



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF PORTSMOUTH
SCIOTO COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

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OHIO AUDITOR OF STATE
KEITH FABER



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City Council
City of Portsmouth
728 Second Street
P. O. Box 1323
Portsmouth, Ohio 45662

We have reviewed the *Independent Auditor's Report* of the City of Portsmouth, Scioto County, prepared by BHM CPA Group, 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 Portsmouth is responsible for compliance with these laws and regulations.

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

Keith Faber
Auditor of State
Columbus, Ohio

August 02, 2023

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CITY OF PORTSMOUTH
SCIOTO COUNTY

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**CITY OF PORTSMOUTH
SCIOTO COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed through Ohio Dept. of Development</i>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	AF-19	\$ -	\$ 130,500
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	AF 21-2DH	-	4,500
TOTAL UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			-	135,000
<u>UNITED STATES DEPARTMENT OF JUSTICE</u>				
<i>Direct from the Department of Justice</i>				
Comprehensive Opioid, Stimulant, and Substance Abuse Site-based Program (COSSAP)	16.838	N/A	-	97,775
<i>Passed through Ohio Governor's Office of Criminal Justice Services</i>				
Coronavirus Emergency Supplemental Funding, FY20	16.034	2020-VDBX-1541	-	20,032
Edward Byrne Memorial Justice Assistance Grant Program				
In Car Cameras	16.738	2021-JG-A03-6280E	-	15,315
Radios	16.738	2021-JG-A02-6819E	-	8,895
Task Force	16.738	2021-JG-A01-6027	-	12,400
Total Edward Byrne Memorial Justice Assistance Grant Program			-	36,610
TOTAL UNITED STATES DEPARTMENT OF JUSTICE			-	154,417
<u>UNITED STATES ENVIRONMENTAL PROTECTION AGENCY</u>				
<i>Passed through Ohio Environmental Protection Agency</i>				
Air Pollution Control Program Support	66.001	31-1334820	-	76,599
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act, PM2	66.034	31-1334820	-	55,975
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act, ARP	66.034	31-1334820	-	82,960
TOTAL UNITED STATES ENVIRONMENTAL PROTECTION AGENCY			-	215,534
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed through the Ohio Department of Health</i>				
Public Health Emergency Preparedness, FY22	93.069	07320012PH1322	-	90,664
Public Health Emergency Preparedness, FY23	93.069	07320012PH1423	-	81,505
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	07320012EO0121	-	200,139
Family Planning Services, FY22	93.217	07320011RH1122	-	23,622
Family Planning Services, FY23	93.217	07320011RH1223	-	97,028
Maternal and Child Health Services Block Grant to the States, FY22	93.994	07320011RH1122	-	2,428
Maternal and Child Health Services Block Grant to the States, FY23	93.994	07320011RH1223	-	10,780
HIV Prevention Activities Health Department Based	93.940	07320012HP1522	-	61,770
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	07320012ST1422	-	299,940
Preventive Health and Health Services Block Grant, FY22	93.991	07320014ID0422	-	90,460
Preventive Health and Health Services Block Grant, FY23	93.991	07320014ID0523	-	28,194
<i>Passed through the Substance Abuse and Mental Health Services Administration</i>				
Drug-Free Communities Support Program Grant	93.276	17SP18684A	-	28,610
Telehealth Programs	93.211	G25RH32465	-	211,048
TOTAL UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			-	1,226,188
<u>UNITED STATES DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed through the Ohio Department of Transportation</i>				
Highway Safety Cluster				
National Priority Safety Programs, FY22	20.616	07320014BB0522	-	81,493
Total Highway Safety Cluster			-	81,493
TOTAL UNITED STATES DEPARTMENT OF TRANSPORTATION			-	81,493
TOTAL FEDERAL AWARDS EXPENDITURES			\$ -	\$ 1,812,632

The accompanying notes are an integral part of this schedule

**CITY OF PORTSMOUTH
SCIOTO COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Portsmouth (the City's) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



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

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portsmouth, Scioto 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 June 27, 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.

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.

BHM CPA Group

BHM CPA Group, Inc.
Piketon, Ohio
June 27, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

To the City Council:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Portsmouth's, Scioto County, (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Portsmouth's major federal programs for the year ended December 31, 2022. The City of Portsmouth's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Portsmouth complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Portsmouth, Scioto 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. We issued our unmodified report thereon dated June 27, 2023. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BHM CPA Group

BHM CPA Group, Inc.
Piketon, Ohio
June 27, 2023

**CITY OF PORTSMOUTH
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2022**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Sexually Transmitted Diseases Prevention and Control Grants ALN 93.977 Preventative Health and Health Services Block Grant ALN 93.991
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Annual Comprehensive Financial Report

City of Portsmouth, Ohio



**For Year Ended
December 31, 2022**

**M. Trent Williams, CPM, CPFA
Auditor/Treasurer**



THE CITY OF PORTSMOUTH, OHIO

SCIOTO COUNTY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

Prepared by:

M. TRENT WILLIAMS, CPM, CPFA
City Auditor

Finance Department:

Constance J. Snipes
Deputy Auditor

Jennifer E. Newman
Finance Clerk II

Heather L. Shoemaker
Finance Clerk I

Kelli R. Kuhn
Finance Clerk I

Income Tax Division:

Vicki L. Musser
Tax Commissioner

Sherry A. Boling
Deputy Tax Commissioner



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SCIOTO COUNTY, OHIO

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INTRODUCTORY SECTION





The City of Portsmouth



"Where the Ohio and Scioto Meet"

Department of Finance

Municipal Building, Room 3

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Web: www.ci.portsmouth.oh.us ~ Email: cityauditor@mail.com

728 Second Street ~ P.O. Box 1323
Portsmouth, Ohio 45662

State of Ohio

M. Trent Williams, City Auditor

June 26, 2023

Honorable President and Members of City Council
City Manager
Citizens of Portsmouth, Ohio

As City Auditor, it is my pleasure to present the twenty-seventh Annual Comprehensive Financial Report (ACFR) of the City of Portsmouth, Ohio for the year ended December 31, 2022. This report has been prepared in conformity with generally accepted accounting principles (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 Portsmouth (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 my knowledge and belief, the enclosed data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Generally Accepted Accounting Principles 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 Portsmouth's MD&A can be found immediately following the Independent Auditor's Report.

This Annual Comprehensive Financial Report was prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB) and other authoritative pronouncements. BHM CPA Group has issued an opinion on the City of Portsmouth's financial statements for the year ended December 31, 2022. The Independent Auditor's Report is located at the front of the Financial Section of this report.

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

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*," 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.

Based on the foregoing, the reporting entity of the City includes the following services as authorized by its Charter: police and fire protection, emergency medical services, parks and recreation, planning, zoning, street maintenance, cemetery, health and other governmental services. In addition, the City owns and operates the water treatment and distribution system, the wastewater treatment and collection system and the solid waste collection and disposal operation, each of which is reported as an enterprise fund. The City also reports the Health Department as a blended component unit.

Historical Information

In 1763 on the site of present day Portsmouth, the French surrendered the Ohio Valley to the English. At that time Major John Belli platted the town of Alexandria, which was directly across the Scioto River from the present site of Portsmouth. After frequent flooding, Alexandria relocated to the higher east bank of the Scioto. The town was established by Major Henry Massie, who renamed the town Portsmouth to honor his former home of Portsmouth, Virginia.

Portsmouth's location at the confluence of the Scioto River and the Ohio River greatly contributed to its early growth. Portsmouth grew rapidly upon the completion of the Ohio-Erie Canal in 1832 due to the goods and people who traveled the canal and then transferred to steamboats navigating the Ohio and Mississippi Rivers. Smelting furnaces and the railroad were also major forces in the development of the area. After major flooding in 1913 and 1937, a flood wall system was installed to protect the City.

Location

Portsmouth, at an altitude of 533 feet above sea level, is located in southern Ohio approximately 90 miles south of Columbus, the state capital, and 100 miles east of Cincinnati, Ohio. Portsmouth, the county seat of Scioto County, encompasses an area of 12 square miles and serves a residential population of 18,252 (2020 Census). The City, which is bisected by U.S. Routes 23 and 52, is strategically located on the Ohio River providing distribution alternatives which include highways, railways and waterways. The City is also situated in close proximity to an abundance of fossil fuels, namely coal and natural gas from nearby Kentucky and West Virginia. The City is connected to Kentucky by two bridges: the U.S. Grant Bridge in downtown Portsmouth and the Carl Perkins Bridge located approximately two miles west of the City. Portsmouth is served by the CSX Railway System and the Norfolk Southern. The Greater Portsmouth Regional Airport, which is located in Minford, Ohio and owned by Scioto County, has a 5,000 foot paved runway which can accommodate corporate jets the size of a Boeing 727.

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

Form of Government

Portsmouth, a charter city which has a Council-Manager form of government, is divided into six wards. Each ward is represented on City Council by one person elected to a four year term. Additionally, one person is elected by Council to serve as President of Council. The City Manager is appointed by City Council. The current City Manager was appointed in 2018. Other elected officials serving four year terms are the City Solicitor, and City Auditor/Treasurer. Currently the City Auditor/Treasurer is serving his sixth term and the City Solicitor is serving his third term.

Municipal Services

The City provides many services to its citizens, including police and fire protection, emergency medical services, street maintenance, traffic control, recreation facilities, engineering, zoning, code enforcement, planning, community development, building inspection, electrical inspection, cemetery, health services, litter control and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates three enterprise activities: water treatment and distribution, wastewater collection and treatment, and solid waste collection and disposal services. The enterprise funds are used to account for activities that are operated in a manner similar to a private business. The intent of the City is that the costs of providing the services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City Manager has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to insure their adequacy to meet operation, maintenance, debt service and capital replacement needs. Responsibility for the frequency and amount of rate changes lies solely with the City Manager upon recommendation of the Public Service Director.

ECONOMIC CONDITION AND OUTLOOK

Business and Industry

Among the principal products and services provided by Portsmouth area businesses are shoelaces, iron castings, concrete products, education, and health care services. Portsmouth is served by one daily and two weekly newspapers and by three local radio stations. Cable television is available, offering education and community access channels in addition to entertainment channels. Financial services are provided to the city by five banks and two credit unions. A complete range of medical services is provided to the Portsmouth area by the Southern Ohio Medical Center (SOMC) and Kings Daughters Medical Center (KDMC).

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

SOMC continues its expansion with the recent completion of its South Campus and Wheelersburg locations that now house Urgent & Family Care, Outpatient Lab and Imaging Services, and Occupational Medicine, and Pharmacy, as well as the addition of a new employee parking facility on Sherman Road that now provides parking spaces closer to the hospital's main entrance providing easier access for patients. In late 2019, SOMC completed renovation of its SOMC LIFE Center replacing its running track and updated workout equipment. SOMC completed in 2020, its Hospice expansion project to serve a greater number of patients. SOMC continues its 10 year master plan that has become a tremendous benefit in meeting the health care needs of the Southern Ohio region.

Kings Daughters Medical Center (KDMC), another regional hospital based in nearby Ashland, Kentucky, continues to make a presence in the southern Ohio area acquiring property from the City of Portsmouth for its Medical Specialties and Urgent Care offices as well as similar facilities springing up in communities outside and around the City.

The Southern Ohio Veterans Memorial Highway project, also known as State Route 823, opened to traffic in December 2018. The 16-mile, limited access, four-lane highway bypassing about 26 miles of U.S. 52 and U.S. 23 in Portsmouth is the single largest highway project in Ohio history. The Ohio Department of Transportation reports that the new artery reduces travel time by 16 minutes compared to the alternative route in the area. The bypass reduces traffic congestion in and around the City and reduces the wear and tear on city streets, especially in reducing large truck traffic from within the City.

Unemployment Rates

Data obtained from the State of Ohio Department of Jobs and Family Services indicates that the percentage of unemployment for Portsmouth and Scioto County averaged 5.2% for the 2022 calendar year, slightly above the state average of 3.6% and the national average of 3.5%. While the local unemployment number is high in comparison to the state and national average, it has begun to decline, reporting a rate of 4.5% in May 2023 with signs of continued improvement.

Utilities

Public utilities providing services to the City of Portsmouth are as follows:

- Electric American Electric Power
- Telephone Frontier Communications
- Natural Gas Columbia Gas of Ohio
- Internet/Cable TV Spectrum

City water, wastewater and solid waste services are provided to residents of the area as indicated below:

Water is provided by the City of Portsmouth to over 13,200 customers both within the City and in some areas of Scioto County. The City filtration plant has the capacity to produce 12 million gallons of treated water daily and is currently producing five to six million gallons of water per day. There are approximately 25 million gallons of water stored in reservoirs and tanks located in and around the City.

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

Serving nearly 7,600 connections are two separate facilities for wastewater treatment. The main plant located in Portsmouth has the capacity to treat ten million gallons daily and is currently treating approximately five million gallons daily. A small plant is located in Sciotoville. The City is currently collecting and treating sewage for Portsmouth, New Boston Village, the Rosemount area located in Clay Township and most recently in the Rigrish Addition area of Minford.

Solid waste collection and disposal is operated by the City of Portsmouth providing service to nearly 6,200 customers. The solid waste transfer station officially commenced operations in the fall of 1993.

Recreation and Cultural Facilities and Events

Portsmouth boasts seventeen City owned parks and numerous sports facilities, including Spartan Stadium, Branch Rickey Park and several tennis and pickle ball courts. West Portsmouth recently saw the opening of an outdoor Splash Park, Pump Track, and walking trail at the site of Earl Thomas Conley Park. West of Portsmouth is the Shawnee State Park providing recreation, camping, cabins, a lodge and many other attractions for residents and out-of-town visitors. The State of Ohio has repurposed the former Shawnee State Golf Course into a new campground facility featuring a marina, dog park, pump track, archery range, and paddle canoes. A non-profit organization, Arc of Appalachia has opened the Tremper Mound facility showcasing the ancient Native American mounds and kayaking. The group has also reopened the John Simon farm to hold an annual sorghum festival.

Along Front Street in downtown Portsmouth is the Portsmouth Murals Project on the flood wall in the historic Boneyfiddle District. These murals tell the "story" of Portsmouth and are proving to be a great tourist attraction. The funds were raised for this citizen initiated project by the people of Portsmouth through donations and fund-raisers and a state grant. With the recent conclusion of the main part of the ten year project there are now 50 completed panels on the flood wall. Maintenance of the project and new sites for continuing the project is ongoing. The City, along with the Ohio Department of Transportation completed a multi-use bike/running path along the entire length of the Murals from Shawnee State University to the most westerly point of Portsmouth at Alexandria Park Point.

As a result of the popularity of the Portsmouth Murals located along the Ohio River floodwall on Branch Rickey Way, the Scioto County Welcome Center was built, in part, to provide a visitors center to accommodate those viewing the 2,000 feet of spectacular Portsmouth history. The Welcome Center is open every day and houses the offices of the Portsmouth Area Chamber of Commerce as well as the Portsmouth-Scioto County Visitors Bureau. Tourists and visitors to the murals and Boneyfiddle district of downtown Portsmouth can make use of the indoor restroom facilities and gift shop inside the Center along with a long corridor filled with Portsmouth memorabilia. The Center with its large meeting facility is also frequent host to wedding receptions, parties and civic and other conferences and meetings.

An annual Roy Rogers Western Days Festival is held each summer to honor native son Roy Rogers, and a display of memorabilia from his collection is on permanent display in Portsmouth. Firstar Gallery offers month-long exhibits by area artists and hosts an annual area high school cash scholarship art contest. The Ackerman Collection is an exhibit of a collection of area photos dating from 1745. This is a private collection and is shown by appointment only.

CITY OF PORTSMOUTH, OHIO

Letter of Transmittal For the Year Ended December 31, 2022

Visitors can revel in Portsmouth's past by visiting the Boneyfiddle District Brewery Arcade, a unique and fascinating historic area for the antique enthusiast. Scioto County Historical Society presents the 1810 homestead, meticulously detailed and furnished to delight visitors. The Southern Ohio Museum/Cultural Center presents visual arts, science and history along with a theater and children's series which delights theater buffs. Exhibits change throughout the year.

Portsmouth is ideally located on the Ohio and Scioto Rivers for all types of water related activities, including fishing, boating, canoeing, and kayaking. There are camping facilities along the river which are usually filled to capacity during the summer months. These facilities are owned and operated by the City. As one of the largest festivals in Ohio, the annual Portsmouth River Days Festival is held over the Labor Day weekend and draws many visitors to our area. River Days provides quality, free entertainment to many tens of thousands of locals and visitors each year boasting the state's largest daytime parade as well as Ohio's largest queen's scholarship pageant. Each night features local, regional and national entertainment acts culminating with an annual fireworks extravaganza. The City and Shawnee State University are host to the annual Miss Ohio USA and Miss Ohio Teen USA Pageants.

The cultural and recreational needs of the City have been enhanced by the 1993 formation of the Portsmouth Wind Symphony. Citizens from the Portsmouth and surrounding area who have a love of music and the necessary talents have come together to fill a void in the community and provide many hours of entertainment for the people of this area.

During the 1995-1996 academic year, the \$17 million, 102,000 square foot acoustically correct Vern Riffe Center for the Arts opened and has featured some of the biggest names in Broadway theater, jazz, big band, dance, folk, dramatic arts, and pop music.

The Shawnee State University Clark Planetarium opened April 24, 1998. The Clark Planetarium is one of only 34 Digistar II Planetariums in the world. The Planetarium office can be contacted about show topics, times and for reservations to a show.

Education

Portsmouth City Schools and Sciotoville Community Schools are comprised of three elementary schools, two middle schools and two high schools, with a total combined enrollment of approximately 2,500 students. The pupil-teacher ratio is approximately eleven to one. Adult education programs are offered by Portsmouth City Schools and Shawnee State University.

Higher education facilities in the area include Ohio University Southern in nearby Ironton, 35 miles east of the City; and Shawnee State University in Portsmouth.

Shawnee State University is a four year university, the newest in the state. The University features a Fine and Performing Arts Center on the campus and an indoor Physical Education Center. More than seventy Associate, Bachelor, and Master degree programs are currently available to over 3,000 students on the 65 acre SSU campus. Immediate plans are to make Shawnee State campus a pedestrian only campus. Second Street and several side streets have been closed and Third Street was closed in furtherance of this plan. On campus housing for the University is offered to its students at twelve apartment style dormitories.

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

Employee Relations

The City of Portsmouth has contracts with five employee bargaining units. These groups are Local 9 of the International Association of Firefighters, Lodge 33 of the Fraternal Order of Police, Police/Fire Dispatchers-Fraternal Order of Police, Local 1039 AFSCME, Ohio Council 8 and AFSCME 1039-C Finance Department Employees. Contract periods for all unions are three year terms beginning in January and ending in December.

Long-term Financial Planning

In an attempt to head off greater financial difficulties and to avoid a harsher emergency declaration, the Auditor of State issued a Fiscal Watch declaration for the City of Portsmouth to help the City restore its deficit fund balances and bring the City back into more sound fiscal health.

With reductions by the State of Ohio to local government revenue, personal property tax and estate tax, the City was forced to request an increase in the city income tax rate of 0.5% to a rate of 2.5% to replace the revenue lost from state cuts and to continue and enhance operations into the next ten or more years. The new rate provides additional general fund revenue of over \$3,300,000 annually and allows the City to be less reliant on state funding.

MAJOR INITIATIVES

Following a period of transition, evaluation and planning due to the return of the City to City Council/City Manager form of government, the City embarked on several new projects and made many improvements.

Financial

By the end of 2022 the financial condition continued to improve with the 2016 income tax rate increase producing over \$3.3 million of additional revenue to the General Fund and total revenue of over \$16 million for the second straight year to the City's General and Capital Improvement Funds in spite of the lingering detrimental effects of the Covid-19 pandemic. The long time deficit balance in the sewer fund has been resolved and has ended with a growing positive balance each month since August 2021. As the only major factor holding the City back from being released from Fiscal Watch by the State Auditor, the City is under review for release from its Fiscal Watch status.

Administrative

The Finance Department continued its participation in the State Treasurer's online checkbook initiative to provide for enhanced transparency of the City's finances. As a result, the City's spending information can be viewed online along with the State of Ohio and many other municipalities throughout the State of Ohio. The Finance Department is also in process of implementing online municipal income tax filing to be made available to its taxpayers for their 2023 returns. Several other improvements were also made within the City building in 2022.

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

Public Service

The Public Service Department's Streets Division continued to enhance its operations a concentration on the City's Greenlawn Cemetery. Continued improvements in Greenlawn Cemetery saw the major sidewalk repairs and drainage repairs in the cemetery. A new roof was installed on the Greenlawn Mausoleum along with new lighting. GIS mapping continues for the graves in the 40 acre cemetery.

Public Safety

The Police Department promoted its first female Police Chief in 2020 in the history of the City of Portsmouth along with the addition of the new position of Deputy Chief in 2021. The successful conversion of a City owned impound vehicle lot continues to thrive and bring in additional revenue to the City totaling over \$209,000 in 2022. The Fire Department continued its Emergency Medical Services program, adding additional support to the Health Department during the Covid-19 epidemic.

Flood Defense

The flood defense system constructed as a result of the devastating flood of 1937 is in great shape and is constantly being improved. Supported by a flood defense levee that provides tax revenue to continue to maintain the city's flood defense system, the City is kept safe and the Ohio River is kept within its banks.

The City's flood defense system is continually monitored by FEMA and the Army Corps of Engineers, and the City works to maintain compliance making improvements to the system annually. The Corps of Engineers noted some weaknesses in the flood levy around the east end area of the City and are continuing a \$39 million project in 2023 that will shore up noted weaknesses over the next two years.

Water

Realizing that the City's water plant is beyond its designated life, preliminary steps have been taken to prepare for the soon approaching time when the water plant must to be replaced. Environmental testing on property behind the current water plant has been completed to obtain land needed for construction of the new plant. A "needs assessment" has been completed which is necessary to apply for grants and loans at a future date and demonstrate that the critical needs actually exist. Pilot testing has been completed for the new water treatment process called ACTIFLO that will improve the quality of the City's water while reducing the space required for the process. This is the first of this type of system in the state of Ohio for drinking water. Preliminary design plans for the new water treatment plant began in 2020, at an estimated cost of \$80+ million along with a utility rate study to determine rates necessary for the cost of the project. Engineering and design began in 2021 with groundbreaking slated for fall of 2023.

The largest project completed in 2022 was the replacement of an 8" waterline on Chillicothe Street in the center of downtown at in in-house cost of just over \$240,000. The new line spans nine blocks at just over 2,400 feet through the heart of the City. Additionally, the City began supplying water to the city of South Shore, Kentucky with a temporary water line spanning the Ohio River with a line across the Grant Bridge in downtown. This temporary line will be replaced with a permanent 20" line for a long term supply to South Shore with the line to run under the Ohio River from the City's water filtration plant to South Shore. Construction for this unique under river construction is to begin in the fall of 2003.

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

Wastewater

The City of Portsmouth entered into an Administrative Order of Consent (AOC) with the Environmental Protection Agency in 2013 and remains in compliance with the AOC agreement in 2019, meeting all deadlines and completed all activities required. A sewer relining project along the north end of Munn's Run was completed in 2020 in preparation for the replacement of the Munn's Run Pump Station and Force Main in New Boston. This line serves the Clay Township, New Boston, and Portsmouth communities and should be completed in 2023.

Health

The Portsmouth City Health Department (PCHD) is the steward of public health for the citizens of the City of Portsmouth. On November 19, 2019, PCHD was awarded national accreditation status by the Public Health Accreditation Board (PHAB).

This year the Health Department has been transitioning from addressing the COVID-19 pandemic, to returning to operating as we did pre-pandemic. However, changes during the pandemic affected that process. Some of the changes are positive, some are not.

In addition to refocusing our daily operations, the Health Department received a mobile unit from the Healing Communities program, joint effort of Ohio State University and the University of Cincinnati. The unit was received in late fall and will be put into full operations beginning February 2023. The unit will allow us to take health care to communities experiencing transportation barriers and provide a variety of services to the entire service area.

Health equity was a focus during the pandemic and continues to be a priority as we move forward. The Health Department will use data collected during 2022 to guide our effort to improve Health Equity, not only in the City of Portsmouth, but, Scioto County, and all areas that we serve. We plan to continue data collection and obtaining public feedback to guide our services in a variety of ways. One of which, will be quarterly focus group meetings in underserved populations of the city.

In 2022, we saw a change in the job market. We now have fewer people applying to fill jobs. That, coupled with recent and pending retirements, made us aware of the need for employee retention and capturing organizational knowledge. Our 2022 Workforce Development Plan addresses these changes. In summary, 2022 was a year of change as the City transitioned from operating in a Public Health pandemic, to back to business as usual while using the lessons learned during the pandemic to improve our operations.

As a PHAB accredited Health Department, the PCHD continues to work with community partners to improve the health of our citizens through assessment, policy development, and quality assurance.

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

Community Development

Several projects are underway in the community including the placement of Wayfinding signage to direct citizens and tourists to various activities, events, and landmarks within the City. The Boneyfiddle Pavilion, west of downtown, got underway with planning with completion of construction scheduled for mid to late 2023. Planning is underway for improvements to the Offnere Street Landing Boat Ramp to provide greater access for boaters to the Ohio River.

