



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CITY OF RITTMAN, OHIO

WAYNE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

OHIO AUDITOR OF STATE
KEITH FABER



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City Council
City of Rittman
30 N. Main St.
Rittman, OH 44270

We have reviewed the *Independent Auditor's Report* of the City of Rittman, Wayne County, prepared by Clark, Schaefer, Hackett & Co., 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 Rittman is responsible for compliance with these laws and regulations.

The Auditor of State is conducting an investigation of the city, any potential findings related to controls or compliance will be reported in a future report.

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

Keith Faber
Auditor of State
Columbus, Ohio

September 13, 2023

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City of Rittman
 Schedule of Expenditures of Federal Awards
 Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
<u>FEMA</u>			
SAFER Grant	97.083		\$ 202,636
Total FEMA			<u>202,636</u>
<u>Federal Highway Administration</u>			
<i>(Passed through Ohio Department of Transportation)</i>			
Highway Planning and Construction Cluster:			
Eastern Road Resurfacing	20.205	115305	254,872
East Ohio Avenue Resurfacing	20.205	112543	276,412
South Main Street Resurfacing	20.205	112549	<u>174,492</u>
Total Federal Highway Administration			<u>705,776</u>
<u>U.S. Department of the Treasury</u>			
COVID-19: Coronavirus state and local fiscal recovery funds	21.027		<u>252,416</u>
Total U.S. Department of the Treasury			<u>252,416</u>
Total			<u>\$ 1,160,828</u>

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Rittman (the City) 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 Uniform Guidance 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 AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City Council
City of Rittman, Ohio:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rittman, Ohio (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 31, 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 purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
July 31, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the City Council
City of Rittman, Ohio:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Rittman, Ohio's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the 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 Uniformed Guidance are further described in the Auditors' 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 County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' 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 judgement 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 judgement 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 Auditors' 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 that 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 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 report thereon, dated July 31, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
July 31, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued :	unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	none

Federal Awards

Internal Control over major program:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none reported
Type of auditors' report issued on compliance for major programs:	unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	none
Identification of major programs:	
<i>CFDA 20.205– Highway Planning and Construction Cluster</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	no

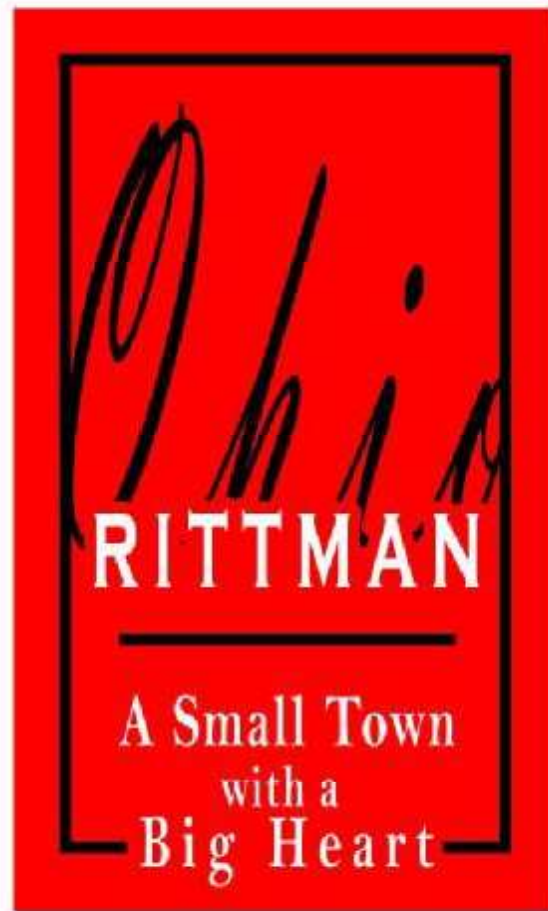
Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF
RITTMAN, OHIO



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



CITY OF RITTMAN, OHIO

Annual Comprehensive Financial Report

Year Ended December 31, 2022

Prepared by: Department of Finance



INTRODUCTORY SECTION



City of Rittman, Ohio
Annual Comprehensive Financial Report
Year Ended December 31, 2022

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Annual Comprehensive Financial Report
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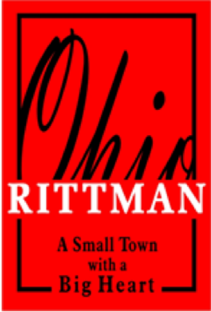
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City of Rittman, Ohio
Annual Comprehensive Financial Report
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The City of Rittman Offices
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Rittman, Ohio 44270
330-925-2064
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Matthew Bubp
Finance Director
mbubp@rittman.com

July 31, 2023

Members of Rittman City Council and
Citizens of Rittman, Ohio

The Annual Comprehensive Financial Report (ACFR) of the City of Rittman (the “City”) for the fiscal year ending December 31, 2022 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

The City’s Finance Department is responsible for management’s representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City’s accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable, but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City’s financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City’s financial activity have been included.

The City of Rittman

The City of Rittman is located in the north central part of the State of Ohio, within the boundaries of Wayne and Medina Counties. The City of Rittman is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1960 and has undergone three amendments since that time. The government consists of a Mayor and 6-member council.

The Mayor and all members of City Council are elected to 4-year terms. All of these officials are elected on an at-large basis.

The City provides the full range of municipal services addressed in its charter. These services include police, fire, public health, recreation and parks, street and sidewalks, water, sewer, and solid waste programs, planning and zoning, and general administrative services.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City's legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the Budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system.

The appropriated budget is prepared by fund, (e.g., General Fund), department (e.g., Police) and line item (e.g., Personal Services). The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund and major special revenues funds are presented in the basic financial statements, beginning on page 30. For other funds, this comparison is presented in the governmental fund subsection of this report, which starts on page 110.

2022 Initiatives

During 2022, the William J. Robertson Nature Preserve was completed and is fully open to the public.

Additionally, during 2022, the Grant, Seneca, and State Street waterline replacement project was completed, while engineering work continued on the Sterling, Erie, and Walnut waterline replacement project as well as the Water Main Replacement.

Several road projects were completed and other started throughout the year. Portions of East Ohio Avenue, South Main Street, and Eastern Road were resurfaced during the year through AMATS/ODOT funding. Krabill Road was also resurfaced using American Rescue Plan Act (ARPA) dollars. Shondel Road had chip & seal work done in conjunction with Chippewa Township. Finally, the Sterling/Erie and West Ohio resurfacing projects, intended to be completed in 2023, had engineering work performed.

Development Activities

The City laid the groundwork for future growth and improvement during 2022 while contending with the continued challenges presented by a global pandemic. City administration worked hard to protect both employees and residents of the City while ensuring future success.

A property swap with the Wayne County Public Library was completed to provide for the relocation of City Hall. The City will utilize the existing Library building, while the Library builds a new building on the land that was swapped to them. Additionally, efforts were made to seek and apply for grant opportunities from various sources to ramp up the rate at which road resurfacing projects are completed.

As discussed previously, in 2022 the City completed work on the nature preserve with Clean Ohio Fund Green Space Conversation Program grant funding through OPWC. The City is hopeful with the development of the nature park, additional grant funding, the proximity to rail spurs and the interstate system, and tax abatements, that we will see the start of the development of the industrial park in the near future. The industrial park is also located in the census tract that was designated by the State of Ohio and the Federal Government as an Opportunity Zone, which adds another incentive to this land.

In addition to capital improvement efforts, the City has plans to address other areas to facilitate growth. These include plans to review certain ordinances, zoning codes, and personnel procedures.

Long-term Financial Planning

In an effort to be proactive instead of reactive, the City continually evaluates its revenues and expenditures and programs and services provided, especially those under its control.

In 2010, the Administration adopted a five-year capital improvement program to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which is intended to indicate the need for continued cost containment or revenue enhancement efforts. The five-year capital plan was updated and adopted in 2022.

In early 2023, the City announced to its residents that a mistake had been found that resulted in income tax collections at an unauthorized rate of 1.5% since tax year 2008. The City set the income tax rate down to 1.0% effective January 1, 2022. As a result of income tax collections at a rate that is now 33% lower than previous years; larger refunds being owed than in previous years due to the retroactive rate change; and the failure of a ballot issue to raise the rate back to 1.5% in May of 2023, the City will have to undergo an intense re-evaluation of its long-term finances and planning.

Economic Condition and Outlook

The City's total net position increased \$1,789,849 over 2021. Net position of governmental activities increased \$1,350,523 and business-type increased \$439,326. All governmental funds had revenues of \$6,271,678 and expenditures of \$6,896,132. The general fund's net change in fund balance was a decrease of \$94,629. General fund revenues did decrease from the prior year mainly from a decrease in municipal income tax. Expenditures increased from the prior year, largely due to an increase in security of persons and property expenditures. The fund balance of the emergency medical service fund decreased \$12,276, the American Rescue Plan Act fund ended with a fund balance of \$0, the permissive tax fund increased by \$39,264, and the capital improvements fund decreased by \$101,282.

The City's governing body, administration, and employees are committed to working together to provide quality services to the residents. The future impact of the initiatives undertaken in 2022, combined with the imminent redevelopment of the large vacant industrial site, should allow the City to gain some financial strength in 2023 and subsequent years. However, the City will remain vigilant in evaluating their financial position and be proactive wherever possible by implementing revenue enhancing or cost cutting measures.

Administration will continue to look for other ways to expand the City's tax base, focusing on small businesses looking to relocate or revitalization of vacant property.

Independent Audit

The City is not legally required to obtain an independent annual audit. The minimum requirement is for the State of Ohio to perform an audit, directly or indirectly, through an independent auditing firm at least every two years. The City, consistent with the professional manner in which it has conducted its financial affairs, has chosen to fund annual audits. The City has engaged Clark Schaefer Hackett to audit the City's financial records. The auditor's unmodified opinion is included herein.

Certification of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rittman, Ohio for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. The City has received this award since 1996, the first year that the City prepared and submitted an ACFR. The Certificate of Achievement is a prestigious national award, recognizing conformance to the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report conforms to Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the administrative staff. We wish to express our appreciation to members of other City departments who assisted and contributed to the preparation of this report. In addition, gratitude is extended to the independent accounting firm of Clark Schaefer Hackett for their advice and guidance. City Council also deserves a special acknowledgment for their support and commitment to responsible fiscal reporting.

Respectfully Submitted,



Matthew Bulp
Finance Director



Bobbie Beshara
City Manager

City of Rittman, Ohio

For the year ended December 31, 2022

CITY OFFICIALS

Mayor

William Robertson

Council Members

Melissa Shows, President
David Williams
Josh Carey

Ken Park
Chuck Wyatt
Amanda Nelson

City Manager

Bobbie Beshara

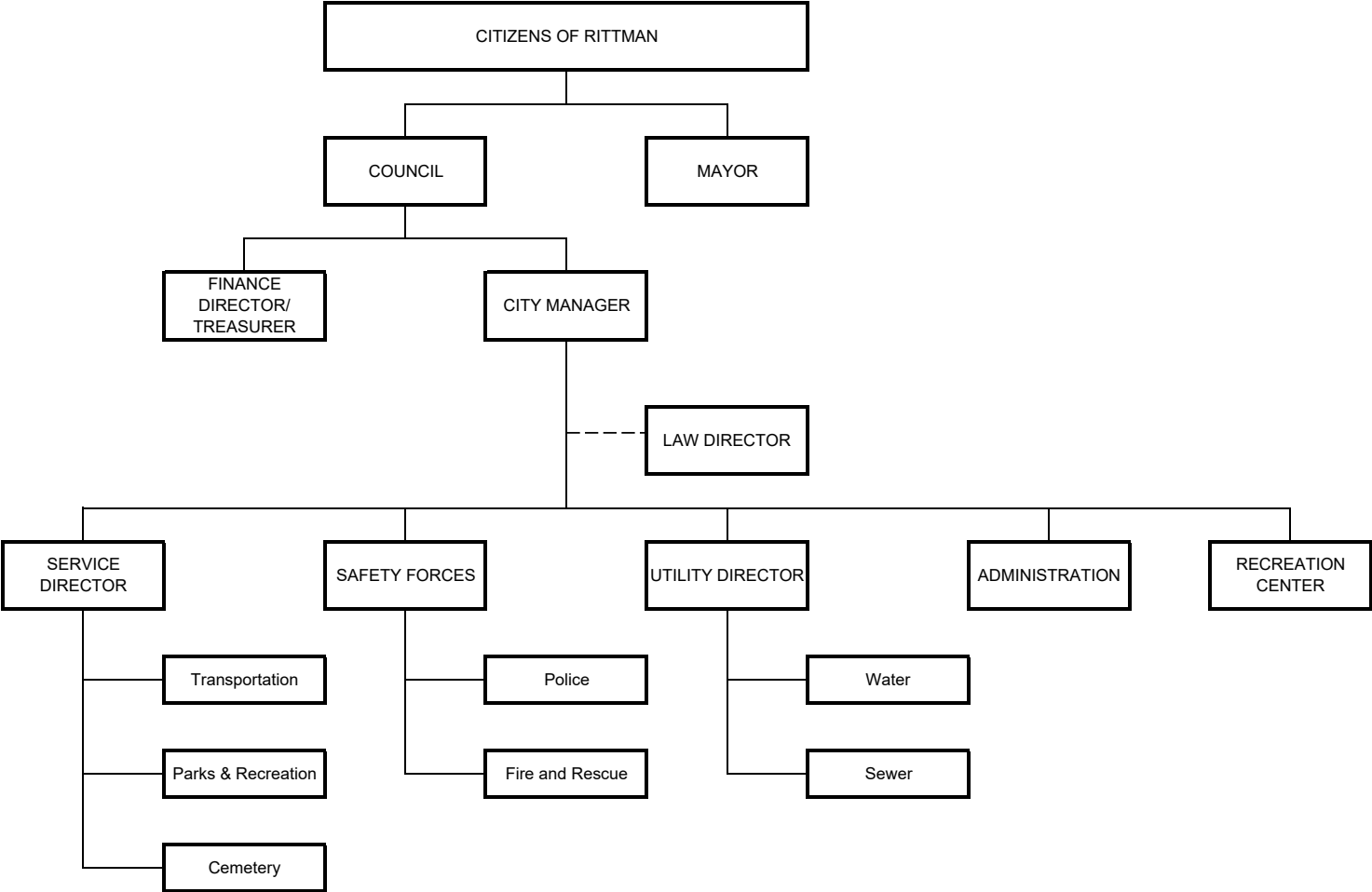
Finance Director/Treasurer

Matthew Bulp

Director of Law

Matthew Simpson

City of Rittman, Ohio
Organizational Chart
December 31, 2022





Government Finance Officers Association

Certificate of
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Presented to

**City of Rittman
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Rittman, Ohio:

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, 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, Emergency Medical Service, American Rescue Plan Act, and Permissive Tax funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' 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.

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

Supplementary Information

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

relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 statement themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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.

Clark, Schaefer, Hackett & Co.

Columbus, Ohio

July 31, 2023



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

The discussion and analysis of the City of Rittman'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 performance as a whole; readers should also review the 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 \$1,789,849 from 2021. Net position of governmental activities increased \$1,350,523. Net position of business-type activities increased \$439,326.
- Total capital assets increased \$1,747,016 during 2022. Capital assets of governmental activities increased \$1,362,884 and capital assets of business-type activities increased \$384,132.
- OWDA provided the City with additional loan proceeds of \$828,090 in business-type activities.
- The general fund, the City's largest and a major governmental fund, had revenues of \$2,721,353 in 2022, or 43.39 percent of total governmental funds. Expenditures of the general fund were \$2,815,982, or 40.83 percent of total governmental funds. The general fund balance decreased \$94,629 or 3.96 percent in 2022.

Using this Annual Comprehensive Financial Report

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

The statement of net position and statement of activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

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

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Rittman, the general fund is by far the most significant fund. Business-type funds consist of the water, sewer, and solid waste funds.

A question typically asked about the City's finances is "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the City as a whole, the *financial position* of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

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

- Governmental Activities - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, leisure time activities and transportation.
- 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 solid waste funds are reported as business activities.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, emergency medical service fund, American Rescue Plan Act fund, permissive tax fund and capital improvements fund.

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

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 future services. 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.

Proprietary Funds Proprietary funds (water, sewer and solid waste) have historically operated as enterprise funds and are used to report the same functions presented as business-type activities in the government-wide financial statements. Since they use the same basis of accounting as business-type activities, these fund statements will essentially match the information provided in statements for the City as a whole.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found beginning on page 45 of this report.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents the required supplementary information which can be found beginning on page 96 and the combining and individual fund statements and schedules, which can be found beginning on page 110 of this report.

Government-wide Financial Analysis

The statement of net position provides the perspective of the City as a whole.

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

Table 1 provides a summary of the City's net position for 2022 compared to 2021:

Table 1
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>Restated 2021</u>	<u>2022</u>	<u>Restated 2021</u>	<u>2022</u>	<u>2021</u>
Assets:						
Current and other assets	\$ 7,367,538	\$ 6,829,243	\$ 3,902,286	\$ 3,508,252	\$ 11,269,824	\$ 10,337,495
Net OPEB asset	249,509	137,226	112,098	61,652	361,607	198,878
Capital assets	<u>9,253,760</u>	<u>7,890,876</u>	<u>12,338,888</u>	<u>11,954,756</u>	<u>21,592,648</u>	<u>19,845,632</u>
Total assets	<u>16,870,807</u>	<u>14,857,345</u>	<u>16,353,272</u>	<u>15,524,660</u>	<u>33,224,079</u>	<u>30,382,005</u>
Deferred outflows of resources:						
Pension	1,103,468	798,650	156,103	103,784	1,259,571	902,434
OPEB	<u>263,600</u>	<u>386,338</u>	<u>1,993</u>	<u>47,757</u>	<u>265,593</u>	<u>434,095</u>
Total deferred outflows of resources	<u>1,367,068</u>	<u>1,184,988</u>	<u>158,096</u>	<u>151,541</u>	<u>1,525,164</u>	<u>1,336,529</u>
Liabilities:						
Current liabilities	1,641,340	487,942	267,628	228,715	1,908,968	716,657
Long-term liabilities:						
Due within one year	297,620	267,110	330,197	236,415	627,817	503,525
Due in more than one year:						
Net pension liability	2,424,842	3,186,002	322,252	527,257	2,747,094	3,713,259
Net OPEB liability	299,586	312,774	-	-	299,586	312,774
Other amounts	<u>393,924</u>	<u>408,165</u>	<u>1,836,205</u>	<u>1,342,432</u>	<u>2,230,129</u>	<u>1,750,597</u>
Total liabilities	<u>5,057,312</u>	<u>4,661,993</u>	<u>2,756,282</u>	<u>2,334,819</u>	<u>7,813,594</u>	<u>6,996,812</u>
Deferred inflows of resources:						
Property taxes	576,398	630,201	-	-	576,398	630,201
Pension	1,569,135	844,960	406,242	317,379	1,975,377	1,162,339
OPEB	<u>398,437</u>	<u>619,109</u>	<u>125,553</u>	<u>240,038</u>	<u>523,990</u>	<u>859,147</u>
Total deferred inflows of resources	<u>2,543,970</u>	<u>2,094,270</u>	<u>531,795</u>	<u>557,417</u>	<u>3,075,765</u>	<u>2,651,687</u>
Net position:						
Net investment in capital assets	8,959,717	7,566,664	10,305,477	10,512,621	19,265,194	18,079,285
Restricted net position	1,879,906	2,683,247	-	-	1,879,906	2,683,247
Unrestricted net position (deficit)	<u>(203,030)</u>	<u>(963,841)</u>	<u>2,917,814</u>	<u>2,271,344</u>	<u>2,714,784</u>	<u>1,307,503</u>
Total net position	<u>\$ 10,636,593</u>	<u>\$ 9,286,070</u>	<u>\$ 13,223,291</u>	<u>\$ 12,783,965</u>	<u>\$ 23,859,884</u>	<u>\$ 22,070,035</u>

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2022, the City's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$23,859,884. This amounts to \$10,636,593 in governmental activities and \$13,223,291 in business-type activities.

The largest portion of the City's net position, 80.74 percent, reflects its investment in capital assets less any related debt used to acquire those assets. Capital assets include land, construction in progress, land improvements, buildings and building improvements, infrastructure, equipment, vehicles, and intangible right to use lease vehicles. Capital assets, net of related debt to acquire the assets at December 31, 2022, were \$19,265,194. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2022, the City is able to report positive balances of the three categories of net position, for the government as a whole.

A portion of the City's governmental net position, \$1,879,906 or 17.67 percent, represent resources that are subject to external restrictions on how they may be used. Of total restricted net position, \$20,838 for debt service, \$763,987 for capital projects, \$631,981 for streets and highways, \$453,995 for safety services programs and \$9,105 for other purposes. The remaining balance of governmental activities unrestricted net position is a deficit of \$203,030.

The City's statement of activities prepared on an accrual basis of accounting includes an annual pension/OPEB expense for their proportionate share of each plan's change in net pension/OPEB liability or asset not accounted for as deferred inflows/outflows.

The City is also reporting a net pension liability and an OPEB liability and asset, along with deferred inflows/outflows of resources related to pension/OPEB on the accrual basis of accounting in the statement of net position.

City of Rittman, Ohio
Management's Discussion and Analysis
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(Unaudited)

Table 2 shows the changes in net position for governmental and business-type activities for years 2022 and 2021.

Table 2
Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>Restated 2021</u>	<u>2022</u>	<u>Restated 2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program revenues:						
Charges for services and sales	\$ 1,015,688	\$ 479,693	\$ 2,945,382	\$ 3,077,921	\$ 3,961,070	\$ 3,557,614
Operating grants and contributions	996,538	700,037	-	133,022	996,538	833,059
Capital grants and contributions	1,100,324	1,110,331	-	-	1,100,324	1,110,331
General revenues:						
Income taxes	1,704,523	2,174,133	-	-	1,704,523	2,174,133
Property taxes	657,298	746,091	-	-	657,298	746,091
Grants and entitlements	394,702	482,365	7,303	-	402,005	482,365
Interest	(18,021)	45,676	-	-	(18,021)	45,676
Gain on sale of capital asset	206,491	-	-	-	206,491	-
Other	101,053	38,228	-	6,177	101,053	44,405
Total revenues	6,158,596	5,776,554	2,952,685	3,217,120	9,111,281	8,993,674
Program Expenses						
Governmental activities:						
General government	765,873	511,648	-	-	765,873	511,648
Security of persons and property	2,311,542	2,122,810	-	-	2,311,542	2,122,810
Public health	100,667	61,158	-	-	100,667	61,158
Leisure time activities	579,488	514,805	-	-	579,488	514,805
Transportation	1,040,767	742,222	-	-	1,040,767	742,222
Interest and fiscal charges	9,736	22,410	-	-	9,736	22,410
Business-type activities:						
Water	-	-	893,021	662,596	893,021	662,596
Sewer	-	-	965,897	916,067	965,897	916,067
Solid waste	-	-	654,441	549,133	654,441	549,133
Storm sewer	-	-	-	59,154	-	59,154
Total program expenses	4,808,073	3,975,053	2,513,359	2,186,950	7,321,432	6,162,003
Change in net position before transfers	1,350,523	1,801,501	439,326	1,030,170	1,789,849	2,831,671
Transfers	-	(9,556)	-	9,556	-	-
Change in net position	1,350,523	1,791,945	439,326	1,039,726	1,789,849	2,831,671
Net position beginning of year	9,286,070	6,574,041	12,783,965	12,664,323	22,070,035	19,238,364
Restatement	-	920,084	-	(920,084)	-	-
Net position end of year	\$ 10,636,593	\$ 9,286,070	\$ 13,223,291	\$ 12,783,965	\$ 23,859,884	\$ 22,070,035

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

The City's overall net position increased \$1,789,849 from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

The funding for the governmental activities comes from several different sources, general revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded by property tax, income tax and intergovernmental revenue, with the most significant revenue being the income tax. The City monitors its sources of revenues very closely for fluctuations.

