,377,610	32,856,710
2,004,600	1,819,300	1,631,500	1,434,000	1,234,000	1,029,150
0	0	0	0	0	(12,500)
2,004,600	1,819,300	1,631,500	1,434,000	1,234,000	1,016,650
\$26,482,192	\$26,973,241	\$27,307,073	\$31,871,408	\$32,143,610	\$31,840,060
\$271,302,780	\$274,214,680	\$275,605,460	\$317,194,360	\$317,882,000	\$312,921,050
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
14,921,653	15,081,807	15,158,300	17,445,690	17,483,510	17,210,658
2,004,600	1,819,300	1,631,500	1,434,000	1,234,000	1,029,150
0	0	0	0	0	(12,500)
2,004,600	1,819,300	1,631,500	1,434,000	1,234,000	1,016,650
\$12,917,053	\$13,262,507	\$13,526,800	\$16,011,690	\$16,249,510	\$16,194,008

City of Mount Vernon, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2013	2014	2015	2016
Water System Bonds 1999 Series (1)				
Gross Revenues (2)	\$3,451,448	\$3,685,199	\$3,563,294	\$3,538,481
Direct Operating Expenses (3)	(1,853,530)	(1,874,612)	(1,982,573)	(1,989,032)
Net Revenue Available for Debt Service	1,597,918	1,810,587	1,580,721	1,549,449
Annual Debt Service Requirement	540,200	537,450	539,400	540,900
Coverage	2.96	3.37	2.93	2.86
Tax Increment Financing (TIF) Bonds (4)				
Payment In Lieu of Taxes (PILOT) Collections	\$791,717	\$1,261,713	\$1,334,099	\$1,359,859
Debt Service				
Principal	234,600	241,200	248,400	260,600
Interest	146,070	98,877	93,694	88,053
Coverage	2.08	3.71	3.90	3.90

(1) The Water system 1st Mortgage Revenue Bonds were issued in 1999, in the amount of \$8,370,000 and fully matured in 2018.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) The Coshocton Road Tax Increment Financing Bonds were issued in 2003, in the amount of \$3,371,992 and the Blackjack Road (Highway Project) Tax Increment Financing Bonds were issued in 2009 in the amount of \$2,165,000.

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
\$5,118,429	\$4,684,746	\$4,755,471	\$4,647,435	\$4,771,652	\$4,234,201
(2,040,514)	(2,274,456)	(2,556,496)	(2,532,329)	(1,477,825)	(3,093,821)
3,077,915	2,410,290	2,198,975	2,115,106	3,293,827	1,140,380
539,625	985,625	0	0	0	0
5.70	2.45	N/A	N/A	N/A	N/A
\$1,317,582	\$1,354,211	\$1,601,183	\$1,513,776	\$1,505,964	\$1,533,618
265,000	267,200	269,400	279,670	286,000	293,200
81,946	75,568	68,880	61,919	54,404	46,694
3.80	3.95	4.73	4.43	4.42	4.51

City of Mount Vernon, Ohio

Demographic and Economic Statistics Last Ten Years

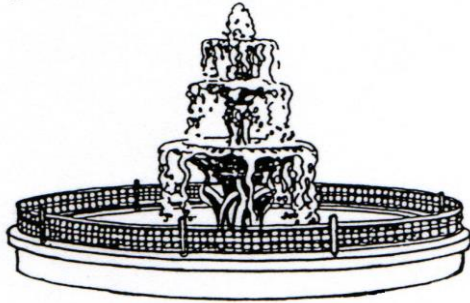
Calendar Year	2013	2014	2015	2016
Population (1)				
City of Mount Vernon	16,990	16,990	16,990	16,990
Knox County	60,705	61,167	61,061	60,814
Income (2) (a)				
Total Personal (in thousands)	606,203	641,916	668,472	673,501
Per Capita	35,680	37,782	39,345	39,641
Unemployment Rate (3)				
Federal	7.4%	6.2%	5.3%	4.9%
State	7.4%	5.7%	4.9%	4.9%
Knox County	6.7%	5.2%	4.7%	4.5%
Civilian Work Force Estimates (3)				
State	5,726,000	5,719,000	5,700,300	5,713,100
Knox County	30,500	31,100	31,000	31,300

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2021 for the presentation of 2022 statistics, the City is using the latest information available.
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics. Information is not available at the City level.