Recreation

A large multi-use path for walking, jogging and bicycles along the Floodwall Murals on Front Street with funding from the Ohio Department of Natural Resources, the Ohio Department of Transportation and local private foundations along with matching funds from the City was completed and opened in 2021 and will be extended in 2023. Construction was completed in 2022 on the City's first skate park with grant funding from state and federal agencies along with private grants from local and national foundations, city matching funds and private donations. Additional plans for 2023 include lighting the City's pickle ball courts, upgrades to the riverfront amphitheater seating, and the completion of a pavilion on Market Street in the Boneyfiddle District. City Council approved a DORA (Designated Outdoor Refreshment Area) district in the downtown and Boneyfiddle district as several other Ohio cities have approved recently. The DORA is intended to permit businesses to distribute and for citizens to consume alcoholic beverages within it to provide people with a safe way to enjoy our downtown restaurants and businesses.

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute 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 applying 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 members of the finance 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 administrative 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 Auditor's Office (the "Fiscal Office") is responsible for the auditing and analysis of all purchase orders and vouchers of the City. Fiscal Office personnel review and process requisitions, purchase orders and vouchers. Their responsibilities are carefully conducted to ensure the availability of monies in the proper funds and accounts prior to the certification and payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for capital assets, accounting and payroll. These systems, coupled with the review and examination performed by the Fiscal Office, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the department level for each function within each fund via legislation approved by City Council. Lower levels within each character are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available character level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

Relevant Financial Policies

In order to maintain critical emergency funding for its flood defense system, the City established a policy to always maintain a minimum operating balance level of at least \$500,000 within its Flood Defense Levy fund. Additionally, City Council adopted a resolution to set fund balance goals to mitigate current and future risks demonstrating a commitment to maintain sufficient reserve funds.

OTHER INFORMATION

Independent Audit

The basic financial statements of the City of Portsmouth were audited by the BHM CPA Group. The auditor's opinion has been included in this report.

Awards

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 Comprehensive Annual Financial Report with contents conforming to 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. I believe this, our twenty-seventh Annual Comprehensive Financial Report, meets the high standards set by the GFOA Certificate of Achievement program, and I am submitting the report to the GFOA for its review and critique.

***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 its citizens. In addition to the citizens of Portsmouth, 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 and is conveniently located on the City's Auditor's section of the official website of the City of Portsmouth under the Financial Division at:

<http://portsmouthoh.org/>

The extensive effort to prepare and distribute this report is indicative of the City Auditor's goal of full disclosure of the City's finances.

Acknowledgments

This report is the result of hard work and dedication on the part of many employees and individuals. Special thanks to Scioto County Auditor David Green and Scioto County Chief Deputy Auditor Heather Cunningham; City of Portsmouth Deputy Auditor Connie Snipes and the employees of the Portsmouth City Auditor's office and all other City of Portsmouth employees who have contributed to this endeavor.

Sincere appreciation goes to Donald J. Schonhardt & Associates, Inc. for their continued support and assistance in the preparation of this report.

I especially want to thank the citizens of Portsmouth for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Thank you to the members of City Council, City Manager and other city administrators, without whose support we would have been unable to prepare this report.

Sincerely,



M. Trent Williams, CPM, CPFA
City Auditor



CITY OF PORTSMOUTH, OHIO

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

Executive

City Manager (Appointed)	Samuel J. Sutherland		Indefinite	34
City Auditor (Elected)	M. Trent Williams		01/06/20 - 12/31/23	24
City Solicitor (Elected)	John R. Haas		01/06/20 - 12/31/23	15

Legislative (Elected)

		<u>Ward</u>		
Member of Council	Sean D. Dunne	1st	1/3/2022 - 01/04/26	5
Member of Council	Charlotte M. Gordon	2nd	01/06/20 - 12/31/23	3
Member of Council (Mayor)	Andy A. Cole	3rd	1/3/2022 - 01/04/26	1
Member of Council	Lyvette L. Mosley	4th	01/06/20 - 12/31/23	2
Member of Council	Joseph T. Sandlin	5th	1/3/2022 - 01/04/26	1
Member of Council	Dennis W. Packard	6th	01/06/20 - 12/31/23	2

Judicial (Elected)

Municipal Court Judge	Russell D. Kegley		01/01/18 - 12/31/23	20
Municipal Court Judge	Steven L. Mowery		01/01/22 - 12/31/27	13

Administrative (Appointed)

Police Chief	Debra A. Brewer		Indefinite	30
Fire Chief	Christopher M. Lowery		Indefinite	25
Public Service Director	Sherman A. "Jack" Tackett		Indefinite	36
Director of Water	Samuel J. Sutherland		Indefinite	34
Director of Waste Water	Randall A. Nickles		Indefinite	32
Director of Utility Account Services	Crystal Weghorst		Indefinite	17
Community Development Director	Tracy A. Shearer		Indefinite	12
City Clerk	Diana L. Ratliff		Indefinite	10
Municipal Court Clerk	Kasey S. Boone		Indefinite	8
Health Commissioner	Christopher S. Smith		Indefinite	27
Income Tax Commissioner	Vicki L. Musser		Indefinite	14
Civil Service Secretary	Kathy Hodkinson		Indefinite	25

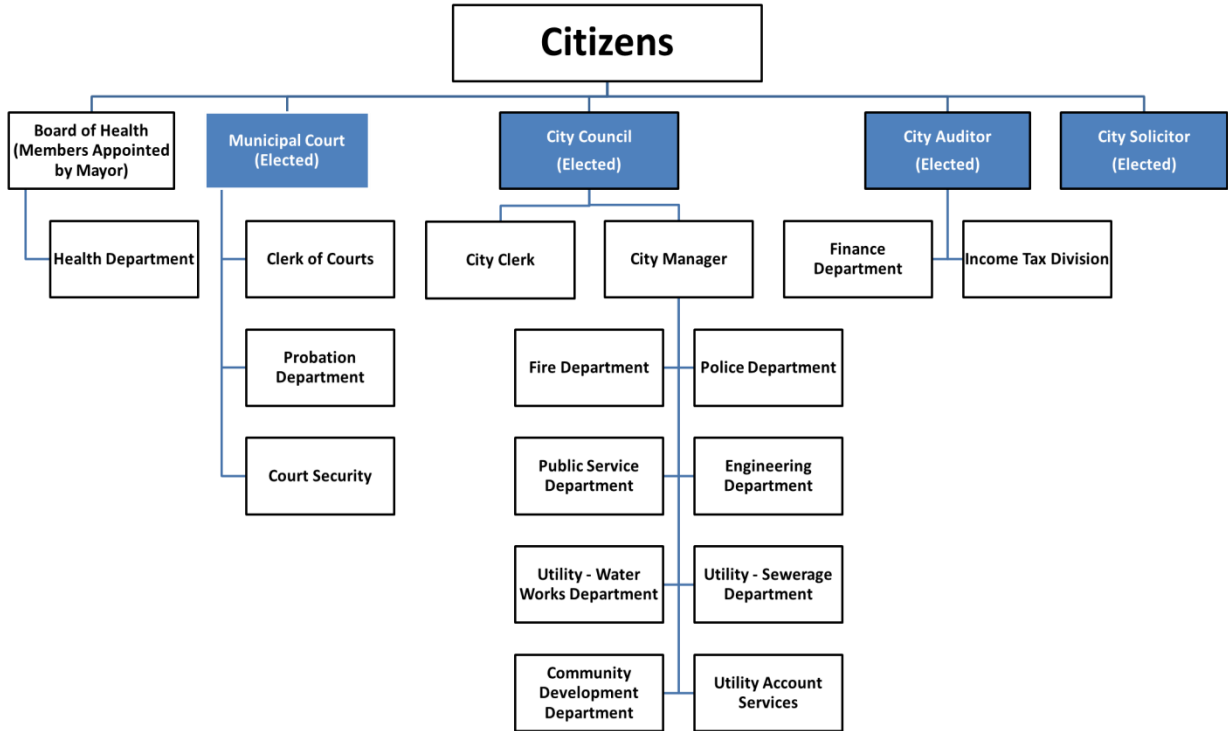
Executive Offices:

Samuel J. Sutherland, City Manager
City of Portsmouth
728 Second Street, Room 1
Portsmouth, Ohio 45662
Ph: 740-354-8807 Fax: 740-354-8809
Email: ssutherland@portsmouthoh.org

M. Trent Williams, Auditor
City of Portsmouth
728 Second Street, Room 3
Portsmouth, Ohio 45662
Ph: 740-354-7751 Fax: 740-353-4583
Email: twilliams@portsmouthoh.org

John R. Haas, Solicitor
City of Portsmouth
728 Second Street, Room 22
Portsmouth, Ohio 45662
Ph: 740-353-5229 Fax: 740-353-0136
Email: jhaas@portsmouthoh.org

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

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Reporting**

Presented to

**City of Portsmouth
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION







INDEPENDENT AUDITOR'S REPORT

City of Portsmouth
Scioto County
728 Second Street
Portsmouth, Ohio 45662

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portsmouth, Scioto 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, Health Department, and American Rescue Plan Act 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 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 and 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 June 27, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Piketon, Ohio
June 27, 2023

The discussion and analysis of the City of Portsmouth's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, 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 \$6,952,814. Net position of governmental activities increased \$4,684,924 which represents a 23.7 % increase from 2021. Net position of business-type activities increased \$2,267,890, or 11.4% from 2021.
- ❑ General revenues accounted for \$21,304,379 in revenue or 45.9% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions accounted for \$25,077,405 or 54.1% of total revenues of \$46,381,784.
- ❑ The City had \$24,495,918 in expenses related to governmental activities; only \$9,178,540 of these expenses were offset by program specific charges for services and sales, grants or contributions.
- ❑ Among major funds, the General Fund had \$19,963,988 in revenues and other financing sources and \$18,468,599 in expenditures and other financing uses. The General Fund's fund balance increased from \$13,653,685 to \$15,149,074.

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* 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 government'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 one needs 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 programs 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, sewer, and sanitation, 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 educational programs. The City's major funds are the General Fund, the Health Department Fund, the American Rescue Plan Act Fund, the General Obligation Bond Retirement Fund, and the 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 PORTSMOUTH, OHIO

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Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, the Statement of Net Position and the Statement of Activities will essentially match the fund financial statements. The proprietary fund financial statements provide separate information for the Water, Sewer, and Sanitation 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 statement because the resources of those funds are not available to support the City’s own programs. All of the City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Changes in Net Position.

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	\$32,683,295	\$27,742,600	\$11,371,147	\$9,923,888	\$44,054,442	\$37,666,488
Net OPEB Asset	1,030,227	559,619	639,649	356,024	1,669,876	915,643
Capital assets, Net	22,606,481	20,489,692	30,072,626	28,250,239	52,679,107	48,739,931
Total assets	<u>56,320,003</u>	<u>48,791,911</u>	<u>42,083,422</u>	<u>38,530,151</u>	<u>98,403,425</u>	<u>87,322,062</u>
Deferred outflows of resources	8,629,215	7,146,588	909,952	704,364	9,539,167	7,850,952
Long-term liabilities outstanding	3,859,714	2,295,931	14,252,094	12,660,923	18,111,808	14,956,854
Net Pension Liability	16,776,162	19,902,666	1,875,248	3,109,469	18,651,410	23,012,135
Net OPEB Liability	2,413,414	2,333,644	0	0	2,413,414	2,333,644
Other liabilities	3,722,595	1,380,436	1,680,984	873,380	5,403,579	2,253,816
Total liabilities	<u>26,771,885</u>	<u>25,912,677</u>	<u>17,808,326</u>	<u>16,643,772</u>	<u>44,580,211</u>	<u>42,556,449</u>
Deferred inflows of resources	13,716,573	10,249,986	3,017,515	2,691,100	16,734,088	12,941,086
Net position:						
Net investment in capital assets	20,201,082	20,361,528	15,669,414	15,883,356	35,870,496	36,244,884
Restricted	6,117,367	5,510,254	0	0	6,117,367	5,510,254
Unrestricted	(1,857,689)	(6,095,946)	6,498,119	4,016,287	4,640,430	(2,079,659)
Total net position	<u>\$24,460,760</u>	<u>\$19,775,836</u>	<u>\$22,167,533</u>	<u>\$19,899,643</u>	<u>\$46,628,293</u>	<u>\$39,675,479</u>

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 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 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.

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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, 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	\$3,157,210	\$3,469,867	\$15,659,607	\$14,197,802	\$18,816,817	\$17,667,669
Operating Grants and Contributions	4,641,577	3,127,249	0	0	4,641,577	3,127,249
Capital Grants and Contributions	1,379,753	0	239,258	203,720	1,619,011	203,720
Total Program Revenues	9,178,540	6,597,116	15,898,865	14,401,522	25,077,405	20,998,638
General revenues:						
Property Taxes	2,278,865	2,173,865	0	0	2,278,865	2,173,865
Income Taxes	16,897,668	16,118,525	0	0	16,897,668	16,118,525
Other Local Taxes	349,118	343,704	0	0	349,118	343,704
Intergovernmental Revenue, Unrestricted	1,301,467	1,242,995	0	0	1,301,467	1,242,995
Investment Earnings	4,618	1,742	0	0	4,618	1,742
Miscellaneous	472,643	263,830	0	0	472,643	263,830
Total General Revenues	21,304,379	20,144,661	0	0	21,304,379	20,144,661
Total Revenues	30,482,919	26,741,777	15,898,865	14,401,522	46,381,784	41,143,299
Program Expenses						
Security of Persons and Property	12,366,917	11,990,922	0	0	12,366,917	11,990,922
Public Health and Welfare Services	3,315,496	2,765,917	0	0	3,315,496	2,765,917
Leisure Time Activities	83,214	49,139	0	0	83,214	49,139
Community Environment	686,227	516,196	0	0	686,227	516,196
Transportation	2,513,783	2,303,955	0	0	2,513,783	2,303,955
General Government	5,500,036	3,677,060	0	0	5,500,036	3,677,060
Interest and Fiscal Charges	30,245	31,510	0	0	30,245	31,510
Water	0	0	7,023,094	5,501,582	7,023,094	5,501,582
Sewer	0	0	4,547,534	4,204,937	4,547,534	4,204,937
Sanitation	0	0	2,068,219	1,786,676	2,068,219	1,786,676
Total Expenses	24,495,918	21,334,699	13,638,847	11,493,195	38,134,765	32,827,894
Change in Net Position before Transfers and Special Item	5,987,001	5,407,078	2,260,018	2,908,327	8,247,019	8,315,405
Special Item	(1,294,205)	0	0	0	(1,294,205)	0
Transfers	(7,872)	0	7,872	0	0	0
Total Change in Net Position	4,684,924	5,407,078	2,267,890	2,908,327	6,952,814	8,315,405
Beginning Net Position	19,775,836	14,368,758	19,899,643	16,991,316	39,675,479	31,360,074
Ending Net Position	\$24,460,760	\$19,775,836	\$22,167,533	\$19,899,643	\$46,628,293	\$39,675,479

CITY OF PORTSMOUTH, OHIO

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Unaudited

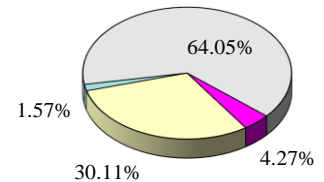
Governmental Activities

Net position of the City’s governmental activities increased by \$4,684,924. 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. In 2022, the City transferred the property at 515 Chillicothe Street, aka the Martings Building, to the Southern Ohio Port Authority (SOPA). The City had owned the building since 2002 and was transferred to SOPA for economic development and investment. The building has been acquired by a local company and is being renovated for their use as their corporate office and manufacturing headquarters.

The City receives an income tax, which is based on 2.5% of all salaries, wages, commissions and other compensation and on net profits earned from those working or doing business in the City.

Income taxes and property taxes made up 55.4% and 8.6% 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 64.05% of total revenues from general tax revenues:

Revenue Sources	2022	Percent of Total
General Tax Revenues	\$19,525,651	64.05%
Intergovernmental Revenue, Unrestricted	1,301,467	4.27%
Program Revenues	9,178,540	30.11%
General Other	477,261	1.57%
Total Revenue	<u>\$30,482,919</u>	<u>100.00%</u>



Business-Type Activities

The net position of the business-type activities increased by \$2,267,890. Utility revenue increased in 2022 due to a ten percent (10%) water rate increase and a three percent (3%) sewage rate increase. The increase of approximately \$2 million in expenses was due to the above mentioned plan design change with the OPERS OPEB plan in 2021.

CITY OF PORTSMOUTH, OHIO

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FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$20,392,591, which is an increase from last year's balance of \$18,622,983. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2022 and 2021:

	Fund Balance December 31, 2022	Fund Balance December 31, 2021	Increase (Decrease)
General	\$15,149,074	\$13,653,685	\$1,495,389
Health Department	956,478	733,236	223,242
American Rescue Plan Act	0	0	0
General Obligation Bond Retirement	203,334	175,549	27,785
Capital Improvement	1,335,332	1,545,006	(209,674)
Other Governmental	2,748,373	2,515,507	232,866
Total	<u>\$20,392,591</u>	<u>\$18,622,983</u>	<u>\$1,769,608</u>

General Fund – The City's General Fund balance increase 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	\$16,848,276	\$16,176,417	\$671,859
Intergovernmental Revenue	1,214,331	1,151,670	62,661
Charges for Services	896,353	989,905	(93,552)
Licenses and Permits	218,936	206,329	12,607
Investment Earnings	4,609	1,739	2,870
Fines and Forfeitures	422,822	505,957	(83,135)
All Other Revenue	358,661	211,210	147,451
Total	<u>\$19,963,988</u>	<u>\$19,243,227</u>	<u>\$720,761</u>

General Fund revenues in 2022 increased approximately 9.5% compared to revenues in 2021. The increase in Property and Other Taxes is primarily due to an increase in the City's income tax collections as unemployment has been decreasing in the City.

CITY OF PORTSMOUTH, OHIO

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	2022	2021	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$11,489,204	\$11,208,710	\$280,494
Community Environment	375,299	374,887	412
Transportation	760,598	800,089	(39,491)
General Government	4,922,508	4,204,642	717,866
Total	<u>\$17,547,609</u>	<u>\$16,588,328</u>	<u>\$959,281</u>

General Fund expenditures increased by \$959,281 or 5.8% compared to the prior year. General government increased as a result of new drainage projects, a large increase in income tax refunds, additional service work in the City garage and much higher fuel costs.

Health Department Fund – The Health Department Fund balance increased from \$733,236 to \$956,478 as a result of an increase in grant revenue within the Drug Fee Communities, STD Control and Rural Health and Communities Opioid Response Program grants.

American Rescue Plan Act Fund – The American Rescue Plan Act Fund balance is zero because revenue is only recognized as expenditures are made.

General Obligation Bond Retirement Fund – The General Obligation Bond Retirement Fund balance increased from \$175,549 to \$203,334. The fund remained stable compared to 2021.

Capital Improvement Fund - The Capital Improvement Fund balance did not change significantly from \$1,545,006 to \$1,477,641.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2022 the City amended its General Fund budget several times. Final budgeted expenditures of \$19.6 million did not significantly change from original budget estimates.

For the General Fund, final budget basis revenue of \$20,378,000 increased from original budget estimates of \$17,828,316 as a result of greater than anticipated income tax revenue and local government shared revenue. The actual revenues of \$20,377,655 were not significantly different than the final budget basis revenue.

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

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022 the City had \$52,679,107 net of accumulated depreciation invested in buildings, improvements, machinery and equipment, and infrastructure. Of this total, \$22,606,481 related to governmental activities and \$30,072,626 to the business-type activities. The following table shows 2022 and 2021 balances:

	Governmental Activities		Increase (Decrease)
	2022	2021	
Land	\$2,156,209	\$2,156,209	\$0
Construction In Progress	291,543	453,016	(161,473)
Buildings	4,981,878	6,814,591	(1,832,713)
Improvements	3,932,577	3,671,146	261,431
Machinery and Equipment	15,726,232	13,553,459	2,172,773
Infrastructure	35,268,256	33,531,592	1,736,664
Less: Accumulated Depreciation	(39,750,214)	(39,690,321)	(59,893)
Totals	<u>\$22,606,481</u>	<u>\$20,489,692</u>	<u>\$2,116,789</u>

The increases in infrastructure were for street projects. Machinery and Equipment increased due to the purchase of City vehicles including an ambulance, an Aerial fire truck, six new police vehicles and several trucks. Buildings decreased due to the transfer of the Martings Building to the Southern Ohio Port Authority for the purpose of downtown economic development and investment.

	Business-Type Activities		Increase (Decrease)
	2022	2021	
Land	\$63,504	\$63,504	\$0
Construction in Progress	4,521,375	1,150,264	3,371,111
Buildings	6,976,721	6,940,721	36,000
Improvements other than Buildings	41,308,519	41,308,519	0
Machinery and Equipment	17,554,433	17,146,757	407,676
Less: Accumulated Depreciation	(40,351,926)	(38,359,526)	(1,992,400)
Totals	<u>\$30,072,626</u>	<u>\$28,250,239</u>	<u>\$1,822,387</u>

Business type capital assets increased by \$554,726. Construction in Progress increased due to the construction of Water and Sewer projects including a new water treatment plant and a booster station at Munn's Run. Depreciation expense partially offset the additional acquisitions. Additional information on the City's capital assets can be found in Note 9.

CITY OF PORTSMOUTH, OHIO

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

Unaudited

Debt

At December 31, 2022, the City had \$1,800,000 in General Obligation Bonds outstanding, \$255,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Governmental Activities:		
General Obligation Bond	\$1,800,000	\$540,000
Compensated Absences	1,483,385	1,627,767
Installment Loans Payable	<u>576,329</u>	<u>128,164</u>
Total Governmental Activities	<u>\$3,859,714</u>	<u>\$2,295,931</u>
Business-Type Activities:		
Ohio Public Works Commission Loan	\$2,414,275	\$2,561,847
Ohio Water Development Authority Loan	11,446,282	9,627,865
Compensated Absences	294,382	279,040
Installment Loans Payable	<u>97,155</u>	<u>192,171</u>
Total Business-Type Activities	<u>14,252,094</u>	<u>12,660,923</u>
Totals	<u>\$18,111,808</u>	<u>\$14,956,854</u>

General Obligation Bonds increased because the City issued bonds to purchase an Aerial Fire Truck. Loans increased because the City is financing the purchase of an ambulance.

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 12.

ECONOMIC FACTORS

The local economy continues to stabilize and the General fund has stabilized as well. The Auditor of State declared the City to be in Fiscal Watch on April 9, 2013. The City implemented its revised five-year fiscal recovery plan in October 2014 with a major component being a proposed one-half percent increase in the City's income tax rate. The increase was approved by the City's voters and became effective January 1, 2016. Although still under Fiscal Watch, the City has achieved significant financial improvement resulting in a growing General Fund balance and as seeing all other funds continue to improve and maintain positive end of year fund balances. The City continues working closely with the Auditor of State's office through its five-year recovery plan. With the elimination of the Sewer fund deficit in 2020, the City is edging closer to the removal from its Fiscal Watch status.

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. M. Trent Williams, City Auditor of the City of Portsmouth.