The City's income tax was assessed at a rate of 1.5 percent during 2022. Subsequently, the City discovered that the authorized rate for 2022 was 1 percent. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 1 percent credit for those who pay income tax to another city. City Council could by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

Total revenues increased overall, however there were significant income tax refunds payable in 2022 as a result of the rate change. During 2022 the revenues generated from income tax amounted to \$1,704,523. The decrease in income tax revenues from 2021 was 21.6 percent. The income tax revenue amounts fluctuate from collections and adjustments for refunds. Revenues generated from property tax amounted to \$657,298. The decrease in property tax revenues from 2021 was 11.9 percent. Property taxes fluctuate based on the amount available as an advance from year to year.

There was an overall increase in expenses in 2022 as compared to 2021. The increase of \$833,020 in program expenses was 21.0 percent compared to 2021. Security of persons and property, which primarily supports the operations of the City's police, fire and emergency medical services, accounts for \$2,311,542 of expenses, or 48.1 percent of total governmental expenses of the City. These expenses were funded by \$449,293 in charges to users of services, operating and capital grants, contributions and interest. In addition, these expenses were significantly higher this year due to a prior year expense adjustment from a decrease in the post-employment benefit liability as shown in Table 3. Transportation expenses of \$1,040,767 or 21.6 percent of total governmental expenses of the City, primarily consist of repairs and maintenance of the City's roads. These expenses were funded by \$2,103,970 in charges to users of services, operating and capital grants, contributions and interest. General government expenses include legislative, executive and financial management departments of the City. These expenses amounted to \$765,873 or 15.9 percent and were funded by \$351,067 in charges to users of services.

Business-Type Activities

Business-type activities include water, sewer and solid waste. The revenues are generated primarily from charges for services. These programs had program revenues of \$2,945,382 and expenses of \$2,513,359 for the year 2022. Business-type activities reported an increase in net position of \$439,326, or 3.44 percent as compared to 2021. For this year, the increase in net position was attributed to current year revenues exceeding the slight increase of current year expenses.

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

As a result of implementing the accounting standards for pension and other post-employment benefits (OPEB), the City is reporting a net pension/OPEB liability, related deferred inflows of resources and an increase in expenses for the year which have a negative effect on net position. In addition, the City is reporting, net OPEB asset, deferred outflows of resources related to pension and OPEB, which have a positive impact on net position. The increase in pension and OPEB expense is the difference between the contractually required contributions and the pension and OPEB expense resulting from the change in the liability that is not reported as deferred inflows or outflows. These amounts can be found in the reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities. To further explain the impact of these accounting standards on the City's net position, additional information is presented below.

Table 3
Impact of Pension and Other Post-employment Benefit Activities

	2022	2021	2022	2021
	Governmental	Governmental	Business-Type	Business-Type
	Activities	Activities	Activities	Activities
Deferred outflows of resources for:				
Pension	\$ 1,103,468	\$ 798,650	\$ 156,103	\$ 103,784
OPEB	263,600	386,338	1,993	47,757
Deferred inflows of resources for:				
Pension	(1,569,135)	(844,960)	(406,242)	(317,379)
OPEB	(398,437)	(619,109)	(125,553)	(240,038)
Net pension liability	(2,424,842)	(3,186,002)	(322,252)	(527,257)
Net OPEB liability	(299,586)	(312,774)	-	-
Net OPEB asset	<u>249,509</u>	<u>137,226</u>	<u>112,098</u>	<u>61,652</u>
Impact on net on position from pension and OPEB reporting	<u>\$ (3,075,423)</u>	<u>\$ (3,640,631)</u>	<u>\$ (583,853)</u>	<u>\$ (871,481)</u>

Resulting from GASB Statements No. 68 and 75, the impact on net expense related to pension and OPEB for 2022, was \$565,208 for governmental activities and \$287,628 for business-type activities. This was for reporting the changes on the City's proportionate share of the pension and other post-employment benefit liability for the Ohio Public Employees Retirement System (OPERS) and Ohio Police & Fire Pension Fund. The adjustment was a negative expense which decreased expenses.

The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council. The general fund is the chief operating fund of the City.

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

The following table provides a summary of the City's fund balance for 2022 compared to 2021:

Table 4
Change in Fund Balance - Governmental Funds

	December 31, <u>2022</u>	Restated December 31, <u>2021</u>	Increase (Decrease)	Percent Change
General	\$ 2,296,762	\$ 2,391,391	\$ (94,629)	-4.0%
Emergency medical service	192,699	204,975	(12,276)	-6.0%
American Rescue Plan Act	-	-	-	n/a
Permissive tax	49,792	10,528	39,264	372.9%
Capital improvements	653,443	754,725	(101,282)	-13.4%
Other governmental funds	<u>1,244,713</u>	<u>1,317,517</u>	<u>(72,804)</u>	-5.5%
	<u>\$ 4,437,409</u>	<u>\$ 4,679,136</u>	<u>\$ (241,727)</u>	

The emergency medical service fund balance decreased by \$12,276. Fund balance at December 31, 2022, was \$192,699 reporting \$538,067 in revenues, \$550,343 in expenditures. The permissive tax fund balance increased by \$39,264 to a fund balance of \$49,792. The increase is primarily from increases in intergovernmental revenues. The capital improvement fund balance decreased by \$101,282 to a fund balance of \$653,443. The decrease is primarily from increased expenditures associated with capital spending. All other governmental funds fund balances decreased by \$72,804 during 2022.

The table below assists in illustrating the changes in financial activities for the general fund for year 2022 balances compared to 2021:

Table 5
Change in Financial Activities for the General Fund

	December 31, <u>2022</u>	December 31, <u>2021</u>	Increase (Decrease)	Percent Change
Revenues:				
Municipal income tax	\$ 1,336,721	\$ 1,697,446	\$ (360,725)	-21.3%
Property and other taxes	372,708	410,106	(37,398)	-9.1%
Charges for services	318,692	281,080	37,612	13.4%
Fines, licenses and permits	233,445	41,856	191,589	457.7%
Intergovernmental	393,379	446,678	(53,299)	-11.9%
Interest	(18,021)	45,676	(63,697)	-139.5%
Contributions and donations	2,096	-	2,096	n/a
Other	<u>82,333</u>	<u>32,521</u>	<u>49,812</u>	153.2%
Total revenue	<u>\$ 2,721,353</u>	<u>\$ 2,955,363</u>	<u>\$ (234,010)</u>	
Expenditures:				
Current:				
General government	\$ 825,378	\$ 564,888	\$ 260,490	46.1%
Security of persons and property	1,249,190	1,161,814	87,376	7.5%
Public health	120,011	110,772	9,239	8.3%
Leisure time activities	534,862	539,442	(4,580)	-0.8%
Transportation	<u>86,541</u>	<u>119,359</u>	<u>(32,818)</u>	-27.5%
Total expenditures	<u>\$ 2,815,982</u>	<u>\$ 2,496,275</u>	<u>\$ 319,707</u>	

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

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Table 6
Change in Fund Balance - Proprietary Funds

	December 31, <u>2022</u>	December 31, <u>2021</u>	Increase <u>(Decrease)</u>	Percent <u>Change</u>
Water	\$ 5,398,596	\$ 5,044,538	\$ 354,058	7.0%
Sewer	7,424,665	7,296,625	128,040	1.8%
Solid waste	<u>400,030</u>	<u>442,802</u>	<u>(42,772)</u>	-9.7%
	<u>\$ 13,223,291</u>	<u>\$ 12,783,965</u>	<u>\$ 439,326</u>	

For the water and sewer proprietary funds the increase in net position was not related to any significant event. It was primarily caused by the overall increase in revenues exceeded the overall increase in expenses. For the solid waste proprietary fund the decrease in net position was mainly related to an increase in contractual services expenses.

General Fund Budgeting Highlights

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

During the course of 2022, the City amended its general fund budget on various occasions. All recommendations for appropriation changes come to Council from the City Finance Director. The Council reviews them, and then makes their recommendation as a whole.

Original budgeted revenues did not have a need to increase significantly over the course of the year. Actual revenues were greater than the final budgeted amount by \$444,164 mainly due to an increase in income tax revenues received during the year.

Final budgeted expenditures were greater than the original budgeted expenditures and other financing uses by \$108,539. This was mainly due to increases in general government and leisure time activities expenditures that were not related to any individual event, from what was originally budgeted. Actual expenditures of \$2,821,810 for the year were \$272,016 less than the \$3,093,826 final budgeted amounts. The majority of this change was reported in leisure time activities and security of persons and property due to conservative spending.

There were no significant variances to discuss within other financing sources and uses, except the City did not budget for advances.

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

Capital Assets and Debt Administration

Capital Assets

Table 7
Capital Assets, at December 31
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Restated</u>		<u>Restated</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 1,931,146	\$ 1,915,274	\$ 63,936	\$ 63,936	\$ 1,995,082	\$ 1,979,210
Construction in progress	43,250	267,514	913,239	366,235	956,489	633,749
Land improvements	609,169	436,894	21,979	14,852	631,148	451,746
Buildings and building improvements	2,814,449	2,679,129	3,434,308	3,666,978	6,248,757	6,346,107
Infrastructure	2,598,211	1,551,591	7,293,903	7,163,730	9,892,114	8,715,321
Equipment	790,855	612,227	572,119	617,479	1,362,974	1,229,706
Vehicles	367,487	283,079	29,656	42,052	397,143	325,131
Intangible right to use: Vehicles	99,193	145,168	9,748	19,494	108,941	164,662
Total	\$ 9,253,760	\$ 7,890,876	\$ 12,338,888	\$ 11,954,756	\$ 21,592,648	\$ 19,845,632

In 2022, the City completed its work for the Nature Preserve project and various street resurfacing projects which led to increases in land, land improvements and infrastructure. In addition the City continued construction in progress for various street resurfacing and the cemetery expansion project. Capital assets increased for business-type activities primarily due to increases in construction in process in the water and sewer funds. See Note 8 for additional information about the capital assets of the City.

Debt

In 2022, the City issued \$828,090 of new OWDA debt in business-type activities to fund construction projects in the water fund. See Note 11 for additional details on outstanding debt.

Table 8
Outstanding Debt, at December 31

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	General obligation bonds	\$ 5,000	\$ 29,000	\$ 195,000	\$ 290,000	\$ 200,000
OPWC loans	94,500	98,750	630,519	680,942	725,019	779,692
OWDA loan	-	-	1,175,676	387,834	1,175,676	387,834
Lease purchase	224,362	138,178	10,208	20,084	234,570	158,262
Total	\$ 323,862	\$ 265,928	\$ 2,011,403	\$ 1,378,860	\$ 2,335,265	\$ 1,644,788

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

Current Issues Affecting Financial Condition

During the volatile economic times spanning the last several years, efficient use of the City's workforce and cost containment measures, which continued throughout 2022, have resulted in no layoffs of City employees.

The five-year capital improvement program plan was updated in 2022. The plan is used to assess the City's ability to meet the needs of the community in future years. One component of the plan is long-term financial projections, which are intended to indicate the need for continued cost containment or revenue enhancement efforts.

The City's infrastructure was improved in 2022. Installation of new waterlines on Grant, Seneca, and State streets were completed. Resurfacing projects on East Ohio, South Main, Eastern, and Krabill were completed, as well as chip & seal work on Shondel Road. Several other waterline and resurfacing projects entered the planning and engineering phases during 2022, which are planned to be completed in 2023.

The City purchased new equipment, including safety camera systems at City intersections, improvements to the pool at the recreation center, and several mowers/tractors.

Improvements to City buildings and land were important in 2022 to improve the appearance and function of these properties for the public and the operation of City services. The majority of such improvements in 2022 were related to the nature preserve, as well as to the Service Garage, which was in desperate need of repairs.

Work on the nature preserve mentioned above, a project for which funding was awarded from the Clean Ohio Fund Green Space Conservation Program grant through OPWC, was completed in 2022. The City is hopeful with the development of the nature park, additional grant funding, the proximity to rail spurs and the interstate system, and tax abatements, that we will see the start of the development of the industrial park in the near future. The industrial park is also located in the census tract that was designated by the State of Ohio and the Federal Government as an Opportunity Zone, which adds another incentive to this land.

The City continues to promote itself to business owners and possible investors in order to increase retail and industrial growth. With prime areas for development and redevelopment available, the City will focus on facilitating those types of developments.

Contacting the City's Finance Department

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 any questions about this report or need additional financial information, contact Director of Finance, 30 N. Main Street, Rittman, Ohio, 44270.

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

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in pooled cash and investments	\$ 5,089,386	\$ 3,371,895	\$ 8,461,281
Cash and investments in segregated accounts	2,841	13,913	16,754
Receivables:			
Income tax	635,225	-	635,225
Property and other taxes	690,683	-	690,683
Accounts	220,155	471,285	691,440
Special assessments	17,592	-	17,592
Accrued interest	9,938	-	9,938
Intergovernmental	701,718	2,833	704,551
Equity in pooled cash and investments - restricted	-	42,360	42,360
Net OPEB asset	249,509	112,098	361,607
Land and construction in progress	1,974,396	977,175	2,951,571
Depreciable capital assets	17,460,318	24,612,721	42,073,039
Accumulated depreciation/amortization	(10,180,954)	(13,251,008)	(23,431,962)
Total assets	<u>16,870,807</u>	<u>16,353,272</u>	<u>33,224,079</u>
<u>Deferred outflows of resources:</u>			
Pension	1,103,468	156,103	1,259,571
OPEB	263,600	1,993	265,593
Total deferred outflows of resources	<u>1,367,068</u>	<u>158,096</u>	<u>1,525,164</u>
<u>Liabilities:</u>			
Accounts payable	239,104	183,594	422,698
Accrued wages and benefits	54,150	13,917	68,067
Intergovernmental payable	44,956	13,844	58,800
Unearned revenue	429,219	-	429,219
Income tax refunds payable	871,070	-	871,070
Matured bonds and interest payable	2,841	13,913	16,754
Customer deposits payable	-	42,360	42,360
Long-term liabilities:			
Due within one year	297,620	330,197	627,817
Due in more than one year:			
Net pension liability	2,424,842	322,252	2,747,094
Net OPEB liability	299,586	-	299,586
Other amounts due in more than one year	393,924	1,836,205	2,230,129
Total liabilities	<u>5,057,312</u>	<u>2,756,282</u>	<u>7,813,594</u>
<u>Deferred inflows of resources:</u>			
Property taxes	576,398	-	576,398
Pension	1,569,135	406,242	1,975,377
OPEB	398,437	125,553	523,990
Total deferred inflows of resources	<u>2,543,970</u>	<u>531,795</u>	<u>3,075,765</u>
<u>Net position:</u>			
Net investment in capital assets	8,959,717	10,305,477	19,265,194
Restricted for:			
Debt service	20,838	-	20,838
Capital projects	763,987	-	763,987
Streets and highways	631,981	-	631,981
Safety services	453,995	-	453,995
Other purposes	9,105	-	9,105
Unrestricted (deficit)	(203,030)	2,917,814	2,714,784
Total net position	<u>\$ 10,636,593</u>	<u>\$ 13,223,291</u>	<u>\$ 23,859,884</u>

See accompanying notes to the basic financial statements.

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
<u>Governmental Activities:</u>				
General government	\$ 765,873	\$ 351,067	\$ -	\$ -
Security of persons and property	2,311,542	264,664	178,371	6,258
Public health	100,667	60,961	516	-
Leisure time activities	579,488	146,743	-	-
Transportation	1,040,767	192,253	817,651	1,094,066
Interest and fiscal charges	9,736	-	-	-
Total governmental activities	<u>4,808,073</u>	<u>1,015,688</u>	<u>996,538</u>	<u>1,100,324</u>
<u>Business-Type Activities:</u>				
Water	893,021	1,247,079	-	-
Sewer	965,897	1,093,937	-	-
Solid waste	654,441	604,366	-	-
Total business-type activities	<u>2,513,359</u>	<u>2,945,382</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 7,321,432</u>	<u>\$ 3,961,070</u>	<u>\$ 996,538</u>	<u>\$ 1,100,324</u>

General revenues:

Property taxes levied for:

General purposes

Police, fire and emergency services

Income tax levied for:

General purposes

Capital outlay

Grants and entitlements not restricted to specific programs

Gain on sale of capital assets

Investment earnings

Other

Total general revenues

Change in net position

Net position, beginning of year (as restated)

Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (414,806)	\$ -	\$ (414,806)
(1,862,249)	-	(1,862,249)
(39,190)	-	(39,190)
(432,745)	-	(432,745)
1,063,203	-	1,063,203
(9,736)	-	(9,736)
<u>(1,695,523)</u>	<u>-</u>	<u>(1,695,523)</u>
-	354,058	354,058
-	128,040	128,040
-	(50,075)	(50,075)
<u>-</u>	<u>432,023</u>	<u>432,023</u>
<u>\$ (1,695,523)</u>	<u>\$ 432,023</u>	<u>\$ (1,263,500)</u>
293,764	-	293,764
363,534	-	363,534
1,278,393	-	1,278,393
426,130	-	426,130
394,702	7,303	402,005
206,491	-	206,491
(18,021)	-	(18,021)
101,053	-	101,053
<u>3,046,046</u>	<u>7,303</u>	<u>3,053,349</u>
1,350,523	439,326	1,789,849
9,286,070	12,783,965	22,070,035
<u>\$ 10,636,593</u>	<u>\$ 13,223,291</u>	<u>\$ 23,859,884</u>

City of Rittman, Ohio
Balance Sheet
Governmental Funds
December 31, 2022

	General	Emergency Medical Service	American Rescue Plan Act	Permissive Tax
Assets:				
Equity in pooled cash and investments	\$ 2,474,090	\$ 163,609	\$ 431,815	\$ 49,792
Cash and investments in segregated accounts	-	-	-	-
Receivables:				
Income tax	476,419	-	-	-
Property and other taxes	348,410	223,966	-	-
Accounts	128,685	58,082	-	-
Special assessments	-	-	-	-
Accrued interest	9,938	-	-	-
Intergovernmental	168,312	3,060	-	179,024
Interfund receivable	108,247	-	-	-
Total assets	\$ 3,714,101	\$ 448,717	\$ 431,815	\$ 228,816
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 65,627	\$ 9,488	\$ 2,596	\$ 88,974
Accrued wages and benefits	36,881	8,777	-	-
Interfund payable	-	-	-	-
Intergovernmental payable	29,729	7,015	-	-
Unearned revenue	-	-	429,219	-
Income tax refunds payable	653,302	-	-	-
Matured bonds and interest payable	-	-	-	-
Total liabilities	785,539	25,280	431,815	88,974
Deferred inflows of resources:				
Property taxes	289,048	189,187	-	-
Unavailable revenue - delinquent property taxes	27,766	16,486	-	-
Unavailable revenue - income taxes	183,239	-	-	-
Unavailable revenue - other	131,747	25,065	-	90,050
Total deferred inflows of resources	631,800	230,738	-	90,050
Fund balances:				
Nonspendable:				
Unclaimed monies	2,977	-	-	-
Restricted	-	192,699	-	49,792
Committed:				
Committed to recreation	34,826	-	-	-
Committed to storm sewer	-	-	-	-
Assigned:				
Next year's budget	470,742	-	-	-
Unassigned	1,788,217	-	-	-
Total fund balances	2,296,762	192,699	-	49,792
Total liabilities, deferred inflows of resources and fund balances	\$ 3,714,101	\$ 448,717	\$ 431,815	\$ 228,816

See accompanying notes to the basic financial statements.

Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 783,558	\$ 1,186,522	\$ 5,089,386
-	2,841	2,841
158,806	-	635,225
-	118,307	690,683
-	33,388	220,155
17,592	-	17,592
-	-	9,938
19,780	331,542	701,718
-	-	108,247
<u>\$ 979,736</u>	<u>\$ 1,672,600</u>	<u>\$ 7,475,785</u>

\$ 29,854	\$ 42,565	\$ 239,104
-	8,492	54,150
-	108,247	108,247
-	8,212	44,956
-	-	429,219
217,768	-	871,070
-	2,841	2,841
<u>247,622</u>	<u>170,357</u>	<u>1,749,587</u>

-	98,163	576,398
-	9,618	53,870
61,079	-	244,318
17,592	149,749	414,203
<u>78,671</u>	<u>257,530</u>	<u>1,288,789</u>

-	-	2,977
653,443	647,141	1,543,075
-	1,610	36,436
-	595,962	595,962
-	-	470,742
-	-	1,788,217
<u>653,443</u>	<u>1,244,713</u>	<u>4,437,409</u>

<u>\$ 979,736</u>	<u>\$ 1,672,600</u>	<u>\$ 7,475,785</u>
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City of Rittman, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2022

Total governmental fund balances		\$ 4,437,409
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in funds.		9,253,760
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of recourses in the funds:		
Property and other taxes	\$ 53,870	
Income taxes	244,318	
Intergovernmental	359,627	
Special assessments	17,592	
Charges for services	22,005	
Other	14,979	
Total	712,391	712,391
The net pension/OPEB liability or asset is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:		
Deferred outflows - pension	\$ 1,103,468	
Deferred outflows - OPEB	263,600	
Deferred inflows - pension	(1,569,135)	
Deferred inflows - OPEB	(398,437)	
Net pension liability	(2,424,842)	
Net OPEB liability	(299,586)	
Net OPEB asset	249,509	
Total	(3,075,423)	(3,075,423)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	\$ (5,000)	
Loans payable	(35,000)	
Lease purchases payable	(224,362)	
Leases payable	(126,350)	
OPWC loans payable	(59,500)	
Compensated absences	(241,332)	
Total	(691,544)	(691,544)
Net position of governmental activities		\$ 10,636,593

See accompanying notes to the basic financial statements.