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
16,990	16,990	16,990	16,990	16,990	16,679
61,261	61,893	62,322	62,423	62,897	62,897
690,338	716,332	747,883	814,908	884,058	867,875
40,632	42,162	44,019	47,964	52,034	52,034
4.4%	3.9%	3.4%	8.1%	5.3%	3.6%
5.0%	4.6%	3.8%	8.1%	5.1%	4.0%
4.5%	4.3%	3.6%	6.2%	4.0%	3.5%
5,780,000	5,754,900	5,586,800	5,754,300	5,736,900	5,741,300
31,300	31,200	31,200	31,200	31,100	30,900



City of Mount Vernon, Ohio

*Principal Employers
Current Year and Nine Years Ago*

Employer	Nature of Business	2022	
		Number of Employees	Rank
Ariel Corporation	Manufacturing	1,600	1
Knox Community Hospital	Medical Care	1,343	2
Knox County	Government	470	3
Jeld-Wen, Inc.	Manufacturing	460	4
Mount Vernon City Schools	Education	409	5
Mount Vernon Nazarene University	Education	336	6
Wal-Mart	Retail	289	7
Kroger	Retail	233	8
International Paper	Manufacturing	175	9
Park National Bank	Financial	171	10
Total		<u>5,486</u>	

Employer	Nature of Business	2013	
		Number of Employees	Rank
Ariel Corporation	Manufacturing	1,265	1
Rolls Royce Energy Systems, Inc	Manufacturing	1,150	2
Knox Community Hospital	Medical Care	936	3
Jeld-Wen Windows & Doors	Manufacturing	545	4
Knox County	Government	425	5
Mount Vernon City Schools	Education	414	6
Mount Vernon Nazarene University	Education	370	7
Wal-Mart	Retail	325	8
Sanoh America, Inc.	Manufacturing	290	9
First Knox National Bank	Financial	206	10
Total		<u>5,926</u>	

Source:

City Auditor's Office

City of Mount Vernon, Ohio

*Full Time Equivalent Employees by Function
Last Ten Years*

	2013	2014	2015	2016	2017
Governmental Activities					
General Government					
Administration	1.00	1.00	1.00	1.00	1.00
Finance	2.00	2.00	2.00	2.00	2.00
Law Director	4.00	4.00	4.00	4.00	4.00
Income Tax	3.00	3.00	3.00	3.00	3.00
Legal/Court	11.00	11.00	11.00	11.00	11.00
Safety-Service	2.00	2.00	2.00	2.00	2.00
Civil Service	0.50	0.50	0.50	0.50	0.50
Engineering	6.50	6.00	6.00	6.00	6.00
Public Buildings/Lands	1.75	1.75	1.75	1.75	1.75
Human Resources	0.00	0.00	0.00	0.00	0.00
Security of Persons and Property					
Police	32.00	32.00	32.00	32.00	32.00
Fire	40.00	40.00	40.00	40.00	40.00
Transportation					
Street	12.50	12.50	12.50	12.50	12.50
Leisure Time Activities					
Parks/Recreation	56.50	56.50	56.50	56.50	56.50
Public Health and Welfare					
Cemetery	5.25	5.25	5.25	5.25	5.25
Business-Type Activities					
Utilities					
Water	17.50	17.50	17.50	17.50	17.00
Sewer	19.50	19.50	19.50	19.50	19.00
<i>Total Employees</i>	<u>215.00</u>	<u>214.50</u>	<u>214.50</u>	<u>214.50</u>	<u>213.50</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee
 Elected Officials have been omitted from this table
 Source: City Auditor's Office

City of Mount Vernon, Ohio

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00
3.00	3.00	3.00	3.00	3.00
11.00	11.00	11.00	11.00	11.00
2.00	2.00	2.00	2.00	2.00
0.50	0.50	0.50	0.50	0.50
6.00	6.00	6.00	6.00	6.00
1.75	1.75	1.75	1.75	1.75
0.00	0.00	0.00	1.00	1.00
32.00	32.00	32.00	32.00	32.00
40.00	40.00	40.00	40.00	40.00
12.50	12.50	12.50	12.50	12.50
56.50	56.50	56.50	56.50	56.50
5.25	5.25	5.25	5.25	5.25
17.00	17.00	17.00	17.00	17.00
19.00	19.00	19.00	19.00	19.00
<u>213.50</u>	<u>213.50</u>	<u>213.50</u>	<u>214.50</u>	<u>214.50</u>

City of Mount Vernon, Ohio

*Operating Indicators by Function
Last Ten Years*

	2013	2014	2015
Governmental Activities			
General Government			
Court			
Number of Civil Cases	780	823	932
Number of Criminal Cases	1,280	1,272	1,163
Number of Traffic Cases	4,978	4,573	4,664
Number of Open Cases	440	322	678
Licenses and Permits			
Number of Building Permits	122	140	132
Security of Persons and Property			
Police			
Number of Citations Issued	3,117	1,971	1,832
Fire			
Number of Fire Calls	918	1,049	1,108
Number of EMS Runs	3,583	3,581	3,850
Number of Inspections	740	580	420
Business-Type Activities			
Water			
Number of Service Connections	6,514	6,527	6,540
Daily Average Consumption (thousands of gallons)	2,748,137	2,542,049	2,728,019
Sewer			
Number of Service Connections	6,734	6,745	6,764
Daily Average Sewage Treatment (thousands of gallons)	2,779,449	2,794,266	2,783,184