CITY OF PORTSMOUTH, OHIO

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 26,717,397	\$ 5,448,750	\$ 32,166,147
Receivables:			
Taxes	4,936,308	0	4,936,308
Accounts	595,199	3,602,385	4,197,584
Intergovernmental	1,600,869	0	1,600,869
Internal Balances	(1,799,494)	1,799,494	0
Inventory of Supplies at Cost	67,876	30,725	98,601
Prepaid Items	355,500	80,357	435,857
Restricted Assets:			
Cash and Cash Equivalents	209,640	409,436	619,076
Net OPEB Asset	1,030,227	639,649	1,669,876
Capital Assets:			
Capital Assets Not Being Depreciated	2,447,752	4,584,879	7,032,631
Capital Assets Being Depreciated, Net of Accumulated Depreciation	20,158,729	25,487,747	45,646,476
Total Assets	56,320,003	42,083,422	98,403,425
Deferred Outflows of Resources:			
Pension	6,772,364	898,335	7,670,699
OPEB	1,856,851	11,617	1,868,468
Total Deferred Outflows of Resources	8,629,215	909,952	9,539,167
Liabilities:			
Accounts Payable	1,172,094	1,051,280	2,223,374
Accrued Wages and Benefits	21,203	28,202	49,405
Intergovernmental Payable	196,566	68,731	265,297
Claims Payable	594,771	0	594,771
Due to Others	44,956	0	44,956
Unearned Revenue	1,677,023	0	1,677,023
Refundable Deposits	0	409,436	409,436
Accrued Interest Payable	15,982	123,335	139,317
Long-term Liabilities:			
Due Within One Year	1,231,682	1,196,271	2,427,953
Due in More Than One Year:			
Net Pension Liability	16,776,162	1,875,248	18,651,410
Net OPEB Liability	2,413,414	0	2,413,414
Other Amounts Due in More Than One Year	2,628,032	13,055,823	15,683,855
Total Liabilities	26,771,885	17,808,326	44,580,211

(Continued)

CITY OF PORTSMOUTH, OHIO

	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Property Tax	2,384,000	0	2,384,000
Pension	8,795,713	2,326,678	11,122,391
OPEB	2,536,860	690,837	3,227,697
Total Deferred Inflows of Resources	13,716,573	3,017,515	16,734,088
Net Position:			
Net Investment in Capital Assets	20,201,082	15,669,414	35,870,496
Restricted For:			
Streets and Highways	1,257,774	0	1,257,774
Community Development	184,809	0	184,809
Security of Persons and Property	1,806,994	0	1,806,994
Public Health and Welfare	908,592	0	908,592
Capital Projects	1,520,727	0	1,520,727
Debt Service	228,831	0	228,831
Perpetual Care:			
Expendable	182,797	0	182,797
Nonexpendable	26,843	0	26,843
Unrestricted (Deficit)	(1,857,689)	6,498,119	4,640,430
Total Net Position	\$ 24,460,760	\$ 22,167,533	\$ 46,628,293

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, 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	\$ 12,366,917	\$ 1,190,775	\$ 210,439	\$ 0
Public Health and Welfare Services	3,315,496	1,031,876	2,538,995	0
Leisure Time Activities	83,214	92,751	0	0
Community Environment	686,227	110,293	486,162	0
Transportation	2,513,783	34,562	1,211,446	1,379,753
General Government	5,500,036	696,953	194,535	0
Interest and Fiscal Charges	30,245	0	0	0
Total Governmental Activities	24,495,918	3,157,210	4,641,577	1,379,753
Business-Type Activities:				
Water	7,023,094	8,062,410	0	0
Sewer	4,547,534	5,372,475	0	239,258
Sanitation	2,068,219	2,224,722	0	0
Total Business-Type Activities	13,638,847	15,659,607	0	239,258
Totals	\$ 38,134,765	\$ 18,816,817	\$ 4,641,577	\$ 1,619,011

General Revenues

Property Taxes Levied for:

General Purposes

Special Purpose

Debt Service

Income Taxes

Other Local Taxes

Intergovernmental Revenue, Unrestricted

Investment Earnings

Miscellaneous

Special Item: Loss on Disposal of Capital Assets

Transfers

Total General Revenues, Special Item and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (10,965,703)	\$ 0	\$ (10,965,703)
255,375	0	255,375
9,537	0	9,537
(89,772)	0	(89,772)
111,978	0	111,978
(4,608,548)	0	(4,608,548)
(30,245)	0	(30,245)
<u>(15,317,378)</u>	<u>0</u>	<u>(15,317,378)</u>
0	1,039,316	1,039,316
0	1,064,199	1,064,199
0	156,503	156,503
<u>0</u>	<u>2,260,018</u>	<u>2,260,018</u>
<u>(15,317,378)</u>	<u>2,260,018</u>	<u>(13,057,360)</u>
1,753,174	0	1,753,174
381,099	0	381,099
144,592	0	144,592
16,897,668	0	16,897,668
349,118	0	349,118
1,301,467	0	1,301,467
4,618	0	4,618
472,643	0	472,643
(1,294,205)	0	(1,294,205)
(7,872)	7,872	0
<u>20,002,302</u>	<u>7,872</u>	<u>20,010,174</u>
4,684,924	2,267,890	6,952,814
19,775,836	19,899,643	39,675,479
<u>\$ 24,460,760</u>	<u>\$ 22,167,533</u>	<u>\$ 46,628,293</u>

CITY OF PORTSMOUTH, OHIO

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

	General	Health Department	American Rescue Plan Act	General Obligation Bond Retirement
Assets:				
Cash and Cash Equivalents	\$ 13,069,979	\$ 1,715,541	\$ 1,677,023	\$ 203,334
Receivables:				
Taxes	3,728,733	0	0	172,890
Accounts	198,177	0	0	0
Intergovernmental	594,068	64,133	0	9,589
Due from Other Funds	0	0	0	0
Interfund Loans Receivables	693,000	0	0	0
Inventory of Supplies, at Cost	48,830	708	0	0
Prepaid Items	289,065	48,415	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Total Assets	\$ 18,621,852	\$ 1,828,797	\$ 1,677,023	\$ 385,813
Liabilities:				
Accounts Payable	\$ 345,840	\$ 150,131	\$ 0	\$ 0
Accrued Wages and Benefits Payable	19,776	0	0	0
Intergovernmental Payable	150,618	29,188	0	0
Claims Payable	97,474	0	0	0
Due to Others	0	0	0	0
Unearned Revenue	0	0	1,677,023	0
Due to Other Funds	24,453	0	0	0
Interfund Loans Payable	0	693,000	0	0
Total Liabilities	638,161	872,319	1,677,023	0
Deferred Inflows of Resources:				
Property Tax	1,602,000	0	0	141,000
Unavailable Revenue	1,232,617	0	0	41,479
Total Deferred Inflows of Resources	2,834,617	0	0	182,479
Fund Balances:				
Nonspendable	337,895	49,123	0	0
Restricted	0	907,355	0	203,334
Committed	209,861	0	0	0
Assigned	3,732,583	0	0	0
Unassigned	10,868,735	0	0	0
Total Fund Balances	15,149,074	956,478	0	203,334
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,621,852	\$ 1,828,797	\$ 1,677,023	\$ 385,813

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 1,781,790	\$ 2,140,709	\$ 20,588,376
240,620	794,065	4,936,308
0	397,022	595,199
142,309	790,770	1,600,869
0	24,453	24,453
0	0	693,000
0	18,338	67,876
0	18,020	355,500
0	209,640	209,640
<u>\$ 2,164,719</u>	<u>\$ 4,393,017</u>	<u>\$ 29,071,221</u>
\$ 643,992	\$ 32,131	\$ 1,172,094
0	1,427	21,203
0	16,760	196,566
0	0	97,474
0	44,956	44,956
0	0	1,677,023
0	0	24,453
0	0	693,000
<u>643,992</u>	<u>95,274</u>	<u>3,926,769</u>
0	641,000	2,384,000
<u>43,086</u>	<u>908,370</u>	<u>2,225,552</u>
<u>43,086</u>	<u>1,549,370</u>	<u>4,609,552</u>
0	63,201	450,219
1,477,641	2,658,465	5,246,795
0	26,707	236,568
0	0	3,732,583
0	0	10,868,735
<u>1,477,641</u>	<u>2,748,373</u>	<u>20,534,900</u>
<u>\$ 2,164,719</u>	<u>\$ 4,393,017</u>	<u>\$ 29,071,221</u>

CITY OF PORTSMOUTH, OHIO

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

Total Governmental Fund Balances		\$	20,534,900
<i>Amounts reported for governmental activities in the statement of net position are different because</i>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			22,606,481
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.			2,225,552
Internal Service Funds are used by management to charge the costs of insurance and use of supplies to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			3,832,230
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	6,772,364		
Deferred Inflows - Pension	(8,795,713)		
Net Pension Liability	<u>(16,776,162)</u>		(18,799,511)
The net OPEB 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 - OPEB	1,856,851		
Deferred Inflows - OPEB	(2,536,860)		
Net OPEB Asset	1,030,227		
Net OPEB Liability	<u>(2,413,414)</u>		(2,063,196)
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	(1,800,000)		
Installment Loan Payable	(576,329)		
Compensated Absences Payable	(1,483,385)		
Accrued Interest Payable	<u>(15,982)</u>		<u>(3,875,696)</u>
<i>Net Position of Governmental Activities</i>		\$	<u><u>24,460,760</u></u>

See accompanying notes to the basic financial statements



CITY OF PORTSMOUTH, OHIO

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

	General	Health Department	American Rescue Plan Act	General Obligation Bond Retirement
Revenues:				
Taxes	\$ 16,848,276	\$ 0	\$ 0	\$ 153,632
Intergovernmental Revenues	1,214,331	2,425,143	0	17,761
Charges for Services	896,353	829,645	0	0
Licenses and Permits	218,936	0	0	0
Investment Earnings	4,609	0	0	0
Fines and Forfeitures	422,822	0	0	0
All Other Revenue	358,661	135,448	0	0
Total Revenue	19,963,988	3,390,236	0	171,393
Expenditures:				
Current:				
Security of Persons and Property	11,489,204	0	0	0
Public Health and Welfare Services	0	3,954,994	0	0
Leisure Time Activities	0	0	0	0
Community Environment	375,299	0	0	0
Transportation	760,598	0	0	0
General Government	4,922,508	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	130,000
Interest and Fiscal Charges	0	0	0	13,608
Total Expenditures	17,547,609	3,954,994	0	143,608
Excess (Deficiency) of Revenues Over Expenditures	2,416,379	(564,758)	0	27,785
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Installment Loans	0	0	0	0
Transfers In	0	788,000	0	0
Transfers Out	(920,990)	0	0	0
Total Other Financing Sources (Uses)	(920,990)	788,000	0	0
Net Change in Fund Balances	1,495,389	223,242	0	27,785
Fund Balances at Beginning of Year	13,653,685	733,236	0	175,549
Fund Balances End of Year	\$ 15,149,074	\$ 956,478	\$ 0	\$ 203,334

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 2,025,563	\$ 447,666	\$ 19,475,137
351,162	1,784,842	5,793,239
0	53,252	1,779,250
0	0	218,936
5	4	4,618
0	687,943	1,110,765
57,898	28,840	580,847
<u>2,434,628</u>	<u>3,002,547</u>	<u>28,962,792</u>
0	413,870	11,903,074
0	0	3,954,994
0	74,734	74,734
0	245,999	621,298
0	1,215,637	1,976,235
0	944,559	5,867,067
4,337,205	0	4,337,205
169,964	0	299,964
5,203	0	18,811
<u>4,512,372</u>	<u>2,894,799</u>	<u>29,053,382</u>
(2,077,744)	107,748	(90,590)
2,250	0	2,250
1,390,000	0	1,390,000
618,129	0	618,129
0	132,990	920,990
0	(7,872)	(928,862)
<u>2,010,379</u>	<u>125,118</u>	<u>2,002,507</u>
(67,365)	232,866	1,911,917
<u>1,545,006</u>	<u>2,515,507</u>	<u>18,622,983</u>
<u>\$ 1,477,641</u>	<u>\$ 2,748,373</u>	<u>\$ 20,534,900</u>

CITY OF PORTSMOUTH, 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 \$ 1,911,917

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	5,631,674	
Depreciation Expense	<u>(2,006,214)</u>	3,625,460

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to decrease net position.

The statement of activities reports losses arising from the disposal of capital assets. However, in the governmental funds, proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.	(1,508,671)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	140,374
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	1,989,227
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Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	(806,826)
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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.	711,981
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The issuance of long-term debt (e.g. notes, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Installment Loan Issued	(618,129)	
General Obligation Bonds Issued	(1,390,000)	
General Obligation Bonds Payable	130,000	
Installment Loan Payable	<u>169,964</u>	(1,708,165)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(11,434)
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(Continued)

CITY OF PORTSMOUTH, OHIO

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 144,382

Internal Service Funds used by management to charge the costs of insurance and use of supplies to individual funds are not reported in the statement of activities. Governmental fund expenditures and related internal service revenues are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities.

196,679

Change in Net Position of Governmental Activities

\$ 4,684,924

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, 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	\$ 14,765,000	\$ 16,862,000	\$ 16,859,413	\$ (2,587)
Intergovernmental Revenue	1,077,316	1,206,000	1,206,556	556
Charges for Services	750,000	902,000	905,474	3,474
Licenses and Permits	244,000	220,000	218,936	(1,064)
Investment Earnings	3,000	2,000	4,609	2,609
Fines and Forfeitures	515,000	463,000	461,289	(1,711)
All Other Revenues	74,000	323,000	321,378	(1,622)
Total Revenues	<u>17,428,316</u>	<u>19,978,000</u>	<u>19,977,655</u>	<u>(345)</u>
Expenditures:				
Current:				
Security of Persons and Property	10,937,053	11,630,514	11,630,514	0
Community Environment	318,052	445,876	445,876	0
Transportation	616,025	765,242	765,242	0
General Government	4,742,579	3,836,813	3,836,813	0
Total Expenditures	<u>16,613,709</u>	<u>16,678,445</u>	<u>16,678,445</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	814,607	3,299,555	3,299,210	(345)
Other Financing Sources (Uses):				
Transfers Out	(2,520,990)	(2,220,990)	(2,220,990)	0
Advances In	400,000	400,000	400,000	0
Advances Out	(400,000)	(693,000)	(693,000)	0
Total Other Financing Sources (Uses):	<u>(2,520,990)</u>	<u>(2,513,990)</u>	<u>(2,513,990)</u>	<u>0</u>
Net Change in Fund Balance	(1,706,383)	785,565	785,220	(345)
Fund Balance at Beginning of Year	11,411,848	11,411,848	11,411,848	0
Prior Year Encumbrances	195,000	195,000	195,000	0
Fund Balance at End of Year	<u>\$ 9,900,465</u>	<u>\$ 12,392,413</u>	<u>\$ 12,392,068</u>	<u>\$ (345)</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,636,000	\$ 2,521,000	\$ 2,485,673	\$ (35,327)
Charges for Services	1,155,000	832,000	829,645	(2,355)
All Other Revenues	143,000	138,000	135,792	(2,208)
Total Revenues	<u>2,934,000</u>	<u>3,491,000</u>	<u>3,451,110</u>	<u>(39,890)</u>
Expenditures:				
Public Health and Welfare Services:				
Personal Services	3,149,091	2,643,242	2,643,242	0
Materials and Supplies	1,346,161	456,073	456,073	0
Contractual Services	647,917	647,080	647,080	0
Capital Outlay	24,000	114,297	114,297	0
Total Expenditures	<u>5,167,169</u>	<u>3,860,692</u>	<u>3,860,692</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,233,169)	(369,692)	(409,582)	(39,890)
Other Financing Sources (Uses):				
Transfers In	788,000	788,000	788,000	0
Advances In	25,000	693,000	693,000	0
Advances Out	0	(400,000)	(400,000)	0
Total Other Financing Sources (Uses)	<u>813,000</u>	<u>1,081,000</u>	<u>1,081,000</u>	<u>0</u>
Net Change in Fund Balance	(1,420,169)	711,308	671,418	(39,890)
Fund Balance at Beginning of Year	1,021,238	1,021,238	1,021,238	0
Fund Balance at End of Year	<u>\$ (398,931)</u>	<u>\$ 1,732,546</u>	<u>\$ 1,692,656</u>	<u>\$ (39,890)</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 1,065,000	\$ 824,957	\$ (240,043)
Total Revenues	0	1,065,000	824,957	(240,043)
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,065,000	824,957	(240,043)
Fund Balance at Beginning of Year	852,066	852,066	852,066	0
Fund Balance at End of Year	\$ 852,066	\$ 1,917,066	\$ 1,677,023	\$ (240,043)

See accompanying notes to the basic financial statements



CITY OF PORTSMOUTH, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Assets:			
Current assets:			
Cash and Cash Equivalents	\$ 3,958,850	\$ 1,481,132	\$ 8,768
Accounts receivable (net of allowance for uncollectibles)	1,860,743	1,277,476	464,166
Inventory of Supplies at Cost	0	0	30,725
Prepaid Items	38,490	27,628	14,239
Total current assets	<u>5,858,083</u>	<u>2,786,236</u>	<u>517,898</u>
Noncurrent assets:			
Restricted Assets:			
Cash and Cash Equivalents	409,436	0	0
Net OPEB Asset	301,327	217,789	120,533
Capital assets:			
Capital Assets Not Being Depreciated	4,129,050	455,829	0
Capital Assets Being Depreciated, net of accumulated depreciation	13,352,101	11,412,002	723,644
Total capital assets	<u>17,481,151</u>	<u>11,867,831</u>	<u>723,644</u>
Total noncurrent assets	<u>18,191,914</u>	<u>12,085,620</u>	<u>844,177</u>
Total Assets	<u>24,049,997</u>	<u>14,871,856</u>	<u>1,362,075</u>
Deferred Outflows of Resources:			
Pension	422,845	307,062	168,428
OPEB	0	0	11,617
Total Deferred Outflows of Resources	<u>422,845</u>	<u>307,062</u>	<u>180,045</u>
Liabilities:			
Current liabilities:			
Accounts Payable	701,459	306,860	42,961
Accrued Wages and Benefits	22,853	5,154	195
Intergovernmental Payable	31,160	25,136	12,435
Claims Payable	0	0	0
Refundable Deposits	409,436	0	0
Accrued Interest Payable	43,058	80,277	0
Installment Loan Payable - Current	0	97,155	0
OWDA Loans Payable - Current	502,160	217,576	0
OPWC Loans Payable - Current	46,510	86,062	0
Compensated Absences Payable - Current	160,033	86,775	0
Total Current Liabilities	<u>1,916,669</u>	<u>904,995</u>	<u>55,591</u>

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 5,448,750	\$ 6,129,021
3,602,385	0
30,725	0
80,357	0
<u>9,162,217</u>	<u>6,129,021</u>
409,436	0
639,649	0
4,584,879	0
25,487,747	0
30,072,626	0
31,121,711	0
<u>40,283,928</u>	<u>6,129,021</u>
898,335	0
11,617	0
<u>909,952</u>	<u>0</u>
1,051,280	0
28,202	0
68,731	0
0	497,297
409,436	0
123,335	0
97,155	0
719,736	0
132,572	0
246,808	0
<u>2,877,255</u>	<u>497,297</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Noncurrent Liabilities:			
OWDA Loans Payable	6,033,960	4,692,586	0
OPWC Loans Payable	1,255,771	1,025,932	0
Compensated Absences Payable	30,959	16,615	0
Net Pension Liability	883,396	638,487	353,365
Total Noncurrent Liabilities	8,204,086	6,373,620	353,365
Total Liabilities	10,120,755	7,278,615	408,956
Deferred Inflows of Resources:			
Pension	1,092,109	797,316	437,253
OPEB	325,609	240,693	124,535
Total Deferred Inflows of Resources	1,417,718	1,038,009	561,788
Net Position:			
Net Investment in Capital Assets	9,197,250	5,748,520	723,644
Unrestricted	3,737,119	1,113,774	(152,268)
Total Net Position	\$ 12,934,369	\$ 6,862,294	\$ 571,376

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Total Net Position per the government-wide Statement of Net Position

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
10,726,546	0
2,281,703	0
47,574	0
1,875,248	0
<u>14,931,071</u>	<u>0</u>
<u>17,808,326</u>	<u>497,297</u>
2,326,678	0
690,837	0
<u>3,017,515</u>	<u>0</u>
15,669,414	0
4,698,625	5,631,724
<u>\$ 20,368,039</u>	<u>\$ 5,631,724</u>
<u>1,799,494</u>	
<u>\$ 22,167,533</u>	

CITY OF PORTSMOUTH, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
Operating Revenues:			
Charges for Services	\$ 8,049,734	\$ 5,362,809	\$ 2,221,000
Other Operating Revenues	12,676	9,666	3,722
Total Operating Revenues	8,062,410	5,372,475	2,224,722
Operating Expenses:			
Personal Services	2,217,515	1,981,792	1,223,067
Contractual Services	1,993,412	1,324,250	113,018
Materials and Supplies	1,465,499	467,472	659,905
Depreciation	1,294,386	641,630	87,800
Total Operating Expenses	6,970,812	4,415,144	2,083,790
Operating Income (Loss)	1,091,598	957,331	140,932
Non-Operating Revenue (Expenses):			
Interest and Fiscal Charges	(88,464)	(163,945)	0
Total Non-Operating Revenues (Expenses)	(88,464)	(163,945)	0
Income Before Contributions and Transfers	1,003,134	793,386	140,932
Capital Contributions	0	239,258	0
Transfers In	0	7,872	0
Change in Net Position	1,003,134	1,040,516	140,932
Net Position Beginning of Year	11,931,235	5,821,778	430,444
Net Position End of Year	\$ 12,934,369	\$ 6,862,294	\$ 571,376

Change in Net Position - Total Enterprise Funds

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Change in Net Position - Total Business-Type Activities

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 15,633,543	\$ 5,740,855
26,064	0
<u>15,659,607</u>	<u>5,740,855</u>
5,422,374	5,297,124
3,430,680	163,744
2,592,876	0
2,023,816	0
<u>13,469,746</u>	<u>5,460,868</u>
2,189,861	279,987
<u>(252,409)</u>	<u>0</u>
<u>(252,409)</u>	<u>0</u>
1,937,452	279,987
239,258	0
7,872	0
<u>2,184,582</u>	<u>279,987</u>
18,183,457	5,351,737
<u>\$ 20,368,039</u>	<u>\$ 5,631,724</u>
2,184,582	
<u>83,308</u>	
<u>\$ 2,267,890</u>	

CITY OF PORTSMOUTH, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$7,841,889	\$5,310,799	\$2,177,540
Cash Received from Interfund Services	0	0	0
Cash Payments for Goods and Services	(3,328,426)	(1,609,255)	(768,489)
Cash Payments to Employees	(2,838,956)	(2,498,624)	(1,462,709)
Cash Payments for Claims	0	0	0
Customer Deposits Received	72,459	0	0
Customer Deposits Refunded	(69,511)	0	0
Net Cash Provided (Used) by Operating Activities	<u>1,677,455</u>	<u>1,202,920</u>	<u>(53,658)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfer In from Other Funds	0	7,872	0
Principal Paid on Ohio Public Works Commission Loan	0	(15,000)	0
Net Cash Used by Noncapital Financing Activities	<u>0</u>	<u>(7,128)</u>	<u>0</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from Ohio Water Development Authority Loan	2,489,306	0	0
Proceeds from Intergovernmental Grants	0	239,258	0
Acquisition and Construction of Assets	(2,900,214)	(480,191)	0
Principal Paid on Ohio Public Works Commission Loan	(46,510)	(86,062)	0
Principal Paid on Ohio Water Development Authority Loan	(460,449)	(210,440)	0
Loan Payment	0	(99,340)	0
Interest Paid on All Debt	(93,125)	(163,825)	0
Net Cash Used by Capital and Related Financing Activities	<u>(1,010,992)</u>	<u>(800,600)</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	666,463	395,192	(53,658)
Cash and Cash Equivalents at Beginning of Year	<u>3,701,823</u>	<u>1,085,940</u>	<u>62,426</u>
Cash and Cash Equivalents at End of Year	<u>\$4,368,286</u>	<u>\$1,481,132</u>	<u>\$8,768</u>
<u>Reconciliation of Cash and Cash Equivalent per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$3,958,850	\$1,481,132	\$8,768
Restricted Cash and Cash Equivalents	<u>409,436</u>	<u>0</u>	<u>0</u>
Cash and Cash Equivalents at End of Year	<u>\$4,368,286</u>	<u>\$1,481,132</u>	<u>\$8,768</u>

CITY OF PORTSMOUTH, OHIO

Total	Governmental Activities Internal Service Fund
\$15,330,228	\$0
0	5,740,855
(5,706,170)	(163,744)
(6,800,289)	0
0	(4,843,511)
72,459	0
(69,511)	0
<u>2,826,717</u>	<u>733,600</u>
7,872	0
(15,000)	0
<u>(7,128)</u>	<u>0</u>
2,489,306	0
239,258	0
(3,380,405)	0
(132,572)	0
(670,889)	0
(99,340)	0
(256,950)	0
<u>(1,811,592)</u>	<u>0</u>
1,007,997	733,600
4,850,189	5,395,421
<u>\$5,858,186</u>	<u>\$6,129,021</u>
\$5,448,750	\$6,129,021
409,436	0
<u>\$5,858,186</u>	<u>\$6,129,021</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Sanitation
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income	\$1,091,598	\$957,331	\$140,932
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	1,294,386	641,630	87,800
Changes in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:			
Increase in Accounts Receivable	(220,521)	(61,676)	(47,182)
Increase in Inventory	0	0	(383)
Increase in Prepaid Items	(14,361)	(7,452)	(4,379)
Increase in Net OPEB Asset	(135,255)	(97,956)	(50,414)
Increase in Deferred Outflows-Pension	(214,140)	(156,466)	(29,751)
Decrease in Deferred Outflows-OPEB	81,643	59,862	53,264
Increase in Accounts Payable	134,849	182,270	5,702
Increase (Decrease) in Intergovernmental Payable	(1,287)	2,520	(1,250)
Increase in Accrued Wages and Benefits	20,557	4,167	195
Increase in Claims Payable	0	0	0
Increase in Customer Deposits	2,948	0	0
Increase (Decrease) in Compensated Absences	35,955	(20,613)	0
Decrease in Net Pension Liability	(567,056)	(408,119)	(259,046)
Increase in Deferred Inflows-Pension	386,725	273,244	152,858
Decrease in Deferred Inflows-OPEB	(218,586)	(165,822)	(102,004)
Total Adjustments	585,857	245,589	(194,590)
Net Cash Provide (Used) by Operating Activities	\$1,677,455	\$1,202,920	(\$53,658)

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2022 the Water Fund and Sewer Fund had outstanding liabilities of \$461,818 and \$8,887, respectively for certain capital assets.

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

<u>Total</u>	<u>Governmental Activities Internal Service Fund</u>
\$2,189,861	\$279,987
2,023,816	0
(329,379)	0
(383)	0
(26,192)	0
(283,625)	0
(400,357)	0
194,769	0
322,821	0
(17)	0
24,919	0
0	453,613
2,948	0
15,342	0
(1,234,221)	0
812,827	0
(486,412)	0
<u>636,856</u>	<u>453,613</u>
<u>\$2,826,717</u>	<u>\$733,600</u>

CITY OF PORTSMOUTH, OHIO

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

	<u>Custodial</u>
Assets:	
Receivables:	
Accounts	\$ 597,108
Restricted Assets:	
Cash and Cash Equivalents	56,477
Total Assets	<u>653,585</u>
Liabilities:	
Intergovernmental Payable	18,615
Due to Others	634,970
Total Liabilities	<u>653,585</u>
Unrestricted	0
Total Net Position	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF PORTSMOUTH, OHIO

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

	<u>Custodial</u>
Additions:	
Fines and Forfeitures Collections for Others	\$ 967,501
Charges Collected for Others	2,496
Miscellaneous	<u>35,000</u>
Total Additions	<u>1,004,997</u>
Deductions:	
Distribution of Fines and Forfeitures to Others	967,501
Distribution of Charges Collected for Others	2,496
Distributions to Others	<u>35,000</u>
Total Deductions	<u>1,004,997</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 Portsmouth, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council-City Manager form of government, was adopted in 1928 and has been amended several times.

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 accounting principles generally accepted in the United States of America 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 includes the following services as authorized by its charter: police and fire protection, parks and recreation, planning, zoning, street maintenance and general administrative services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and a refuse collection service, each of which is reported as an enterprise fund.