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

	General	Emergency Medical Service	American Rescue Plan Act	Permissive Tax
Revenues:				
Municipal income tax	\$ 1,336,721	\$ -	\$ -	\$ -
Property and other taxes	372,708	237,422	-	-
Charges for services	318,692	256,378	-	-
Fines, licenses and permits	233,445	-	-	-
Intergovernmental	393,379	43,283	255,012	714,111
Special assessments	-	-	-	-
Interest	(18,021)	-	-	-
Contributions and donations	2,096	-	-	-
Other	82,333	984	-	-
Total revenue	<u>2,721,353</u>	<u>538,067</u>	<u>255,012</u>	<u>714,111</u>
Expenditures:				
Current:				
General government	825,378	3,659	12,413	-
Security of persons and property	1,249,190	542,474	-	-
Public health	120,011	-	-	-
Leisure time activities	534,862	-	-	-
Transportation	86,541	-	6,004	-
Capital outlay	-	-	236,595	674,847
Debt service:				
Principal retirement	-	3,890	-	-
Interest and fiscal charges	-	320	-	-
Total expenditures	<u>2,815,982</u>	<u>550,343</u>	<u>255,012</u>	<u>674,847</u>
Excess of revenues over (under) expenditures	<u>(94,629)</u>	<u>(12,276)</u>	<u>-</u>	<u>39,264</u>
Other financing sources:				
Issuance of lease purchase	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(94,629)	(12,276)	-	39,264
Fund balances at beginning of year, as restated	<u>2,391,391</u>	<u>204,975</u>	<u>-</u>	<u>10,528</u>
Fund balances at end of year	<u>\$ 2,296,762</u>	<u>\$ 192,699</u>	<u>\$ -</u>	<u>\$ 49,792</u>

See accompanying notes to the basic financial statements.

Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 445,573	\$ -	\$ 1,782,294
-	126,458	736,588
-	196,810	771,880
-	9,321	242,766
609,956	628,453	2,644,194
15,712	-	15,712
-	1,207	(16,814)
-	1,738	3,834
1,645	6,262	91,224
<u>1,072,886</u>	<u>970,249</u>	<u>6,271,678</u>
30,006	2,151	873,607
14,126	339,654	2,145,444
-	3,518	123,529
21,815	-	556,677
255,252	643,234	991,031
1,135,865	25,674	2,072,981
90,987	28,250	123,127
8,844	572	9,736
<u>1,556,895</u>	<u>1,043,053</u>	<u>6,896,132</u>
<u>(484,009)</u>	<u>(72,804)</u>	<u>(624,454)</u>
134,136	-	134,136
248,591	-	248,591
<u>382,727</u>	<u>-</u>	<u>382,727</u>
(101,282)	(72,804)	(241,727)
754,725	1,317,517	4,679,136
<u>\$ 653,443</u>	<u>\$ 1,244,713</u>	<u>\$ 4,437,409</u>

City of Rittman, 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		\$ (241,727)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		
In the current period, these amounts are:		
Capital outlay	2,072,981	
Depreciation expense	(664,426)	
Excess of capital asset additions and contributions over depreciation expense and transfers	1,408,555	1,408,555
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(45,671)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These activities consist of:		
Property and other taxes	\$ (79,290)	
Income taxes	(77,771)	
Intergovernmental	(163,040)	
Special assessments	(8,247)	
Charges for services	(6,204)	
Other	14,979	
Net change in deferred inflows of resources during the year	(319,573)	(319,573)
Contractually required contributions are reported as expenditures in the governmental funds however, the statement of activities reports these amounts as deferred outflows.		
Pension		334,944
OPEB		3,884
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension		6,859
OPEB		219,521
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences		(5,260)
Repayment of lease-purchases, leases, loans and bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		123,127
Some capital additions were financed through leases purchases. In governmental funds, a lease purchase arrangement is considered a source of financing, but in the statement of net position, the lease purchase obligation is reported as a liability.		
		(134,136)
Change in net position of governmental activities		\$ 1,350,523

See accompanying notes to the basic financial statements.



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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Income tax	\$ 1,425,000	\$ 1,425,000	\$ 1,980,274	\$ 555,274
Property and other taxes	360,000	360,000	341,112	(18,888)
Charges for services	508,370	508,370	292,833	(215,537)
Fines, licenses, and permits	107,525	107,525	155,317	47,792
Intergovernmental	355,600	355,600	394,625	39,025
Investment income	70,300	70,300	68,430	(1,870)
Contributions and donations	-	-	32,154	32,154
Reimbursements	200	200	-	(200)
Other	59,500	59,500	65,914	6,414
Total revenue	<u>2,886,495</u>	<u>2,886,495</u>	<u>3,330,659</u>	<u>444,164</u>
<u>Expenditures:</u>				
Current:				
General government	817,120	887,485	848,339	39,146
Security of persons and property	1,326,904	1,336,150	1,237,880	98,270
Public health and welfare	131,541	127,192	118,292	8,900
Transportation	114,784	101,680	90,140	11,540
Leisure time activities	594,938	641,319	527,159	114,160
Total expenditures	<u>2,985,287</u>	<u>3,093,826</u>	<u>2,821,810</u>	<u>272,016</u>
Excess of revenues over (under) expenditures	<u>(98,792)</u>	<u>(207,331)</u>	<u>508,849</u>	<u>716,180</u>
<u>Other financing sources (uses):</u>				
Sale of capital assets	-	-	6,700	6,700
Advances - in	-	58,800	58,800	-
Transfers - out	(28,250)	(28,164)	-	28,164
Total other financing sources (uses)	<u>(28,250)</u>	<u>30,636</u>	<u>65,500</u>	<u>34,864</u>
Net change in fund balance	(127,042)	(176,695)	574,349	751,044
Fund balance at beginning of year	1,991,903	1,991,903	1,991,903	-
Prior year encumbrances appropriated	25,435	25,435	25,435	-
Fund balance at end of year	<u>\$ 1,890,296</u>	<u>\$ 1,840,643</u>	<u>\$ 2,591,687</u>	<u>\$ 751,044</u>

See accompanying notes to the basic financial statements.

City of Rittman, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property and other taxes	\$ 240,000	\$ 240,000	\$ 219,129	\$ (20,871)
Charges for services	180,000	180,000	291,428	111,428
Intergovernmental	46,000	46,000	38,443	(7,557)
Other	2,500	2,500	724	(1,776)
Total revenue	<u>468,500</u>	<u>468,500</u>	<u>549,724</u>	<u>81,224</u>
<u>Expenditures:</u>				
Current:				
General government	3,700	3,700	3,659	41
Security of persons and property	630,802	654,302	544,285	110,017
Total expenditures	<u>634,502</u>	<u>658,002</u>	<u>547,944</u>	<u>110,058</u>
Excess of revenues over (under) expenditures	<u>(166,002)</u>	<u>(189,502)</u>	<u>1,780</u>	<u>191,282</u>
Other financing sources:				
Transfers - in	43,110	43,110	-	(43,110)
Net change in fund balance	(122,892)	(146,392)	1,780	148,172
Fund balance at beginning of year	142,770	142,770	142,770	-
Prior year encumbrances appropriated	3,624	3,624	3,624	-
Fund balance at end of year	<u>\$ 23,502</u>	<u>\$ 2</u>	<u>\$ 148,174</u>	<u>\$ 148,172</u>

See accompanying notes to the basic financial statements.

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 340,000	\$ 340,000	\$ 343,476	\$ 3,476
<u>Expenditures:</u>				
Current:				
General government	-	130,098	130,098	-
Security of persons and property	-	29,873	29,873	-
Transportation	169,875	236,492	187,973	48,519
Basic utility services	-	84,053	84,053	-
Leisure time activities	-	131,962	131,962	-
Total expenditures	169,875	612,478	563,959	48,519
Net change in fund balance	170,125	(272,478)	(220,483)	51,995
Fund balance at beginning of year	340,755	340,755	340,755	-
Fund balance at end of year	\$ 510,880	\$ 68,277	\$ 120,272	\$ 51,995

See accompanying notes to the basic financial statements.

City of Rittman, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Tax Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 200,000	\$ 1,347,836	\$ 625,137	\$ (722,699)
<u>Expenditures:</u>				
Current:				
Transportation	200,000	1,322,404	625,137	697,267
Net change in fund balance	-	25,432	-	(25,432)
Fund balance at beginning of year	10,258	10,258	10,258	-
Fund balance at end of year	<u>\$ 10,258</u>	<u>\$ 35,690</u>	<u>\$ 10,258</u>	<u>\$ (25,432)</u>

See accompanying notes to the basic financial statements.

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

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Solid Waste	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and investments	\$ 1,195,176	\$ 1,733,046	\$ 443,673	\$ 3,371,895
Cash and investments in segregated accounts	13,913	-	-	13,913
Accounts receivable	189,002	177,459	104,824	471,285
Intergovernmental receivable	-	-	2,833	2,833
Total current assets	<u>1,398,091</u>	<u>1,910,505</u>	<u>551,330</u>	<u>3,859,926</u>
Noncurrent assets:				
Equity in pooled cash and investments - restricted	42,360	-	-	42,360
Net OPEB asset	47,009	50,625	14,464	112,098
Capital assets:				
Land and construction in progress	438,420	538,755	-	977,175
Depreciable capital assets	11,469,460	13,067,672	75,589	24,612,721
Accumulated depreciation/amortization	(5,625,296)	(7,564,615)	(61,097)	(13,251,008)
Total noncurrent assets	<u>6,371,953</u>	<u>6,092,437</u>	<u>28,956</u>	<u>12,493,346</u>
Total assets	<u>7,770,044</u>	<u>8,002,942</u>	<u>580,286</u>	<u>16,353,272</u>
<u>Deferred outflows of resources:</u>				
Pension	65,462	70,498	20,143	156,103
OPEB	836	900	257	1,993
Total deferred outflows of resources	<u>66,298</u>	<u>71,398</u>	<u>20,400</u>	<u>158,096</u>
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	39,208	61,067	83,319	183,594
Accrued wages and benefits	6,712	6,418	787	13,917
Intergovernmental payable	6,753	6,140	951	13,844
Matured bonds and interest payable	13,913	-	-	13,913
Customer deposits payable	42,360	-	-	42,360
Compensated absences payable	37,845	37,028	1,908	76,781
Leases payable	11,004	11,004	-	22,008
Lease purchase payable	5,104	5,104	-	10,208
OPWC loans payable	50,422	-	-	50,422
OWDA loans payable	70,778	-	-	70,778
General obligation bonds payable	100,000	-	-	100,000
Total current liabilities	<u>384,099</u>	<u>126,761</u>	<u>86,965</u>	<u>597,825</u>
Long-term liabilities:				
Compensated absences payable	24,805	27,914	3,491	56,210
OPWC loans payable, net of current portion	580,097	-	-	580,097
OWDA loans payable, net of current portion	995,595	109,303	-	1,104,898
General obligation bonds payable, net of current portion	95,000	-	-	95,000
Net pension liability	135,138	145,533	41,581	322,252
Total long-term liabilities	<u>1,830,635</u>	<u>282,750</u>	<u>45,072</u>	<u>2,158,457</u>
Total liabilities	<u>2,214,734</u>	<u>409,511</u>	<u>132,037</u>	<u>2,756,282</u>
<u>Deferred inflows of resources:</u>				
Pension	170,360	183,464	52,418	406,242
OPEB	52,652	56,700	16,201	125,553
Total deferred inflows of resources	<u>223,012</u>	<u>240,164</u>	<u>68,619</u>	<u>531,795</u>
<u>Net position:</u>				
Net investment in capital assets	4,374,584	5,916,401	14,492	10,305,477
Unrestricted	1,024,012	1,508,264	385,538	2,917,814
Total net position	<u>\$ 5,398,596</u>	<u>\$ 7,424,665</u>	<u>\$ 400,030</u>	<u>\$ 13,223,291</u>

See accompanying notes to the basic financial statements.

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

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Solid Waste	Total
<u>Operating revenues:</u>				
Charges for services	\$ 1,243,941	\$ 1,081,180	\$ 599,924	\$ 2,925,045
Other	3,138	12,757	4,442	20,337
Total operating revenue	1,247,079	1,093,937	604,366	2,945,382
<u>Operating expenses:</u>				
Personal services	269,494	259,041	84,332	612,867
Contractual services	177,959	248,466	550,187	976,612
Supplies and materials	162,379	133,327	527	296,233
Depreciation	251,948	324,975	5,099	582,022
Other	1,858	-	-	1,858
Total operating expenses	863,638	965,809	640,145	2,469,592
Operating income	383,441	128,128	(35,779)	475,790
<u>Nonoperating revenues (expenses):</u>				
Operating grant	-	-	7,303	7,303
Loss on sale of capital assets	-	-	(14,296)	(14,296)
Interest and fiscal charges	(29,383)	(88)	-	(29,471)
Total nonoperating revenues (expenses)	(29,383)	(88)	(6,993)	(36,464)
Change in net position	354,058	128,040	(42,772)	439,326
Net position at beginning of year, as restated	5,044,538	7,296,625	442,802	12,783,965
Net position at end of year	\$ 5,398,596	\$ 7,424,665	\$ 400,030	\$ 13,223,291

See accompanying notes to the basic financial statements.

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

Business-Type Activities - Enterprise Funds

	Water	Sewer	Solid Waste	Total
Cash flows from operating activities:				
Cash received from customers	\$ 1,228,676	\$ 1,089,233	\$ 598,049	\$ 2,915,958
Cash received from other operating receipts	2,888	12,487	4,402	19,777
Cash payments for employee services and benefits	(419,096)	(411,782)	(79,969)	(910,847)
Cash payments to suppliers for goods and services	(356,363)	(396,403)	(510,436)	(1,263,202)
Net cash provided by operating activities	<u>456,105</u>	<u>293,535</u>	<u>12,046</u>	<u>761,686</u>
Cash flows from noncapital financing activities:				
Intergovernmental	-	-	8,832	8,832
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>8,832</u>	<u>8,832</u>
Cash flows from capital and related financing activities:				
Interest paid on debt	(29,383)	(88)	-	(29,471)
Principal payment on bonds and loans	(195,257)	(9,586)	-	(204,843)
Issuance of loans	718,787	109,303	-	828,090
Acquisition of capital assets	(453,116)	(511,400)	-	(964,516)
Net cash used for capital and related financing activities	<u>41,031</u>	<u>(411,771)</u>	<u>-</u>	<u>(370,740)</u>
Net increase (decrease) in cash and cash equivalents	497,136	(118,236)	20,878	399,778
Cash and cash equivalents at beginning of year	754,313	1,851,282	422,795	3,028,390
Cash and cash equivalents at end of year	<u>\$ 1,251,449</u>	<u>\$ 1,733,046</u>	<u>\$ 443,673</u>	<u>\$ 3,428,168</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 383,441	\$ 128,128	\$ (35,779)	\$ 475,790
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	251,948	324,975	5,099	582,022
Change in assets, liabilities, deferred outflows and inflows of resources:				
(Increase) decrease in assets and deferred outflows of resources:				
Accounts receivable	(15,515)	7,783	(1,915)	(9,647)
Prepaid items	5,644	5,699	2,519	13,862
Deferred outflows of resources - pension	(33,903)	(36,512)	18,096	(52,319)
Deferred outflows of resources - OPEB	11,915	12,811	21,038	45,764
Net OPEB asset	(21,155)	(22,782)	(6,509)	(50,446)
Increase (decrease) in liabilities and deferred inflows of resources:				
Accounts payable	(10,921)	(8,508)	40,954	21,525
Accrued wages and benefits	1,345	671	(5)	2,011
Compensated absences	(10,208)	(8,774)	(16,710)	(35,692)
Intergovernmental payable	2,638	(1,932)	(1,263)	(557)
Net pension liability	(85,970)	(92,583)	(26,452)	(205,005)
Deferred inflows of resources - pension	29,249	37,781	21,833	88,863
Deferred inflows of resources - OPEB	(52,403)	(53,222)	(8,860)	(114,485)
Net cash provided by operating activities	<u>\$ 456,105</u>	<u>\$ 293,535</u>	<u>\$ 12,046</u>	<u>\$ 761,686</u>

See accompanying notes to the basic financial statements.

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Rittman, Ohio (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor-Council-Manager form of government, was adopted in 1960.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are fairly presented and complete. The primary government consists of all funds, departments, boards, and commissions that are not legally separate from the City. The City provides municipal services such as police, fire fighting and prevention, street lighting and maintenance, emergency medical service, parks and recreation, and a staff to provide the necessary support to these services. The City also operates certain enterprise operations such as a sewage treatment plant, a water treatment plant, and solid waste disposal services. The operations of all of these services are included in the reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of Presentation

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Emergency Medical Service Fund - This special revenue fund is to account for property taxes levied and other revenues for the operations of emergency medical services.

American Rescue Plan Act Fund - This special revenue fund is to account for federal emergency relief grants related to economic recovery from the Coronavirus (COVID-19) pandemic.

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

Permissive Tax Fund - Required by the Ohio Revised Code to account for that portion of motor vehicle registration fees allocated to assist in maintaining those city streets designated as contributing to the effective and efficient flow of traffic through and within the county.

Capital Improvements Fund – This capital projects fund is used to account for financial resources that are used for the acquisition, construction or improvement of the City’s capital facilities.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise.

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

Water Fund - The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City. These resources are primarily generated through charges for water service.

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer service to its residential and commercial users located within the City. These resources are primarily generated through charges for sanitation services.

Solid Waste Fund - The solid waste fund accounts for operation of the City’s solid waste (refuse, leaves and brush) pickup and disposal services. These resources are primarily generated through charges for services.

Measurement Focus

Government-wide Financial Statements

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

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

Fund Financial Statements

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

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

Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and other postemployment benefits (OPEB). The deferred outflows of resources related to pension and OPEB are explained in Note 9.

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance fiscal year 2023 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported on the governmental funds balance sheet, and represents revenues which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, intergovernmental grants, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and the proprietary funds statement of fund net position (See Note 9).

Expenses/Expenditures

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

Budgetary Data

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

City of Rittman, Ohio
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The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2022.

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

Cash and Investments

Cash received by the City is deposited in a central bank account. Monies for all funds, except cash held by a trustee or fiscal agent, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "equity in pooled cash and investments" in the basic financial statements.

Investments with original maturities of three months or less and investments of the cash management pool are presented on the financial statements as cash equivalents.

The City utilizes financial institutions to service bonded debt as principal and interest payments come due. These account balances are presented as "cash and investments in segregated accounts." The water fund also has accounts within restricted accounts during the year for customer deposits.

Except for nonparticipating investment contracts, investments are reported at fair value. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue of \$(18,021) was credited to the general fund during 2022, which includes \$(13,919) assigned from other City funds. For 2022, interest income reported in the general, water and sewer funds were negative amounts resulting from fluctuations in reporting investments at fair value

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

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

<u>Asset Class</u>	Governmental and Business-Type Activities <u>Estimated Useful Life</u>
Buildings	20 - 40 years
Building improvements	5 - 50 years
Land improvements	10 - 20 years
Equipment and vehicles	5 - 30 years
Right-to-use leased vehicles	5 - 30 years
Infrastructure	30 - 75 years

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund loans, which do not represent available expendable resources, are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Unearned Revenue

Unearned revenue arises when monies are received before revenue recognition criteria have been satisfied. The unearned revenue reported represents grants received from the American Rescue Plan Act funding.

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

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

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account matured compensated absences payable in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability or 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.

The current accounting standard requires Cities to report their proportionate share of the net pension/OPEB liability or asset using the earning approach to pension and OPEB accounting instead of the funding approach as previously used. The funding approach limited pension and postemployment costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. Under the new standards, the net pension/OPEB liability or asset equals the City's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension and OPEB obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. The unfunded portion of this benefit of exchange is a liability of the City. However, the City is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension/OPEB benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the pension and OPEB plans.

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

There is no repayment schedule for the net pension/OPEB liability. The City has no control over the changes in the benefits, contributions rates, and return on investments affecting the balance of the liabilities. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension/OPEB liability or asset is satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements; and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability/asset should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party, such as citizens, public interest groups, or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official (typically the Finance Director) delegated that authority by City Charter or ordinance, or by State Statute.

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

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

Net Position

Net position represents the difference between 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/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At December 31, 2022, there was no net position restricted by enabling legislation. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer services, and solid waste collection. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenue and expenses not meeting these definitions are classified as nonoperating.

Capital Contributions

Contributions of capital in the government-wide and proprietary fund financial statements arise from donations by developers, grants restricted for capital construction, and special assessments. These assets are recorded at their acquisition value on the date contributed and are not subject to repayment.

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

Interfund Activity

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities.

Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

Estimates

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

NOTE 3 – FUND BALANCE

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

Fund Balances	Emergency Medical Service	Permissive Tax	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<u>Restricted for</u>					
Streets and highways	\$ -	\$ 49,792	\$ -	\$ 368,325	\$ 418,117
Fire department activity	-	-	-	137,886	137,886
Law enforcement	-	-	-	82,064	82,064
OneOhio opioid settlement	-	-	-	516	516
Cemetery capital improvements	-	-	-	31,873	31,873
Education and recreation	-	-	-	5,639	5,639
Emergency medical services	192,699	-	-	-	192,699
Capital improvements	-	-	653,443	-	653,443
Debt service payments	-	-	-	20,838	20,838
Total restricted	<u>\$ 192,699</u>	<u>\$ 49,792</u>	<u>\$ 653,443</u>	<u>\$ 647,141</u>	<u>\$ 1,543,075</u>

NOTE 4 – DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts. Inactive deposits are public deposits that Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

Interim monies may be invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to; the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and political subdivisions;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);

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

7. Commercial paper notes, limited to 40 percent (5 percent for a single issuer) in total of the interim monies available for investment at any one time and for a period not to exceed 270 days, and, certain bankers' acceptances for a period not to exceed 180 from the purchase date in any amount not to exceed 40% of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate note interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year-end, \$4,074,256 of the City's bank balances was not exposed to custodial credit risk.

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

- Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

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

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

Investment Type	Fair Value	Percentage of Investments	Investment Maturities (in years)		
			< 1 year	< 2 years	2-5 years
Federal Home Loan Mortgage Corporation	\$ 95,859	2.12%	\$ 95,859	\$ -	\$ -
Federal Home Loan Bank	399,505	8.82%	244,479	155,026	-
Federal Farm Credit Bank Bonds	242,365	5.35%	113,851	-	128,514
Federal National Mortgage Association	97,655	2.16%	97,655	-	-
US Treasury	347,614	7.68%	252,950	94,664	-
Commercial paper	391,781	8.65%	391,781	-	-
Negotiable certificates of deposit	1,179,421	26.04%	246,852	932,569	-
STAR Ohio	1,760,359	38.87%	1,760,359	-	-
STAR Ohio - bond retirement	13,913	0.31%	13,913	-	-
Total investments	<u>\$ 4,528,472</u>	<u>100.00%</u>	<u>\$ 3,217,699</u>	<u>\$ 1,182,259</u>	<u>\$ 128,514</u>

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. The above table identifies the City's recurring fair value measurements as of December 31, 2022. The City's investments measured at fair value are Level 2 since valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data.

Interest Rate Risk - The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the City.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2022, is 31.9 days.