Source: City Auditor's Office

City of Mount Vernon, Ohio

2016	2017	2018	2019	2020	2021	2022
1,443	1,496	1,407	1,462	951	943	949
967	1,201	1,731	1,190	1,058	702	741
4,603	4,387	4,721	4,700	3,251	3,735	4,263
829	833	868	661	921	593	827
137	184	200	230	272	205	308
2,274	2,713	2,791	2,708	3,894	4,315	5,614
1,055	1,322	1,170	1,020	1,011	710	875
3,777	4,050	4,151	4,255	4,153	5,200	5,375
641	570	454	498	294	478	600
6,559	6,575	6,594	6,638	6,677	6,680	6,727
2,761,211	2,756,540	2,906,855	2,726,490	2,537,205	2,401,260	2,491,452
6,783	6,792	6,805	6,821	6,843	6,848	6,885
2,567,540	3,021,038	3,468,123	3,240,389	3,384,942	2,911,378	3,232,300

City of Mount Vernon, Ohio

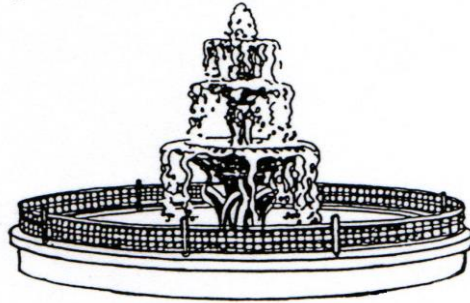
Capital Asset Statistics by Function Last Ten Years

	2013	2014	2015	2016
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	12.7	12.7	12.7	12.7
Buildings	9	9	9	9
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	13	13	13	13
Fire				
Stations	2	2	2	2
Vehicles	11	11	11	11
Transportation				
Street				
Streets (center line miles)	82	92	92	92
Street Lights	1,470	1,470	1,470	1,470
Traffic Signals	54	54	54	54
Vehicles	13	13	13	13
Leisure Time Activities				
Parks/Recreation				
Land (acres)	244.98	269.98	337.56	337.56
Buildings	14	14	14	14
Parks	8	8	8	8
Playgrounds	4	4	4	4
Swimming Pools	4	4	4	4
Tennis Courts	10	10	10	10
Baseball/Softball Diamonds	11	11	11	11
Soccer Fields	2	2	2	2
Business-Type Activities				
Utilities				
Water				
Waterlines (Miles)	63	63	63	63
Number of Hydrants	484	484	484	484
Average Daily Consumption	2,748,137	2,542,049	2,728,019	2,761,211
Storage Capacity (thousands of gallons)	7,000	7,000	7,000	7,000
Sewer				
Sewerlines (Miles)	62	62	62	62
Average Daily Treatment	2,779,449	2,794,266	2,783,184	2,567,540
Treatment Capacity (thousands of gallons)	5,000	5,000	5,000	5,000

Source: City Auditor's Office

City of Mount Vernon, Ohio

2017	2018	2019	2020	2021	2022
12.7 9	12.7 9	12.7 9	12.7 9	12.7 9	12.7 9
1 13	1 13	1 13	1 13	1 13	1 13
2 11	2 11	1 11	1 11	1 11	1 11
92 1,470 54 13	92 1,470 54 13	92 1,470 54 13	92 1,470 54 13	92 1,470 54 13	92 1,470 54 13
337.56 14 8 4 4 10 11 2	337.56 14 8 4 4 10 11 2	337.56 14 8 4 4 10 11 2	337.56 14 8 4 4 10 11 2	337.56 14 8 4 4 10 11 2	337.56 17 8 4 4 10 11 2
63 484 2,756,540 7,000	63 484 2,906,855 7,000	63 484 2,726,490 7,000	63 484 2,537,205 7,000	63 484 2,401,260 7,000	63 484 2,491,452 7,000
62 3,021,038 5,000	62 3,468,123 5,000	62 3,240,389 5,000	62 3,384,942 5,000	62 2,911,378 5,000	62 3,232,300 5,000



OHIO AUDITOR OF STATE KEITH FABER



CITY OF MOUNT VERNON

KNOX COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/28/2023

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

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