Beginning 2019 it was determined that the Health Department was a legally separate entity under GASB Statement 61, "The Financial Reporting Entity", updated for GASB 80, "Blending Requirements for Certain Component Units". Previously there were multiple funds maintained by the City for Health Department activities of which one was part of the General Fund, one was an enterprise fund and the remaining were special revenue funds.

The Health Department provides public health services, and is a body politic and corporate. The City provides operating support and approves the Health Department's budget. Since the City is expected to repay outstanding debt of the Health Department, it is reported as a blended component unit. It's included as a major fund in the governmental statements due to its significance to the City.

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 equity, revenues and expenditures or expenses. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

***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 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 and the limitations of the City Charter.

Health Department Fund – This fund is used to account for grant revenues and charges for services for, the operation of the City’s Health Department.

American Rescue Plan Act (ARPA) 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.

General Obligation 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).

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 balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. 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.

Sanitation Fund – This fund is used to account for the operation of the City’s refuse collection and disposal service.

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments on a cost-reimbursement basis. The Employees Insurance Account “B” Insurance Fund accounts for the accumulation and allocation of costs associated with the employee health care plans.

***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)

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 use and balances of financial resources). The following are the City's major governmental funds:

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and 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 and therefore not available to support the City's own programs. The custodial funds account for revenues and expenditures of State Patrol fines to the County Law Library Resources Board, funds from the three percent (3%) fees as required by Ohio Revised Code, a pass through grant to a not for profit, and funds that flow through the municipal court office.

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

***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 (Continued)

services offered by the program and grants and contributions that are externally 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 fund types 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 and current liabilities, 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 fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities 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.

Fiduciary funds are reported using the economic resources measurement focus.

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.

***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 (Continued)

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 property taxes is recognized in the year for which the taxes were levied (See Note 5). 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 the government-wide, the proprietary funds and fiduciary funds financial statements. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

E. Budgetary Process

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

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control for the General Fund is by department level, by personal services and other expenditures and for all other funds by personal services and other expenditures. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the legal level as stated above without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the object level by fund may only be made by ordinance of the City Council.

***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)

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 certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during 2022.

3. Appropriations

The appropriation ordinance establishes spending controls at the fund level by department, by personal services and other expenditures for the General Fund and by the personal services and other expenditures in all other funds. The appropriation 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 within a fund may be modified during the year by an ordinance of City Council. Several supplemental appropriations were made during 2022. 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 final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities.

5. 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.

**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)

6. 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 of America (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. In addition, encumbrances are recorded as the equivalent of expenditures on the budgetary basis. 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 cash basis statements for the General Fund and major special revenue funds:

	Net Change in Fund Balance		
	General Fund	Health Department Fund	ARPA Fund
GAAP Basis (as reported)	\$1,495,389	\$223,242	\$0
Increase (Decrease):			
Accrued Revenues at December 31, 2022 received during 2023	(2,403,580)	(64,133)	0
Accrued Revenues at December 31, 2021 received during 2022	2,160,716	125,007	0
Unearned Revenues at December 31, 2021 received during 2021	0	0	(852,066)
Unearned Revenues at December 31, 2022 received during 2022	0	0	1,677,023
Accrued Expenditures at December 31, 2022 paid during 2023	529,023	872,560	0
Accrued Expenditures at December 31, 2021 paid during 2022	(291,413)	(434,143)	0
2021 Prepays for 2022	131,143	20,185	0
2022 Prepays for 2023	(276,519)	(48,415)	0
Perspective Difference- Budgeted Special Revenue Funds reclassified as General Fund	(31,716)	0	0
Outstanding Encumbrances	(527,823)	(22,885)	0
Budget Basis	\$785,220	\$671,418	\$824,957

***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 and investments with original maturity dates of three months or less. The City pools its cash, except for cash and investments in certain fiduciary funds and monies held for construction in enterprise funds, for maximum investing efficiency. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

G. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The consumption method is used to account for inventories. As such, inventories are recognized as expenditures when goods are used. Reported inventories in governmental funds are offset by a nonspendable fund balance.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method. 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.

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

1. Property, Plant and Equipment - 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 their acquisition value as of the date received. Capital assets include land, buildings, building improvements, 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. 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.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment 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. Infrastructure is included in Improvements other than Buildings in Note 9 B. Donated capital assets are recorded at their acquisition value as of 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	25-50
Infrastructure	10-50
Machinery, Equipment, Furniture and Fixtures	3 - 15

J. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds Payable	Bond Retirement Fund
Ohio Public Works Commission Loans Payable	Water Fund, Sewer Fund
Ohio Water Development Authority	Water Fund, Sewer Fund
Compensated Absences	General Fund, Water Fund, Sewer Fund, Sanitation Fund
Loans Payable	Capital Improvement Fund, Sewer Fund

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

All full-time City employees earn vacation at a rate of 1.25 days per calendar month of active service. An employee's vacation must be used during the period in which it is earned unless the Department Head allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his estate) shall receive 100% of vacation and compensatory time and one-third of all sick time.

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered and it is probable that the City will compensate the employees for the benefits at termination or retirement. The City uses the vesting method for determining the liability for sick leave. Compensated absences accumulated by governmental fund type and proprietary fund type 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 recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not recorded. For Water, Sewer, and Sanitation funds (enterprise funds), the entire compensated absences amount is reported as a fund liability.

L. 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 or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

M. Pensions/Other Postemployment Benefits (OPEB)

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Interfund Activity

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 within governmental activities and business-type activities are eliminated for reporting on the government-wide financial statements.

In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. The elimination of the internal service funds is based on the activity of each fund to which it provides service.

O. 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.

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 passed by City Council. 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 (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balances (Continued)

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 unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

P. 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, wastewater collection and treatment, collection of solid waste refuse, and primary care health services. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Q. 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. For the City, deferred outflows of resources are reported on the government-wide and proprietary statements of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

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, grants, 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 statements of net position explained in Notes 10 and 11.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 as customer deposits or for endowments.

S. 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.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. No extraordinary transaction occurred during 2022. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. During 2022, the City transferred a building to the Southern Ohio Port Authority for economic development and investment and as a result incurred a loss on the disposal of \$1,294,205, which is reported as a special item on the governmental statement of activities.

NOTE 2 – 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.

CITY OF PORTSMOUTH, 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	Health Department Fund	General Obligation Bond Retirement Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$289,065	\$48,415	\$0	\$0	\$18,020	\$355,500
Supplies Inventory	48,830	708	0	0	18,338	67,876
Endowment	0	0	0	0	26,843	26,843
Total Nonspendable	337,895	49,123	0	0	63,201	450,219
Restricted:						
Transportation Projects	0	0	0	0	928,992	928,992
Court Projects	0	0	0	0	582,283	582,283
Public Safety	0	0	0	0	777,247	777,247
Health	0	907,355	0	0	0	907,355
Cemetery	0	0	0	0	182,797	182,797
Community Development	0	0	0	0	154,086	154,086
Debt Retirement	0	0	203,334	0	0	203,334
Capital Improvements	0	0	0	1,477,641	0	1,477,641
Parks and Recreation	0	0	0	0	33,060	33,060
Total Restricted	0	907,355	203,334	1,477,641	2,658,465	5,246,795
Committed:						
Parks and Recreation	0	0	0	0	26,707	26,707
Compensated Absences	209,861	0	0	0	0	209,861
Total Committed	209,861	0	0	0	26,707	236,568
Assigned:						
Projected Budgetary Deficit	3,313,044	0	0	0	0	3,313,044
Services and Supplies	419,539	0	0	0	0	419,539
Total Assigned	3,732,583	0	0	0	0	3,732,583
Unassigned:	10,868,735	0	0	0	0	10,868,735
Total Fund Balances	\$15,149,074	\$956,478	\$203,334	\$1,477,641	\$2,748,373	\$20,534,900

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 is considered restricted 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.

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 a “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 not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be 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;
- * Time certificates of deposit or savings or deposit accounts including, but not limited to , passbook accounts;
- * Bonds and other obligations of the State of Ohio and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio if training requirements have been met;
- * 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, and

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

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

- * The State Treasury’s investment pool (STAR Ohio).
- * Certain bankers’ acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. 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 \$32,841,700 and the bank balance was \$33,429,309. Federal depository insurance covered \$401,059 of the bank balance and \$33,028,250 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held in the Ohio Pooled Collateral System	<u>\$33,028,250</u>
Total Balance	<u><u>\$33,028,250</u></u>

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

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes collected during 2022 were levied after October 1, 2021 on assessed values as of January 1, 2021, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. Public utility tangible personal property is currently assessed at varying percentages of its true value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 2020. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Portsmouth. 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 \$10.25 per \$1,000 of assessed value. The assessed value upon which the 2022 tax collections were based was \$241,175,550. This amount constituted \$213,675,700 in real property assessed value and \$27,499,850 in public utility assessed.

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 .1025% (10.25 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.5% 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 50% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2022 consisted of taxes, intergovernmental, and accounts receivable. All receivables are expected to be collected with the next year.

CITY OF PORTSMOUTH, OHIO

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

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

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

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$0	\$24,453
Other Governmental Funds	24,453	0
Total Governmental Funds	<u>\$24,453</u>	<u>\$24,453</u>

	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$693,000	\$0
Health Department Fund	0	693,000
Total Governmental Funds	<u>\$693,000</u>	<u>\$693,000</u>

On the Statement of Net Position, the Business-Type Activities reported an internal balance at December 31, 2022 of \$1,799,494, which was offset in the Governmental Activities by the same amount. The Due from Other Funds in the Other Governmental Funds is for reimbursement of expenditures made by the Community Development Fund for the General Fund. The Interfund Loan is a short-term loan which will be paid back within the year. The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by December 31, 2022. All interfund receivables are expected to be collected within the next year.

NOTE 8 - TRANSFERS

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

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$0	\$920,990
Health Department Fund	788,000	0
Other Governmental Funds	132,990	7,872
Total Governmental Funds	<u>920,990</u>	<u>928,862</u>
Proprietary Funds:		
Sewer Fund	7,872	0
Total Enterprise Funds	<u>7,872</u>	<u>0</u>
Totals	<u>\$928,862</u>	<u>\$928,862</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; and to provide additional resources for current operations or debt service.

CITY OF PORTSMOUTH, OHIO

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

NOTE 9 - CAPITAL ASSETS

A. Governmental Capital Assets

Summary by category of changes in Governmental Capital Assets:

Historical Cost:

Class	December 31, 2021	Additions	Deletions	December 31, 2022
<i>Capital assets not being depreciated:</i>				
Land	\$2,156,209	\$0	\$0	\$2,156,209
Construction in Progress	453,016	291,543	(453,016)	291,543
Subtotal	2,609,225	291,543	(453,016)	2,447,752
<i>Capital assets being depreciated:</i>				
Buildings	6,814,591	434,050	(2,266,763)	4,981,878
Improvements	3,671,146	261,431	0	3,932,577
Machinery and Equipment	13,553,459	2,825,827	(653,054)	15,726,232
Infrastructure	33,531,592	2,271,839	(535,175)	35,268,256
Subtotal	57,570,788	5,793,147	(3,454,992)	59,908,943
Total Cost	\$60,180,013	\$6,084,690	(\$3,908,008)	\$62,356,695
<i>Accumulated Depreciation:</i>				
Class	December 31, 2021	Additions	Deletions	December 31, 2022
Buildings	(\$3,441,276)	(\$136,546)	\$922,839	(\$2,654,983)
Improvements	(2,001,411)	(132,701)	0	(2,134,112)
Machinery and Equipment	(10,147,505)	(983,929)	653,054	(10,478,380)
Infrastructure	(24,100,129)	(753,038)	370,428	(24,482,739)
Total Depreciation	(\$39,690,321)	(\$2,006,214) *	\$1,946,321	(\$39,750,214)
<i>Net Value:</i>	\$20,489,692			\$22,606,481

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$773,854
Public Health & Welfare Services	53,057
Leisure Time Activities	10,828
Community Environment	124,406
Transportation	792,325
General Government	251,744
Total Depreciation Expense	\$2,006,214

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

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business Type Capital Assets

Summary by Category at December 31, 2022:

Historical Cost:

Class	December 31, 2021	Additions	Deletions	December 31, 2022
<i>Capital assets not being depreciated:</i>				
Land	\$63,504	\$0	\$0	\$63,504
Construction in Progress	1,150,264	3,371,111	0	4,521,375
Subtotal	1,213,768	3,371,111	0	4,584,879
<i>Capital assets being depreciated:</i>				
Buildings	6,940,721	36,000	0	6,976,721
Improvements other than Buildings	41,308,519	0	0	41,308,519
Machinery and Equipment	17,146,757	439,092	(31,416)	17,554,433
Subtotal	65,395,997	475,092	(31,416)	65,839,673
Total Cost	\$66,609,765	\$3,846,203	(\$31,416)	\$70,424,552

Accumulated Depreciation:

Class	December 31, 2021	Additions	Deletions	December 31, 2022
Buildings	(\$2,012,298)	(\$158,817)	\$0	(\$2,171,115)
Improvements other than Buildings	(23,044,947)	(847,296)	0	(23,892,243)
Machinery and Equipment	(13,302,281)	(1,017,703)	31,416	(14,288,568)
Total Depreciation	(\$38,359,526)	(\$2,023,816)	\$31,416	(\$40,351,926)

<i>Net Value:</i>	\$28,250,239			\$30,072,626
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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2022***

NOTE 10 – 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 10 – 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 10 – 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 \$1,235,824 for 2022. Of this amount, \$100,990 is reported as an intergovernmental payable.

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

NOTE 10 – 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.

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

NOTE 10 – 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 \$1,198,609 for 2022. Of this amount, \$101,250 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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	\$4,895,544	\$13,755,866	\$18,651,410
Proportion of the Net Pension Liability-2022	0.056268%	0.2218470%	
Proportion of the Net Pension Liability-2021	<u>0.054006%</u>	<u>0.2202556%</u>	
Percentage Change	<u>0.002262%</u>	<u>0.001591%</u>	
Pension Expense	(\$751,933)	\$1,210,393	\$458,460

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

NOTE 10 – 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	\$612,183	\$2,513,979	\$3,126,162
Differences between expected and actual experience	249,567	396,641	646,208
Change in proportionate share	306,113	1,157,783	1,463,896
City contributions subsequent to the measurement date	<u>1,235,824</u>	<u>1,198,609</u>	<u>2,434,433</u>
Total Deferred Outflows of Resources	<u>\$2,403,687</u>	<u>\$5,267,012</u>	<u>\$7,670,699</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$5,823,070	\$3,606,578	\$9,429,648
Differences between expected and actual experience	107,373	715,114	822,487
Change in proportionate share	<u>70,254</u>	<u>800,002</u>	<u>870,256</u>
Total Deferred Inflows of Resources	<u>\$6,000,697</u>	<u>\$5,121,694</u>	<u>\$11,122,391</u>

\$2,434,433 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2023	(\$614,596)	\$3,331	(\$611,265)
2024	(1,922,679)	(937,659)	(2,860,338)
2025	(1,369,241)	(218,139)	(1,587,380)
2026	(926,318)	(174,760)	(1,101,078)
2027	<u>0</u>	<u>273,936</u>	<u>273,936</u>
Total	<u>(\$4,832,834)</u>	<u>(\$1,053,291)</u>	<u>(\$5,886,125)</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 10 – 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:

	<u>December 31, 2021</u>
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
	<u>December 31, 2020</u>
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 10 – 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	\$12,907,317	\$4,895,544	(\$1,771,317)

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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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.

	January 1, 2021	January 1, 2020
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.

Age	Police	Fire
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 10 – 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 10 – 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	\$20,399,758	\$13,755,866	\$8,223,145

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

NOTE 11 - 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 11 - 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 11 - 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 11 - 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 11 - 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 \$28,179 for 2022. Of this amount, \$2,375 is reported as an intergovernmental payable.

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)	(\$1,669,876)	\$2,413,414	\$743,538
Proportion of the Net OPEB Liability (Asset) -2022	0.051395%	0.2202556%	
Proportion of the Net OPEB Liability-2021	<u>0.053314%</u>	<u>0.2201847%</u>	
Percentage Change	<u>(0.001919%)</u>	<u>0.0000709%</u>	
OPEB Expense	(\$1,437,031)	\$149,782	(\$1,287,249)

CITY OF PORTSMOUTH, OHIO

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

NOTE 11 - 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	\$1,068,247	\$1,068,247
Differences between expected and actual experience	0	109,793	109,793
Change in proportionate share	36,527	625,722	662,249
City contributions subsequent to the measurement date	0	28,179	28,179
Total Deferred Outflows of Resources	<u>\$36,527</u>	<u>\$1,831,941</u>	<u>\$1,868,468</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$796,078	\$218,013	\$1,014,091
Changes in assumptions	675,947	280,306	956,253
Differences between expected and actual experience	253,295	318,964	572,259
Change in proportionate share	29,950	655,144	685,094
Total Deferred Inflows of Resources	<u>\$1,755,270</u>	<u>\$1,472,427</u>	<u>\$3,227,697</u>

\$28,179 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2023	(\$1,069,011)	\$52,684	(\$1,016,327)
2024	(361,462)	20,317	(341,145)
2025	(173,939)	69,250	(104,689)
2026	(114,331)	50,912	(63,419)
2027	0	71,170	71,170
2028	0	48,153	48,153
2029	0	18,849	18,849
Total	<u>(\$1,718,743)</u>	<u>\$331,335</u>	<u>(\$1,387,408)</u>

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

NOTE 11 - 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 11 - 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 11 - 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)	(\$982,044)	(\$1,669,876)	(\$2,240,787)

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)	(\$1,687,921)	(\$1,669,876)	(\$1,648,469)

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

NOTE 11 - 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 11 - 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 11 - DEFINED BENEFIT OPEB PLANS (Continued)

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

* 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 11 - 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	\$3,033,715	\$2,413,414	\$1,903,525

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.

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CITY OF PORTSMOUTH, OHIO

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

NOTE 12 - 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			Balance	Amount due
				December 31,	Additions	(Deletions)	December 31,	Within
				2021			2022	One Year
Business-Type Activities:								
Ohio Public Works Commission Loans:*								
2000	0.0%	Wastewater Improvement	2021	\$15,000	\$0	(\$15,000)	\$0	\$0
2008	0.0%	Wastewater-Sludge Digester	2029	297,500	0	(35,000)	262,500	35,000
2011	0.0%	Wastewater-Primary Clarifier	2028	363,865	0	(22,052)	341,813	22,052
2014	0.0%	Wastewater-Grandview Avenue	2035	536,691	0	(29,010)	507,681	29,010
2018	0.0%	Water - Sunrise Reservoir Water Main	2050	1,348,791	0	(46,510)	1,302,281	46,510
Total Ohio Public Works Commission Loans				2,561,847	0	(147,572)	2,414,275	132,572
Ohio Water Development Authority Loans:*								
2007	3.25%	Water MIEX Installation	2028	1,485,829	0	(208,822)	1,277,007	215,664
2008	4.11%	Wastewater-Sludge Digester	2038	354,872	0	(14,780)	340,092	15,394
2009	3.43%	Wastewater-Lawson Run	2031	957,399	0	(86,842)	870,557	89,846
2010	0.00%	Water-High Service Pumps	2029	18,014	0	(2,252)	15,762	2,252
2010	4.39%	Wastewater-Collection System	2016	555,552	0	(18,144)	537,408	18,645
2012	2.00%	Water-Filtration Filter Rebuild	2032	999,057	0	(86,410)	912,647	88,147
2014	3.30%	Wastewater-Sewer Improvements	2044	3,252,779	0	(90,674)	3,162,105	93,691
2016	2.90%	Water-Sunrise Reservoir	2039	1,064,914	0	(45,806)	1,019,108	47,144
2021	1.67-1.92%	Water-Water Treatment Plant Plan	2026	939,449	2,489,306	(117,159)	3,311,596	148,953
Total Ohio Water Development Authority Loans				9,627,865	2,489,306	(670,889)	11,446,282	719,736
Compensated Absences				279,040	204,373	(189,031)	294,382	246,808
Installment Loans Payable*				192,171	0	(95,016)	97,155	97,155
Total Business-Type Long-Term Debt				\$12,660,923	\$2,693,679	(\$1,102,508)	\$14,252,094	\$1,196,271
Governmental Activities:								
General Obligation Bond								
2016	2.52%	Refunding General Obligation Bond-Police and Fireman's Disability/Pension	2025	\$540,000	\$0	(\$130,000)	\$410,000	\$135,000
2022	3.50%	General Obligation Bond-Fire Truck	2032	0	1,390,000	0	1,390,000	120,000
Total General Obligation Bonds				540,000	1,390,000	(130,000)	1,800,000	255,000
Compensated Absences				1,627,767	859,686	(1,004,068)	1,483,385	836,451
Installment Loans Payable*				128,164	618,129	(169,964)	576,329	140,231
Total Governmental Activities				\$2,295,931	\$2,867,815	(\$1,304,032)	\$3,859,714	\$1,231,682

* The Ohio Public Works Commission Loans, Ohio Water Development Loans and Installment Loans are direct borrowings.

CITY OF PORTSMOUTH, OHIO

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

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

				Original Issue
Business-Type Activities				
Ohio Public Works Commission Loans (OPWC):				
0.00%	Wastewater-Sludge Digester	2008-2029		\$700,000
0.00%	Wastewater-Primary Clarifier	2011-2028		441,049
0.00%	Wastewater-Grandview Avenue	2014-2035		580,207
0.00%	Water - Sunrise Reservoir Water Main	2018-2050		1,395,301
Total OPWC Loans				<u>\$3,116,557</u>
Ohio Water Development Authority Loans (OWDA):				
3.25%	Water MIEX Installation	2007-2028		\$3,734,915
4.11%	Wastewater-Sludge Digester	2008-2038		501,078
3.43%	Wastewater-Lawson Run	2009-2031		1,711,234
0.00%	Water-High Service Pumps	2010-2029		45,034
4.39%	Wastewater-Collection System	2010-2016		676,977
2.00%	Water Filtration Filter Rebuild	2012-2032		1,739,606
3.30%	Wastewater-Sewer Improvements	2014-2045		3,738,695
2.90%	Water-Sunrise Reservoir Improvements	2016-2039		1,152,663
1.67-1.92%	Water-Treatment Plant Plan	2021-2026		3,428,755 *
Total OWDA Loans				<u>\$16,728,957</u>
* Amount Disbursed as of December 31, 2022				
Installment Loans Payable:				
2.25%	Vactor Truck	2020-2023		\$385,048
Total Installment Loans Payable				<u>\$385,048</u>
Governmental Activities Long-Term Debt				
General Obligation Bonds:				
Police and Fireman's Disability and Pension				
2.52%	Refunding	2016-2025		\$1,250,000
3.50%	Fire Truck Acquisition	2022-2032		1,390,000
Total General Obligation Bonds				<u>\$2,640,000</u>
Installment Loans Payable:				
4.06%	Fire Pumper	2019-2023		\$594,698
0.00%	Building	2022-2031		418,000
3.32%	Ambulance	2022-2024		200,129
Total Installment Loans Payable				<u>\$1,212,827</u>

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

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2022 follows:

Business-Type Activities:

Years	OPWC Loans		OWDA Loan		Installment Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$132,572	\$0	\$719,736	\$296,828	\$97,155	\$2,186
2024	132,573	0	739,876	277,638	0	0
2025	132,573	0	760,619	257,878	0	0
2026	132,573	0	3,482,317	237,528	0	0
2027	132,573	0	644,588	171,009	0	0
2028-2032	575,364	0	2,066,830	634,241	0	0
2033-2037	487,863	0	1,282,783	397,124	0	0
2038-2042	316,104	0	1,141,910	192,585	0	0
2043-2047	232,550	0	607,623	34,064	0	0
2048-2050	139,530	0	0	0	0	0
Totals	<u>\$2,414,275</u>	<u>\$0</u>	<u>\$11,446,282</u>	<u>\$2,498,895</u>	<u>\$97,155</u>	<u>\$2,186</u>

Governmental Activities:

Years	General Obligation Bonds		Installment Loans	
	Principal	Interest	Principal	Interest
2023	\$255,000	\$55,333	\$140,231	\$6,644
2024	260,000	51,380	143,498	3,376
2025	270,000	43,603	41,800	0
2026	130,000	35,525	41,800	0
2027	135,000	30,975	41,800	0
2028-2032	750,000	80,500	167,200	0
Totals	<u>\$1,800,000</u>	<u>\$297,316</u>	<u>\$576,329</u>	<u>\$10,020</u>

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

NOTE 13 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains insurance coverage for bodily injury, personal injury, general liability, boiler and machinery coverage and fleet (automotive) insurance in addition to professional liability coverage for police and fire and elected officials. The City also carries commercial insurance for employee health coverage and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

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.

In 2022, the City expanded its self-insured health care plan to include all healthcare costs. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program.

The liability for unpaid claims costs of \$497,297 reported in the fund at December 31, 2022 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is based on an estimate provided by the third party administrator.

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2021	\$69,718	\$260,877	(\$286,911)	\$43,684
2022	\$43,684	\$5,297,124	(\$4,843,511)	\$497,297

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

NOTE 14 - CONTINGENCIES

A. Litigation

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.

B. Federal and State Grants

For the period January 1, 2022 to December 31, 2022, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. However, amounts are undeterminable at this time.