Credit Risk - The City's investment policy limits its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in FHLMC, FHLB, FFCB and FNMA have an Aaa credit rating from Moody's. The City's investment in STAR Ohio has an AAAM credit rating from S&P. The City's investments in negotiable certificates of deposit were not rated or the ratings were unavailable.

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

Custodial Credit Risk - For investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed. The investments in the U.S. Treasury, Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB) and Federal National Mortgage Association (FNMA) are held by the counterparty's trust department or agent and not in the City's name. All of the City's negotiable certificates of deposit are registered securities.

Concentration of Credit Risk - is the possibility of loss attributed to the magnitude of the City's investment in a single issuer. Only the investments of the City in FHLB and FFCB were 5% or more for a single issuer. The City places no limit on the amount the City may invest in any one issuer. The table above is the City's allocation as of December 31, 2022.

Note 5 – BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund, emergency medical service fund, American Rescue Plan Act fund and permissive tax fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restriction, commitment or assignment of fund balance (GAAP).
4. The recreation trust fund is included in the general fund (GAAP), but has a separate legally adopted budget (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and major special revenue funds.

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

	Net Change in Fund Balance			
	<u>General</u>	Emergency Medical <u>Service</u>	American Rescue Plan <u>Act</u>	Permissive <u>Tax</u>
GAAP basis	\$ (94,629)	\$ (12,276)	\$ -	\$ 39,264
Revenue accruals	616,006	11,657	88,464	(88,974)
Expenditure accruals	47,305	17,836	2,596	88,974
Advances in	58,800	-	-	-
Encumbrances (budget basis) outstanding at year end	<u>(53,133)</u>	<u>(15,437)</u>	<u>(311,543)</u>	<u>(39,264)</u>
Budget basis	<u>\$ 574,349</u>	<u>\$ 1,780</u>	<u>\$ (220,483)</u>	<u>\$ -</u>

Note 6 – INTERFUND ACTIVITY

Interfund balances

The primary purpose of interfund advances is to cover costs in specific funds where revenues were not received by December 31, 2022. In the year ended December 31, 2020, the City made an interfund advance of \$58,800 from the general fund to the SAFER grant fund. The advance was repaid during 2022. The SAFER grant is reporting an interfund payable as a result of the fund's negative cash balance (overdraft) at year-end. The fund is reporting a receivable that covers the amount due to the general fund.

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General fund	\$ 108,247	\$ -
Nonmajor governmental fund	<u>-</u>	<u>108,247</u>
	<u>\$ 108,247</u>	<u>\$ 108,247</u>

City of Rittman, Ohio
Notes to the Basic Financial Statements
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NOTE 7 – RECEIVABLES AND REVENUE

Receivables at December 31, 2022, for governmental funds consisted of taxes, special assessments, interfund, accounts (billings for user charged services) and intergovernmental receivables.

Intergovernmental receivables consist primarily of entitlements to be received from the state. A summary of the intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Cents per gallon and excise tax	\$ 184,024
Homestead and rollback	36,294
Local government	143,433
Motor vehicle tax	27,061
Permissive sales tax	93,878
State and Federal grants	<u>217,028</u>
Total	<u>\$ 701,718</u>

Property Taxes

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

2022 real property taxes were levied after October 1, 2022 on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

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

The full tax rate for all City operations for the year ended December 31, 2022, was \$7.00 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

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

	<u>Valuations for 2022 Collections</u>	
<u>Property Category</u>	<u>Assessed Value</u>	<u>Percent</u>
<u>Real Property</u>		
Residential and agricultural	\$ 94,319,790	83.11 %
Commercial and industrial	14,241,250	12.55
<u>Tangible Personal Property</u>		
Public utilities	4,927,500	4.34
Total	\$ 113,488,540	100.00 %

Income Taxes

The City levies a municipal income tax on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City at a rate of 1.0 percent. The City allows a credit of 1.0 percent of the tax paid to another municipality. Employers within the City are required to withhold income tax on work done or services performed in the City by both residents and non-residents of the City and remit at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated taxes monthly and to file a return annually.

Income tax revenues are allocated based on City ordinance. Income tax collections are distributed between the general fund (75 percent) and the capital improvement fund (25 percent).

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

NOTE 8 – CAPITAL ASSETS

Governmental Activities: The summary of the governmental capital asset activity as of December 31, 2022 follows:

<u>Description</u>	Restated Balance <u>1/1/2022</u>	<u>Addition</u>	<u>Disposal</u>	Balance <u>12/31/2022</u>
Capital assets not being depreciated:				
Land	\$ 1,915,274	\$ 57,972	\$ (42,100)	\$ 1,931,146
Construction in progress	267,514	1,097,229	(1,321,493)	43,250
Total capital assets not being depreciated	<u>2,182,788</u>	<u>1,155,201</u>	<u>(1,363,593)</u>	<u>1,974,396</u>
Capital assets being depreciated/amortized:				
Land improvements	587,589	198,447	-	786,036
Buildings and building improvements	6,325,426	359,865	-	6,685,291
Infrastructure	3,839,802	1,229,893	-	5,069,695
Equipment	1,948,857	313,723	(20,087)	2,242,493
Vehicles	2,328,107	137,345	(64,500)	2,400,952
Intangible right to use - lease vehicles	275,851	-	-	275,851
Total capital assets being depreciated/amortized	<u>15,305,632</u>	<u>2,239,273</u>	<u>(84,587)</u>	<u>17,460,318</u>
Less accumulated depreciation/amortization :				
Land improvements	\$ (150,695)	\$ (26,172)	\$ -	\$ (176,867)
Buildings and building improvements	(3,646,297)	(224,545)	-	(3,870,842)
Infrastructure	(2,288,211)	(183,273)	-	(2,471,484)
Equipment	(1,336,630)	(131,524)	16,516	(1,451,638)
Vehicles	(2,045,028)	(52,937)	64,500	(2,033,465)
Intangible right to use - lease vehicles	(130,683)	(45,975)	-	(176,658)
Total accumulated depreciation and amortization	<u>(9,597,544)</u>	<u>(664,426)</u>	<u>81,016</u>	<u>(10,180,954)</u>
Total capital assets being depreciated/amortized, net	<u>5,708,088</u>	<u>1,574,847</u>	<u>(3,571)</u>	<u>7,279,364</u>
Total capital asset, net	<u>\$ 7,890,876</u>	<u>\$ 2,730,048</u>	<u>\$ (1,367,164)</u>	<u>\$ 9,253,760</u>

Depreciation/Amortization Expense: Depreciation/amortization expense charged to governmental functions for the year ending December 31, 2022 is as follows:

	<u>Amount</u>
General government	\$ 31,144
Security of persons and property	224,614
Transportation	256,794
Public health	2,849
Leisure time activities	149,025
	<u>\$ 664,426</u>

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

Business-type Activities: The summary of the business-type activities' capital asset activity as of December 31, 2022 follows:

<u>Description</u>	<u>Restated Balance 1/1/2022</u>	<u>Addition</u>	<u>Disposal</u>	<u>Balance 12/31/2022</u>
Capital assets not being depreciated:				
Land	\$ 63,936	\$ -	\$ -	\$ 63,936
Construction in progress	366,235	914,196	(367,192)	913,239
Total capital assets not being depreciated	<u>430,171</u>	<u>914,196</u>	<u>(367,192)</u>	<u>977,175</u>
Capital assets being depreciated/amortized:				
Land improvements	63,560	11,525	-	75,085
Buildings and building improvements	9,510,897	-	-	9,510,897
Infrastructure	12,323,789	347,842	-	12,671,631
Equipment	2,029,005	74,079	(71,092)	2,031,992
Vehicles	264,636	-	-	264,636
Intangible right to use - lease vehicles	58,480	-	-	58,480
Total capital assets being depreciated/amortized	<u>24,250,367</u>	<u>433,446</u>	<u>(71,092)</u>	<u>24,612,721</u>
Less accumulated depreciation/amortization :				
Land improvements	\$ (48,708)	\$ (4,398)	\$ -	\$ (53,106)
Buildings and building improvements	(5,843,919)	(232,670)	-	(6,076,589)
Infrastructure	(5,160,059)	(217,669)	-	(5,377,728)
Equipment	(1,411,526)	(105,143)	56,796	(1,459,873)
Vehicles	(222,584)	(12,396)	-	(234,980)
Intangible right to use - lease vehicles	(38,986)	(9,746)	-	(48,732)
Total accumulated depreciation and amortization	<u>(12,725,782)</u>	<u>(582,022)</u>	<u>56,796</u>	<u>(13,251,008)</u>
Total capital assets being depreciated/amortized, net	<u>11,524,585</u>	<u>(148,576)</u>	<u>(14,296)</u>	<u>11,361,713</u>
Total capital asset, net	<u>\$ 11,954,756</u>	<u>\$ 765,620</u>	<u>\$ (381,488)</u>	<u>\$ 12,338,888</u>

Depreciation/Amortization Expense: Depreciation/amortization expense charged to business-type activities for the year ending December 31, 2022 is as follows:

	<u>Amount</u>
Water	\$ 251,948
Sewer	324,975
Solid waste	5,099
Total	<u>\$ 582,022</u>

NOTE 9 – DEFINED BENEFIT PENSION AND OPEB PLANS

Pensions and OPEB are a component of exchange transactions between an employer and its employees of salaries and benefits for employee services. Pensions/OPEB are provided to an employee on a deferred-payment basis as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) 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 pensions/OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

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

City of Rittman, Ohio
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For the Year Ended December 31, 2022

A. DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

Plan Description –City employees, other than full-time police and firefighters, participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The Traditional Pension Plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The Combined Plan (CP) - a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the MD plan. 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 plan.

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):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after <u>January 7, 2013</u>	20 years of service credit prior to January 7, 2013 or eligible to retire or <u>ten years after January 7, 2013</u>	Members not in other Groups and members hired on or after <u>January 7, 2013</u>
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

City of Rittman, Ohio
Notes to the Basic Financial Statements
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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.

Once a benefit recipient retiring under the Traditional Plan has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided on the member’s base benefit. Members retiring under the Combined Plan receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent 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 percent. Additionally, a death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional and Combined plans.

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

	<u>State and Local</u>
2022 Statutory maximum contribution rates	
Employer	14.00%
Employee	10.00%
 2022 Actual contribution rates	
Employer:	
Pension	14.00%
Post-employment health care benefits	<u>0.00%</u>
Total employer	<u>14.00%</u>
 Employee	 <u>10.00%</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$263,402 for 2022. Of this amount, \$40,763 is reported as an intergovernmental payable.

Ohio Police & Fire Pension Fund (OP&F)

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 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 (DROP) provisions and reduced and unreduced benefits).

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

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

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

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

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

City of Rittman, Ohio
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	<u>Police</u>	<u>Firefighters</u>
2022 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
 2022 Actual contribution rates		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
 Total employer	 <u>19.50%</u>	 <u>24.00%</u>
 Employee	 12.25%	 12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$153,196 for 2022. Of this amount, \$14,925 is reported as intergovernmental payable.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability - prior measurement date	0.011486%	0.029520%	
Proportion of the net pension liability - current measurement date	<u>0.011948%</u>	<u>0.027332%</u>	
Change in proportionate share	<u>0.000462%</u>	<u>-0.002188%</u>	
 Proportionate share of the net pension liability	 \$ 1,039,524	 \$ 1,707,570	 \$ 2,747,094
Pension expense	\$ (295,589)	\$ 201,923	\$ (93,666)

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

City of Rittman, Ohio
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	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 52,993	\$ 49,236	\$ 102,229
Changes of assumptions	129,991	312,071	442,062
Changes in proportion and differences between City contributions and proportionate share of contributions	57,168	241,514	298,682
City contributions subsequent to the measurement date	<u>263,402</u>	<u>153,196</u>	<u>416,598</u>
Total deferred outflows of resources	<u>\$ 503,554</u>	<u>\$ 756,017</u>	<u>\$ 1,259,571</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 22,799	\$ 88,770	\$ 111,569
Net difference between projected and actual earnings on pension plan investments	1,236,476	447,698	1,684,174
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>51,182</u>	<u>128,452</u>	<u>179,634</u>
Total deferred inflows of resources	<u>\$ 1,310,457</u>	<u>\$ 664,920</u>	<u>\$ 1,975,377</u>

\$416,598 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	\$ (173,950)	\$ 91,515	\$ (82,435)
2024	(408,915)	(60,953)	(469,868)
2025	(290,746)	(45,991)	(336,737)
2026	(196,694)	(63,988)	(260,682)
2027	-	17,318	17,318
Total	<u>\$ (1,070,305)</u>	<u>\$ (62,099)</u>	<u>\$ (1,132,404)</u>

Actuarial Assumptions - OPERS

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

City of Rittman, Ohio
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Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding.

Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented below:

Experience study	5 - year period ended December 31, 2020
Wage inflation	
Current measurement date	2.75 percent
Prior measurement date	3.25 percent
Future salary increases, including inflation -Traditional plan	
Current measurement date	2.75 percent to 10.75 percent
Prior measurement date	3.25 percent to 10.75 percent
COLA or Ad Hoc COLA	
Current measurement date	Pre January 7, 2013 retirees, 3.00 percent, simple Post January 7, 2013 retirees, 3.00 percent, simple through 2022, then 2.05 percent, simple
Prior measurement date	Pre January 7, 2013 retirees, 3.00 percent, simple Post January 7, 2013 retirees, 0.50 percent, simple through 2021, then 2.15 percent, simple
Investment rate of return	
Current measurement date	6.90 percent
Prior measurement date	7.20 percent
Actuarial cost method	Individual entry age

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

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

City of Rittman, Ohio
Notes to the Basic Financial Statements
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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.

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	24.00%	1.03%
Domestic equities	21.00%	3.78%
Real estate	11.00%	3.66%
Private equity	12.00%	7.43%
International equities	23.00%	4.88%
Risk parity	5.00%	2.92%
Other investments	<u>4.00%</u>	<u>2.85%</u>
Total	<u>100.00%</u>	<u>4.21%</u>

Discount Rate The discount rate used to measure the total pension liability was 6.9%. 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:

City of Rittman, Ohio
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	1% Decrease <u>(5.60%)</u>	Current discount rate <u>(6.90%)</u>	1% Increase <u>(7.90%)</u>
City's proportionate share of the net pension liability (asset)	\$ 2,740,752	\$ 1,039,524	\$ (376,123)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of 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 payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below:

Valuation date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial cost method	Entry age normal
Investment rate of return	
Current measurement date	7.50 percent
Prior measurement date	8.00 percent
Projected salary increases	3.75 percent to 10.50 percent
Payroll increases	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent, plus productivity increase rate of 0.50 percent
Cost of living adjustments	2.20 percent simple

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

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

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

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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 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 average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized below:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return**</u>
Cash and cash equivalents	0.00%	0.00%
Domestic equity	21.00%	3.60%
Non-US equity	14.00%	4.40%
Private markets	8.00%	6.80%
Core fixed income *	23.00%	1.10%
High yield	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%
Real estate	<u>12.00%</u>	4.80%
 Total	 <u>125.00%</u>	

Note: Assumptions are geometric

* Levered 2x

**numbers include inflation

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

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Discount Rate The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings 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 <u>(6.50%)</u>	Current discount rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City's proportionate share of the net pension liability	\$ 2,532,303	\$ 1,707,570	\$ 1,020,772

B. DEFINED BENEFIT OPEB PLANS

Ohio Public Employees Retirement System

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

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

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

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

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

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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. 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.

Ohio Police and Firemen's Disability and Pension Fund

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 healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$3,884 for 2022. Of this amount, \$390 is reported as an intergovernmental payable.

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

The net OPEB liability or asset and total OPEB liability or asset for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payments, 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 or asset were based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability or asset - prior measurement date	0.011163%	0.029520%	
Proportion of the net OPEB liability or asset - current measurement date	<u>0.011545%</u>	<u>0.027332%</u>	
Change in proportionate share	<u>0.000382%</u>	<u>-0.002188%</u>	
Proportionate share of the net			
OPEB asset	\$ 361,607	\$ -	\$ 361,607
OPEB liability	\$ -	\$ 299,586	\$ 299,586
OPEB expense	\$ (393,604)	\$ 54,916	\$ (338,688)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 13,628	\$ 13,628
Changes of assumptions	-	132,606	132,606
Changes in proportion and differences between City contributions and proportionate share of contributions	6,427	109,048	115,475
City contributions subsequent to the measurement date	-	3,884	3,884
Total deferred outflows of resources	<u>\$ 6,427</u>	<u>\$ 259,166</u>	<u>\$ 265,593</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 54,850	\$ 39,594	\$ 94,444
Net difference between projected and actual earnings on OPEB plan investments	172,389	27,063	199,452
Changes of assumptions	146,374	34,795	181,169
Changes in proportion and differences between City contributions and proportionate share of contributions	31,395	17,530	48,925
Total deferred inflows of resources	<u>\$ 405,008</u>	<u>\$ 118,982</u>	<u>\$ 523,990</u>

\$3,884 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or asset in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year ending December 31:			
2023	\$ (258,239)	\$ 42,476	\$ (215,763)
2024	(77,918)	38,459	(39,459)
2025	(37,666)	38,829	1,163
2026	(24,758)	7,332	(17,426)
2027	-	7,171	7,171
Thereafter	-	2,033	2,033
Total	<u>\$ (398,581)</u>	<u>\$ 136,300</u>	<u>\$ (262,281)</u>

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Actuarial Assumptions - OPERS

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

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 or asset 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:

Experience study	5 - year period ended December 31, 2020
Wage inflation	
Current measurement date	2.75 percent
Prior measurement date	3.25 percent
Projected salary increases, includes wage inflation	
Current measurement date	2.75 to 10.75 percent
Prior measurement date	3.25 to 10.75 percent
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	5.50 percent, initial 3.50 percent, ultimate in 2034
Prior measurement date	8.50 percent, initial 3.50 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.

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

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

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	Weighted average long-term expected real rate of return <u>(arithmetic)</u>
Fixed income	34.00%	0.91%
Domestic equities	25.00%	3.78%
Real estate investment trusts	7.00%	3.71%
International equities	25.00%	4.88%
Risk parity	2.00%	2.92%
Other investments	<u>7.00%</u>	<u>1.93%</u>
Total	<u>100.00%</u>	<u>3.45%</u>

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Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2020. A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability or Asset to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability or 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 or 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 <u>(5.00%)</u>	Current discount rate <u>(6.00%)</u>	1% Increase <u>(7.00%)</u>
Proportionate share of the net OPEB liability/(asset)	\$ (212,659)	\$ (361,607)	\$ (485,236)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability or 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 or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

	1% Decrease	Current health care cost trend rate <u>assumption</u>	1% Increase
Proportionate share of the net OPEB liability/(asset)	(\$365,515)	(\$361,607)	(\$356,971)

City of Rittman, Ohio
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Retiree health care valuations use a health care cost-trend assumption with 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.

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, 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
Actuarial cost method	Entry age normal
Investment rate of return	
Current measurement date	7.50 percent
Prior measurement date	8.00 percent
Projected salary increases	3.75 percent to 10.50 percent
Payroll growth	3.25 percent
Single discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of living adjustments	2.20 percent simple

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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 OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 9A.

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

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For the Year Ended December 31, 2022

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease <u>(1.84%)</u>	Current discount rate <u>(2.84%)</u>	1% Increase <u>(3.84%)</u>
City's proportionate share of the net OPEB liability	\$ 376,587	\$ 299,586	\$ 236,292

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

NOTE 10 – COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated contracts, City ordinances and State laws. Employees earn two to five weeks of vacation per year, depending upon length of service. Vacation is accrued bi-weekly and employees may accrue up to two times their annual vacation rate. Unused vacation is paid out at termination of employment, retirement or death.

Employees earn sick leave at the rate of 4.6 hours per 80 hours worked with no maximum accumulation. At retirement or death, employees (or their estate) will receive between 650 and 750 hours of sick leave.

Compensated absences will be paid from the fund from which the employee is paid. This is generally from the general, EMS, street maintenance and repair, water, sewer and solid waste funds.

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

NOTE 11 – LONG TERM OBLIGATIONS

Governmental activities A summary of the governmental activities’ debt and other long-term obligations as of December 31, 2022 are as follows:

	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2022</u>	<u>Due within</u> <u>one year</u>
<u>Governmental activities:</u>					
<u>General obligations bonds</u>					
2009 Emergency dispatch communication	\$ 19,000	\$ -	\$ (19,000)	\$ -	\$ -
2014 Pool project	<u>10,000</u>	<u>-</u>	<u>(5,000)</u>	<u>5,000</u>	<u>5,000</u>
<i>Total General Obligation Bonds</i>	<u>29,000</u>	<u>-</u>	<u>(24,000)</u>	<u>5,000</u>	<u>5,000</u>
 <u>Direct borrowings</u>					
2013 Rittman Community Improvement Corporation	35,000	-	-	35,000	-
2015 OPWC North Main and Liberty Street	<u>63,750</u>	<u>-</u>	<u>(4,250)</u>	<u>59,500</u>	<u>4,250</u>
<i>Total Direct Borrowings</i>	<u>98,750</u>	<u>-</u>	<u>(4,250)</u>	<u>94,500</u>	<u>4,250</u>
 <u>Other long-term liabilities</u>					
Lease purchase payables:					
2019 Backhoe	20,084	-	(9,877)	10,207	10,207
2019 SCBA equipment	118,094	-	(38,075)	80,019	39,350
2022 Boom mower	-	134,136	-	134,136	25,539
Leases payable - vehicles	173,275	-	(46,925)	126,350	51,024
Compensated absences	236,072	162,243	(156,983)	241,332	162,250
Net pension and OPEB liability:					
Net pension liability OPERS	1,173,570	-	(456,298)	717,272	-
Net pension liability OP&F	2,012,432	-	(304,862)	1,707,570	-
Net OPEB liability OP&F	<u>312,774</u>	<u>-</u>	<u>(13,188)</u>	<u>299,586</u>	<u>-</u>
<i>Total other long-term liabilities</i>	<u>4,046,301</u>	<u>296,379</u>	<u>(1,026,208)</u>	<u>3,316,472</u>	<u>288,370</u>
Total governmental activities	<u>\$ 4,174,051</u>	<u>\$ 296,379</u>	<u>\$ (1,054,458)</u>	<u>\$ 3,415,972</u>	<u>\$ 297,620</u>

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

Business-type activities A summary of the business-type activities' debt and other long-term obligations as of December 31, 2022 are as follows:

	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2022</u>	<u>Due within</u> <u>one year</u>
Business-type activities:					
<u>General obligation bonds</u>					
2014 Water improvement refunding	\$ 290,000	\$ -	\$ (95,000)	\$ 195,000	\$ 100,000
Direct borrowings:					
<u>Ohio Public Works Commission Loans</u>					
2003 Iron and manganese removal	62,500	-	(12,500)	50,000	12,500
2010 Salt and Terrace Streets waterline improvement	94,315	-	(4,492)	89,823	4,492
2015 North Main and Liberty Street waterline	123,750	-	(8,250)	115,500	8,250
2016 Metzger water tower repairs	131,577	-	(5,981)	125,596	5,980
2018 Decourcey standpipe improvement	<u>268,800</u>	<u>-</u>	<u>(19,200)</u>	<u>249,600</u>	<u>19,200</u>
<i>Total Ohio Public Works Commission Loans</i>	<u>680,942</u>	<u>-</u>	<u>(50,423)</u>	<u>630,519</u>	<u>50,422</u>
<u>Ohio Water Development Loans</u>					
2020 Second Street waterline replacement	382,482	-	(9,884)	372,598	10,051
2021 Water transmission main replacement	4,044	290,903	(30,364)	264,583	60,727
2021 Grant, Seneca and State St. waterline replacement	1,308	350,235	-	351,543	-
2022 Sterling Avenue lead service line replacement	-	77,649	-	77,649	-
2022 WWTP improvements	<u>-</u>	<u>109,303</u>	<u>-</u>	<u>109,303</u>	<u>-</u>
<i>Total Ohio Water Development Authority Loans</i>	<u>387,834</u>	<u>828,090</u>	<u>(40,248)</u>	<u>1,175,676</u>	<u>70,778</u>
Total direct borrowings	<u>1,068,776</u>	<u>828,090</u>	<u>(90,671)</u>	<u>1,806,195</u>	<u>121,200</u>
<u>Other long-term liabilities</u>					
Lease purchase payable - 2019 Backhoe	20,084	-	(9,876)	10,208	10,208
Leases payable - vehicles	31,304	-	(9,296)	22,008	22,008
Compensated absences	168,683	46,212	(81,904)	132,991	76,781
Net pension liability	<u>527,257</u>	<u>-</u>	<u>(205,005)</u>	<u>322,252</u>	<u>-</u>
<i>Total other long-term liabilities</i>	<u>747,328</u>	<u>46,212</u>	<u>(306,081)</u>	<u>487,459</u>	<u>108,997</u>
Total business-type activities	<u>\$ 2,106,104</u>	<u>\$ 874,302</u>	<u>\$ (491,752)</u>	<u>\$ 2,488,654</u>	<u>\$ 330,197</u>

General obligation bonds - General obligations bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The general obligation bonds will be retired from the debt service fund using general property taxes and from the water and sewer funds using resources within these funds.

2009 Emergency dispatch communication bonds - In 2009, the City issued \$77,000 in bonds with an interest rate of 4.25 percent which will mature in 2024. These bonds were issued to replace and improve the City's 911 emergency dispatch communication system.

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

2014 Refunding bonds - In November 2014, the City issued \$645,000 and \$960,000 in refunded general obligation bonds with an interest rate of 2.25 percent. The proceeds of the bonds were used to refund \$625,000 of the City's outstanding recreation center refunding bonds, Series 2004 and \$920,000 of the City's outstanding water improvement bonds, Series 2004. The recreation center refunding bonds were issued for a 6 year period with final maturity at December 1, 2020. The water improvement refunding bonds were issued for a 10 year period with final maturity at December 1, 2024. At the date of the refunding, \$1,579,239 (after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. These bonds are no longer outstanding as they were called and subsequently redeemed in December 2014.

These refunding bonds were issued with issuance costs of \$27,250. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$135,857. The issuance resulted in an economic gain of \$120,915.

2014 Pool project bonds - In November 2014, the City issued \$40,000 in bonds with an interest rate of 2.25 percent which will mature in 2023. These bonds were issued to make improvements to the pool and community room.

2013 Loan - The City entered into a loan agreement with Rittman Community Improvement Corporation (CIC) for \$35,000 to be issued in annual installments of \$7,000 beginning in 2013. There is no annual interest rate. The loan was used for loan payments on the 2013 note from Rittman Exempted Village School District, which was used to purchase land. The loan will become due when the City utilizes or develops said parcel for governmental purposes. If the City sells or otherwise disposes of the property for private or commercial use, the City shall reimburse the CIC the full amount. If the conveyance is for any purposes other than governmental use, the CIC shall receive 50 percent of the purchase price and the City shall receive 50 percent of any profit.

2015 OPWC loan - The 2015 OPWC loan is for street improvements and was issued for \$85,000. The loan matures in 2036 and is an interest-free loan. This loan will be retired from the debt service fund.

2003 OPWC loan - The 2003 Ohio Public Works Commission (OPWC) loan was for a new water filtration system to be used by the City. The City received \$141,647 in proceeds in 2005, with the remaining \$108,353 received in 2006. The loan matures in 2026 and is an interest-free loan.

2010 OPWC loan - The 2010 OPWC loan was for waterline improvements on Salt Street and Terrace Street. The City received \$134,735 in proceeds in 2011. The loan matures in 2042 and is an interest-free loan.

2015 OPWC loan - The 2015 OPWC loan was for waterline improvements on North Main and Liberty Street. The City received \$165,000 in proceeds in 2015. The loan matures in 2036 and is an interest-free loan.

2016 OPWC loan - The 2016 OPWC loan was for painting the City's water tower. The City received \$155,500 in proceeds in 2017. The loan matures in 2043 and is an interest-free loan.

2018 OPWC loan - The 2018 OPWC interest-free loan was for painting the City's Decourcey standpipe. The City received \$205,730 and \$82,270 in proceeds in 2019 and 2020, respectively.

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

In the event of default, as defined by each OPWC loan agreement, the amount of default will be subject to 8 percent interest on all amounts due from date of default. Additionally, the Lender may declare all amounts immediately due and payable or require the County treasurer to pay the amounts due from funds appropriated to the county's undivided local government fund. The lender will also be entitled to collect any cost incurred in the event of default.

The City has pledged future revenues to repay the business-type OPWC loans with interest from the water fund. The debt is payable solely from revenues and is payable through 2043. Annual principal and interest payments, as a percentage of net customer revenues, on the loans are expected to be similar over the term of the loans as in the current year, which was 6.52 percent. The total principal and interest remaining to be paid on the loans is \$630,519. Principal and interest paid for the current year and total net revenues were \$50,423 and \$606,006, respectively.

2020 OWDA loan - The 2020 OWDA loan was for waterline replacement on Second Street. The City received \$1,408 in proceeds in 2020 and \$381,074 in proceeds in 2021.

2021 OWDA loans - The 2021 OWDA loan was for waterline replacement on Grant, Seneca, and State Street. The City received \$1,308 and \$350,235 in proceeds in 2021 and 2022, respectively. The City also received \$4,044 and \$290,903 in proceeds from OWDA in 2021 and 2022, respectively for the water transmission main replacement project. These loans have not been finalized.

2022 OWDA loans - The 2022 \$77,649 OWDA loan was used for the Sterling Avenue lead service line replacement project. The City made its first draw down of \$109,303 for the 2022 OWDA loan. This was used for a water treatment plant improvement project and has not been finalized. The 2022 \$109,303 OWDA loan was used for a water treatment plant improvement project. The City made its first draw down of \$109,303 for the 2022 OWDA loan. This was used for a water treatment plant improvement project and has not been finalized.

In the event of default, as defined by each OWDA loan agreement, the lender may declare the full amount of the unpaid Project Participation Principal amount immediately due and payable and require the County to pay any fines or penalties incurred with interest.

There are no repayment schedules for the net pension liability and net OPEB liability/asset; however, employer pension and OPEB contributions are primarily made from the general fund, water, sewer, and solid waste funds. For additional information related to the net pension liability and net OPEB liability/asset see Note 9.

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

Annual debt service requirements to maturity for outstanding debt are as follows:

Year Ending December 31,	Governmental Activities *			
	General Obligation Bonds			OPWC Loan
	Principal	Interest	Total	Principal
2023	\$ 5,000	\$ 113	\$ 5,113	\$ 4,250
2024	-	-	-	4,250
2025	-	-	-	4,250
2026	-	-	-	4,250
2027	-	-	-	4,250
2028-2032	-	-	-	21,250
2033-2037	-	-	-	17,000
	\$ 5,000	\$ 113	\$ 5,113	\$ 59,500

* The \$35,000 Rittman Community Improvement Corporation loan is not included in the table above since there is no maturity date at this time.

Year Ending December 31,	Business-type Activities							OPWC Loans
	General Obligation Bonds			OWDA Loan *			Principal	
	Principal	Interest	Total	Principal	Interest	Total	Principal	
2023	\$ 100,000	\$ 4,387	\$ 104,387	\$ 10,051	\$ 6,255	\$ 16,306	\$ 50,422	
2024	95,000	2,137	97,137	10,222	6,084	16,306	50,422	
2025	-	-	-	10,395	5,911	16,306	50,422	
2026	-	-	-	10,572	5,734	16,306	50,422	
2027	-	-	-	10,751	5,555	16,306	37,922	
2028-2032	-	-	-	56,556	24,974	81,530	189,610	
2033-2037	-	-	-	61,521	20,009	81,530	142,960	
2038-2042	-	-	-	66,921	14,608	81,529	52,359	
2043-2047	-	-	-	72,796	8,734	81,530	5,980	
2048-2051	-	-	-	62,813	2,412	65,225	-	
	\$ 195,000	\$ 6,524	\$ 201,524	\$ 372,598	\$ 100,276	\$ 472,874	\$ 630,519	

* This excludes the 2021 and 2022 loans as they are not finalized.

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

The future principal and interest lease purchase agreement, annual payments as follows:

Year Ending December 31,	Governmental Activities								
	2019 Backhoe (50%)			2019 SCBA *			2022 Boom Mower		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 10,207	\$ 342	\$ 10,549	\$ 39,350	\$ 2,681	\$ 42,031	\$ 25,539	\$ 3,300	\$ 28,839
2024	-	-	-	40,669	1,363	42,032	26,168	2,671	28,839
2025	-	-	-	-	-	-	26,811	2,028	28,839
2026	-	-	-	-	-	-	27,471	1,368	28,839
2027	-	-	-	-	-	-	28,147	692	28,839
	\$ 10,207	\$ 342	\$ 10,549	\$ 80,019	\$ 4,044	\$ 84,063	\$ 134,136	\$ 10,059	\$ 144,195

* The equipment for this lease purchase agreement was not capitalized.

Year Ending December 31,	Business-type Activities		
	2019 Backhoe (50%)		
	Principal	Interest	Total
2023	\$ 10,208	\$ 342	\$ 10,550

NOTE 12 –LEASE PAYABLE

During a previous year, the City entered into a five-year lease agreement as lessee for the acquisition and use of vehicles. As of December 31, 2022, the value of the lease liability was \$126,350 and \$22,008 for governmental and business-type activities, respectively. The vehicles have a six-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$275,851 and \$58,480 and had accumulated amortization of \$176,658 and \$48,732, respectfully for governmental and business-type activities.

The future principal and interest lease payments as of December 31, 2022, were as follows:

Year Ending December 31,	Governmental Activities			Business-type Activities		
	Enterprise Lease Payable			Enterprise Lease Payable		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 51,024	\$ 2,629	\$ 53,653	\$ 22,008	\$ 26	\$ 22,034
2024	38,050	1,264	39,314	-	-	-
2025	37,276	180	37,456	-	-	-
	\$ 126,350	\$ 4,073	\$ 130,423	\$ 22,008	\$ 26	\$ 22,034

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

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters.

These risks are covered by commercial insurance policies purchased from independent third parties. The City purchases extended coverage insurance on all buildings and contents. Coverage is purchased on City vehicles for a combined single limit liability. The City also purchases general liability insurance coverage. Other policies held by the City include law enforcement, public officials, boiler & machinery, inland marine and commercial crime.

Workers' compensation coverage is provided by the State of Ohio and is based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

The City contracted with Medical Mutual as the Health Care Provider to provide employee health benefits. On January 1, 2021, the City contracted with MAGIS for medical and prescription coverage.

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

NOTE 14 – CONTINGENCIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

In early 2023, the City announced to its residents that a mistake had been found that resulted in income tax collections at an unauthorized rate of 1.5% since tax year 2008. The City set the income tax rate down to 1.0% effective January 1, 2022. The retroactive change in income tax rate for 2022 resulted in an expectation that 1/3 of the cash basis income tax collections for 2022 are liable to be refunded in 2023, which resulted in large liabilities for the general and capital improvements funds. The City has been named as a Defendant in a class-action lawsuit related to this issue that is ongoing as of the date of this report. As such, the full effect of this issue on the City's finances has yet to be determined.

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

NOTE 15 – COMMITMENTS

Encumbrances

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

<u>Fund</u>	<u>Year end encumbrances</u>
Emergency Medical Service	\$ 15,435
American Rescue Plan Act	311,544
Permissive Tax	39,263
Capital Improvements	78,801
Nonmajor governmental funds	<u>135,527</u>
Total	<u>\$ 580,570</u>

Contractual Commitments

At December 31, 2022, the various projects within the City has contractual commitments consisting as follows:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining Commitment</u>
Fitness equipment recreation center	\$ 89,262	\$ -	\$ 89,262
Software implementation	124,125	12,413	111,712
Service garage repair	28,425	3,409	25,016
Annual roadway repair	332,048	233,246	98,802
Water distribution improvements	428,511	355,823	72,688
Waste water treatment plant upgrade	1,050,194	433,482	616,712

Contractual commitments identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note. Reasons for this may include timing of when contracts are encumbered and contracts paid from enterprise funds, which are not required to disclose encumbrance commitments.

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

NOTE 16 – RESTATEMENT OF FUND BALANCE AND NET POSITION

During 2022, the City decided to change the reporting of the storm sewer fund’s activity from an enterprise fund to a governmental fund. As a result of this change, a restatement was necessary. Net position for governmental activities and fund balance for governmental funds were restated by \$920,084. Net position for business-type activities and fund balance for business-type funds were restated by (\$920,084).

Restatement of Net Positions:	Governmental Activities	Business-type Activities
Net position, December 31, 2021	\$ 8,365,986	\$ 13,704,049
Storm sewer:		
Current assets	480,786	(480,786)
Capital assets	440,519	(440,519)
Liabilities	(1,221)	1,221
Restated net position, January 1, 2022	\$ 9,286,070	\$ 12,783,965
Restatement of Fund Balances:		
	Total Governmental Funds	
Fund balance, December 31, 2021	\$ 4,199,571	
Storm sewer:		
Current assets	480,786	
Liabilities	(1,221)	
Restated fund balance, January 1, 2022	\$ 4,679,136	

Required Supplementary Information

City of Rittman, Ohio
Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability
Last Nine Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Ohio Public Employees Retirement System - Traditional Plan				
City's proportion of the net pension liability	0.011948%	0.011486%	0.012590%	0.013889%
City's proportionate share of the net pension liability	\$ 1,039,524	\$ 1,700,827	\$ 2,488,499	\$ 3,803,916
City's covered payroll	\$ 1,733,986	\$ 1,617,693	\$ 1,771,393	\$ 1,875,864
City's proportionate share of the net pension liability as a percentage of its covered payroll	59.95%	105.14%	140.48%	202.78%
Plan fiduciary net position as a percentage of total pension liability	92.62%	86.88%	82.17%	74.70%
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Ohio Police and Fire Pension Fund				
City's proportion of the net pension liability	0.027332%	0.029520%	0.029727%	0.023201%
City's proportionate share of the net pension liability	\$ 1,707,570	\$ 2,012,432	\$ 2,002,583	\$ 1,893,815
City's covered payroll	\$ 750,160	\$ 810,478	\$ 736,217	\$ 572,549
City's proportionate share of the net pension liability as a percentage of its covered payroll	227.63%	248.30%	272.01%	330.77%
Plan fiduciary net position as a percentage of total pension liability	75.03%	70.65%	69.89%	63.07%

See notes to required supplementary information.

(1) Information prior to 2014 is not available and the amounts presented are as of the City's measurement date which is the prior year end.

(2) Restated during 2015.

2018	2017	2016	2015	2014
0.014630%	0.013730%	0.014193%	0.014036%	0.014036%
\$ 2,295,163	\$ 3,117,815	\$ 2,458,407	\$ 1,692,898	\$ 1,654,662
\$ 1,933,369	\$ 1,774,867	\$ 1,766,425	\$ 1,720,742	\$ 1,619,969
118.71%	175.66%	139.17%	98.38%	102.14%
84.66%	77.25%	81.08%	86.45%	86.36%

2018	2017	2016	2015	2014
0.020430%	0.019269%	0.019951%	0.020954%	0.020954%
\$ 1,253,879	\$ 1,220,479	\$ 1,283,462	\$ 1,085,489	\$ 1,020,511
\$ 495,841	\$ 460,344	\$ 501,108	\$ 453,958	\$ 448,659
252.88%	265.12%	256.12%	239.12%	227.46%
70.91%	68.36%	66.77%	71.71%	73.00% (2)

City of Rittman, Ohio
Required Supplementary Information
Schedule of City Contributions - Pension
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Ohio Public Employees Retirement System - Traditional Plan					
Contractually required contribution	\$ 263,402	\$ 242,758	\$ 226,477	\$ 247,995	\$ 262,621
Contributions in relation to contractually required contribution	<u>(263,402)</u>	<u>(242,758)</u>	<u>(226,477)</u>	<u>(247,995)</u>	<u>(262,621)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,881,443	\$ 1,733,986	\$ 1,617,693	\$ 1,771,393	\$ 1,875,864
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Ohio Police and Fire Pension Fund					
Contractually required contribution	\$ 153,196	\$ 148,657	\$ 160,205	\$ 145,095	\$ 108,784
Contributions in relation to contractually required contribution	<u>(153,196)</u>	<u>(148,657)</u>	<u>(160,205)</u>	<u>(145,095)</u>	<u>(108,784)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 720,922	\$ 750,160	\$ 810,478	\$ 736,217	\$ 572,549
Contributions as a percentage of covered payroll	21.25%	19.82%	19.77%	19.71%	19.00%

See notes to required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 251,338	\$ 212,984	\$ 211,971	\$ 206,489	\$ 210,596
<u>(251,338)</u>	<u>(212,984)</u>	<u>(211,971)</u>	<u>(206,489)</u>	<u>(210,596)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,933,369	\$ 1,774,867	\$ 1,766,425	\$ 1,720,742	\$ 1,619,969
13.00%	12.00%	12.00%	12.00%	13.00%

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 94,210	\$ 87,465	\$ 95,210	\$ 87,690	\$ 70,574
<u>(94,210)</u>	<u>(87,465)</u>	<u>(95,210)</u>	<u>(87,690)</u>	<u>(70,574)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 495,841	\$ 460,344	\$ 501,108	\$ 453,958	\$ 448,659
19.00%	19.00%	19.00%	19.32%	15.73%

City of Rittman, Ohio
Required Supplementary Information
Schedule of City's Proportionate Share of the Net OPEB Liability or Asset
Last Six Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Ohio Public Employees Retirement System				
City's proportion of the net OPEB liability or asset	0.011545%	0.011163%	0.012123%	0.013349%
City's proportionate share of the net OPEB liability (asset)	\$ (361,607)	\$ (198,878)	\$ 1,674,501	\$ 1,740,394
City's covered payroll	\$ 1,733,986	\$ 1,617,693	\$ 1,771,393	\$ 1,875,864
City's proportionate share of the net OPEB liability or asset as a percentage of its covered payroll	20.85%	12.29%	94.53%	92.78%
Plan fiduciary net position as a percentage of total OPEB liability or asset	128.23%	115.57%	47.80%	46.33%
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Ohio Police and Fire Pension Fund				
City's proportion of the net OPEB liability	0.027332%	0.029520%	0.029727%	0.023201%
City's proportionate share of the net OPEB liability	\$ 299,586	\$ 312,774	\$ 293,637	\$ 211,281
City's covered payroll	\$ 750,160	\$ 810,478	\$ 736,217	\$ 572,549
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	39.94%	38.59%	39.88%	36.90%
Plan fiduciary net position as a percentage of total OPEB liability	46.86%	45.42%	47.10%	46.57%

See notes to required supplementary information.

(1) Information prior to 2017 is not available and the amounts presented are as of the City's measurement date which is the prior year end.

(2) Restated during 2018.

<u>2018</u>	<u>2017 (2)</u>
0.014095%	0.013200%
\$ 1,530,662	\$ 1,333,245
\$ 1,933,371	\$ 1,774,867
79.17%	75.12%
54.14%	54.05%

<u>2018</u>	<u>2017 (2)</u>
0.020430%	0.019269%
\$ 1,157,535	\$ 914,656
\$ 495,841	\$ 460,344
233.45%	198.69%
14.13%	15.96%

City of Rittman, Ohio
Required Supplementary Information
Schedule of City Contributions - OPEB
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Ohio Public Employees Retirement System					
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 1,881,443	\$ 1,733,986	\$ 1,617,693	\$ 1,771,393	\$ 1,875,864
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Ohio Police and Fire Pension Fund					
Contractually required contribution	\$ 3,884	\$ 3,751	\$ 4,052	\$ 3,681	\$ 2,863
Contributions in relation to contractually required contribution	<u>(3,884)</u>	<u>(3,751)</u>	<u>(4,052)</u>	<u>(3,681)</u>	<u>(2,863)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 720,922	\$ 750,160	\$ 810,478	\$ 736,217	\$ 572,549
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

See notes to required supplementary information.

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

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 19,334	\$ 35,497	n/a	n/a	n/a
<u>(19,334)</u>	<u>(35,497)</u>	n/a	n/a	n/a
<u>\$ -</u>	<u>\$ -</u>	n/a	n/a	n/a
\$ 1,933,371	\$ 1,774,867	n/a	n/a	n/a
1.00%	2.00%	n/a	n/a	n/a

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 2,479	\$ 2,302	\$ 2,506	\$ 2,303	\$ 15,963
<u>(2,479)</u>	<u>(2,302)</u>	<u>(2,506)</u>	<u>(2,303)</u>	<u>(15,963)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 495,841	\$ 460,344	\$ 501,108	\$ 453,958	\$ 449,659
0.50%	0.50%	0.50%	0.50%	3.56%

City of Rittman, Ohio
Notes to 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 from the amounts reported for 2014 – 2022.

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

Ohio Police and Fire Pension Fund

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014 – 2022.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple. There were no changes in assumptions for 2019-2021. For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.

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

Net OPEB Liability or Asset

Ohio Public Employees Retirement System (OPERS)

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2017-2020. For 2021, the following were the most significant changes in benefit terms since the prior measurement date: The Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements; however, they are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020. There were no changes in benefit terms from the amounts reported for 2022.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017. For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%. For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.0%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030. For 2021, the following where the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% down to 2.00% and (c) the health care cost rate trend was decreased from 10.00%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035. For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: a) wage inflation from 3.25% to 2.75%, (b) projected salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.

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

Ohio Police and Fire Pension Fund

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

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

Combining Statements for Nonmajor Governmental Funds

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special revenue funds are used to account for types of resources for which specific uses are mandated by City ordinances or Federal and State statutes. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Street Maintenance and Repair - Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway - Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Permissive Tax II - To account for the City's share of motor vehicle registration fees levied by the City for maintaining city streets.

Police Pension - To accumulate property taxes levied for the partial payment of the current liability for police disability and pension.