C. Asset Retirement Obligations

GASB Statement No. 83 "Certain Asset Retirement Obligations" establishes criteria for determining the recognition of a liability for an Asset Retirement Obligation (ARO). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Recognition of the ARO occurs when the liability is both incurred and reasonably estimable. An ARO is incurred based on external laws, regulations, or contracts.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their sewage treatment facilities and the permit would specify the procedures required to dispose of all or part of the sewage treatment plant. At this time, the City does not have an approved permit from the Ohio EPA to dispose of all or part of their sewage treatment plants. Due to the lack of specific legal requirements for retiring the sewage treatment plants, the City has determined that the amount of the Asset Retirement Obligation cannot be reasonably estimated.

CITY OF PORTSMOUTH, OHIO

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

NOTE 15 – SIGNIFICANT COMMITMENTS

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

<u>Contractual Commitments</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
New Water Filtration Treatment Plant Design	\$718,302	2023

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

Governmental Funds:	
General Fund	\$527,823
Capital Improvement Fund	1,023,901
Other Governmental Funds	<u>53,727</u>
Total Governmental Funds	1,605,451
Enterprise Funds:	
Water Fund	100,809
Sewer Fund	205,354
Sanitation Fund	<u>0</u>
Total Enterprise Funds	<u>306,163</u>
Total	<u><u>\$1,911,614</u></u>

NOTE 16 – FINANCIAL CONDITION

On April 9, 2013, the Ohio Auditor of State declared the City of Portsmouth to be in a state of fiscal watch under Section 118.02(E) of the Ohio Revised Code.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PORTSMOUTH, 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	0.055479%	0.055479%	0.053581%	0.051062%
City's proportionate share of the net pension liability	\$6,540,251	\$6,691,387	\$9,280,905	\$11,595,312
City's covered payroll	\$6,774,262	\$6,801,733	\$6,668,708	\$6,627,308
City's proportionate share of the net pension liability as a percentage of its covered payroll	96.55%	98.38%	139.17%	174.96%
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	0.1956245%	0.1956245%	0.195448%	0.229788%
City's proportionate share of the net pension liability	\$9,527,527	\$10,134,165	\$12,573,277	\$14,554,541
City's covered payroll	\$3,981,831	\$3,799,457	\$3,949,444	\$4,729,486
City's proportionate share of the net pension liability as a percentage of its covered payroll	239.28%	266.73%	318.36%	307.74%
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.

CITY OF PORTSMOUTH, OHIO

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
0.050855%	0.056051%	0.054956%	0.054006%	0.056268%
\$7,978,164	\$15,351,233	\$10,862,426	\$7,997,113	\$4,895,544
\$6,586,669	\$7,593,536	\$7,743,143	\$7,591,629	\$8,219,300
121.13%	202.16%	140.28%	105.34%	59.56%
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>
0.191289%	0.214478%	0.201963%	0.2202556%	0.221847%
\$11,740,270	\$17,507,072	\$13,605,320	\$15,015,022	\$13,755,866
\$4,158,486	\$4,802,572	\$4,753,888	\$5,367,099	\$5,553,986
282.32%	364.54%	286.19%	279.76%	247.68%
70.91%	63.07%	69.89%	70.65%	75.03%

CITY OF PORTSMOUTH, OHIO

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

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$880,654	\$816,208	\$800,245	\$795,277
Contributions in relation to the contractually required contribution	<u>880,654</u>	<u>816,208</u>	<u>800,245</u>	<u>795,277</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$6,774,262	\$6,801,733	\$6,668,708	\$6,627,308
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	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$718,990	\$819,318	\$840,603	\$1,031,501
Contributions in relation to the contractually required contribution	<u>718,990</u>	<u>819,318</u>	<u>840,603</u>	<u>1,031,501</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$3,981,831	\$3,799,457	\$3,949,444	\$4,729,486
Contributions as a percentage of covered payroll	18.06%	21.56%	21.28%	21.81%

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

Notes: The City implemented GASB Statement 68 in 2015.

CITY OF PORTSMOUTH, OHIO

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$856,267	\$1,063,095	\$1,084,040	\$1,062,828	\$1,150,702	\$1,235,824
<u>856,267</u>	<u>1,063,095</u>	<u>1,084,040</u>	<u>1,062,828</u>	<u>1,150,702</u>	<u>1,235,824</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,586,669	\$7,593,536	\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314
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>
\$884,510	\$1,026,790	\$1,013,529	\$1,143,192	\$1,188,553	\$1,198,609
<u>884,510</u>	<u>1,026,790</u>	<u>1,013,529</u>	<u>1,143,192</u>	<u>1,188,553</u>	<u>1,198,609</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,158,486	\$4,802,572	\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209
21.27%	21.38%	21.32%	21.30%	21.40%	21.27%

CITY OF PORTSMOUTH, 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)	0.048390%	0.048300%	0.053168%
City's proportionate share of the net OPEB liability (asset)	\$4,887,554	\$5,245,024	\$6,931,852
City's covered payroll	\$6,627,308	\$6,586,669	\$7,593,536
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	73.75%	79.63%	91.29%
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	0.229788%	0.191289%	0.214478%
City's proportionate share of the net OPEB liability	\$10,907,520	\$10,838,167	\$1,953,151
City's covered payroll	\$4,729,486	\$4,158,486	\$4,802,572
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	230.63%	260.63%	40.67%
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.

CITY OF PORTSMOUTH, OHIO

<u>2020</u>	<u>2021</u>	<u>2022</u>
0.052220%	0.051395%	0.053314%
\$7,212,939	(\$915,643)	(\$1,669,876)
\$7,743,143	\$7,591,629	\$8,219,300
93.15%	(12.06%)	(20.32%)
47.80%	115.57%	128.23%

<u>2020</u>	<u>2021</u>	<u>2022</u>
0.201963%	0.2202556%	0.2201847%
\$1,994,938	\$2,333,644	\$2,413,414
\$4,753,888	\$5,367,099	\$5,553,986
41.96%	43.48%	43.45%
47.08%	45.42%	46.86%

CITY OF PORTSMOUTH, 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	\$67,743	\$136,035	\$133,374	\$132,546
Contributions in relation to the contractually required contribution	67,743	136,035	133,374	132,546
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$6,774,262	\$6,801,733	\$6,668,708	\$6,627,308
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	\$143,238	\$18,997	\$19,747	\$23,645
Contributions in relation to the contractually required contribution	143,238	18,997	19,747	23,645
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
City's covered payroll	\$3,981,831	\$3,799,457	\$3,949,444	\$4,729,486
Contributions as a percentage of covered payroll	3.60%	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 PORTSMOUTH, OHIO

2017	2018	2019	2020	2021	2022
\$65,866	\$0	\$0	\$0	\$0	\$0
65,866	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0
\$6,586,669	\$7,593,536	\$7,743,143	\$7,591,629	\$8,219,300	\$8,827,314
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2017	2018	2019	2020	2021	2022
\$20,796	\$24,011	\$23,769	\$26,835	\$27,768	\$28,179
20,796	24,011	23,769	26,835	27,768	28,179
\$0	\$0	\$0	\$0	\$0	\$0
\$4,158,486	\$4,802,572	\$4,753,888	\$5,367,099	\$5,553,986	\$5,635,209
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%

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***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%.



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS,
AND FIDUCIARY 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 for major capital projects) that are legally restricted to expenditures for specified purposes.

Municipal Court Grants Fund

To account for the Community Corrections Act grant used to support the advancement of court programs.

Municipal Court Subsidy Fund

To account for the Municipal Court's operating expenditures funded by the General Fund. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.).

Municipal Court Special Projects Fund

To account for revenues derived from fines levied by the court and are to be used by the court for special projects.

Municipal Court Probation Services Fund

To account for fees assessed to criminal and traffic offenders who are placed by the Municipal Court on probation or other community control sanctions to cover the cost of Probation department services and related expenditures.

Municipal Court Programs Fund

To account for revenues derived from the Guardian Interlock grant, the home monitoring fees and the Municipal Corrections grant and are used to support the guardian interlock and home monitoring programs.

Justice Reinvestment and Incentive Grant Fund

To account for grant monies to the probation department to adopt policies and practices for reducing the number of offenders on probation supervision who violate the conditions of the supervision.

Municipal Court Computer Fund

To account for revenues derived from mandatory fines to be used for computers and update of court computer functions.

Municipal Court Security Fund

To account for revenues derived from fines to be used for security measures in the Court.

Fire Donation Fund

To account for donation of monies to be used for operations of the Fire Department.

(Continued)

Special Revenue Funds (continued)

Fire Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for fire disability and pension.

Police Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for police disability and pension.

D.A.R.E. State Grant Fund

To account for revenues and expenditures relative to D.A.R.E. activities.

Police Donation Fund

To account for donation of monies to be used for operations of the Police Department.

Justice Assistance Grant (JAG) Grants Fund

To account for monies received from the United States Department of Justice for the purpose of funding special enforcement initiatives in areas which have been identified as high crime risk.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal and state grant monies designated for the cost of additional police officers.

Indigent Drivers Alcohol Treatment Fund

To account for the revenues from fines as established by the state to pay for alcohol related treatment programs for indigent persons.

Indigent Drivers Alcohol Monitoring Fund

To account for the revenues from fines to be used for electronic monitoring devices where alcohol was a contributing factor

Enforcement and Education Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Mandatory Fines Fund

To account for mandatory fines for drug offenses.

Law Enforcement Fund

To account for revenues derived from drug related crimes and expenditures to be used for law enforcement programs.

Federal Forfeitures Fund

To account for monies from the United States Marshall allocated to the City based upon the City's participation in the confiscation of contraband

(Continued)

Special Revenue Funds (continued)

Ohio Peace Officers Training (OPOTA) Fund

To account for monies to be used for continuing professional training programs for law enforcement offices

Community Oriented Policing Services (COPS)

Hiring Recovery Program Grant Fund

To account for grant monies to be used for the hiring of three police officers for a period of 24 months to assist in combating rural crime. (The Balance Sheet is not presented because there are no assets or liabilities on a GAAP basis.)

Rural Law Enforcement Assistance Grant Fund

To account for grant monies to be used for hiring and/or preserving law enforcement jobs, to combat crime, especially drug-related crime. (The Balance Sheet is not presented because there are no assets or liabilities on a GAAP basis.)

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be for street construction and maintenance.

State Highway Improvement Fund

To account for the revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be for street and state highway improvements and maintenance.

Community Development Fund

To account for federal and state grants which are designed for community and environmental improvements.

Tourism and Cultural Development Fund

To account for revenue derived from Hotel/Motel tax and distributed to various area cultural and recreational organizations.

F.E.M.A. Grant Fund

To account for Federal Emergency Management Agency funds received as reimbursement for flood damage. (The Balance Sheet is not presented because there are no assets or liabilities on a GAAP basis.)

Flood Defense Fund

To account for a property tax levy designated for flood defense improvements.

Street Resurfacing Levy Fund

To account for property tax levy approved by the voters for street paving. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there are no revenues or expenditures on a GAAP basis.) (This fund is not part of the City's appropriated budget; therefore no budgetary schedule is presented.)

(Continued)

Special Revenue Funds (continued)

Council Trust for Recreation Fund

To account for revenue from investment interest, rents, leases and user fees from various City recreational facilities and expenditures for improvements to these same facilities.

Playground Trust Fund

To account for revenue and expenditures of interest earned on investment of specific bequests to the City to provide recreational needs for the City

Performance Bond Fund

To account for funds placed in escrow for various construction projects. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there are no revenues or expenditures on a GAAP basis.) (This fund is not part of the City's appropriated budget; therefore no budgetary schedule is presented.)

Permanent Funds

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.

Cemetery Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of Cemetery plots. Expenditures to be made only from interest earned on investments.

Mausoleum Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of the Mausoleum. Expenditures are to be made only from interest earned on investments.

CITY OF PORTSMOUTH, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 2,140,709	\$ 0	\$ 2,140,709
Receivables (net of allowance for doubtful accounts):			
Taxes	794,065	0	794,065
Accounts	397,022	0	397,022
Intergovernmental	790,770	0	790,770
Due from Other Funds	24,453	0	24,453
Inventory of Supplies, at Cost	18,338	0	18,338
Prepaid Items	18,020	0	18,020
Restricted Assets:			
Cash and Cash Equivalents	0	209,640	209,640
Total Assets	\$ 4,183,377	\$ 209,640	\$ 4,393,017
Liabilities:			
Accounts Payable	\$ 32,131	\$ 0	\$ 32,131
Accrued Wages and Benefits Payable	1,427	0	1,427
Intergovernmental Payable	16,760	0	16,760
Due to Others	44,956	0	44,956
Total Liabilities	95,274	0	95,274
Deferred Inflows of Resources			
Property Tax	641,000	0	641,000
Unavailable Revenue	908,370	0	908,370
Total Deferred Inflows of Resources	1,549,370	0	1,549,370
Fund Balances:			
Nonspendable	36,358	26,843	63,201
Restricted	2,475,668	182,797	2,658,465
Committed	26,707	0	26,707
Total Fund Balances	2,538,733	209,640	2,748,373
Total Liabilities, Deferred Inflows of Resources, and Funds Balances	\$ 4,183,377	\$ 209,640	\$ 4,393,017

CITY OF PORTSMOUTH, OHIO

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

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 447,666	\$ 0	\$ 447,666
Intergovernmental Revenues	1,784,842	0	1,784,842
Charges for Services	51,652	1,600	53,252
Investment Earnings	4	0	4
Fines and Forfeitures	687,943	0	687,943
All Other Revenue	28,840	0	28,840
Total Revenue	3,000,947	1,600	3,002,547
Expenditures:			
Current:			
Security of Persons and Property	413,870	0	413,870
Leisure Time Activities	74,734	0	74,734
Community Environment	245,999	0	245,999
Transportation	1,215,637	0	1,215,637
General Government	944,559	0	944,559
Total Expenditures	2,894,799	0	2,894,799
Excess (Deficiency) of Revenues Over Expenditures	106,148	1,600	107,748
Other Financing Sources (Uses):			
Transfers In	132,990	0	132,990
Transfers Out	(7,872)	0	(7,872)
Total Other Financing Sources (Uses)	125,118	0	125,118
Net Change in Fund Balances	231,266	1,600	232,866
Fund Balances at Beginning of Year	2,307,467	208,040	2,515,507
Fund Balances End of Year	\$ 2,538,733	\$ 209,640	\$ 2,748,373

CITY OF PORTSMOUTH, OHIO

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

	Municipal Court Grants	Municipal Court Special Project	Municipal Court Probation Services	Municipal Court Programs
Assets:				
Cash and Cash Equivalents	\$ 40,448	\$ 108,659	\$ 21,519	\$ 16,006
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	0	0
Accounts	0	127,714	246,750	3,332
Intergovernmental	75,552	0	0	34,238
Due from Other Funds	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	1,758	2,074	2,112	1,892
Total Assets	\$ 117,758	\$ 238,447	\$ 270,381	\$ 55,468
Liabilities:				
Accounts Payable	\$ 0	\$ 3,898	\$ 0	\$ 6,255
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	2,819	2,037	2,281	2,581
Due to Others	0	0	0	0
Total Liabilities	2,819	5,935	2,281	8,836
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	37,776	88,365	170,726	2,305
Total Deferred Inflows of Resources	37,776	88,365	170,726	2,305
Fund Balances:				
Nonspendable	1,758	2,074	2,112	1,892
Restricted	75,405	142,073	95,262	42,435
Committed	0	0	0	0
Total Fund Balances	77,163	144,147	97,374	44,327
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 117,758	\$ 238,447	\$ 270,381	\$ 55,468

CITY OF PORTSMOUTH, OHIO

<u>Justice Reinvestment and Incentive Grant</u>	<u>Municipal Court Computer</u>	<u>Municipal Court Security</u>	<u>Fire Donation</u>	<u>Fire Pension</u>	<u>Police Pension</u>
\$ 0	\$ 28,700	\$ 60,657	\$ 503	\$ 0	\$ 0
0	0	0	0	75,668	75,668
0	11,544	0	0	0	0
17,698	0	0	0	4,110	4,110
0	0	0	0	0	0
0	0	0	0	0	0
126	0	1,159	0	0	0
<u>\$ 17,824</u>	<u>\$ 40,244</u>	<u>\$ 61,816</u>	<u>\$ 503</u>	<u>\$ 79,778</u>	<u>\$ 79,778</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
143	0	1,354	0	0	0
0	0	0	0	0	0
<u>143</u>	<u>0</u>	<u>1,354</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	62,000	62,000
8,849	7,987	0	0	17,778	17,778
<u>8,849</u>	<u>7,987</u>	<u>0</u>	<u>0</u>	<u>79,778</u>	<u>79,778</u>
126	0	1,159	0	0	0
8,706	32,257	59,303	503	0	0
0	0	0	0	0	0
<u>8,832</u>	<u>32,257</u>	<u>60,462</u>	<u>503</u>	<u>0</u>	<u>0</u>
<u>\$ 17,824</u>	<u>\$ 40,244</u>	<u>\$ 61,816</u>	<u>\$ 503</u>	<u>\$ 79,778</u>	<u>\$ 79,778</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	D.A.R.E. State Grant	Police Donation	JAG Grants	COPS Fast Grant
Assets:				
Cash and Cash Equivalents	\$ 21,758	\$ 1,613	\$ 2,436	\$ 371,637
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	36,610
Due from Other Funds	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 21,758</u>	<u>\$ 1,613</u>	<u>\$ 2,436</u>	<u>\$ 408,247</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Due to Others	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	0	0	0	36,610
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,610</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	21,758	1,613	2,436	371,637
Committed	0	0	0	0
Total Fund Balances	<u>21,758</u>	<u>1,613</u>	<u>2,436</u>	<u>371,637</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,758</u>	<u>\$ 1,613</u>	<u>\$ 2,436</u>	<u>\$ 408,247</u>

CITY OF PORTSMOUTH, OHIO

Indigent Drivers Alcohol Treatment	Indigent Drivers Alcohol Monitoring	Enforcement and Education	Mandatory Fines	Law Enforcement	Federal Forfeitures	OPOTA Fund
\$ 51,537	\$ 56,611	\$ 1,962	\$ 14,352	\$ 90,214	\$ 75,150	\$ 25,880
0	0	0	0	0	0	0
4,600	2,249	833	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 56,137</u>	<u>\$ 58,860</u>	<u>\$ 2,795</u>	<u>\$ 14,352</u>	<u>\$ 90,214</u>	<u>\$ 75,150</u>	<u>\$ 25,880</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	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3,170	1,556	576	0	0	0	0
<u>3,170</u>	<u>1,556</u>	<u>576</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
52,967	57,304	2,219	14,352	90,214	75,150	25,880
0	0	0	0	0	0	0
<u>52,967</u>	<u>57,304</u>	<u>2,219</u>	<u>14,352</u>	<u>90,214</u>	<u>75,150</u>	<u>25,880</u>
<u>\$ 56,137</u>	<u>\$ 58,860</u>	<u>\$ 2,795</u>	<u>\$ 14,352</u>	<u>\$ 90,214</u>	<u>\$ 75,150</u>	<u>\$ 25,880</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	Street Construction, Maintenance and Repair	State Highway Improvement	Community Development	Tourism and Cultural Development
Assets:				
Cash and Cash Equivalents	\$ 318,560	\$ 420,625	\$ 76,214	\$ 21,757
Receivables (net of allowance for doubtful accounts):				
Taxes	0	0	0	31,662
Accounts	0	0	0	0
Intergovernmental	566,509	36,116	0	0
Due from Other Funds	0	0	24,453	0
Inventory of Supplies, at Cost	18,338	0	0	0
Prepaid Items	8,270	0	0	0
Total Assets	\$ 911,677	\$ 456,741	\$ 100,667	\$ 53,419
Liabilities:				
Accounts Payable	\$ 846	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	1,427	0	0	0
Intergovernmental Payable	5,545	0	0	0
Due to Others	0	0	0	0
Total Liabilities	7,818	0	0	0
Deferred Inflows of Resources:				
Property Tax	0	0	0	0
Unavailable Revenue	381,000	24,000	0	0
Total Deferred Inflows of Resources	381,000	24,000	0	0
Fund Balances:				
Nonspendable	26,608	0	0	0
Restricted	496,251	432,741	100,667	53,419
Committed	0	0	0	0
Total Fund Balances	522,859	432,741	100,667	53,419
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 911,677	\$ 456,741	\$ 100,667	\$ 53,419

CITY OF PORTSMOUTH, OHIO

Flood Defense	Street Resurfacing Levy	Council Trust for Recreation	Playground Trust	Performance Bonds	Total Nonmajor Special Revenue Funds
\$ 208,819	\$ 0	\$ 27,076	\$ 33,060	\$ 44,956	\$ 2,140,709
218,565	392,502	0	0	0	794,065
0	0	0	0	0	397,022
10,279	5,548	0	0	0	790,770
0	0	0	0	0	24,453
0	0	0	0	0	18,338
23	0	606	0	0	18,020
<u>\$ 437,686</u>	<u>\$ 398,050</u>	<u>\$ 27,682</u>	<u>\$ 33,060</u>	<u>\$ 44,956</u>	<u>\$ 4,183,377</u>
\$ 20,763	\$ 0	\$ 369	\$ 0	\$ 0	\$ 32,131
0	0	0	0	0	1,427
0	0	0	0	0	16,760
0	0	0	0	44,956	44,956
<u>20,763</u>	<u>0</u>	<u>369</u>	<u>0</u>	<u>44,956</u>	<u>95,274</u>
184,000	333,000	0	0	0	641,000
44,844	65,050	0	0	0	908,370
<u>228,844</u>	<u>398,050</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,549,370</u>
23	0	606	0	0	36,358
188,056	0	0	33,060	0	2,475,668
0	0	26,707	0	0	26,707
<u>188,079</u>	<u>0</u>	<u>27,313</u>	<u>33,060</u>	<u>0</u>	<u>2,538,733</u>
<u>\$ 437,686</u>	<u>\$ 398,050</u>	<u>\$ 27,682</u>	<u>\$ 33,060</u>	<u>\$ 44,956</u>	<u>\$ 4,183,377</u>

CITY OF PORTSMOUTH, OHIO

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

	Municipal Court Grants	Municipal Court Special Project	Municipal Court Probation Services	Municipal Court Programs
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	151,104	8,035	0	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	179,179	235,776	174,296
All Other Revenue	0	0	0	0
Total Revenue	151,104	187,214	235,776	174,296
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	155,677	160,728	200,306	179,258
Total Expenditures	155,677	160,728	200,306	179,258
Excess (Deficiency) of Revenues Over Expenditures	(4,573)	26,486	35,470	(4,962)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(4,573)	26,486	35,470	(4,962)
Fund Balances at Beginning of Year	81,736	117,661	61,904	49,289
Fund Balances End of Year	\$ 77,163	\$ 144,147	\$ 97,374	\$ 44,327

CITY OF PORTSMOUTH, OHIO

Justice Reinvestment and Incentive Grant	Municipal Court Computer	Municipal Court Security	Fire Donation	Fire Pension	Police Pension
\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,846	\$ 65,846
35,396	0	43,499	0	7,613	7,613
0	0	0	0	0	0
0	0	0	0	0	0
0	24,469	52,913	0	0	0
0	0	0	0	0	0
<u>35,396</u>	<u>24,469</u>	<u>96,412</u>	<u>0</u>	<u>73,459</u>	<u>73,459</u>
0	0	0	0	73,459	73,459
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
35,033	23,175	168,664	0	0	0
<u>35,033</u>	<u>23,175</u>	<u>168,664</u>	<u>0</u>	<u>73,459</u>	<u>73,459</u>
363	1,294	(72,252)	0	0	0
0	0	132,990	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>132,990</u>	<u>0</u>	<u>0</u>	<u>0</u>
363	1,294	60,738	0	0	0
8,469	30,963	(276)	503	0	0
<u>\$ 8,832</u>	<u>\$ 32,257</u>	<u>\$ 60,462</u>	<u>\$ 503</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	D.A.R.E. State Grant	Police Donation	JAG Grants	COPS Fast Grant
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	146,497
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	0	0	0	146,497
Expenditures:				
Current:				
Security of Persons and Property	30,775	1,357	20,032	84,457
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	30,775	1,357	20,032	84,457
Excess (Deficiency) of Revenues Over Expenditures	(30,775)	(1,357)	(20,032)	62,040
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(30,775)	(1,357)	(20,032)	62,040
Fund Balances at Beginning of Year	52,533	2,970	22,468	309,597
Fund Balances End of Year	\$ 21,758	\$ 1,613	\$ 2,436	\$ 371,637

CITY OF PORTSMOUTH, OHIO

Indigent Drivers Alcohol Treatment	Indigent Drivers Alcohol Monitoring	Enforcement and Education	Mandatory Fines	Law Enforcement	Federal Forfeitures
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
12,377	5,443	785	25	2,680	0
0	0	0	0	490	0
<u>12,377</u>	<u>5,443</u>	<u>785</u>	<u>25</u>	<u>3,170</u>	<u>0</u>
0	0	0	0	13,830	5,562
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
13,659	8,059	0	0	0	0
<u>13,659</u>	<u>8,059</u>	<u>0</u>	<u>0</u>	<u>13,830</u>	<u>5,562</u>
(1,282)	(2,616)	785	25	(10,660)	(5,562)
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(1,282)	(2,616)	785	25	(10,660)	(5,562)
54,249	59,920	1,434	14,327	100,874	80,712
<u>\$ 52,967</u>	<u>\$ 57,304</u>	<u>\$ 2,219</u>	<u>\$ 14,352</u>	<u>\$ 90,214</u>	<u>\$ 75,150</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	OPOTA Fund	COPS Hiring Recovery Program Grant	Rural Law Enforcement Assistance Grant	Street Construction, Maintenance and Repair
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	1,146,089
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	0	0	0	1,146,089
Expenditures:				
Current:				
Security of Persons and Property	2,600	14,805	13,342	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	1,215,637
General Government	0	0	0	0
Total Expenditures	2,600	14,805	13,342	1,215,637
Excess (Deficiency) of Revenues Over Expenditures	(2,600)	(14,805)	(13,342)	(69,548)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(2,600)	(14,805)	(13,342)	(69,548)
Fund Balances at Beginning of Year	28,480	14,805	13,342	592,407
Fund Balances End of Year	\$ 25,880	\$ 0	\$ 0	\$ 522,859

CITY OF PORTSMOUTH, OHIO

State Highway Improvement	Community Development	Tourism and Cultural Development	F.E.M.A. Grant	Flood Defense	Council Trust for Recreation
\$ 0	\$ 0	\$ 118,689	\$ 0	\$ 197,285	\$ 0
74,357	135,000	0	7,872	21,767	0
0	0	0	0	0	51,652
0	4	0	0	0	0
0	0	0	0	0	0
0	0	0	0	22,960	5,390
<u>74,357</u>	<u>135,004</u>	<u>118,689</u>	<u>7,872</u>	<u>242,012</u>	<u>57,042</u>
0	0	0	0	80,192	0
0	0	0	0	0	74,734
0	135,000	110,999	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>135,000</u>	<u>110,999</u>	<u>0</u>	<u>80,192</u>	<u>74,734</u>
74,357	4	7,690	7,872	161,820	(17,692)
0	0	0	0	0	0
0	0	0	(7,872)	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,872)</u>	<u>0</u>	<u>0</u>
74,357	4	7,690	0	161,820	(17,692)
358,384	100,663	45,729	0	26,259	45,005
<u>\$ 432,741</u>	<u>\$ 100,667</u>	<u>\$ 53,419</u>	<u>\$ 0</u>	<u>\$ 188,079</u>	<u>\$ 27,313</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

	Play ground Trust	Total Nonmajor Special Revenue Funds
Revenues:		
Taxes	\$ 0	\$ 447,666
Intergovernmental Revenues	0	1,784,842
Charges for Services	0	51,652
Investment Earnings	0	4
Fines and Forfeitures	0	687,943
All Other Revenue	0	28,840
Total Revenue	<u>0</u>	<u>3,000,947</u>
Expenditures:		
Current:		
Security of Persons and Property	0	413,870
Leisure Time Activities	0	74,734
Community Environment	0	245,999
Transportation	0	1,215,637
General Government	0	944,559
Total Expenditures	<u>0</u>	<u>2,894,799</u>
Excess (Deficiency) of Revenues Over Expenditures	0	106,148
Other Financing Sources (Uses):		
Transfers In	0	132,990
Transfers Out	0	(7,872)
Total Other Financing Sources (Uses)	<u>0</u>	<u>125,118</u>
Net Change in Fund Balances	0	231,266
Fund Balances at Beginning of Year	<u>33,060</u>	<u>2,307,467</u>
Fund Balances End of Year	<u>\$ 33,060</u>	<u>\$ 2,538,733</u>

CITY OF PORTSMOUTH, OHIO

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

	<u>Cemetery Trust</u>	<u>Mausoleum Trust</u>	<u>Total Nonmajor Permanent Funds</u>
Assets:			
Restricted Assets:			
Cash and Cash Equivalents	\$ 204,788	\$ 4,852	209,640
Total Assets	<u>\$ 204,788</u>	<u>\$ 4,852</u>	<u>\$ 209,640</u>
Fund Balances:			
Nonspendable	22,339	4,504	26,843
Restricted	182,449	348	182,797
Total Fund Balances	<u>204,788</u>	<u>4,852</u>	<u>209,640</u>
Total Liabilities and Fund Balances	<u>\$ 204,788</u>	<u>\$ 4,852</u>	<u>\$ 209,640</u>

CITY OF PORTSMOUTH, OHIO

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

	<u>Cemetery Trust</u>	<u>Mausoleum Trust</u>	<u>Total Nonmajor Permanent Funds</u>
Revenues:			
Charges for Services	\$ 1,600	\$ 0	\$ 1,600
Total Revenue	<u>1,600</u>	<u>0</u>	<u>1,600</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,600	0	1,600
Fund Balances at Beginning of Year	203,188	4,852	208,040
Fund Balances End of Year	<u>\$ 204,788</u>	<u>\$ 4,852</u>	<u>\$ 209,640</u>

CITY OF PORTSMOUTH, 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:				
Taxes	\$ 14,765,000	\$ 16,862,000	\$ 16,859,413	\$ (2,587)
Intergovernmental Revenues	1,077,316	1,206,000	1,206,556	556
Charges for Services	750,000	902,000	905,474	3,474
Licenses and Permits	244,000	220,000	218,936	(1,064)
Investment Earnings	3,000	2,000	4,609	2,609
Fines and Forfeitures	515,000	463,000	461,289	(1,711)
All Other Revenues	74,000	323,000	321,378	(1,622)
Total Revenues	<u>17,428,316</u>	<u>19,978,000</u>	<u>19,977,655</u>	<u>(345)</u>
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	4,553,125	4,638,687	4,638,687	0
Materials and Supplies	185,000	242,930	242,930	0
Contractual Services	398,920	369,299	369,299	0
Capital Outlay	1,500	1,514	1,514	0
Total Police	<u>5,138,545</u>	<u>5,252,430</u>	<u>5,252,430</u>	<u>0</u>
Fire:				
Personal Services	4,565,347	4,898,670	4,898,670	0
Materials and Supplies	148,310	164,557	164,557	0
Contractual Services	177,519	438,323	438,323	0
Capital Outlay	11,000	10,549	10,549	0
Total Fire	<u>4,902,176</u>	<u>5,512,099</u>	<u>5,512,099</u>	<u>0</u>
Police Dispatch:				
Personal Services	650,832	625,379	625,379	0
Contractual Services	15,500	2,578	2,578	0
Total Police Dispatch	<u>666,332</u>	<u>627,957</u>	<u>627,957</u>	<u>0</u>
Street Lighting:				
Contractual Services	230,000	238,028	238,028	0
Total Street Lighting	<u>230,000</u>	<u>238,028</u>	<u>238,028</u>	<u>0</u>
Total Security of Persons and Property	<u>10,937,053</u>	<u>11,630,514</u>	<u>11,630,514</u>	<u>0</u>

(Continued)

CITY OF PORTSMOUTH, 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)
Community Environment:				
Building Inspection:				
Personal Services	129,471	129,180	129,180	0
Materials and Supplies	2,100	0	0	0
Contractual Services	58,600	86,417	86,417	0
Total Building Inspection	190,171	215,597	215,597	0
Administration:				
Personal Services	102,046	108,066	108,066	0
Materials and Supplies	1,350	1,234	1,234	0
Contractual Services	24,485	120,979	120,979	0
Total Administration	127,881	230,279	230,279	0
Total Community Environment	318,052	445,876	445,876	0
Transportation:				
Traffic Lights:				
Personal Services	243,379	332,813	332,813	0
Materials and Supplies	30,700	78,982	78,982	0
Contractual Services	29,250	26,254	26,254	0
Total Traffic Lights	303,329	438,049	438,049	0
Cemetery Grounds:				
Personal Services	190,652	240,220	240,220	0
Materials and Supplies	11,300	8,281	8,281	0
Contractual Services	11,700	8,402	8,402	0
Capital Outlay	2,000	2,000	2,000	0
Total Cemetery Grounds	215,652	258,903	258,903	0
Recreational Grounds:				
Personal Services	89,544	32,724	32,724	0
Materials and Supplies	3,000	0	0	0
Contractual Services	4,500	35,566	35,566	0
Total Recreational Grounds	97,044	68,290	68,290	0
Total Transportation	616,025	765,242	765,242	0
General Government:				
City Council:				
Personal Services	122,783	126,529	126,529	0
Materials and Supplies	800	247	247	0
Contractual Services	11,050	15,340	15,340	0
Total City Council	134,633	142,116	142,116	0

(Continued)

CITY OF PORTSMOUTH, 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)
Executive:				
Personal Services	45,461	85,541	85,541	0
Materials and Supplies	3,000	2,553	2,553	0
Contractual Services	13,900	8,788	8,788	0
Total Executive	62,361	96,882	96,882	0
Legal:				
Personal Services	274,327	281,620	281,620	0
Materials and Supplies	4,500	3,166	3,166	0
Contractual Services	7,300	1,471	1,471	0
Total Legal	286,127	286,257	286,257	0
Finance:				
Personal Services	215,452	191,666	191,666	0
Materials and Supplies	4,075	7,662	7,662	0
Contractual Services	49,325	65,833	65,833	0
Capital Outlay	0	1,851	1,851	0
Total Finance	268,852	267,012	267,012	0
Civil Service:				
Personal Services	16,597	19,076	19,076	0
Materials and Supplies	250	0	0	0
Contractual Services	15,500	10,305	10,305	0
Total Civil Service	32,347	29,381	29,381	0
Income Tax:				
Personal Services	140,272	144,710	144,710	0
Materials and Supplies	5,500	1,001	1,001	0
Contractual Services	27,595	20,196	20,196	0
Capital Outlay	150	0	0	0
Total Income Tax	173,517	165,907	165,907	0
Engineering:				
Personal Services	292,252	295,262	295,262	0
Materials and Supplies	5,850	10,008	10,008	0
Contractual Services	268,191	261,074	261,074	0
Total Engineering	566,293	566,344	566,344	0

(Continued)

CITY OF PORTSMOUTH, 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)
Public Service:				
Personal Services	25,442	22,605	22,605	0
Materials and Supplies	1,050	483	483	0
Contractual Services	27,822	47,335	47,335	0
Capital Outlay	500	0	0	0
Total Public Service	54,814	70,423	70,423	0
City Building:				
Personal Services	78,314	78,764	78,764	0
Materials and Supplies	3,500	2,955	2,955	0
Contractual Services	163,500	160,027	160,027	0
Total City Building	245,314	241,746	241,746	0
Drainage Projects:				
Capital Outlay	142,000	150,317	150,317	0
Total Drainage Projects	142,000	150,317	150,317	0
Garage:				
Personal Services	16,895	35,948	35,948	0
Materials and Supplies	240,262	329,154	329,154	0
Contractual Services	26,610	23,943	23,943	0
Capital Outlay	5,000	0	0	0
Total Garage	288,767	389,045	389,045	0
Economic Development:				
Materials and Supplies	55,000	55,000	55,000	0
Total Economic Development	55,000	55,000	55,000	0
Non-Departmental:				
Personal Services	180,000	12,318	12,318	0
Materials and Supplies	5,000	4,885	4,885	0
Contractual Services	1,127,554	1,158,415	1,158,415	0
Capital Outlay	1,120,000	200,765	200,765	0
Total Non-Departmental	2,432,554	1,376,383	1,376,383	0
Total General Government	4,742,579	3,836,813	3,836,813	0
Total Expenditures	16,613,709	16,678,445	16,678,445	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	814,607	3,299,555	3,299,210	(345)

(Continued)

CITY OF PORTSMOUTH, 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)
Other Financing Sources (Uses):				
Transfers Out	(2,520,990)	(2,220,990)	(2,220,990)	0
Advances In	400,000	400,000	400,000	0
Advances Out	(400,000)	(693,000)	(693,000)	0
Total Other Financing Sources (Uses)	<u>(2,520,990)</u>	<u>(2,513,990)</u>	<u>(2,513,990)</u>	<u>0</u>
Net Change in Fund Balance	(1,706,383)	785,565	785,220	(345)
Fund Balance at Beginning of Year	11,411,848	11,411,848	11,411,848	0
Prior Year Encumbrances	195,000	195,000	195,000	0
Fund Balance at End of Year	<u>\$ 9,900,465</u>	<u>\$ 12,392,413</u>	<u>\$ 12,392,068</u>	<u>\$ (345)</u>

CITY OF PORTSMOUTH, OHIO

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

HEALTH DEPARTMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 1,636,000	\$ 2,521,000	\$ 2,485,673	\$ (35,327)
Charges for Services	1,155,000	832,000	829,645	(2,355)
All Other Revenues	143,000	138,000	135,792	(2,208)
Total Revenues	<u>2,934,000</u>	<u>3,491,000</u>	<u>3,451,110</u>	<u>(39,890)</u>
Expenditures:				
Public Health and Welfare Services:				
Health Department Operating:				
Personal Services	669,737	627,834	627,834	0
Materials and Supplies	3,250	7,310	7,310	0
Contractual Services	111,545	110,419	110,419	0
Total Health Department Operating	<u>784,532</u>	<u>745,563</u>	<u>745,563</u>	<u>0</u>
Environmental State Grants:				
Personal Services	506,850	441,211	441,211	0
Materials and Supplies	27,411	13,404	13,404	0
Contractual Services	54,450	57,943	57,943	0
Capital Outlay	10,000	111,499	111,499	0
Total Environmental State Grants	<u>598,711</u>	<u>624,057</u>	<u>624,057</u>	<u>0</u>
Safety State Grant:				
Personal Services	82,890	79,505	79,505	0
Materials and Supplies	3,000	1,500	1,500	0
Contractual Services	5,231	488	488	0
Total Safety State Grant	<u>91,121</u>	<u>81,493</u>	<u>81,493</u>	<u>0</u>
Rural AIDS State Grant:				
Personal Services	330,077	261,027	261,027	0
Materials and Supplies	20,000	27,722	27,722	0
Contractual Services	112,800	8,394	8,394	0
Capital Outlay	7,000	2,798	2,798	0
Total Rural AIDS State Grant	<u>469,877</u>	<u>299,941</u>	<u>299,941</u>	<u>0</u>
Drug Free Communities Grant:				
Personal Services	138,488	28,342	28,342	0
Materials and Supplies	2,000	0	0	0
Contractual Services	7,031	268	268	0
Total Drug Free Communities Grant	<u>147,519</u>	<u>28,610</u>	<u>28,610</u>	<u>0</u>

(Continued)

CITY OF PORTSMOUTH, OHIO

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

HEALTH DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Injury Prevention Grant:				
Personal Services	64,600	118,654	118,654	0
Materials and Supplies	500	0	0	0
Total Injury Prevention Grant	65,100	118,654	118,654	0
Family Planning Grant:				
Personal Services	182,346	232,128	232,128	0
Materials and Supplies	50,000	45,958	45,958	0
Contractual Services	9,200	5,136	5,136	0
Total Family Planning Grant	241,546	283,222	283,222	0
Rural Community Opioid Response Program:				
Personal Services	99,155	113,106	113,106	0
Materials and Supplies	2,000	647	647	0
Contractual Services	104,200	97,295	97,295	0
Total Rural Community Opioid Response Program	205,355	211,048	211,048	0
Public Health Emergency Preparedness:				
Personal Services	421,544	316,081	316,081	0
Materials and Supplies	2,000	3,896	3,896	0
Contractual Services	105,000	58,415	58,415	0
Capital Outlay	7,000	0	0	0
Total Public Health Emergency Preparedness	535,544	378,392	378,392	0
Federal HIV Prevention Grant:				
Personal Services	103,288	52,038	52,038	0
Materials and Supplies	15,750	8,361	8,361	0
Contractual Services	33,720	1,371	1,371	0
Total Federal HIV Prevention Grant	152,758	61,770	61,770	0
State HIV Prevention Grant:				
Personal Services	34,426	54,343	54,343	0
Materials and Supplies	5,250	4,887	4,887	0
Contractual Services	11,240	4,478	4,478	0
Total State HIV Prevention Grant	50,916	63,708	63,708	0

(Continued)

CITY OF PORTSMOUTH, OHIO

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

HEALTH DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Land Reutilization:				
Contractual Services	45,000	46,420	46,420	0
Total Land Reutilization	45,000	46,420	46,420	0
Primary Care:				
Personal Services	277,465	238,718	238,718	0
Materials and Supplies	1,215,000	336,497	336,497	0
Contractual Services	38,000	217,990	217,990	0
Total Primary Care	1,530,465	793,205	793,205	0
Workforce Development:				
Materials and Supplies	0	5,891	5,891	0
Contractual Services	0	20,943	20,943	0
Total Workforce Development	0	26,834	26,834	0
Rural Response Opioid Epidemic:				
Personal Services	238,225	80,255	80,255	0
Contractual Services	10,500	17,520	17,520	0
Total Rural Response Opioid Epidemic	248,725	97,775	97,775	0
Total Expenditures	5,167,169	3,860,692	3,860,692	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,233,169)	(369,692)	(409,582)	(39,890)
Other Financing Sources (Uses):				
Transfers In	788,000	788,000	788,000	0
Advances In	25,000	693,000	693,000	0
Advances Out	0	(400,000)	(400,000)	0
Total Other Financing Sources (Uses)	813,000	1,081,000	1,081,000	0
Net Change in Fund Balance	(1,420,169)	711,308	671,418	(39,890)
Fund Balance at Beginning of Year	1,021,238	1,021,238	1,021,238	0
Fund Balance at End of Year	\$ (398,931)	\$ 1,732,546	\$ 1,692,656	\$ (39,890)

CITY OF PORTSMOUTH, OHIO

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

	AMERICAN RESCUE PLAN ACT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 1,065,000	\$ 824,957	\$ (240,043)
Total Revenues	0	1,065,000	824,957	(240,043)
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,065,000	824,957	(240,043)
Fund Balance at Beginning of Year	852,066	852,066	852,066	0
Fund Balance at End of Year	\$ 852,066	\$ 1,917,066	\$ 1,677,023	\$ (240,043)

CITY OF PORTSMOUTH, OHIO

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 154,000	\$ 153,632	\$ (368)
Intergovernmental Revenues	18,000	17,761	(239)
Total Revenues	<u>172,000</u>	<u>171,393</u>	<u>(607)</u>
Expenditures:			
Debt Service:			
Principal Retirement	130,000	130,000	0
Interest and Fiscal Charges	13,608	13,608	0
Total Expenditures	<u>143,608</u>	<u>143,608</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,392	27,785	(607)
Fund Balance at Beginning of Year	<u>175,549</u>	<u>175,549</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 203,941</u>	<u>\$ 203,334</u>	<u>\$ (607)</u>

CITY OF PORTSMOUTH, OHIO

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 2,028,000	\$ 2,027,082	\$ (918)
Intergovernmental Revenues	209,000	208,853	(147)
Investment Earnings	0	5	5
All Other Revenues	58,000	57,898	(102)
Total Revenues	<u>2,295,000</u>	<u>2,293,838</u>	<u>(1,162)</u>
Expenditures:			
Capital Outlay	4,300,146	4,300,146	0
Debt Service:			
Principal Retirement	169,964	169,964	0
Interest and Fiscal Charges	5,203	5,203	0
Total Expenditures	<u>4,475,313</u>	<u>4,475,313</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,180,313)	(2,181,475)	(1,162)
Other Financing Sources (Uses):			
Sale of Capital Assets	2,000	2,250	250
General Obligation Bonds Issued	1,400,000	1,390,000	(10,000)
Installment Loans	200,000	200,129	129
Total Other Financing Sources (Uses)	<u>1,602,000</u>	<u>1,592,379</u>	<u>(9,621)</u>
Net Change in Fund Balance	(578,313)	(589,096)	(10,783)
Fund Balance at Beginning of Year	551,985	551,985	0
Prior Year Encumbrances	795,000	795,000	0
Fund Balance at End of Year	<u>\$ 768,672</u>	<u>\$ 757,889</u>	<u>\$ (10,783)</u>

CITY OF PORTSMOUTH, 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 GRANTS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 152,000	\$ 151,104	\$ (896)
Total Revenues	<u>152,000</u>	<u>151,104</u>	<u>(896)</u>
Expenditures:			
General Government:			
Personal Services	<u>155,293</u>	<u>155,293</u>	<u>0</u>
Total Expenditures	<u>155,293</u>	<u>155,293</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,293)	(4,189)	(896)
Fund Balance at Beginning of Year	<u>44,637</u>	<u>44,637</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 41,344</u>	<u>\$ 40,448</u>	<u>\$ (896)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 37,000	\$ 36,469	\$ (531)
Total Revenues	37,000	36,469	(531)
Expenditures:			
General Government:			
Personal Services	1,213,270	1,213,270	0
Materials and Supplies	40,919	40,919	0
Contractual Services	53,885	53,885	0
Total Expenditures	1,308,074	1,308,074	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,271,074)	(1,271,605)	(531)
Other Financing Sources (Uses):			
Transfers In	1,300,000	1,300,000	0
Total Other Financing Sources (Uses)	1,300,000	1,300,000	0
Net Change in Fund Balance	28,926	28,395	(531)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 28,926	\$ 28,395	\$ (531)

CITY OF PORTSMOUTH, 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 PROJECT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 8,000	\$ 8,035	\$ 35
Fines and Forfeitures	155,000	153,285	(1,715)
Total Revenues	<u>163,000</u>	<u>161,320</u>	<u>(1,680)</u>
Expenditures:			
General Government:			
Personal Services	125,884	125,884	0
Materials and Supplies	930	930	0
Contractual Services	26,194	26,194	0
Capital Outlay	4,210	4,210	0
Total Expenditures	<u>157,218</u>	<u>157,218</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,782	4,102	(1,680)
Fund Balance at Beginning of Year	<u>89,142</u>	<u>89,142</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 94,924</u>	<u>\$ 93,244</u>	<u>\$ (1,680)</u>

CITY OF PORTSMOUTH, 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 PROBATION SERVICES FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 200,000	\$ 198,800	\$ (1,200)
Total Revenues	<u>200,000</u>	<u>198,800</u>	<u>(1,200)</u>
Expenditures:			
General Government:			
Personal Services	<u>200,169</u>	<u>200,169</u>	<u>0</u>
Total Expenditures	<u>200,169</u>	<u>200,169</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(169)	(1,369)	(1,200)
Fund Balance at Beginning of Year	<u>6,878</u>	<u>6,878</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,709</u>	<u>\$ 5,509</u>	<u>\$ (1,200)</u>

CITY OF PORTSMOUTH, 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 PROGRAMS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 150,000	\$ 149,170	\$ (830)
Total Revenues	<u>150,000</u>	<u>149,170</u>	<u>(830)</u>
Expenditures:			
General Government:			
Personal Services	136,128	136,128	0
Contractual Services	<u>43,913</u>	<u>43,913</u>	<u>0</u>
Total Expenditures	<u>180,041</u>	<u>180,041</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,041)	(30,871)	(830)
Fund Balance at Beginning of Year	<u>46,677</u>	<u>46,677</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,636</u>	<u>\$ 15,806</u>	<u>\$ (830)</u>

CITY OF PORTSMOUTH, 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**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 36,000	\$ 35,396	\$ (604)
Total Revenues	<u>36,000</u>	<u>35,396</u>	<u>(604)</u>
Expenditures:			
General Government:			
Personal Services	<u>35,396</u>	<u>35,396</u>	<u>0</u>
Total Expenditures	<u>35,396</u>	<u>35,396</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	604	0	(604)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 604</u>	<u>\$ 0</u>	<u>\$ (604)</u>

CITY OF PORTSMOUTH, 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 COMPUTER FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 26,000	\$ 25,173	\$ (827)
Total Revenues	<u>26,000</u>	<u>25,173</u>	<u>(827)</u>
Expenditures:			
General Government:			
Contractual Services	9,138	9,138	0
Capital Outlay	14,855	14,855	0
Total Expenditures	<u>23,993</u>	<u>23,993</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,007	1,180	(827)
Fund Balance at Beginning of Year	<u>25,767</u>	<u>25,767</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 27,774</u>	<u>\$ 26,947</u>	<u>\$ (827)</u>

CITY OF PORTSMOUTH, 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 SECURITY FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 44,000	\$ 43,499	\$ (501)
Fines and Forfeitures	53,000	52,913	(87)
Total Revenues	<u>97,000</u>	<u>96,412</u>	<u>(588)</u>
Expenditures:			
General Government:			
Personal Services	125,246	125,246	0
Capital Outlay	43,499	43,499	0
Total Expenditures	<u>168,745</u>	<u>168,745</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71,745)	(72,333)	(588)
Other Financing Sources (Uses):			
Transfers In	133,000	132,990	(10)
Total Other Financing Sources (Uses)	<u>133,000</u>	<u>132,990</u>	<u>(10)</u>
Net Change in Fund Balance	61,255	60,657	(598)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 61,255</u>	<u>\$ 60,657</u>	<u>\$ (598)</u>

CITY OF PORTSMOUTH, 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 DONATION FUND		
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>503</u>	<u>503</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 503</u></u>	<u><u>\$ 503</u></u>	<u><u>\$ 0</u></u>

CITY OF PORTSMOUTH, 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 FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Taxes	\$ 66,000	\$ 65,846	\$ (154)
Intergovernmental Revenues	8,000	7,613	(387)
Total Revenues	<u>74,000</u>	<u>73,459</u>	<u>(541)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	<u>73,459</u>	<u>73,459</u>	<u>0</u>
Total Expenditures	<u>73,459</u>	<u>73,459</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	541	0	(541)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 541</u>	<u>\$ 0</u>	<u>\$ (541)</u>

CITY OF PORTSMOUTH, 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 FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Taxes	\$ 66,000	\$ 65,846	\$ (154)
Intergovernmental Revenues	8,000	7,613	(387)
Total Revenues	<u>74,000</u>	<u>73,459</u>	<u>(541)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	<u>73,459</u>	<u>73,459</u>	<u>0</u>
Total Expenditures	<u>73,459</u>	<u>73,459</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	541	0	(541)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 541</u>	<u>\$ 0</u>	<u>\$ (541)</u>