Law Enforcement and Education - To account for funds from the municipal court designated to enforce drunk driving laws and related educational programs.

Law Enforcement - To account for funds from the municipal court designated for law enforcement programs.

OneOhio Opioid - To account for funds received from the OneOhio settlement with national opioid distributors to combat the opioid epidemic within the City.

Continuing Professional Training - To account for state mandated training funds.

Education and Recreation Assistance - To account for monies received and expended for the Parks and recreation department programs and activities.

Baseball Field Maintenance - To collect, manage, and disburse funds for the maintenance and improvement of the youth baseball and softball fields in the City of Rittman.

SAFER Grant - To collect, manage and disperse grant funds specifically for the purposes awarded in the staffing for adequate fire and emergency response grant documents that were approved by FEMA.

Fire Levy - To account for property taxes levied and other revenues for fire department operations

Storm Sewer - To account for the storm water user's fee committed for storm water maintenance and repairs.

DARE - To account for State grant funds for the purpose of obtaining materials for DARE instruction.

Police Association - To collect, manage and disburse contributions for the purpose of maintaining and improving police buildings and vehicles.

Nonmajor Debt Service Funds

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Retirement - To account for the resources that are used for payment of principal and interest and fiscal charges on debt.

Nonmajor Capital Projects Funds

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Cemetery Endowment - This fund accounts for resources restricted for capital improvements for the Rittman Municipal Cemeteries.

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 1,133,811	\$ 20,838	\$ 31,873	\$ 1,186,522
Cash and investments in segregated accounts	-	2,841	-	2,841
Receivables:				
Property and other taxes	118,307	-	-	118,307
Accounts	33,388	-	-	33,388
Intergovernmental	331,542	-	-	331,542
Total assets	<u>\$ 1,617,048</u>	<u>\$ 23,679</u>	<u>\$ 31,873</u>	<u>\$ 1,672,600</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 42,565	\$ -	\$ -	\$ 42,565
Accrued wages and benefits	8,492	-	-	8,492
Interfund payable	108,247	-	-	108,247
Intergovernmental payable	8,212	-	-	8,212
Matured bonds and interest payable	-	2,841	-	2,841
Total liabilities	<u>167,516</u>	<u>2,841</u>	<u>-</u>	<u>170,357</u>
Deferred inflows of resources:				
Property taxes	98,163	-	-	98,163
Unavailable revenue - delinquent property taxes	9,618	-	-	9,618
Unavailable revenue - other	149,749	-	-	149,749
Total deferred inflows of resources	<u>257,530</u>	<u>-</u>	<u>-</u>	<u>257,530</u>
Fund balances:				
Restricted	594,430	20,838	31,873	647,141
Committed:				
Committed to recreation	1,610	-	-	1,610
Committed to storm sewer	595,962	-	-	595,962
Total fund balances	<u>1,192,002</u>	<u>20,838</u>	<u>31,873</u>	<u>1,244,713</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,617,048</u>	<u>\$ 23,679</u>	<u>\$ 31,873</u>	<u>\$ 1,672,600</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property and other taxes	\$ 126,458	\$ -	\$ -	\$ 126,458
Charges for services	188,885	-	7,925	196,810
Fines, licenses and permits	9,321	-	-	9,321
Intergovernmental	628,453	-	-	628,453
Interest	1,207	-	-	1,207
Contributions and donations	1,738	-	-	1,738
Other	6,262	-	-	6,262
Total revenue	<u>962,324</u>	<u>-</u>	<u>7,925</u>	<u>970,249</u>
Expenditures:				
Current:				
General government	2,151	-	-	2,151
Security of persons and property	339,654	-	-	339,654
Public health	-	-	3,518	3,518
Transportation	643,234	-	-	643,234
Capital outlay	12,174	-	13,500	25,674
Debt service:				
Principal retirement	-	28,250	-	28,250
Interest and fiscal charges	-	572	-	572
Total expenditures	<u>997,213</u>	<u>28,822</u>	<u>17,018</u>	<u>1,043,053</u>
Net change in fund balance	(34,889)	(28,822)	(9,093)	(72,804)
Fund balances at beginning of year	1,226,891	49,660	40,966	1,317,517
Fund balances at end of year	<u>\$ 1,192,002</u>	<u>\$ 20,838</u>	<u>\$ 31,873</u>	<u>\$ 1,244,713</u>

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

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax II Fund	Police Pension Fund
Assets:				
Equity in pooled cash and investments	\$ 100,059	\$ 31,904	\$ 186,583	\$ 25,913
Receivables:				
Property and other taxes	-	-	-	30,616
Accounts	183	-	-	-
Intergovernmental	195,254	15,831	3,828	2,217
Total assets	<u>\$ 295,496</u>	<u>\$ 47,735</u>	<u>\$ 190,411</u>	<u>\$ 58,746</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 7,447	\$ -	\$ 3,382	\$ -
Accrued wages and benefits	6,533	-	-	-
Interfund payable	-	-	-	-
Intergovernmental payable	6,561	-	-	-
Total liabilities	<u>20,541</u>	<u>-</u>	<u>3,382</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes	-	-	-	25,382
Unavailable revenue - delinquent property taxes	-	-	-	2,450
Unavailable revenue - other	130,790	10,604	-	2,217
Total deferred inflows of resources	<u>130,790</u>	<u>10,604</u>	<u>-</u>	<u>30,049</u>
Fund balances:				
Restricted	144,165	37,131	187,029	28,697
Committed:				
Committed to recreation	-	-	-	-
Committed to storm sewer	-	-	-	-
Total fund balances	<u>144,165</u>	<u>37,131</u>	<u>187,029</u>	<u>28,697</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 295,496</u>	<u>\$ 47,735</u>	<u>\$ 190,411</u>	<u>\$ 58,746</u>

Law Enforcement and Education Fund	Law Enforcement Fund	OneOhio Opioid Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Baseball Field Maintenance Fund
\$ 4,003	\$ 36,811	\$ 516	\$ 5,025	\$ 5,612	\$ 1,610
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,003</u>	<u>\$ 36,811</u>	<u>\$ 516</u>	<u>\$ 5,025</u>	<u>\$ 5,612</u>	<u>\$ 1,610</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,003	36,811	516	5,025	5,612	-
-	-	-	-	-	1,610
-	-	-	-	-	-
<u>4,003</u>	<u>36,811</u>	<u>516</u>	<u>5,025</u>	<u>5,612</u>	<u>1,610</u>
<u>\$ 4,003</u>	<u>\$ 36,811</u>	<u>\$ 516</u>	<u>\$ 5,025</u>	<u>\$ 5,612</u>	<u>\$ 1,610</u>

(Continued)

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

	SAFER Grant Fund	Fire Levy Fund	Storm Sewer Fund	DARE Fund
Assets:				
Equity in pooled cash and investments	\$ -	\$ 159,377	\$ 568,870	\$ 2,241
Receivables:				
Property and other taxes	-	87,691	-	-
Accounts	-	862	32,343	-
Intergovernmental	108,274	6,138	-	-
Total assets	<u>\$ 108,274</u>	<u>\$ 254,068</u>	<u>\$ 601,213</u>	<u>\$ 2,241</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ -	\$ 28,577	\$ 3,159	\$ -
Accrued wages and benefits	-	856	1,103	-
Interfund payable	108,247	-	-	-
Intergovernmental payable	-	662	989	-
Total liabilities	<u>108,247</u>	<u>30,095</u>	<u>5,251</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes	-	72,781	-	-
Unavailable revenue - delinquent property taxes	-	7,168	-	-
Unavailable revenue - other	-	6,138	-	-
Total deferred inflows of resources	<u>-</u>	<u>86,087</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	27	137,886	-	2,241
Committed:				
Committed to recreation	-	-	-	-
Committed to storm sewer	-	-	595,962	-
Total fund balances	<u>27</u>	<u>137,886</u>	<u>595,962</u>	<u>2,241</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 108,274</u>	<u>\$ 254,068</u>	<u>\$ 601,213</u>	<u>\$ 2,241</u>

Police Association Fund	Total Nonmajor Special Revenue Funds
\$ 5,287	\$ 1,133,811
-	118,307
-	33,388
-	331,542
<u>\$ 5,287</u>	<u>\$ 1,617,048</u>
\$ -	\$ 42,565
-	8,492
-	108,247
-	8,212
<u>-</u>	<u>167,516</u>
-	98,163
-	9,618
-	149,749
<u>-</u>	<u>257,530</u>
5,287	594,430
-	1,610
-	595,962
<u>5,287</u>	<u>1,192,002</u>
<u>\$ 5,287</u>	<u>\$ 1,617,048</u>

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

	Street Maintenance and Repair Fund	State Highway Fund	Permissive Tax II Fund	Police Pension Fund
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ 32,960
Charges for services	-	-	-	-
Fines, licenses and permits	-	-	-	-
Intergovernmental	385,951	31,294	53,541	4,298
Interest	920	287	-	-
Contributions and donations	-	-	-	-
Other	2,542	-	-	-
Total revenue	<u>389,413</u>	<u>31,581</u>	<u>53,541</u>	<u>37,258</u>
Expenditures:				
Current:				
General government	-	-	-	560
Security of persons and property	-	-	-	30,000
Transportation	458,071	31,845	80,004	-
Capital outlay	-	-	-	-
Total expenditures	<u>458,071</u>	<u>31,845</u>	<u>80,004</u>	<u>30,560</u>
Net change in fund balance	(68,658)	(264)	(26,463)	6,698
Fund balances (deficit) at beginning of year	<u>212,823</u>	<u>37,395</u>	<u>213,492</u>	<u>21,999</u>
Fund balances (deficit) at end of year	<u>\$ 144,165</u>	<u>\$ 37,131</u>	<u>\$ 187,029</u>	<u>\$ 28,697</u>

Law Enforcement and Education Fund	Law Enforcement Fund	OneOhio Opioid Fund	Continuing Professional Training Fund	Education and Recreation Assistance Fund	Baseball Field Maintenance Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	1,170
185	9,136	-	-	-	-
-	-	516	4,219	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>185</u>	<u>9,136</u>	<u>516</u>	<u>4,219</u>	<u>-</u>	<u>1,170</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>185</u>	<u>9,136</u>	<u>516</u>	<u>4,219</u>	<u>-</u>	<u>1,170</u>
<u>3,818</u>	<u>27,675</u>	<u>-</u>	<u>806</u>	<u>5,612</u>	<u>440</u>
<u>\$ 4,003</u>	<u>\$ 36,811</u>	<u>\$ 516</u>	<u>\$ 5,025</u>	<u>\$ 5,612</u>	<u>\$ 1,610</u>

(Continued)

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

	SAFER Grant Fund	Fire Levy Fund	Storm Sewer Fund	DARE Fund
Revenues:				
Property and other taxes	-	\$ 93,498	\$ -	\$ -
Charges for services	\$ -	-	187,715	-
Fines, licenses and permits	-	-	-	-
Intergovernmental	136,556	12,078	-	-
Interest	-	-	-	-
Contributions and donations	-	-	-	1,344
Other	-	1,724	1,996	-
Total revenue	<u>136,556</u>	<u>107,300</u>	<u>189,711</u>	<u>1,344</u>
Expenditures:				
Current:				
General government		1,591	-	-
Security of persons and property	137,553	170,874	-	1,227
Transportation	-	-	73,314	-
Capital outlay	-	12,174	-	-
Total expenditures	<u>137,553</u>	<u>184,639</u>	<u>73,314</u>	<u>1,227</u>
Net change in fund balance	(997)	(77,339)	116,397	117
Fund balances (deficit) at beginning of year	<u>1,024</u>	<u>215,225</u>	<u>479,565</u>	<u>2,124</u>
Fund balances (deficit) at end of year	<u>\$ 27</u>	<u>\$ 137,886</u>	<u>\$ 595,962</u>	<u>\$ 2,241</u>

Police Association Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ 126,458
-	188,885
-	9,321
-	628,453
-	1,207
394	1,738
-	6,262
394	962,324
-	2,151
-	339,654
-	643,234
-	12,174
-	997,213
394	(34,889)
4,893	1,226,891
\$ 5,287	\$ 1,192,002

**Individual Fund Schedules of Revenue, Expenditures/Expenses and Changes in
Fund Balance/Net Position – Budget (Non-GAAP Basis) and Actual
Major and Nonmajor**

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Income tax	\$ 1,425,000	\$ 1,980,274	\$ 555,274
Property and other taxes	360,000	341,112	(18,888)
Charges for services	508,370	292,833	(215,537)
Fines, licenses, and permits	107,525	155,317	47,792
Intergovernmental	355,600	394,625	39,025
Investment income	70,300	68,430	(1,870)
Contributions and donations	-	32,154	32,154
Reimbursements	200	-	(200)
Other	59,500	65,914	6,414
Total revenue	<u>2,886,495</u>	<u>3,330,659</u>	<u>444,164</u>
<u>Expenditures:</u>			
Current:			
General government			
Office of Mayor and city council			
Personal services	45,228	45,133	95
Total office of Mayor and city council	<u>45,228</u>	<u>45,133</u>	<u>95</u>
Department of law			
Personal services	37,800	37,749	51
Other operating costs	28,860	25,789	3,071
Total department of law	<u>66,660</u>	<u>63,538</u>	<u>3,122</u>
Department of finance and tax			
Personal services	194,408	191,243	3,165
Other operating costs	82,201	83,053	(852)
Total department of finance and tax	<u>276,609</u>	<u>274,296</u>	<u>2,313</u>
Department of administration			
Personal services	166,625	163,419	3,206
Other operating costs	300,538	273,800	26,738
Total department of administration	<u>467,163</u>	<u>437,219</u>	<u>29,944</u>
Division of lands and buildings			
Other operating costs	4,854	3,571	1,283
Total division of land and buildings	<u>4,854</u>	<u>3,571</u>	<u>1,283</u>
Miscellaneous			
Personal services	11,921	9,533	2,388
Other operating costs	15,050	15,049	1
Total miscellaneous	<u>26,971</u>	<u>24,582</u>	<u>2,389</u>
Total general government	<u>887,485</u>	<u>848,339</u>	<u>39,146</u>

(continued)

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Security of persons and property			
Division of police			
Personal services	\$ 1,113,565	\$ 1,037,778	\$ 75,787
Other operating costs	188,785	172,993	15,792
Total division of police	<u>1,302,350</u>	<u>1,210,771</u>	<u>91,579</u>
Division of street lighting			
Other operating costs	33,800	27,109	6,691
Total division of street lighting	<u>33,800</u>	<u>27,109</u>	<u>6,691</u>
Total security of persons and property	<u>1,336,150</u>	<u>1,237,880</u>	<u>98,270</u>
Public health and welfare			
Cemetery board			
Personal services	78,984	74,381	4,603
Other operating costs	20,172	17,980	2,192
Total cemetery board	<u>99,156</u>	<u>92,361</u>	<u>6,795</u>
Board of health			
Other operating costs	20,120	20,119	1
Total board of health	<u>20,120</u>	<u>20,119</u>	<u>1</u>
Division of pest and animal control			
Personal services	1,366	1,060	306
Other operating costs	6,550	4,752	1,798
Total division of pest and animal control	<u>7,916</u>	<u>5,812</u>	<u>2,104</u>
Total public health and welfare	<u>127,192</u>	<u>118,292</u>	<u>8,900</u>
Transportation			
Division of street maintenance			
Personal services	87,962	77,728	10,234
Other operating costs	13,718	12,412	1,306
Total division of street maintenance	<u>101,680</u>	<u>90,140</u>	<u>11,540</u>
Total transportation	<u>101,680</u>	<u>90,140</u>	<u>11,540</u>
Leisure time activities			
Division of parks			
Personal services	132,911	61,296	71,615
Other operating costs	44,627	40,145	4,482
Total division of parks	<u>177,538</u>	<u>101,441</u>	<u>76,097</u>
Recreation center			
Personal services	212,432	203,104	9,328
Other operating costs	181,686	157,525	24,161
Total recreation center	<u>394,118</u>	<u>360,629</u>	<u>33,489</u>

(continued)

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Nature preserve			
Personal services	\$ 56,710	\$ 54,955	\$ 1,755
Other operating costs	12,953	10,134	2,819
Total nature preserve	<u>69,663</u>	<u>65,089</u>	<u>4,574</u>
Total leisure time activities	<u>641,319</u>	<u>527,159</u>	<u>114,160</u>
Total expenditures	<u>3,093,826</u>	<u>2,821,810</u>	<u>272,016</u>
Excess of revenues over (under) expenditures	<u>(207,331)</u>	<u>508,849</u>	<u>716,180</u>
<u>Other financing sources (uses):</u>			
Sale of capital assets	-	6,700	6,700
Advances - in	58,800	58,800	-
Transfers - out	<u>(28,164)</u>	<u>-</u>	<u>28,164</u>
Total other financing sources (uses)	<u>30,636</u>	<u>65,500</u>	<u>34,864</u>
Net change in fund balance	(176,695)	574,349	751,044
Fund balance at beginning of year	1,991,903	1,991,903	-
Prior year encumbrances appropriated	<u>25,435</u>	<u>25,435</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,840,643</u>	<u>\$ 2,591,687</u>	<u>\$ 751,044</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Property and other taxes	\$ 240,000	\$ 219,129	\$ (20,871)
Charges for services	180,000	291,428	111,428
Intergovernmental	46,000	38,443	(7,557)
Other	2,500	724	(1,776)
Total revenue	<u>468,500</u>	<u>549,724</u>	<u>81,224</u>
<u>Expenditures:</u>			
Current:			
General government			
Miscellaneous			
Other operating costs	<u>3,700</u>	<u>3,659</u>	<u>41</u>
Security of persons and property			
Division of emergency services			
Personal services	480,780	440,475	40,305
Other operating costs	<u>173,522</u>	<u>103,810</u>	<u>69,712</u>
Total security of persons and property	<u>654,302</u>	<u>544,285</u>	<u>110,017</u>
Total expenditures	<u>658,002</u>	<u>547,944</u>	<u>110,058</u>
Excess of revenues over (under) expenditures	<u>(189,502)</u>	<u>1,780</u>	<u>191,282</u>
<u>Other financing sources:</u>			
Transfers - in	<u>43,110</u>	<u>-</u>	<u>(43,110)</u>
Net change in fund balance	(146,392)	1,780	148,172
Fund balance at beginning of year	142,770	142,770	-
Prior year encumbrances appropriated	<u>3,624</u>	<u>3,624</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2</u></u>	<u><u>\$ 148,174</u></u>	<u><u>\$ 148,172</u></u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 340,000	\$ 343,476	\$ 3,476
<u>Expenditures:</u>			
Current:			
General government			
Department of finance and tax			
Other operating costs	124,125	124,125	-
Department of administration			
Other operating costs	5,973	5,973	-
Total general government	130,098	130,098	-
Security of persons and property			
Division of police			
Other operating costs	29,873	29,873	-
Transportation			
Division of street maintenance			
Other operating costs	236,492	187,973	48,519
Basic utility services			
Administration - water and sewer			
Other operating costs	84,053	84,053	-
Leisure time activities			
Recreation center			
Other operating costs	131,962	131,962	-
Total expenditures	612,478	563,959	48,519
Net change in fund balance	(272,478)	(220,483)	51,995
Fund balance at beginning of year	340,755	340,755	-
Fund balance at end of year	\$ 68,277	\$ 120,272	\$ 51,995

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 1,347,836	\$ 625,137	\$ (722,699)
<u>Expenditures:</u>			
Current:			
Transportation			
Division of street maintenance			
Other operating costs	1,322,404	625,137	697,267
Net change in fund balance	25,432	-	(25,432)
Fund balance at beginning of year	10,258	10,258	-
Fund balance at end of year	\$ 35,690	\$ 10,258	\$ (25,432)

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Income tax	\$ 475,000	\$ 660,091	\$ 185,091
Intergovernmental	1,578,138	590,176	(987,962)
Special assessments	40,000	17,167	(22,833)
Other	31,000	190	(30,810)
Total revenue	<u>2,124,138</u>	<u>1,267,624</u>	<u>(856,514)</u>
<u>Expenditures:</u>			
Current:			
General government			
Department of administration and accounting			
Other operating costs	<u>60,399</u>	<u>38,764</u>	<u>21,635</u>
Security of persons and property			
Division of police			
Other operating costs	<u>69,976</u>	<u>52,323</u>	<u>17,653</u>
Division of fire			
Other operating costs	<u>42,100</u>	<u>42,031</u>	
Total security of persons and property	<u>112,076</u>	<u>94,354</u>	<u>17,653</u>
Transportation			
Division of street maintenance			
Other operating costs	<u>1,781,483</u>	<u>684,118</u>	<u>1,097,365</u>
Leisure time activities			
Recreation center			
Other operating costs	<u>41,174</u>	<u>40,995</u>	<u>179</u>
Nature preserve			
Other operating costs	<u>390,952</u>	<u>367,807</u>	<u>23,145</u>
Total leisure time activities	<u>432,126</u>	<u>408,802</u>	<u>23,324</u>
Total expenditures	<u>2,386,084</u>	<u>1,226,038</u>	<u>1,159,977</u>
Net change in fund balance	(261,946)	41,586	303,463
Fund balance at beginning of year	424,085	424,085	-
Prior year encumbrances appropriated	<u>239,085</u>	<u>239,085</u>	-
Fund balance at end of year	<u>\$ 401,224</u>	<u>\$ 704,756</u>	<u>\$ 303,463</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 370,000	\$ 385,817	\$ 15,817
Investment income	1,200	920	(280)
Other	1,000	483	(517)
Total revenue	<u>372,200</u>	<u>387,220</u>	<u>15,020</u>
<u>Expenditures:</u>			
Current:			
Transportation			
Division of street maintenance			
Personal services	382,772	355,809	26,963
Other operating costs	101,992	93,832	8,160
Total expenditures	<u>484,764</u>	<u>449,641</u>	<u>35,123</u>
Excess of revenues (under) expenditures	<u>(112,564)</u>	<u>(62,421)</u>	<u>50,143</u>
<u>Other financing sources:</u>			
Sale of capital assets	<u>-</u>	<u>1,876</u>	<u>1,876</u>
Net change in fund balance	(112,564)	(60,545)	52,019
Fund balance at beginning of year	150,757	150,757	-
Prior year encumbrances appropriated	5,896	5,896	-
Fund balance at end of year	<u>\$ 44,089</u>	<u>\$ 96,108</u>	<u>\$ 52,019</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 29,200	\$ 31,283	\$ 2,083
Investment income	30	287	257
Total revenue	<u>29,230</u>	<u>31,570</u>	<u>2,340</u>
<u>Expenditures:</u>			
Current:			
Transportation			
Division of street maintenance			
Personal services	10,000	8,304	1,696
Other operating costs	40,000	23,698	16,302
Total expenditures	<u>50,000</u>	<u>32,002</u>	<u>17,998</u>
Net change in fund balance	(20,770)	(432)	20,338
Fund balance at beginning of year	<u>32,178</u>	<u>32,178</u>	-
Fund balance at end of year	<u>\$ 11,408</u>	<u>\$ 31,746</u>	<u>\$ 20,338</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 52,000	\$ 53,781	\$ 1,781
<u>Expenditures:</u>			
Current:			
Transportation			
Division of street maintenance			
Other operating costs	89,000	80,692	8,308
Net change in fund balance	(37,000)	(26,911)	10,089
Fund balance at beginning of year	209,739	209,739	-
Fund balance at end of year	\$ 172,739	\$ 182,828	\$ 10,089