CITY OF PORTSMOUTH, 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**

D.A.R.E. STATE GRANT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Security of Persons and Property:			
Contractual Services	<u>30,775</u>	<u>30,775</u>	<u>0</u>
Total Expenditures	<u>30,775</u>	<u>30,775</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(30,775)</u>	<u>(30,775)</u>	<u>0</u>
Fund Balance at Beginning of Year	<u>52,533</u>	<u>52,533</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,758</u>	<u>\$ 21,758</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Contractual Services	1,357	1,357	0
Total Expenditures	1,357	1,357	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,357)	(1,357)	0
Fund Balance at Beginning of Year	2,970	2,970	0
Fund Balance at End of Year	\$ 1,613	\$ 1,613	\$ 0

CITY OF PORTSMOUTH, 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***

JAG GRANTS FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	20,032	20,032	0
Total Expenditures	20,032	20,032	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,032)	(20,032)	0
Fund Balance at Beginning of Year	22,468	22,468	0
Fund Balance at End of Year	\$ 2,436	\$ 2,436	\$ 0

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 147,000	\$ 146,497	\$ (503)
Total Revenues	<u>147,000</u>	<u>146,497</u>	<u>(503)</u>
Expenditures:			
Security of Persons and Property:			
Contractual Services	19,300	19,300	0
Capital Outlay	<u>65,157</u>	<u>65,157</u>	<u>0</u>
Total Expenditures	<u>84,457</u>	<u>84,457</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	62,543	62,040	(503)
Fund Balance at Beginning of Year	<u>309,597</u>	<u>309,597</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 372,140</u>	<u>\$ 371,637</u>	<u>\$ (503)</u>

CITY OF PORTSMOUTH, 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**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 13,000	\$ 12,852	\$ (148)
Total Revenues	<u>13,000</u>	<u>12,852</u>	<u>(148)</u>
Expenditures:			
General Government:			
Contractual Services	<u>13,659</u>	<u>13,659</u>	<u>0</u>
Total Expenditures	<u>13,659</u>	<u>13,659</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(659)	(807)	(148)
Fund Balance at Beginning of Year	<u>52,069</u>	<u>52,069</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 51,410</u>	<u>\$ 51,262</u>	<u>\$ (148)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 6,000	\$ 5,601	\$ (399)
Total Revenues	<u>6,000</u>	<u>5,601</u>	<u>(399)</u>
Expenditures:			
General Government:			
Contractual Services	<u>8,059</u>	<u>8,059</u>	<u>0</u>
Total Expenditures	<u>8,059</u>	<u>8,059</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,059)	(2,458)	(399)
Fund Balance at Beginning of Year	<u>58,934</u>	<u>58,934</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 56,875</u>	<u>\$ 56,476</u>	<u>\$ (399)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 1,000	\$ 593	\$ (407)
Total Revenues	<u>1,000</u>	<u>593</u>	<u>(407)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	593	(407)
Fund Balance at Beginning of Year	<u>1,319</u>	<u>1,319</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,319</u>	<u>\$ 1,912</u>	<u>\$ (407)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 0	\$ 25	\$ 25
Total Revenues	<u>0</u>	<u>25</u>	<u>25</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	25	25
Fund Balance at Beginning of Year	<u>14,327</u>	<u>14,327</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,327</u>	<u>\$ 14,352</u>	<u>\$ 25</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 3,000	\$ 2,680	\$ (320)
All Other Revenues	1,000	490	(510)
Total Revenues	<u>4,000</u>	<u>3,170</u>	<u>(830)</u>
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	<u>13,830</u>	<u>13,830</u>	<u>0</u>
Total Expenditures	<u>13,830</u>	<u>13,830</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,830)	(10,660)	(830)
Fund Balance at Beginning of Year	<u>100,874</u>	<u>100,874</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 91,044</u>	<u>\$ 90,214</u>	<u>\$ (830)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	5,562	5,562	0
Total Expenditures	5,562	5,562	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,562)	(5,562)	0
Fund Balance at Beginning of Year	80,712	80,712	0
Fund Balance at End of Year	\$ 75,150	\$ 75,150	\$ 0

CITY OF PORTSMOUTH, 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**

OHIO PEACE OFFICERS TRAINING FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Security of Persons and Property:			
Contractual Services	<u>2,600</u>	<u>2,600</u>	<u>0</u>
Total Expenditures	<u>2,600</u>	<u>2,600</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,600)</u>	<u>(2,600)</u>	<u>0</u>
Fund Balance at Beginning of Year	<u>28,480</u>	<u>28,480</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,880</u>	<u>\$ 25,880</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, 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**

COPS HIRING RECOVERY PROGRAM GRANT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Capital Outlay	14,805	14,805	0
Total Expenditures	14,805	14,805	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,805)	(14,805)	0
Fund Balance at Beginning of Year	14,805	14,805	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Capital Outlay	13,342	13,342	0
Total Expenditures	13,342	13,342	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,342)	(13,342)	0
Fund Balance at Beginning of Year	13,342	13,342	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF PORTSMOUTH, 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***

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 1,155,000	\$ 1,145,065	\$ (9,935)
Total Revenues	<u>1,155,000</u>	<u>1,145,065</u>	<u>(9,935)</u>
Expenditures:			
Transportation:			
Personal Services	762,930	762,930	0
Materials and Supplies	92,401	92,401	0
Contractual Services	369,208	369,208	0
Capital Outlay	10,000	10,000	0
Total Expenditures	<u>1,234,539</u>	<u>1,234,539</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(79,539)	(89,474)	(9,935)
Fund Balance at Beginning of Year	379,734	379,734	0
Prior Year Encumbrances	28,300	28,300	0
Fund Balance at End of Year	<u>\$ 328,495</u>	<u>\$ 318,560</u>	<u>\$ (9,935)</u>

CITY OF PORTSMOUTH, 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**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 75,000	\$ 74,275	\$ (725)
Total Revenues	<u>75,000</u>	<u>74,275</u>	<u>(725)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,000	74,275	(725)
Fund Balance at Beginning of Year	<u>346,350</u>	<u>346,350</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 421,350</u>	<u>\$ 420,625</u>	<u>\$ (725)</u>

CITY OF PORTSMOUTH, 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***

COMMUNITY DEVELOPMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 136,000	\$ 135,000	\$ (1,000)
Investment Earnings	0	4	4
Total Revenues	<u>136,000</u>	<u>135,004</u>	<u>(996)</u>
Expenditures:			
Community Environment:			
Personal Services	3,000	3,000	0
Contractual Services	132,000	132,000	0
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	4	(996)
Fund Balance at Beginning of Year	<u>76,210</u>	<u>76,210</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 77,210</u>	<u>\$ 76,214</u>	<u>\$ (996)</u>

CITY OF PORTSMOUTH, 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***

TOURISM AND CULTURAL DEVELOPMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 113,000	\$ 112,981	\$ (19)
Total Revenues	<u>113,000</u>	<u>112,981</u>	<u>(19)</u>
Expenditures:			
Community Environment:			
Contractual Services	<u>110,999</u>	<u>110,999</u>	<u>0</u>
Total Expenditures	<u>110,999</u>	<u>110,999</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,001	1,982	(19)
Fund Balance at Beginning of Year	<u>19,775</u>	<u>19,775</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,776</u>	<u>\$ 21,757</u>	<u>\$ (19)</u>

CITY OF PORTSMOUTH, 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**

	F.E.M.A. GRANT FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 8,000	\$ 7,872	\$ (128)
Total Revenues	<u>8,000</u>	<u>7,872</u>	<u>(128)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,000	7,872	(128)
Other Financing Sources (Uses):			
Transfers Out	<u>(7,872)</u>	<u>(7,872)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(7,872)</u>	<u>(7,872)</u>	<u>0</u>
Net Change in Fund Balance	128	0	(128)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 128</u>	<u>\$ 0</u>	<u>\$ (128)</u>

CITY OF PORTSMOUTH, 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***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 197,000	\$ 197,285	\$ 285
Intergovernmental Revenues	22,000	21,767	(233)
All Other Revenues	23,000	22,960	(40)
Total Revenues	<u>242,000</u>	<u>242,012</u>	<u>12</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	5,363	5,363	0
Materials and Supplies	30,020	30,020	0
Contractual Services	4,680	4,680	0
Capital Outlay	72,303	72,303	0
Total Expenditures	<u>112,366</u>	<u>112,366</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	129,634	129,646	12
Fund Balance at Beginning of Year	12,765	12,765	0
Prior Year Encumbrances	14,000	14,000	0
Fund Balance at End of Year	<u>\$ 156,399</u>	<u>\$ 156,411</u>	<u>\$ 12</u>

CITY OF PORTSMOUTH, 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***

COUNCIL TRUST FOR RECREATION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 51,000	\$ 51,652	\$ 652
All Other Revenues	6,000	5,390	(610)
Total Revenues	<u>57,000</u>	<u>57,042</u>	<u>42</u>
Expenditures:			
Leisure Time Activities:			
Personal Services	7,570	7,570	0
Materials and Supplies	15,525	15,525	0
Contractual Services	52,741	52,741	0
Total Expenditures	<u>75,836</u>	<u>75,836</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,836)	(18,794)	42
Fund Balance at Beginning of Year	44,551	44,551	0
Fund Balance at End of Year	<u>\$ 25,715</u>	<u>\$ 25,757</u>	<u>\$ 42</u>

CITY OF PORTSMOUTH, 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***

PLAYGROUND TRUST FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>33,060</u>	<u>33,060</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 33,060</u></u>	<u><u>\$ 33,060</u></u>	<u><u>\$ 0</u></u>

CITY OF PORTSMOUTH, 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**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 2,000	\$ 1,600	\$ (400)
Total Revenues	<u>2,000</u>	<u>1,600</u>	<u>(400)</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,000	1,600	(400)
Fund Balance at Beginning of Year	<u>203,188</u>	<u>203,188</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 205,188</u>	<u>\$ 204,788</u>	<u>\$ (400)</u>

CITY OF PORTSMOUTH, 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**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	4,852	4,852	0
Fund Balance at End of Year	<u>\$ 4,852</u>	<u>\$ 4,852</u>	<u>\$ 0</u>



Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Law Library Fund

To account for revenue and expenditures of State Patrol fines to the County Law Library.

Ohio Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Community Prevention Grant Fund

To account for a pass through grant from the Ohio Department of Youth Services to a third party not for profit organization in the City. (The Statement of Net Position is not presented because there are no assets or liabilities on a GAAP basis.)

Municipal Court Fund

To account for funds that flow through the municipal court office.

CITY OF PORTSMOUTH, OHIO

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

	Law Library	Ohio Board of Building Standards	Municipal Court	Total Custodial Funds
Assets:				
Receivables:				
Accounts	\$ 16,640	\$ 0	\$ 580,468	\$ 597,108
Restricted Assets:				
Cash and Cash Equivalents	999	16,296	39,182	56,477
Total Assets	<u>17,639</u>	<u>16,296</u>	<u>619,650</u>	<u>653,585</u>
Liabilities:				
Intergovernmental Pay able	0	0	18,615	18,615
Due to Others	17,639	16,296	601,035	634,970
Total Liabilities	<u>17,639</u>	<u>16,296</u>	<u>619,650</u>	<u>653,585</u>
Unrestricted	0	0	0	0
Total Net Position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF PORTSMOUTH, OHIO

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

	Law Library	Ohio Board of Building Standards	Community Prevention Grant	Municipal Court	Total Custodial Funds
Additions:					
Fines and Forfeiture Collections for Others	\$ 17,553	\$ 0	\$ 0	\$ 949,948	\$ 967,501
Charges Collected for Others	0	2,496	0	0	2,496
Miscellaneous	0	0	35,000	0	35,000
Total Additions	17,553	2,496	35,000	949,948	1,004,997
Deductions:					
Distribution of Fines and Forfeitures to Others	17,553	0	0	949,948	967,501
Distribution of Charges Collected for Others	0	2,496	0	0	2,496
Distributions to Others	0	0	35,000	0	35,000
Total Deductions	17,553	2,496	35,000	949,948	1,004,997
Change in Net Position	0	0	0	0	0
Net Position at Beginning of Year	0	0	0	0	0
Net Position End of Year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0



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 11
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 12 – S 15
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 the income tax.	
Debt Capacity	S 16 – S 25
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 26 – S 29
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 30 – S 35
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 Portsmouth, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2013	2014	2015	2016
Governmental Activities:		(1)		
Net Investment in Capital Assets	\$20,650,606	\$19,585,820	\$18,924,619	\$18,518,783
Restricted	5,948,525	5,561,675	5,578,284	5,525,394
Unrestricted	(101,280)	(11,796,128)	(10,850,195)	(8,842,212)
Total Governmental Activities Net Position	<u>\$26,497,851</u>	<u>\$13,351,367</u>	<u>\$13,652,708</u>	<u>\$15,201,965</u>
Business-type Activities:				
Net Investment in Capital Assets	\$15,122,072	\$15,436,290	\$15,753,500	\$16,163,417
Restricted	963,878	557,025	0	0
Unrestricted	2,337,602	163,750	820,725	352,414
Total Business-type Activities Net Position	<u>\$18,423,552</u>	<u>\$16,157,065</u>	<u>\$16,574,225</u>	<u>\$16,515,831</u>
Primary Government:				
Net Investment in Capital Assets	\$35,772,678	\$35,022,110	\$34,678,119	\$34,682,200
Restricted	6,912,403	6,118,700	5,578,284	5,525,394
Unrestricted	2,236,322	(11,632,378)	(10,029,470)	(8,489,798)
Total Primary Government Net Position	<u>\$44,921,403</u>	<u>\$29,508,432</u>	<u>\$30,226,933</u>	<u>\$31,717,796</u>

Source: City Auditor's Office

(1) Amounts adjusted as a result of a prior period adjustment.

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
(1)	(1)				
\$19,448,701	\$19,371,039	\$19,736,920	\$20,275,746	\$20,361,528	\$20,201,082
5,736,295	5,987,081	6,146,334	6,404,322	5,510,254	6,117,367
<u>(21,893,895)</u>	<u>(21,889,402)</u>	<u>(13,834,622)</u>	<u>(12,311,310)</u>	<u>(6,095,946)</u>	<u>(1,857,689)</u>
<u>\$3,291,101</u>	<u>\$3,468,718</u>	<u>\$12,048,632</u>	<u>\$14,368,758</u>	<u>\$19,775,836</u>	<u>\$24,460,760</u>
\$16,482,329	\$16,842,545	\$17,300,233	\$16,614,216	\$15,883,356	\$15,669,414
0	0	0	0	0	0
<u>(1,322,632)</u>	<u>(1,006,253)</u>	<u>(801,964)</u>	<u>377,100</u>	<u>4,016,287</u>	<u>6,498,119</u>
<u>\$15,159,697</u>	<u>\$15,836,292</u>	<u>\$16,498,269</u>	<u>\$16,991,316</u>	<u>\$19,899,643</u>	<u>\$22,167,533</u>
\$35,931,030	\$36,213,584	\$37,037,153	\$36,889,962	\$36,244,884	\$35,870,496
5,736,295	5,987,081	6,146,334	6,404,322	5,510,254	6,117,367
<u>(23,216,527)</u>	<u>(22,895,655)</u>	<u>(14,636,586)</u>	<u>(11,934,210)</u>	<u>(2,079,659)</u>	<u>4,640,430</u>
<u>\$18,450,798</u>	<u>\$19,305,010</u>	<u>\$28,546,901</u>	<u>\$31,360,074</u>	<u>\$39,675,479</u>	<u>\$46,628,293</u>

City of Portsmouth, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2013	2014	2015
Expenses			
Governmental Activities:			
Security of Persons and Property	\$8,888,183	\$9,047,187	\$9,277,034
Public Health and Welfare Services	2,893,736	2,959,083	2,646,659
Leisure Time Activities	83,400	68,933	74,438
Community Environment	616,289	1,236,218	750,567
Transportation	1,872,986	2,431,358	2,048,345
General Government	3,890,219	4,037,247	4,194,086
Interest and Fiscal Charges	111,808	100,934	89,558
<i>Total Governmental Activities Expenses</i>	<u>18,356,621</u>	<u>19,880,960</u>	<u>19,080,687</u>
Business-type Activities:			
Water	5,841,561	5,939,858	5,549,162
Sewer	3,097,309	3,538,609	3,303,902
Sanitation	1,532,213	1,858,980	1,739,108
Primary Care (1)	92,388	111,594	41,722
<i>Total Business-type Activities Expenses</i>	<u>10,563,471</u>	<u>11,449,041</u>	<u>10,633,894</u>
<i>Total Primary Government Expenses</i>	<u>\$28,920,092</u>	<u>\$31,330,001</u>	<u>\$29,714,581</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$1,179,840	\$755,818	\$778,082
Public Health and Welfare Services	407,318	351,480	279,450
Leisure Time Activities	79,158	76,153	76,955
Community Environment	76,568	93,865	112,766
Transportation	34,715	39,790	31,081
General Government	442,522	497,485	448,460
Operating Grants and Contributions	4,341,552	3,108,213	3,201,644
Capital Grants and Contributions	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>6,561,673</u>	<u>4,922,804</u>	<u>4,928,438</u>

City of Portsmouth, Ohio

2016	2017	2018	2019	2020	2021	2022
\$10,060,825	\$11,246,084	\$12,000,917	\$3,416,830	\$13,563,806	\$11,990,922	\$12,366,917
2,993,466	2,593,327	3,373,410	4,247,598	3,999,162	2,765,917	3,315,496
71,114	90,138	82,158	91,374	61,331	49,139	83,214
624,103	508,146	453,197	646,488	833,460	516,196	686,227
2,597,717	2,042,145	2,414,383	2,548,051	2,744,888	2,303,955	2,513,783
4,089,277	5,242,442	5,562,132	6,301,546	6,604,638	3,677,060	5,500,036
50,031	31,788	25,752	43,889	47,806	31,510	30,245
<u>20,486,533</u>	<u>21,754,070</u>	<u>23,911,949</u>	<u>17,295,776</u>	<u>27,855,091</u>	<u>21,334,699</u>	<u>24,495,918</u>
6,456,104	6,144,431	6,853,813	7,058,219	6,736,112	5,501,582	7,023,094
3,976,485	3,990,481	4,471,089	4,718,402	4,994,544	4,204,937	4,547,534
1,904,954	2,061,479	2,177,201	2,297,236	1,988,648	1,786,676	2,068,219
201,008	366,654	523,175	0	0	0	0
<u>12,538,551</u>	<u>12,563,045</u>	<u>14,025,278</u>	<u>14,073,857</u>	<u>13,719,304</u>	<u>11,493,195</u>	<u>13,638,847</u>
<u>\$33,025,084</u>	<u>\$34,317,115</u>	<u>\$37,937,227</u>	<u>\$31,369,633</u>	<u>\$41,574,395</u>	<u>\$32,827,894</u>	<u>\$38,134,765</u>
\$708,802	\$847,879	\$1,103,638	\$1,202,860	\$1,145,441	\$1,335,233	\$1,190,775
237,720	264,343	635,500	1,448,954	1,370,987	1,460,410	1,031,876
82,455	80,821	118,063	77,172	68,265	94,790	92,751
116,083	75,345	73,153	126,420	191,498	93,111	110,293
35,198	35,831	36,931	42,197	42,244	43,430	34,562
391,251	527,275	527,493	564,266	434,225	442,893	696,953
3,191,459	3,199,010	3,733,198	3,490,624	6,907,230	3,127,249	4,641,577
124,695	790,795	0	0	0	0	1,379,753
<u>4,887,663</u>	<u>5,821,299</u>	<u>6,227,976</u>	<u>6,952,493</u>	<u>10,159,890</u>	<u>6,597,116</u>	<u>9,178,540</u>

(Continued)

City of Portsmouth, Ohio

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2013	2014	2015
Business-type Activities:			
Charges for Services			
Water	6,348,951	6,260,916	5,693,192
Sewer	3,289,947	3,350,865	3,074,800
Sanitation	1,385,365	1,957,495	2,181,292
Primary Care (1)	92,110	80,164	66,219
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	0	35,551
<i>Total Business-type Activities Program Revenues</i>	<u>11,116,373</u>	<u>11,649,440</u>	<u>11,051,054</u>
<i>Total Primary Government Program Revenues</i>	<u>17,678,046</u>	<u>16,572,244</u>	<u>15,979,492</u>
Net (Expense)/Revenue			
Governmental Activities	(11,794,948)	(14,958,156)	(14,152,249)
Business-type Activities	552,902	200,399	417,160
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$11,242,046)</u>	<u>(\$14,757,757)</u>	<u>(\$13,735,089)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes Levied for:			
General Purposes	\$1,455,262	\$1,397,123	\$1,575,946
Special Purposes	289,880	303,136	306,374
Debt Service	145,693	136,218	138,622
Income Taxes	10,253,546	10,165,799	10,605,852
Other Local Taxes	318,840	311,926	313,388
Grants and Entitlements not			
Restricted to Specific Programs	1,285,909	917,790	1,069,435
Investment Earnings	1,641	182	30
Miscellaneous	311,346	544,864	443,943
Special Item			
Loss on Disposal of Capital Assets	0	0	0
Transfers	0	(47,325)	0
<i>Total Governmental Activities</i>	<u>14,062,117</u>	<u>13,729,713</u>	<u>14,453,590</u>
Business-type Activities:			
Transfers	0	47,325	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>47,325</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$14,062,117</u>	<u>\$13,777,038</u>	<u>\$14,453,590</u>
Change in Net Position			
Governmental Activities	\$2,267,169	(\$1,228,443)	\$301,341
Business-type Activities	552,902	247,724	417,160
<i>Total Primary Government Change in Net Position</i>	<u>\$2,820,071</u>	<u>(\$980,719)</u>	<u>\$718,501</u>

Source: City Auditor's Office

(1) In 2019, the Primary Care Fund was reclassified as part of the Health Department Fund.

City of Portsmouth, Ohio

2016	2017	2018	2019	2020	2021	2022
6,174,408	6,372,974	6,431,274	6,670,304	7,390,021	7,042,946	8,062,410
3,703,214	4,314,536	4,520,067	5,751,751	4,741,197	5,142,103	5,372,475
2,042,592	2,105,509	2,110,316	2,190,481	1,856,133	2,012,753	2,224,722
253,339	264,293	446,652	0	0	0	0
0	0	0	0	225,000	0	0
306,604	269,624	907,178	123,298	0	203,720	239,258
<u>12,480,157</u>	<u>13,326,936</u>	<u>14,415,487</u>	<u>14,735,834</u>	<u>14,212,351</u>	<u>14,401,522</u>	<u>15,898,865</u>
<u>17,367,820</u>	<u>19,148,235</u>	<u>20,643,463</u>	<u>21,688,327</u>	<u>24,372,241</u>	<u>20,998,638</u>	<u>25,077,405</u>
(15,598,870)	(15,932,771)	(17,683,973)	(10,343,283)	(17,695,201)	(14,737,583)	(15,317,378)
(58,394)	763,891	390,209	661,977	493,047	2,908,327	2,260,018
<u>(\$15,657,264)</u>	<u>(\$15,168,880)</u>	<u>(\$17,293,764)</u>	<u>(\$9,681,306)</u>	<u>(\$17,202,154)</u>	<u>(\$11,829,256)</u>	<u>(\$13,057,360)</u>
\$1,602,080	\$1,631,039	\$1,645,052	\$1,671,710	\$1,706,366	\$1,697,434	\$1,753,174
307,312	306,846	306,076	316,727	320,492	319,298	381,099
140,242	143,409	141,949	146,962	150,062	157,133	144,592
13,263,572	13,789,556	14,305,157	14,710,992	15,050,130	16,118,525	16,897,668
320,904	349,724	241,947	280,159	319,955	343,704	349,118
919,894	962,843	991,191	1,096,085	1,031,751	1,242,995	1,301,467
14	1,259	9,001	8,484	2,808	1,742	4,618
594,109	425,618	507,603	692,078	1,433,763	263,830	472,643
0	0	0	0	0	0	(1,294,205)
0	0	(23,519)	0	0	0	(7,872)
<u>17,148,127</u>	<u>17,610,294</u>	<u>18,124,457</u>	<u>18,923,197</u>	<u>20,015,327</u>	<u>20,144,661</u>	<u>20,002,302</u>
0	0	23,519	0	0	0	7,872
0	0	23,519	0	0	0	7,872
<u>\$17,148,127</u>	<u>\$17,610,294</u>	<u>\$18,147,976</u>	<u>\$18,923,197</u>	<u>\$20,015,327</u>	<u>\$20,144,661</u>	<u>\$20,010,174</u>
\$1,549,257	\$1,677,523	\$440,484	\$8,579,914	\$2,320,126	\$5,407,078	\$4,684,924
(58,394)	763,891	413,728	661,977	493,047	2,908,327	2,267,890
<u>\$1,490,863</u>	<u>\$2,441,414</u>	<u>\$854,212</u>	<u>\$9,241,891</u>	<u>\$2,813,173</u>	<u>\$8,315,405</u>	<u>\$6,952,814</u>

City of Portsmouth, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2013	2014	2015	2016
General Fund				
Nonspendable	\$36,236	\$72,839	\$58,906	\$56,728
Committed	0	0	52,556	319,965
Assigned	0	373,351	62,043	0
Unassigned	937,700	887,753	1,601,983	3,352,833
<i>Total General Fund</i>	<u>973,936</u>	<u>1,333,943</u>	<u>1,775,488</u>	<u>3,729,526</u>
All Other Governmental Funds				
Nonspendable	\$63,215	\$86,495	\$61,360	\$70,874
Restricted	4,735,911	4,723,099	4,636,197	4,676,483
Committed	104,261	74,273	58,919	49,934
Unassigned	(42,822)	(75,571)	(18,382)	(76,160)
<i>Total All Other Governmental Funds</i>	<u>4,860,565</u>	<u>4,808,296</u>	<u>4,738,094</u>	<u>4,721,131</u>
<i>Total Governmental Funds</i>	<u><u>\$5,834,501</u></u>	<u><u>\$6,142,239</u></u>	<u><u>\$6,513,582</u></u>	<u><u>\$8,450,657</u></u>

Source: City Auditor's Office

City of Portsmouth, Ohio

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$97,898	\$75,438	\$241,201	\$182,095	\$191,623	\$337,895
358,947	175,198	154,832	218,643	172,561	209,861
289,028	358,000	143,170	382,873	1,518,814	3,732,583
<u>5,182,566</u>	<u>6,547,594</u>	<u>8,146,844</u>	<u>11,105,873</u>	<u>11,770,687</u>	<u>10,868,735</u>
<u>5,928,439</u>	<u>7,156,230</u>	<u>8,686,047</u>	<u>11,889,484</u>	<u>13,653,685</u>	<u>15,149,074</u>
\$53,953	\$35,548	\$78,768	\$76,163	\$60,537	\$112,324
4,622,731	4,901,593	5,102,321	5,760,151	4,865,543	5,246,795
35,957	30,474	14,337	10,689	44,439	26,707
<u>(51,773)</u>	<u>(3,448)</u>	<u>(1,880)</u>	<u>0</u>	<u>(1,221)</u>	<u>0</u>
<u>4,660,868</u>	<u>4,964,167</u>	<u>5,193,546</u>	<u>5,847,003</u>	<u>4,969,298</u>	<u>5,385,826</u>
<u>\$10,589,307</u>	<u>\$12,120,397</u>	<u>\$13,879,593</u>	<u>\$17,736,487</u>	<u>\$18,622,983</u>	<u>\$20,534,900</u>

City of Portsmouth, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2013	2014	2015	2016
Revenues:				
Taxes	\$12,497,593	\$12,500,502	\$12,749,590	\$15,506,101
Intergovernmental Revenues	5,163,625	4,414,477	4,056,009	4,366,694
Charges for Services	393,396	403,816	414,356	496,119
Licenses and Permits	273,901	238,668	210,454	213,680
Investment Earnings	1,641	182	30	14
Fines and Forfeitures	1,581,009	1,109,375	1,093,935	882,641
All Other Revenue	369,475	574,018	525,638	683,141
Total Revenue	<u>20,280,640</u>	<u>19,241,038</u>	<u>19,050,012</u>	<u>22,148,390</u>
Expenditures:				
Current:				
Security of Persons and Property	8,535,167	8,560,561	8,937,793	9,257,240
Public Health and Welfare Services	2,855,740	2,939,025	2,626,098	2,988,836
Leisure Time Activities	70,920	56,452	62,191	57,121
Community Environment	551,749	904,167	588,429	538,514
Transportation	1,014,996	1,297,001	1,148,978	1,288,165
General Government	3,373,740	3,672,978	3,685,862	3,945,141
Capital Outlay	1,696,298	1,161,110	1,323,226	1,739,556
Debt Service:				
Principal Retirement	248,051	255,331	238,079	333,781
Interest and Fiscal Charges	112,998	102,147	90,883	64,184
Total Expenditures	<u>18,459,659</u>	<u>18,948,772</u>	<u>18,701,539</u>	<u>20,212,538</u>
Excess (Deficiency) of Revenues Over Expenditures	1,820,981	292,266	348,473	1,935,852
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	0	0	57,067	0
Other Financing Sources - Capital Leases	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Refunding General Obligation Bonds	0	0	0	1,250,000
Payment to Refunded Bond Escrow Agent	0	0	0	(1,250,000)
Installment Loans	0	0	0	0
Transfers In	18,000	178,410	389,427	536,408
Transfers Out	(18,000)	225,735	(389,427)	(536,408)
Total Other Financing Sources (Uses)	<u>0</u>	<u>404,145</u>	<u>57,067</u>	<u>0</u>
Net Change in Fund Balance	<u>\$1,820,981</u>	<u>\$696,411</u>	<u>\$405,540</u>	<u>\$1,935,852</u>
Debt Service as a Percentage of Noncapital Expenditures	2.13%	1.92%	1.87%	2.07%

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
\$16,193,330	\$16,705,620	\$17,170,801	\$17,393,784	\$18,695,292	\$19,475,137
3,823,990	4,738,922	4,397,656	8,130,514	4,097,111	5,793,239
521,577	1,221,514	2,079,630	1,942,705	2,293,034	1,779,250
165,177	173,262	230,122	283,014	206,329	218,936
1,259	9,001	8,484	2,808	1,742	4,618
1,030,819	1,065,652	1,173,221	984,183	997,685	1,110,765
557,477	521,348	926,477	1,639,345	358,153	580,847
<u>22,293,629</u>	<u>24,435,319</u>	<u>25,986,391</u>	<u>30,376,353</u>	<u>26,649,346</u>	<u>28,962,792</u>
9,711,886	10,784,563	11,049,426	12,043,334	11,723,144	11,903,074
2,344,996	3,253,449	3,604,297	3,632,766	3,872,018	3,954,994
73,178	67,786	70,942	48,392	44,011	74,734
419,810	368,753	522,096	711,089	516,632	621,298
1,165,108	1,286,596	1,475,285	1,721,902	2,087,045	1,976,235
4,691,647	4,941,114	4,866,161	5,779,563	5,139,290	5,867,067
1,512,327	1,954,631	2,988,375	2,112,078	2,105,585	4,337,205
216,618	163,575	231,273	352,098	248,163	299,964
32,756	26,763	44,900	54,418	26,962	18,811
<u>20,168,326</u>	<u>22,847,230</u>	<u>24,852,755</u>	<u>26,455,640</u>	<u>25,762,850</u>	<u>29,053,382</u>
2,125,303	1,588,089	1,133,636	3,920,713	886,496	(90,590)
0	0	0	0	0	2,250
0	0	594,698	0	0	0
0	0	0	0	0	1,390,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	618,129
231,852	456,548	1,261,376	919,382	890,698	920,990
(231,852)	(480,067)	(1,261,376)	(919,382)	(890,698)	(928,862)
<u>0</u>	<u>(23,519)</u>	<u>594,698</u>	<u>0</u>	<u>0</u>	<u>2,002,507</u>
<u>\$2,125,303</u>	<u>\$1,564,570</u>	<u>\$1,728,334</u>	<u>\$3,920,713</u>	<u>\$886,496</u>	<u>\$1,911,917</u>
1.35%	0.89%	1.24%	1.67%	1.15%	1.36%

City of Portsmouth, 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	2.00%	2.00%	2.00%	2.50%
Estimated Personal Income (in thousands)	\$620,756	\$639,688	\$663,939	\$674,315
Total Tax Collected	\$10,223,100	\$10,151,503	\$10,282,891	\$12,978,301
Income Tax Receipts				
Withholding	8,846,473	8,921,883	9,013,520	11,475,951
Percentage	86.53%	87.89%	87.66%	88.42%
Corporate	1,006,435	891,858	887,742	1,081,816
Percentage	9.84%	8.79%	8.63%	8.34%
Individuals	370,192	337,762	381,629	420,534
Percentage	3.63%	3.32%	3.71%	3.24%

Source: City Income Tax Department

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
\$737,561	\$790,432	\$811,953	\$886,303	\$856,858	\$856,858
\$14,085,123	\$14,275,245	\$14,613,408	\$14,776,724	\$16,084,379	\$16,893,777
12,336,088	12,655,154	12,922,222	13,121,874	13,991,213	15,170,718
87.58%	88.65%	88.43%	88.80%	86.99%	89.80%
1,212,293	1,031,434	1,133,570	1,086,273	1,607,199	1,245,229
8.61%	7.23%	7.76%	7.35%	9.99%	7.37%
536,742	588,657	557,616	568,577	485,967	477,830
3.81%	4.12%	3.81%	3.85%	3.02%	2.83%



City of Portsmouth, Ohio

*Income Tax Collections
Current Year and Nine Years Ago*

Calendar Year 2022

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.09%	\$303,118,960	44.86%	\$7,577,974	44.86%
All Others	11,627	99.91%	372,632,120	55.14%	9,315,803	55.14%
Total	<u>11,637</u>	<u>100.00%</u>	<u>\$675,751,080</u>	<u>100.00%</u>	<u>\$16,893,777</u>	<u>100.00%</u>
					\$16,893,777	

Calendar Year 2013

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.10%	\$230,322,450	45.06%	\$4,606,449	45.06%
All Others	10,197	99.90%	280,832,550	54.94%	5,616,651	54.94%
Total	<u>10,207</u>	<u>100.00%</u>	<u>\$511,155,000</u>	<u>100.00%</u>	<u>\$10,223,100</u>	<u>100.00%</u>

Source: City Income Tax Department

City of Portsmouth, Ohio

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2013	2014	2015	2016
Governmental Activities (1)				
General Obligation Bonds Payable	\$1,450,000	\$1,380,000	\$1,305,000	\$1,140,000
Installment Loan Payable	662,384	477,053	313,974	145,193
Business-type Activities (1)				
OWDA Loan Payable	\$6,974,518	\$8,289,564	\$9,933,465	\$9,764,232
OPWC Loan Payable	1,208,549	1,366,722	1,626,817	1,626,256
Water Refunding Revenue Bonds Payable	1,090,000	555,000	0	0
Installment Loan Payable	3,786,817	2,983,048	2,145,492	1,272,725
Total Primary Government	<u>\$15,172,268</u>	<u>\$15,051,387</u>	<u>\$15,324,748</u>	<u>\$13,948,406</u>
Population (2)				
City of Portsmouth	20,226	20,226	20,226	20,226
Outstanding Debt Per Capita	\$750	\$744	\$758	\$690
Income (3)				
Personal (in thousands)	620,756	639,688	663,939	674,315
Percentage of Personal Income	2.44%	2.35%	2.31%	2.07%

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 Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
\$1,025,000	\$905,000	\$785,000	\$665,000	\$540,000	\$1,800,000
43,575	0	483,425	251,327	128,164	576,329
\$9,433,247	\$9,445,440	\$9,488,183	\$9,225,620	\$9,627,865	\$11,446,282
1,561,256	2,071,959	2,782,452	2,724,421	2,561,847	2,414,275
0	0	0	0	0	0
363,255	0	0	285,708	192,171	97,155
<u>\$12,426,333</u>	<u>\$12,422,399</u>	<u>\$13,539,060</u>	<u>\$13,152,076</u>	<u>\$13,050,047</u>	<u>\$16,334,041</u>
20,226	20,226	20,226	20,226	18,252	18,252
\$614	\$614	\$669	\$650	\$715	\$895
737,561	790,432	811,953	886,303	856,858	856,858
1.68%	1.57%	1.67%	1.48%	1.52%	1.91%

City of Portsmouth, Ohio

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2013	2014	2015	2016
Population ⁽¹⁾	20,226	20,226	20,226	20,226
Assessed Value ⁽²⁾	\$213,252,580	\$216,860,000	\$215,872,520	\$224,323,360
General Bonded Debt ⁽³⁾				
General Obligation Bonds-Governmental	\$1,450,000	\$1,380,000	\$1,305,000	\$1,140,000
Resources Available to Pay Principal ⁽⁴⁾	\$97,815	\$124,831	\$123,719	\$60,382
Net General Bonded Debt	\$1,352,185	\$1,255,169	\$1,181,281	\$1,079,618
Ratio of Net Bonded Debt to Assessed Value	0.63%	0.58%	0.55%	0.48%
Net Bonded Debt per Capita	\$66.85	\$62.06	\$58.40	\$53.38

Source:

- (1) U.S. Bureau of Census of Population
- (2) Scioto 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 Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
20,226	20,226	20,226	20,226	18,252	18,252
\$233,969,550	\$232,591,780	\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550
\$1,025,000	\$905,000	\$785,000	\$665,000	\$540,000	\$1,800,000
\$78,413	\$95,381	\$118,040	\$148,415	\$175,549	\$203,334
\$946,587	\$809,619	\$666,960	\$516,585	\$364,451	\$1,596,666
0.40%	0.35%	0.29%	0.22%	0.15%	0.66%
\$46.80	\$40.03	\$32.98	\$25.54	\$19.97	\$87.48



City of Portsmouth, 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 Portsmouth</u>	<u>Amount Applicable to the City of Portsmouth</u>
Direct:			
City of Portsmouth	\$2,376,329	100.00%	\$2,376,329
Overlapping:			
Scioto County	3,256,378	20.92%	681,234
Portsmouth City School District	10,715,210	92.03%	<u>9,861,208</u>
		Subtotal	<u>10,542,442</u>
		Total	<u>\$12,918,771</u>

Source: Scioto County Auditor
Portsmouth City School District

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Portsmouth, Ohio

*Debt Limitations
Last Ten Years*

Collection Year	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$213,252,580	\$216,860,000	\$215,872,520	\$224,323,360
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	22,391,521	22,770,300	22,666,615	23,553,953
City Debt Outstanding (2)	1,450,000	1,380,000	1,305,000	1,140,000
Less: Applicable Debt Service Fund Amounts	(97,815)	(124,831)	(123,719)	(60,382)
Net Indebtedness Subject to Limitation	<u>1,352,185</u>	<u>1,255,169</u>	<u>1,181,281</u>	<u>1,079,618</u>
Overall Legal Debt Margin	<u>\$21,039,336</u>	<u>\$21,515,131</u>	<u>\$21,485,334</u>	<u>\$22,474,335</u>
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$213,252,580	\$216,860,000	\$215,872,520	\$224,323,360
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	11,728,892	11,927,300	11,872,989	12,337,785
City Debt Outstanding (2)	1,450,000	1,380,000	1,305,000	1,140,000
Less: Applicable Debt Service Fund Amounts	(97,815)	(124,831)	(123,719)	(60,382)
Net Indebtedness Subject to Limitation	<u>1,352,185</u>	<u>1,255,169</u>	<u>1,181,281</u>	<u>1,079,618</u>
Overall Legal Debt Margin	<u>\$10,376,707</u>	<u>\$10,672,131</u>	<u>\$10,691,708</u>	<u>\$11,258,167</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.

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
\$233,969,550	\$232,591,780	\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
24,566,803	24,422,137	24,447,970	24,716,757	24,832,441	25,323,433
1,025,000	905,000	785,000	665,000	540,000	1,800,000
(78,413)	(95,381)	(118,040)	(148,415)	(175,549)	(203,334)
946,587	809,619	666,960	516,585	364,451	1,596,666
<u>\$23,620,216</u>	<u>\$23,612,518</u>	<u>\$23,781,010</u>	<u>\$24,200,172</u>	<u>\$24,467,990</u>	<u>\$23,726,767</u>
\$233,969,550	\$232,591,780	\$232,837,810	\$235,397,690	\$236,499,440	\$241,175,550
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
12,868,325	12,792,548	12,806,080	12,946,873	13,007,469	13,264,655
1,025,000	905,000	785,000	665,000	540,000	1,800,000
(78,413)	(95,381)	(118,040)	(148,415)	(175,549)	(203,334)
946,587	809,619	666,960	516,585	364,451	1,596,666
<u>\$11,921,738</u>	<u>\$11,982,929</u>	<u>\$12,139,120</u>	<u>\$12,430,288</u>	<u>\$12,643,018</u>	<u>\$11,667,989</u>

City of Portsmouth, Ohio

*Pledged Revenue Coverage
Last Ten Years*

	2013	2014	2015	2016
Water Mortgage Bonds (1)				
Gross Revenues (2)	\$6,348,951	\$6,260,916	\$5,693,192	N/A
Direct Operating Expenses (3)	4,361,713	4,509,207	4,276,206	N/A
Net Revenue Available for Debt Service	1,987,238	1,751,709	1,416,986	N/A
Annual Debt Service Requirement	570,921	569,134	566,516	N/A
Coverage	3.48	3.08	2.50	N/A

N/A - Not Applicable

- (1) Water Mortgage Revenue Bonds were paid off in 2015.
- (2) Gross revenues include operating revenues plus interest income.
- (3) Direct operating expenses include operating expenses less depreciation.

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

City of Portsmouth, Ohio

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2013	2014	2015	2016	2017
Population (1)					
City of Portsmouth	20,226	20,226	20,226	20,226	20,226
Scioto County	78,153	77,258	76,825	76,088	75,929
Income (2) (a)					
Total Personal (in thousands)	620,756	639,688	663,939	674,315	737,561
Per Capita	30,691	31,627	32,826	33,339	36,466
Unemployment Rate (3)					
Federal	7.4%	6.2%	5.3%	4.9%	4.4%
State	7.4%	5.7%	4.9%	4.9%	5.0%
Scioto County	11.5%	8.7%	7.7%	7.6%	7.1%
Civilian Work Force Estimates (3)					
State	5,765,700	5,719,500	5,700,300	5,713,100	5,780,000
Scioto County	31,200	29,900	29,600	29,900	29,700

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

City of Portsmouth, Ohio

2018	2019	2020	2021	2022
20,226	20,226	20,226	18,252	18,252
75,502	75,314	74,347	73,346	73,346
790,432	811,953	886,303	856,858	856,858
39,080	40,144	43,820	46,946	46,946
3.9%	3.7%	8.1%	5.3%	3.6%
4.6%	4.1%	8.1%	5.1%	4.0%
6.8%	6.3%	8.7%	6.2%	5.1%
5,754,900	5,802,300	5,754,300	5,736,900	5,741,300
29,000	28,900	29,400	29,300	29,200



City of Portsmouth, Ohio

*Principal Employers
Current Year and Nine Years Ago*

Employer	Nature of Business	2022	
		Number of Employees	Rank
Southern Ohio Medical Center	Health Care Services	2,631	1
Shawnee State University	Education	1,215	2
Scioto County Offices	Government	911	3
Scioto County Counseling Center	Health Care Services	434	4
Portsmouth City Schools	Education	393	5
City of Portsmouth	Government	314	6
OSCO Industries	Manufacturing	269	7
Portsmouth Hospital Corp	Medical	197	8
State of Ohio	Government	172	9
SOMC Medical Care Foundation	Medical	168	10
Total		<u>6,704</u>	

Employer	Nature of Business	2013	
		Number of Employees	Rank
Southern Ohio Medical Center	Health Care Services	2,567	1
Shawnee State University	Education	1,577	2
Scioto County Offices	Government	694	3
Portsmouth City Schools	Education	419	4
City of Portsmouth	Government	419	5
State of Ohio	Government	312	6
Norfolk and Southern Railway	Railroad	301	7
OSCO Industries	Manufacturing	263	8
Portsmouth Hospital Corporation	Health Care Services	179	9
SOMC Medical Care Foundation	Medical	95	10
Total		<u>6,826</u>	

Sources: City Auditor's Office

Total employment within the City is not available.

City of Portsmouth, Ohio

*Full Time Equivalent Employees by Function
Last Ten Years*

	2013	2014	2015	2016
Governmental Activities				
Security of Persons and Property				
Police	47.0	47.0	50.0	51.0
Fire	36.0	38.0	39.0	39.0
Public Health and Welfare Services				
Health	28.5	25.5	26.0	27.0
General Government				
Legislative	7.0	7.0	7.0	7.0
Mayor	2.0	2.0	2.0	2.0
Finance	5.0	5.0	5.0	5.0
Legal	5.0	5.0	5.0	5.0
Court	25.0	26.0	26.5	24.5
Income Tax	2.0	2.0	2.0	2.0
Engineering	4.0	3.0	1.0	2.0
Administration	3.0	3.0	3.0	3.0
Garage	3.0	3.0	3.0	3.0
Transportation				
Streets	13.0	11.0	9.0	9.0
Cemetery Grounds	2.0	2.0	2.0	2.0
Recreational Grounds	0.0	0.0	0.0	0.0
Community Environment				
Building Inspection	1.0	1.0	1.0	1.0
Community Development	1.0	1.0	1.0	1.0
Business-Type Activities				
Utilities				
Water	38.0	38.0	35.0	29.0
Sewer	22.0	24.0	24.0	24.0
Sanitation	15.0	12.0	13.0	13.0
<i>Total Employees</i>	<u>259.5</u>	<u>255.5</u>	<u>254.5</u>	<u>249.5</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
52.0	53.0	52.0	53.0	55.0	53.0
39.0	39.0	39.0	39.0	38.0	38.0
27.0	29.5	29.5	27.0	32.0	31.0
7.0	7.0	7.0	7.0	7.0	7.0
3.0	1.5	2.0	2.0	3.0	2.3
5.0	5.0	5.0	5.0	5.0	5.0
5.0	5.0	5.0	5.0	5.0	5.0
27.5	27.0	27.5	27.0	24.0	24.0
2.0	2.0	2.0	2.0	2.0	2.0
1.0	1.0	1.0	2.0	2.0	4.0
2.0	2.0	2.0	2.0	2.0	2.0
2.0	2.0	3.0	3.0	3.0	3.0
9.0	9.0	7.5	11.0	9.0	9.0
2.0	2.0	3.0	5.0	3.0	2.0
0.0	0.0	0.0	0.0	1.0	0.3
2.0	2.0	2.0	2.0	2.0	2.0
1.0	1.0	1.0	1.0	1.0	1.0
32.0	32.5	32.0	32.0	34.0	33.0
23.0	24.0	22.0	23.0	23.0	24.0
13.0	14.0	14.0	15.0	15.0	15.0
<u>254.5</u>	<u>258.5</u>	<u>256.5</u>	<u>263.0</u>	<u>266.0</u>	<u>262.5</u>

City of Portsmouth, Ohio

*Operating Indicators by Function
Last Ten Years*

	2013	2014	2015	2016
Governmental Activities				
General Government				
Licenses and Permits				
Number of Building Permits	516	463	404	377
Security of Persons and Property				
Police				
Number of Patrol Units	29	29	29	29
Criminal/Juvenile Citations and Charges	1,482	1,795	2,024	1,647
Traffice Citations Issued	3,537	619	637	640
Parking Tickets Written	233	325	410	416
Fire				
Number of Calls Answered	792	962	1,235	2,230
Number of Fire Inpections	84	99	98	128
Number of Investigations	86	61	104	5
Number of EMS Transports	0	0	0	0
Business-Type Activities				
Water				
Number of Service Connections	13,493	13,398	13,400	13,400
Average Daily Consumption (thousands of gallons)	6M	6M	6M	6M
Maximum Daily Capacity (thousands of gallons)	12M	12M	12M	12M
Sewer				
Number of Service Connections	8,119	7,843	7,850	7,850
Average Daily Sewage Treatment (thousands of gallons)	5	5	5	5
Maximum Daily Plant Capacity (thousands of gallons)	10	10	10	10
Solid Waste				
Number of Customers Served	7,440	6,371	6,375	6,375

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
458	352	351	312	364	336
34	33	26	26	26	28
1,809	1,620	1,914	1,441	1,412	1,104
561	960	772	467	991	848
308	223	311	301	778	170
2,851	3,579	3,919	2,375	3,939	4,698
77	72	69	62	86	88
10	32	55	62	74	67
152	1,594	1,698	1,363	1,687	2,100
13,288	13,236	13,216	13,215	13,168	13,209
6M	6M	6M	6M	6M	6M
12M	12M	12M	12M	12M	12M
7,695	7,664	7,633	7,639	7,595	7,539
5	5	5	5	5	5
10	10	10	10	10	10
6,179	6,148	6,136	6,156	6,134	6,186

City of Portsmouth, Ohio

*Capital Asset Statistics by Function
Last Ten Years*

	2013	2014	2015	2016
Governmental Activities				
General Government				
Public Land and Buildings				
Land (acres)	7,680	7,680	7,680	7,680
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	29	29	29	29
Fire				
Stations	3	3	3	3
Vehicles	17	17	17	17
Transportation				
Street				
Streets (lane miles)	220	220	220	220
Street Lights	1,476	1,476	1,476	1,476
Leisure Time Activities				
Recreation/Seniors				
Land (acres)	223	223	223	223
Parks	17	17	17	17
Number of Ball Fields (Lighted)	7	7	7	7
Number of Ball Fields (Unlighted)	4	4	4	4
Number of Tennis Courts (Lighted)	0	0	0	0
Number of Tennis Courts (Unlighted)	11	11	11	11
Number of Pickleball Courts (Unlighted)	0	0	0	0
Public Health and Welfare				
Cemeteries				
Cemeteries	1	1	1	1
Land (acres)	40	40	40	40
Business-Type Activities				
Utilities				
Water				
Number of Filtration/Purification Plants	1	1	1	1
Waterlines (Miles)	400	400	400	400
Number of Hydrants	865	865	865	865
Sewer				
Number of Sewage Treatment Plants	2	2	2	2
Sewerlines (Miles)	30	30	30	30
Storm Water Drainage				
Storm Drains (Miles)	30	30	30	30

Source: City Auditor's Office

City of Portsmouth, Ohio

2017	2018	2019	2020	2021	2022
7,680	7,680	7,680	7,680	7,680	7,680
1	1	1	1	1	1
34	33	51	50	51	58
3	3	3	3	3	3
19	17	17	16	16	18
220	220	220	220	220	220
1,476	1,476	1,476	1,476	1,476	1,476
223	223	233	233	233	233
17	17	17	17	17	17
7	7	7	7	7	7
4	4	4	4	4	4
0	0	0	0	0	0
7	7	7	7	7	7
0	8	8	8	8	8
1	1	1	1	1	1
40	40	40	40	40	40
1	1	1	1	1	1
400	400	400	400	400	400
865	865	865	865	865	865
2	2	2	2	2	2
30	30	30	30	30	30
30	30	30	30	30	30



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OHIO AUDITOR OF STATE KEITH FABER



CITY OF PORTSMOUTH

SCIOTO COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/15/2023

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

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