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Property and other taxes	\$ 32,000	\$ 30,176	\$ (1,824)
Intergovernmental	4,400	4,298	(102)
Total revenue	<u>36,400</u>	<u>34,474</u>	<u>(1,926)</u>
<u>Expenditures:</u>			
Current:			
General government			
Miscellaneous	<u>600</u>	<u>560</u>	<u>40</u>
Security of persons and property			
Division of police			
Personal services	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Net change in fund balance	5,800	3,914	(1,886)
Fund balance at beginning of year	<u>21,999</u>	<u>21,999</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27,799</u>	<u>\$ 25,913</u>	<u>\$ (1,886)</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Licenses and permits	\$ 300	\$ 185	\$ (115)
<u>Expenditures:</u>			
Current:			
Total expenditures	-	-	-
Net change in fund balance	300	185	(115)
Fund balance at beginning of year	3,818	3,818	-
Fund balance at end of year	<u>\$ 4,118</u>	<u>\$ 4,003</u>	<u>\$ (115)</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Licenses and permits	\$ 9,000	\$ 9,136	\$ 136
<u>Expenditures:</u>			
Current:			
Security of persons and property			
Division of police			
Personal services	22,000	-	22,000
Net change in fund balance	(13,000)	9,136	22,136
Fund balance at beginning of year	27,675	27,675	-
Fund balance at end of year	\$ 14,675	\$ 36,811	\$ 22,136

City of Rittman, Ohio
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 OneOhio Opioid Fund
 For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 516	\$ 516	\$ -
<u>Expenditures:</u>			
Current:			
Total expenditures	-	-	-
Net change in fund balance	516	516	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 516</u>	<u>\$ 516</u>	<u>\$ -</u>

City of Rittman, Ohio
 Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Continuing Professional Training Fund
 For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ -	\$ 4,219	\$ 4,219
<u>Expenditures:</u>			
Current:			
Total expenditures	-	-	-
Net change in fund balance	-	4,219	4,219
Fund balance at beginning of year	806	806	-
Fund balance at end of year	<u>\$ 806</u>	<u>\$ 5,025</u>	<u>\$ 4,219</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenue	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	5,612	5,612	-
Fund balance at end of year	\$ 5,612	\$ 5,612	\$ -

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Baseball Field Maintenance Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ -	\$ 1,170	\$ 1,170
<u>Expenditures:</u>			
Current:			
Total expenditures	-	-	-
Net change in fund balance	-	1,170	1,170
Fund balance at beginning of year	440	440	-
Fund balance at end of year	<u>\$ 440</u>	<u>\$ 1,610</u>	<u>\$ 1,170</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SAFER Grant Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 233,313	\$ 94,362	\$ (138,951)
<u>Expenditures:</u>			
Current:			
Security of persons and property			
Division of fire			
Personal services	111,754	78,540	(33,214)
Other operating costs	67,330	66,925	(405)
Total expenditures	179,084	145,465	(33,619)
Excess of revenues over (under) expenditures	54,229	(51,103)	(172,570)
<u>Other financing sources (uses):</u>			
Advances - out	(58,800)	(58,800)	-
Transfers - in	2,915	-	(2,915)
Total other financing sources (uses)	(55,885)	(58,800)	(2,915)
Net change in fund balance	(1,656)	(109,903)	(175,485)
Fund balance at beginning of year	158	158	-
Prior year encumbrances appropriated	1,498	1,498	-
Fund balance at end of year	\$ -	\$ (108,247)	\$ (175,485)

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Property and other taxes	\$ 93,000	\$ 85,756	\$ (7,244)
Intergovernmental	14,000	12,078	(1,922)
Other	-	862	862
Total revenue	<u>107,000</u>	<u>98,696</u>	<u>(8,304)</u>
<u>Expenditures:</u>			
Current:			
General government			
Miscellaneous			
Other operating costs	<u>1,700</u>	<u>1,591</u>	<u>109</u>
Security of persons and property			
Division of fire			
Personal services	216,136	136,463	79,673
Other operating costs	<u>90,584</u>	<u>67,286</u>	<u>23,298</u>
Total division of fire	<u>306,720</u>	<u>203,749</u>	<u>102,971</u>
Total expenditures	<u>308,420</u>	<u>205,340</u>	<u>103,080</u>
Net change in fund balance	(201,420)	(106,644)	94,776
Fund balance at beginning of year	191,087	191,087	-
Prior year encumbrances appropriated	<u>30,217</u>	<u>30,217</u>	<u>-</u>
Fund balance at end of year	<u>\$ 19,884</u>	<u>\$ 114,660</u>	<u>\$ 94,776</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Storm Sewer Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 160,000	\$ 187,187	\$ 27,187
Intergovernmental	-	237	237
Other	-	1,996	1,996
Total revenue	<u>160,000</u>	<u>189,420</u>	<u>29,420</u>
<u>Expenditures:</u>			
Current:			
Transportation			
Division of stormwater			
Personal services	37,459	31,138	6,321
Other operating costs	69,979	42,291	27,688
Total expenditures	<u>107,438</u>	<u>73,429</u>	<u>34,009</u>
Net change in fund balance	52,562	115,991	63,429
Fund balance at beginning of year	423,755	423,755	-
Prior year encumbrances appropriated	24,979	24,979	-
Fund balance at end of year	<u>\$ 501,296</u>	<u>\$ 564,725</u>	<u>\$ 63,429</u>

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Contributions and donations	\$ 2,500	\$ 1,344	\$ (1,156)
<u>Expenditures:</u>			
Current:			
Security of persons and property			
Division of police			
Other operating costs	2,500	1,227	1,273
Net change in fund balance	-	117	117
Fund balance at beginning of year	2,124	2,124	-
Fund balance at end of year	\$ 2,124	\$ 2,241	\$ 117

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Contributions and donations	\$ 1,500	\$ 394	\$ (1,106)
<u>Expenditures:</u>			
Current:			
Security of persons and property			
Division of police			
Other operating costs	2,000	-	2,000
Net change in fund balance	(500)	394	894
Fund balance at beginning of year	4,893	4,893	-
Fund balance at end of year	\$ 4,393	\$ 5,287	\$ 894

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Retirement Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenue	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Debt service:			
Principal retirement	34,250	28,250	6,000
Interest and fiscal charges	1,403	572	831
Total expenditures	35,653	28,822	6,831
Net change in fund balance	(35,653)	(28,822)	6,831
Fund balance at beginning of year	49,660	49,660	-
Fund balance at end of year	\$ 14,007	\$ 20,838	\$ 6,831

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

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 7,000	\$ 7,925	\$ 925
<u>Expenditures:</u>			
Current:			
Public health and welfare			
Cemetery board			
Other operating costs	30,968	18,518	12,450
Net change in fund balance	(23,968)	(10,593)	13,375
Fund balance at beginning of year	39,999	39,999	-
Prior year encumbrances appropriated	965	965	-
Fund balance at end of year	<u>\$ 16,996</u>	<u>\$ 30,371</u>	<u>\$ 13,375</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 1,133,500	\$ 1,228,676	\$ 95,176
Other	2,000	2,888	888
Total revenue	<u>1,135,500</u>	<u>1,231,564</u>	<u>96,064</u>
<u>Expenditures:</u>			
Personal services	481,265	422,162	59,103
Contractual services	148,200	130,633	17,567
Supplies and materials	198,067	179,906	18,161
Other operating costs	5,384,373	586,386	4,797,987
Capital outlay	63,500	1,775	61,725
Total expenditures	<u>6,275,405</u>	<u>1,320,862</u>	<u>4,954,543</u>
Excess of revenues (under) expenditures	<u>(5,139,905)</u>	<u>(89,298)</u>	<u>5,050,607</u>
<u>Other financing sources (uses):</u>			
Bonds issued	3,500,000	-	(3,500,000)
Proceeds of OWDA loans	1,635,500	718,787	(916,713)
Principal retirement	(195,868)	(195,257)	611
Interest and fiscal charges	(13,507)	(29,383)	(15,876)
Total other financing sources (uses)	<u>4,926,125</u>	<u>494,147</u>	<u>(4,431,978)</u>
Net change in fund balance	(213,780)	404,849	618,629
Net position at beginning of year	456,716	456,716	-
Prior year encumbrances appropriated	<u>282,475</u>	<u>282,475</u>	<u>-</u>
Net Position at end of year	<u>\$ 525,411</u>	<u>\$ 1,144,040</u>	<u>\$ 618,629</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 1,125,000	\$ 1,089,233	\$ (35,767)
Other	3,000	12,487	9,487
Total revenue	<u>1,128,000</u>	<u>1,101,720</u>	<u>(26,280)</u>
<u>Expenditures:</u>			
Personal services	447,396	415,284	32,112
Contractual services	352,039	263,732	88,307
Supplies and materials	218,586	165,251	53,335
Other operating costs	90,000	-	90,000
Capital outlay	1,197,825	1,132,143	65,682
Total expenditures	<u>2,305,846</u>	<u>1,976,410</u>	<u>329,436</u>
Excess of revenues (under) expenditures	<u>(1,177,846)</u>	<u>(874,690)</u>	<u>303,156</u>
<u>Other financing sources (uses):</u>			
Proceeds of OWDA loans	691,794	109,303	(582,491)
Principal retirement	(9,586)	(9,586)	-
Interest and fiscal charges	(88)	(88)	-
Transfers - in	668,100	668,100	-
Transfers - out	(668,100)	(668,100)	-
Total other financing sources (uses)	<u>682,120</u>	<u>99,629</u>	<u>(582,491)</u>
Net change in fund balance	(495,726)	(775,061)	(279,335)
Net position at beginning of year	1,779,142	1,779,142	-
Prior year encumbrances appropriated	72,141	72,141	-
Net Position at end of year	<u>\$ 1,355,557</u>	<u>\$ 1,076,222</u>	<u>\$ (279,335)</u>

City of Rittman, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Solid Waste Fund
For the Year Ended December 31, 2022

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Charges for services	\$ 600,000	\$ 598,049	\$ (1,951)
Other	-	4,402	4,402
Total revenue	<u>600,000</u>	<u>602,451</u>	<u>2,451</u>
<u>Expenditures:</u>			
Personal services	108,456	80,645	27,811
Contractual services	560,524	552,280	8,244
Supplies and materials	3,000	527	2,473
Total expenditures	<u>671,980</u>	<u>633,452</u>	<u>38,528</u>
Excess of revenues (under) expenditures	<u>(71,980)</u>	<u>(31,001)</u>	<u>40,979</u>
<u>Other financing sources:</u>			
Intergovernmental	<u>10,000</u>	<u>8,832</u>	<u>(1,168)</u>
Net change in fund balance	(61,980)	(22,169)	39,811
Net position at beginning of year	381,139	381,139	-
Prior year encumbrances appropriated	<u>41,657</u>	<u>41,657</u>	<u>-</u>
Net Position at end of year	<u>\$ 360,816</u>	<u>\$ 400,627</u>	<u>\$ 39,811</u>

STATISTICAL SECTION



Statistical Section

This part of the City of Rittman, Wayne County'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.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	150 - 159
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	160 - 161
Debt Capacity	
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.	162 - 170
Economic and Demographic Information	
These schedules offer economic and demographic indicators 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.	171 - 172
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	173 - 178

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

NOTE:

In 2013, the City established the solid waste fund in the business-type activities. The activity was previously recorded in governmental activities and prior year amounts have not been adjusted to reflect the change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

With the implementation of GASB 75 in 2018, the calculation of OPEB expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.



City of Rittman, Ohio
Net Position By Component (\$000 omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019
<u>Governmental Activities</u>				
Net investment in capital assets	\$ 8,960	\$ 7,126	\$ 6,833	\$ 5,510
Restricted	1,880	2,204	2,046	1,388
Unrestricted (deficit)	(203)	(964)	(2,305)	(2,614)
<i>Total governmental activities net position</i>	<u>\$ 10,637</u>	<u>\$ 8,366</u>	<u>\$ 6,574</u>	<u>\$ 4,284</u>
<u>Business Type - Activities</u>				
Net investment in capital assets	\$ 10,305	\$ 10,953	\$ 10,871	\$ 10,845
Unrestricted	2,918	2,751	1,793	1,459
<i>Total business-type activities net position</i>	<u>\$ 13,223</u>	<u>\$ 13,704</u>	<u>\$ 12,664</u>	<u>\$ 12,304</u>
<u>Primary Government</u>				
Net investment in capital assets	\$ 19,265	\$ 18,079	\$ 17,704	\$ 16,355
Restricted	1,880	2,237	2,046	1,388
Unrestricted (deficit)	2,715	1,787	(512)	(1,155)
<i>Total primary government net position</i>	<u>\$ 23,860</u>	<u>\$ 22,103</u>	<u>\$ 19,238</u>	<u>\$ 16,588</u>

2018	2017	Restated 2016	2015	2014	2013
\$ 5,541	\$ 5,355	\$ 5,621	\$ 5,276	\$ 5,068	\$ 5,062
1,642	1,766	1,815	1,739	1,806	1,699
<u>(3,219)</u>	<u>(1,142)</u>	<u>(887)</u>	<u>(887)</u>	<u>(1,253)</u>	<u>894</u>
<u>\$ 3,964</u>	<u>\$ 5,979</u>	<u>\$ 6,549</u>	<u>\$ 6,128</u>	<u>\$ 5,621</u>	<u>\$ 7,655</u>
\$ 10,902	\$ 10,698	\$ 10,583	\$ 10,328	\$ 10,084	\$ 9,963
1,452	1,805	1,403	1,460	1,590	1,851
<u>\$ 12,354</u>	<u>\$ 12,503</u>	<u>\$ 11,986</u>	<u>\$ 11,788</u>	<u>\$ 11,674</u>	<u>\$ 11,814</u>
\$ 16,443	\$ 16,053	\$ 16,204	\$ 15,604	\$ 15,152	\$ 15,025
1,642	1,766	1,815	1,739	1,806	1,699
<u>(1,767)</u>	<u>663</u>	<u>516</u>	<u>573</u>	<u>337</u>	<u>2,745</u>
<u>\$ 16,318</u>	<u>\$ 18,482</u>	<u>\$ 18,535</u>	<u>\$ 17,916</u>	<u>\$ 17,295</u>	<u>\$ 19,469</u>

City of Rittman, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	\$ 351	\$ 149	\$ 134	\$ 143
Security of persons and property	265	151	236	214
Public health	61	52	45	43
Leisure time services	147	128	103	172
Transportation	192	-	-	-
Charges for services	<u>1,016</u>	<u>480</u>	<u>518</u>	<u>572</u>
Operating grants and contributions	997	700	1,348	753
Capital grants and contributions	<u>1,100</u>	<u>1,110</u>	<u>1,904</u>	<u>71</u>
<i>Total governmental activities program revenues</i>	<u>3,113</u>	<u>2,290</u>	<u>3,770</u>	<u>1,396</u>
Business-Type Activities:				
Charges for services:				
Water	1,247	1,177	1,085	1,022
Sewer	1,094	1,114	1,164	1,226
Solid waste	604	601	497	418
Storm sewer	-	186	185	98
Charges for services	<u>2,945</u>	<u>3,078</u>	<u>2,931</u>	<u>2,764</u>
Operating grants and contributions	-	133	67	10
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>160</u>
<i>Total business-type activities program revenues</i>	<u>2,945</u>	<u>3,211</u>	<u>2,998</u>	<u>2,934</u>
<i>Total primary government program revenues</i>	<u>6,058</u>	<u>5,501</u>	<u>6,768</u>	<u>4,330</u>
Expenses				
Governmental Activities:				
General government	766	512	751	804
Security of persons and property	2,312	2,123	2,699	1,812
Public health	101	61	118	150
Leisure time services	579	515	658	739
Basic utility service	-	-	-	-
Transportation	1,041	742	900	919
Interest and fiscal charges	10	22	46	41
<i>Total governmental activities expenses</i>	<u>4,809</u>	<u>3,975</u>	<u>5,172</u>	<u>4,465</u>
Business-Type Activities:				
Water	893	663	908	1,066
Sewer	966	916	1,103	1,370
Solid waste	654	549	538	441
Storm sewer	-	59	145	85
<i>Total business-type activities expenses</i>	<u>2,513</u>	<u>2,187</u>	<u>2,694</u>	<u>2,962</u>
<i>Total primary government program expenses</i>	<u>7,322</u>	<u>6,162</u>	<u>7,866</u>	<u>7,427</u>

	2018	2017	2016	2015	2014	2013
\$	168	\$ 92	\$ 147	\$ 317	\$ 360	\$ 362
	187	342	255	262	237	245
	41	14	49	36	35	36
	172	70	167	159	159	181
	-	20	-	-	-	-
	<u>568</u>	<u>538</u>	<u>618</u>	<u>774</u>	<u>791</u>	<u>824</u>
	458	479	520	407	427	461
	<u>313</u>	<u>205</u>	<u>578</u>	<u>155</u>	<u>246</u>	<u>28</u>
	<u>1,339</u>	<u>1,222</u>	<u>1,716</u>	<u>1,336</u>	<u>1,464</u>	<u>1,313</u>
	890	825	670	541	519	538
	1,220	1,249	1,257	1,312	1,260	1,252
	405	406	407	470	439	454
	98	97	96	-	-	-
	<u>2,613</u>	<u>2,577</u>	<u>2,430</u>	<u>2,323</u>	<u>2,218</u>	<u>2,244</u>
	9	26	37	25	13	28
	<u>123</u>	<u>-</u>	<u>-</u>	<u>165</u>	<u>126</u>	<u>-</u>
	<u>2,745</u>	<u>2,603</u>	<u>2,467</u>	<u>2,513</u>	<u>2,357</u>	<u>2,272</u>
	<u>4,084</u>	<u>3,825</u>	<u>4,183</u>	<u>3,849</u>	<u>3,821</u>	<u>3,585</u>
	604	655	905	627	679	608
	2,472	2,228	1,805	1,692	1,725	1,728
	112	109	78	97	82	113
	630	649	616	582	591	524
	-	-	-	-	-	1
	751	791	679	649	714	481
	<u>18</u>	<u>29</u>	<u>18</u>	<u>22</u>	<u>47</u>	<u>36</u>
	<u>4,587</u>	<u>4,461</u>	<u>4,101</u>	<u>3,669</u>	<u>3,838</u>	<u>3,491</u>
	892	888	856	891	1,004	948
	1,301	1,143	1,057	1,105	1,083	1,043
	407	345	382	422	359	378
	<u>29</u>	<u>74</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,629</u>	<u>2,450</u>	<u>2,297</u>	<u>2,418</u>	<u>2,446</u>	<u>2,369</u>
	<u>7,216</u>	<u>6,911</u>	<u>6,398</u>	<u>6,087</u>	<u>6,284</u>	<u>5,860</u>

(Continued)

City of Rittman, Ohio
Changes in Net Position (\$000 Omitted)
Last Ten Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019
Net (expense)/revenue				
Governmental activities	\$ (1,696)	\$ (1,685)	\$ (1,402)	\$ (3,069)
Business-type activities	432	1,024	304	(28)
<i>Total primary government net expense</i>	<u>(1,264)</u>	<u>(661)</u>	<u>(1,098)</u>	<u>(3,097)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property and other local taxes levied for:				
General purposes	294	416	373	360
Police, fire and emergency services	364	330	319	317
Income taxes levied for:				
General purposes	1,278	1,631	1,502	1,545
Capital outlay	426	543	501	515
Grants and entitlements not restricted to				
Specific programs	395	482	404	383
Investment income	(18)	46	164	155
Gain (loss) on sale of capital assets	206	-	-	-
Other	101	38	437	99
Transfers	-	(9)	(9)	-
<i>Total governmental activities</i>	<u>3,046</u>	<u>3,477</u>	<u>3,691</u>	<u>3,374</u>
Business-Type Activities:				
Income taxes levied for:				
Water utility services	-	-	-	-
Grants and entitlements not restricted to				
Specific programs	7	-	-	-
Other	-	6	47	52
Transfers	-	10	9	-
<i>Total business-type activities</i>	<u>7</u>	<u>16</u>	<u>56</u>	<u>52</u>
<i>Total primary government general revenues and other changes in net position</i>	<u>3,053</u>	<u>3,493</u>	<u>3,747</u>	<u>3,426</u>
Change in net position				
Governmental activities	1,350	1,792	2,289	305
Business-type activities	439	1,040	360	24
<i>Total primary government change in net position</i>	<u>\$ 1,789</u>	<u>\$ 2,832</u>	<u>\$ 2,649</u>	<u>\$ 329</u>

2018	2017	2016	2015	2014	2013
\$ (3,248)	\$ (3,239)	\$ (2,385)	\$ (2,333)	\$ (2,374)	\$ (2,178)
116	153	170	95	(89)	(97)
(3,132)	(3,086)	(2,215)	(2,238)	(2,463)	(2,275)
434	273	338	347	285	380
306	310	302	273	207	297
1,451	1,516	1,379	1,357	873	801
484	505	470	454	403	401
388	341	285	337	321	353
63	36	24	37	29	14
-	-	-	-	-	-
44	36	8	35	56	19
(90)	-	-	-	-	-
3,080	3,017	2,806	2,840	2,174	2,265
-	-	-	6	401	401
-	-	-	-	-	-
26	16	27	12	11	11
90	-	-	-	-	-
116	16	27	18	412	412
3,196	3,033	2,833	2,858	2,586	2,677
(168)	(222)	421	507	(200)	87
232	169	197	113	323	315
\$ 64	\$ (53)	\$ 618	\$ 620	\$ 123	\$ 402

City of Rittman, Ohio
Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019	2018
General Fund					
Nonspendable	\$ 3	\$ 20	\$ 25	\$ 3	\$ 2
Committed	35	29	23	18	12
Assigned	471	78	37	211	58
Unassigned	1,788	2,264	2,052	1,106	940
Total general fund	2,297	2,391	2,137	1,338	1,012
All Other Governmental Funds					
Nonspendable	-	8	22	-	-
Restricted	1,543	1,799	1,590	1,063	1,218
Committed	598	1	-	-	-
Total all other governmental funds	2,141	1,808	1,612	1,063	1,218
Total governmental funds	\$ 4,438	\$ 4,199	\$ 3,749	\$ 2,401	\$ 2,230

Note: The City implemented GASB 84 in 2019 that changed the classification of fund balance.
 Prior year amounts were not updated to reflect this change.

2017	2016	Restated 2015	2014	2013
\$ 1	\$ 2	\$ 2	\$ 16	\$ 17
7	19	14	9	1
204	96	21	245	292
768	744	646	197	442
980	861	683	467	752
-	-	-	10	10
1,295	1,345	1,267	1,259	1,234
-	-	-	-	-
1,295	1,345	1,267	1,269	1,244
\$ 2,275	\$ 2,206	\$ 1,950	\$ 1,736	\$ 1,996

City of Rittman, Ohio
Changes in Fund Balances of Governmental Funds (\$000 omitted)
Last Ten Years
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019	2018
Revenues					
Taxes	\$ 2,519	\$ 3,000	\$ 2,735	\$ 2,745	\$ 2,619
Charges for services	772	428	456	531	503
Fines, licenses and permits	243	50	44	57	63
Intergovernmental	2,644	2,175	2,897	1,046	1,100
Special assessments	16	44	43	30	91
Investment income	(17)	47	165	155	64
Contributions and donations	4	22	38	68	1
Other	91	38	437	94	43
<i>Total revenues</i>	<u>6,272</u>	<u>5,804</u>	<u>6,815</u>	<u>4,726</u>	<u>4,484</u>
Expenditures					
Current:					
General government	874	589	668	568	508
Security of persons and property	2,145	2,037	2,073	2,092	1,924
Public health	124	111	108	115	96
Leisure time activities	557	539	582	462	451
Basic utility services	-	-	-	-	-
Transportation	991	552	588	576	426
Capital outlay	2,073	1,382	1,312	777	979
Debt service:					
Principal retirement	123	112	212	184	235
Interest and fiscal charges	9	22	45	41	18
<i>Total expenditures</i>	<u>6,896</u>	<u>5,344</u>	<u>5,588</u>	<u>4,815</u>	<u>4,637</u>
<i>Excess of revenues over (under) expenditures</i>	<u>(624)</u>	<u>460</u>	<u>1,227</u>	<u>(89)</u>	<u>(153)</u>
Other Financing Sources (Uses)					
Bonds issued	-	-	-	-	-
Issuance of loans	-	-	-	-	-
Issuance of notes	-	-	-	-	-
Inception of capital lease	-	-	131	240	198
Issuance of lease purchase	134	-	-	-	-
Issuance of refunding bonds	-	-	-	-	-
Proceeds from sale of capital assets	249	-	-	4	-
Payment to refunded bond escrow agent	-	-	-	-	-
Transfers in	-	205	348	382	304
Transfers out	-	(215)	(357)	(382)	(394)
<i>Total other financing sources (uses)</i>	<u>383</u>	<u>(10)</u>	<u>122</u>	<u>244</u>	<u>108</u>
<i>Net change in fund balances</i>	<u>\$ (241)</u>	<u>\$ 450</u>	<u>\$ 1,349</u>	<u>\$ 155</u>	<u>\$ (45)</u>
Debt service as a percentage of noncapital expenditures	2.8%	3.0%	7.3%	5.1%	6.6%

	2017	2016	2015	2014	2013
\$	2,619	\$ 2,528	\$ 2,306	\$ 1,764	\$ 1,857
	482	535	725	710	753
	58	41	44	42	48
	874	1,263	960	916	820
	147	69	50	75	122
	36	25	37	29	14
	2	59	-	-	19
	36	12	35	55	17
	<u>4,254</u>	<u>4,532</u>	<u>4,157</u>	<u>3,591</u>	<u>3,650</u>
	569	445	611	618	660
	1,787	1,735	1,918	1,659	1,922
	95	95	94	87	121
	461	472	458	474	461
	-	-	-	-	1
	508	394	517	443	379
	621	931	380	451	25
	242	193	166	146	107
	28	20	22	34	37
	<u>4,311</u>	<u>4,285</u>	<u>4,166</u>	<u>3,912</u>	<u>3,713</u>
	<u>(57)</u>	<u>247</u>	<u>(9)</u>	<u>(321)</u>	<u>(63)</u>
	-	-	-	40	-
	14	7	85	7	227
	-	-	111	-	-
	112	-	-	-	-
	-	-	-	-	-
	-	-	-	645	-
	-	1	27	22	1
	-	-	-	(638)	-
	222	189	182	154	164
	<u>(222)</u>	<u>(189)</u>	<u>(182)</u>	<u>(154)</u>	<u>(164)</u>
	<u>126</u>	<u>8</u>	<u>223</u>	<u>76</u>	<u>228</u>
\$	<u>69</u>	<u>\$ 255</u>	<u>\$ 214</u>	<u>\$ (245)</u>	<u>\$ 165</u>
	7.1%	5.9%	5.5%	4.9%	4.6%

City of Rittman, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2022	\$ 94,319,790	\$ 14,241,250	\$ 310,174,400	\$ 4,927,500	\$ 5,599,432
2021	93,810,010	14,390,140	309,143,286	4,980,410	5,659,557
2020	82,306,800	12,252,190	270,168,543	4,647,490	5,281,239
2019	80,215,060	12,368,520	264,524,514	3,243,790	3,686,125
2018	80,191,190	12,045,350	263,532,971	3,115,240	3,540,045
2017	76,382,510	12,016,990	252,570,000	3,008,490	3,418,739
2016	75,756,340	12,416,860	251,923,429	2,583,900	2,936,250
2015	75,688,930	12,370,770	251,599,143	2,501,350	2,842,443
2014	76,848,840	15,099,800	262,710,400	2,386,220	2,711,614
2013	76,880,660	14,895,610	262,217,914	2,188,940	2,487,432

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2009 and beyond both types of general business tangible personal property were assessed at zero percent.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Sources: Wayne and Medina County Auditors, Ohio Department of Taxation

Assessed Value	Total	
	Estimated Actual Value	Weighted Average Tax Rate
\$ 113,488,540	\$ 315,773,832	35.94%
113,180,560	314,802,843	35.95%
99,206,480	275,449,781	36.02%
95,827,370	268,210,639	35.73%
95,351,780	267,073,017	35.70%
91,407,990	255,988,739	35.71%
90,757,100	254,859,679	35.61%
90,561,050	254,441,586	35.59%
94,334,860	265,422,014	35.54%
93,965,210	264,705,346	35.50%

City of Rittman, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Collection Year	City of Rittman Direct Rates					Overlapping Rates				Total Direct & Overlapping Rates
	General Fund	Fire	Ambulance & E.M.S.	Police Pension Fund	Total City	Wayne County	Milton Township	Rittman Exempted Village School District	Special District	
2022	3.40	1.00	2.30	0.30	7.00	10.60	0.00	41.00	6.85	65.45
2021	3.40	1.00	2.30	0.30	7.00	10.60	0.50	61.00	n/a *	79.10
2020	3.40	1.00	2.30	0.30	7.00	10.60	0.50	62.00	6.85	86.95
2019	3.40	1.00	2.30	0.30	7.00	10.25	0.00	62.85	6.85	86.95
2018	3.40	1.00	2.30	0.30	7.00	10.25	0.00	63.15	6.90	87.30
2017	3.40	1.00	2.30	0.30	7.00	10.25	0.00	63.20	6.80	87.25
2016	3.40	1.00	2.30	0.30	7.00	10.25	0.00	63.50	7.05	87.80
2015	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.70	4.85	85.30
2014	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95
2013	3.40	1.00	2.30	0.30	7.00	9.25	0.50	63.35	4.85	84.95

*Not readily available

Source: Wayne County, Ohio; County Auditor

City of Rittman, Ohio
Income Tax Revenue Base and Collections (Cash Basis)
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2022	1.0%	\$ 2,586,648	\$ 1,554,330	60.09%	\$ 428,335	16.56%	\$ 607,710	23.49%
2021	1.5%	2,131,172	1,301,020	61.05%	221,872	10.41%	608,280	28.54%
2020	1.5%	1,988,627	1,248,966	62.81%	182,385	9.17%	557,276	28.02%
2019	1.5%	2,067,916	1,198,506	57.96%	265,959	12.86%	603,452	29.18%
2018	1.5%	1,994,959	1,193,680	59.83%	232,400	11.65%	568,880	28.52%
2017	1.5%	1,886,993	1,114,300	59.05%	175,126	9.28%	597,567	31.67%
2016	1.5%	2,004,023	1,072,113	53.50%	222,396	11.10%	709,515	35.40%
2015	1.5%	1,709,817	1,016,827	59.47%	161,332	9.44%	531,658	31.09%
2014	1.5%	1,617,106	943,777	58.36%	134,922	8.34%	538,407	33.29%
2013	1.5%	1,596,239	940,392	58.91%	125,714	7.88%	530,133	33.21%

Source: City of Rittman; Department of Budget and Finance; Income Tax Division

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

City of Rittman, Ohio
Ratio of Outstanding Debt By Type
Total Personal Income and Debt Per Capita
Last Ten Years

Year	Governmental Activities					
	General Obligation Bonds	OPWC Loans	Loans	Notes Payable	Capital Leases (4)	Leases Purchase
2022	\$ 5,000	\$ 59,500	\$ 35,000	\$ -	\$ -	\$ 224,362
2021	29,000	63,750	35,000	-	311,453	-
2020	40,000	68,000	35,000	-	439,921	-
2019	161,000	70,125	35,000	-	398,051	-
2018	282,000	74,375	35,000	-	217,296	-
2017	402,000	78,625	73,708	18,976	71,715	-
2016	517,000	82,875	97,564	63,353	-	-
2015	627,000	85,000	127,587	106,970	-	-
2014	732,000	-	163,796	21,000	-	-
2013	776,000	-	220,000	-	-	-

- (1) Details regarding the City's outstanding debt can be found in Note 12 in the basic financial statements
(2) Includes internal bonds
(3) See Demographic and Economic Statistics for population and personal income data.
(4) See the notes to the financial statements regarding the City's debt information. Obligations reported as capital leases in 2021 were restated as leases payable and direct financing notes in accordance with the implementation of GASB Statement No. 87 in 2022.

Source: City Records

Business-Type Activities

Revenue Bonds	General Obligation Bonds	OPWC Loans	OWDA Loans	Capital Leases (4)	Lease Purchase	Total Debt	Percentage of Personal Income	Per Capita
\$ -	\$ 195,000	\$ 630,519	\$ 1,175,676	\$ -	\$ 10,208	\$ 2,335,265	1.14%	382
-	290,000	680,942	387,834	51,388	-	1,849,367	1.47%	285
-	385,000	731,364	1,408	85,128	-	1,785,821	1.42%	275
-	592,503	664,705	-	107,380	-	2,028,764	1.62%	313
-	793,922	490,197	-	72,502	-	1,965,292	1.57%	303
-	999,270	521,419	-	-	-	2,165,713	1.73%	334
-	1,188,556	394,150	-	-	-	2,343,498	1.87%	361
801,900	868,000	415,266	-	-	-	3,031,723	2.42%	467
831,400	965,500	267,257	-	-	-	2,980,953	2.38%	459
859,400	1,027,500	284,248	-	-	-	3,167,148	2.53%	488

City of Rittman, Ohio
*Ratio of Outstanding Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Years*

Year	General Obligation Bonds (1)	Resources Available for Repayment	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2022	\$ 200,000	\$ 20,838	\$ 179,162	0.06%	29.30
2021	319,000	49,660	269,340	0.09%	41.49
2020	425,000	66,310	358,690	0.13%	55.26
2019	753,503	64,185	689,318	0.26%	106.20
2018	1,075,922	10,435	1,065,487	0.40%	164.15
2017	1,401,270	10,435	1,390,835	0.54%	214.27
2016	1,705,556	10,435	1,695,121	0.67%	261.15
2015	1,495,000	12,560	1,482,440	0.58%	228.38
2014	1,697,500	12,263	1,685,237	0.63%	259.63
2013	1,803,500	1,300	1,802,200	0.68%	277.65

Source: The City of Rittman, Wayne and Medina County Auditor

(1) Details regarding the City's outstanding debt can be found in Note 12 in the basic financial statement

City of Rittman, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2022

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct:			
City of Rittman	\$ 323,862	100.00%	\$ 323,862
<i>Total direct debt</i>	<u>323,862</u>		<u>323,862</u>
Overlapping:			
Chippewa Local School District	14,400,000	1.08%	155,520
Norwayne Local School District	6,839,502	0.13%	8,891
Rittman Exempted Village School District	4,530,577	86.26%	3,908,076
Wayne County, Ohio	1,525,298	3.75%	57,199
Wayne Public Library	2,418,635	3.23%	78,122
Medina County, Ohio	13,336,504	0.07%	9,336
Medina County Public Library	<u>5,980,000</u>	0.03%	<u>1,794</u>
<i>Total overlapping debt</i>	<u>73,185,754</u>		<u>4,274,495</u>
Total	<u><u>\$ 73,509,616</u></u>		<u><u>\$ 4,598,357</u></u>

Source: Ohio Municipal Advisory Council

- (1) Percentages were determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision.
- (2) The County percentage will be used for the Library.

City of Rittman, Ohio

Legal Debt Margin

Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total assessed property value	<u>\$ 113,488,540</u>	<u>\$ 113,180,560</u>	<u>\$ 99,196,380</u>	<u>\$ 95,827,370</u>	<u>\$ 95,351,780</u>
Overall legal debt limit (10 ½ % of assessed valuation)	<u>\$ 11,916,297</u>	<u>\$ 11,883,959</u>	<u>\$ 10,415,620</u>	<u>\$ 10,061,874</u>	<u>\$ 10,011,937</u>
Debt outstanding:					
General obligation bonds	200,000	319,000	425,000	753,503	1,075,922
Revenue bonds	-	-	-	-	-
OPWC loans	690,019	744,692	799,364	734,830	564,572
OWDA loans	1,175,676	387,834	1,408	-	-
Loans	35,000	35,000	35,000	35,000	35,000
Notes	-	-	-	-	-
Total gross indebtedness	<u>2,100,695</u>	<u>1,486,526</u>	<u>1,260,772</u>	<u>1,523,333</u>	<u>1,675,494</u>
Less:					
Revenue bonds	-	-	-	-	-
OPWC loans	(690,019)	(744,692)	(799,364)	(734,830)	(564,572)
OWDA loans	(1,175,676)	(387,834)	(1,408)	-	-
Loans	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Notes	-	-	-	-	-
Amount available in bond retirement fund	<u>(20,838)</u>	<u>(49,660)</u>	<u>(66,310)</u>	<u>(64,185)</u>	<u>(10,435)</u>
Total net debt applicable to debt limit	<u>179,162</u>	<u>269,340</u>	<u>358,690</u>	<u>689,318</u>	<u>1,065,487</u>
Legal debt margin within 10 ½ % limitations	<u>\$ 11,737,135</u>	<u>\$ 11,614,619</u>	<u>\$ 10,056,930</u>	<u>\$ 9,372,556</u>	<u>\$ 8,946,450</u>
Legal debt margin as a percentage of the debt limit	98.50%	97.73%	96.56%	93.15%	89.36%
Unvoted debt limitation (5 ½ % of assessed valuation)	<u>\$ 6,241,870</u>	<u>\$ 6,224,931</u>	<u>\$ 5,455,801</u>	<u>\$ 5,270,505</u>	<u>\$ 5,244,348</u>
Total gross indebtedness	2,100,695	1,486,526	1,260,772	1,523,333	1,675,494
Less:					
Revenue bonds	-	-	-	-	-
OPWC loans	(690,019)	(744,692)	(799,364)	(734,830)	(564,572)
OWDA loans	(1,175,676)	(387,834)	(1,408)	-	-
Loans	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Notes	-	-	-	-	-
Amount available in bond retirement fund	<u>(20,838)</u>	<u>(49,660)</u>	<u>(66,310)</u>	<u>(64,185)</u>	<u>(10,435)</u>
Net debt within 5 ½ % limitations	<u>179,162</u>	<u>269,340</u>	<u>358,690</u>	<u>689,318</u>	<u>1,065,487</u>
Unvoted legal debt margin within 5 ½ % limitations	<u>\$ 6,062,708</u>	<u>\$ 5,955,591</u>	<u>\$ 5,097,111</u>	<u>\$ 4,581,187</u>	<u>\$ 4,178,861</u>
Unvoted legal debt margin as a percentage of the Unvoted debt limitation	97.13%	95.67%	93.43%	86.92%	79.68%

Source: City Financial Records

2017	2016	2015	2014	2013
<u>\$ 91,407,990</u>	<u>\$ 90,757,100</u>	<u>\$ 90,561,050</u>	<u>\$ 94,334,860</u>	<u>\$ 93,965,210</u>
<u>\$ 9,597,839</u>	<u>\$ 9,529,496</u>	<u>\$ 9,508,910</u>	<u>\$ 9,905,160</u>	<u>\$ 9,866,347</u>
1,401,270	1,705,556	1,495,000	1,697,500	1,803,500
-	-	801,900	831,400	859,400
600,044	477,025	500,266	267,257	284,248
-	-	-	-	-
73,708	97,564	127,587	163,796	220,000
18,976	63,353	106,970	21,000	-
<u>2,093,998</u>	<u>2,343,498</u>	<u>3,031,723</u>	<u>2,980,953</u>	<u>3,167,148</u>
-	-	(801,900)	(831,400)	(859,400)
(600,044)	(477,025)	(500,266)	(267,257)	(284,248)
-	-	-	-	-
(73,708)	(97,564)	(127,587)	(163,796)	(220,000)
(18,976)	(63,353)	(106,970)	(21,000)	-
(10,435)	(10,435)	(12,560)	(12,263)	(1,300)
<u>1,390,835</u>	<u>1,695,121</u>	<u>1,482,440</u>	<u>1,685,237</u>	<u>1,802,200</u>
<u>\$ 8,207,004</u>	<u>\$ 7,834,375</u>	<u>\$ 8,026,470</u>	<u>\$ 8,219,923</u>	<u>\$ 8,064,147</u>
85.51%	82.21%	84.41%	82.99%	81.73%
<u>\$ 5,027,439</u>	<u>\$ 4,991,641</u>	<u>\$ 4,980,858</u>	<u>\$ 5,188,417</u>	<u>\$ 5,168,087</u>
2,093,998	2,343,498	3,031,723	2,980,953	3,167,148
-	-	(801,900)	(831,400)	(859,400)
(600,044)	(477,025)	(500,266)	(267,257)	(284,248)
-	-	-	-	-
(73,708)	(97,564)	(127,587)	(163,796)	(220,000)
(18,976)	(63,353)	(106,970)	(21,000)	-
(10,435)	(10,435)	(12,560)	(12,263)	(1,300)
<u>1,390,835</u>	<u>1,695,121</u>	<u>1,482,440</u>	<u>1,685,237</u>	<u>1,802,200</u>
<u>\$ 3,636,604</u>	<u>\$ 3,296,520</u>	<u>\$ 3,498,418</u>	<u>\$ 3,503,180</u>	<u>\$ 3,365,887</u>
72.34%	66.04%	70.24%	67.52%	65.13%

City of Rittman, Ohio
*Schedules of Ratio of Annual Debt Service Expenditures for General Bonded Debt to
Total General Governmental Expenditures and Revenue Bond Coverage (\$000 omitted)
Last Ten Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<u>General Bonded Debt</u>										
Debt service	\$ 119	\$ 106	\$ 221	\$ 216	\$ 220	\$ 200	\$ 200	\$ 166	\$ 146	\$ 107
General governmental expenditures	6,896	5,344	5,588	4,815	4,638	4,312	4,285	4,166	3,912	3,713
Ratio of debt service to general governmental expenditures	1.73	1.98	3.95	4.49	4.74	4.64	4.67	3.98	3.73	2.88
<u>Revenue Bond Coverage</u>										
Sewer										
Direct revenue	1,081	1,114	1,164	1,226	1,220	1,249	1,257	1,311	1,268	1,252
Operating expense (1)	641	586	791	1,056	977	845	760	792	851	701
Net available	440	528	373	170	243	404	497	519	417	551
Principal	-	-	-	-	-	-	802	30	28	27
Interest	-	-	-	-	-	-	25	43	44	45
Total debt service	-	-	-	-	-	-	827	73	72	72
Coverage	0.00	0.00	0.00	0.00	0.00	0.00	0.60	7.11	5.79	7.65

Source: City Financial Records
(1) Excludes depreciation

City of Rittman, Ohio

Principal Employers

2022 and 2013*

Employer	Industry	2022			2013		
		Withholdings Received	Rank	Percentage of Total City Withholdings Received	Number of W-2's processed	Rank	Percentage of Total City W-2's processed
Morton International, Inc.	Salt mines	265,207	1	17.06%	257	1	7.73%
Laria Chevrolet Buick	Automobile dealership	139,016	2	8.94%	69	5	2.08%
Rittman Board of Education	Education	98,652	3	6.35%	230	2	6.93%
J O Plastics, Inc.	Plastics	68,176	4	4.39%	0	-	0.00%
Unilock Ohio, Inc.	Excavation	61,469	5	3.95%	66	6	1.99%
City of Rittman	Municipal government	42,972	6	2.76%	196	3	5.90%
Minute Men Select	Food service	33,573	7	2.16%	0	-	0.00%
Mull Iron	Metal fabricating	31,886	8	2.05%	52	9	1.57%
Swiss Woodcraft, Inc.	Cabinet manufacturer	30,395	9	1.96%	0	-	0.00%
Embassy Autumnwood	Nursing home	25,477	10	1.64%	120	4	3.61%
Summa Health System	Health care	24,832	11	1.60%	0	-	0.00%
Imperial Plastics, Inc.	Plastics	24,328	12	1.57%	0	-	0.00%
Rittman IGA	Grocery store	-	-	0.00%	48	10	1.45%
Bauman Orchard	Orchard	-	-	0.00%	58	8	1.75%
All Creatures Veterinary, Inc	Veterinarian	-	-	0.00%	0	9	0.00%
PEC Management-Burger King	Food service	-	-	0.00%	66	7	1.99%
Total		<u>\$845,983</u>		<u>54.43%</u>	<u>1,162</u>		<u>34.99%</u>
Total withholdings / W-2's processed		<u>\$1,554,330</u>			<u>3,321</u>		

*Due to becoming a member of the Regional Income Tax Agency (RITA) during 2021, data on the number of W-2s processed is not readily available. Years after 2020 use withholding dollars instead.

Source: City of Rittman

City of Rittman, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (1) (000 omitted)	Personal Income Per Capita (1)	Median Family Income (1)	School Enrollment (2)	Unemployment Rate (3)			City Square Miles (4)
						Wayne County	Medina County	State of Ohio	
2022	6,115	\$ 204,522	\$ 33,446	\$ 56,068	841	2.9%	3.0%	3.6%	6.43
2021	6,131	159,847	26,072	47,664	842	2.6%	3.6%	4.5%	6.43
2020	6,506	168,596	25,914	48,698	894	3.6%	5.7%	5.6%	6.43
2019	6,491	125,413	19,321	43,837	1,034	3.1%	3.0%	4.2%	6.43
2018	6,491	125,413	19,321	43,837	1,088	3.8%	4.0%	4.5%	6.43
2017	6,491	125,413	19,321	43,837	1,088	3.8%	4.0%	4.5%	6.43
2016	6,491	125,413	19,321	43,837	1,098	3.9%	4.3%	4.8%	6.43
2015	6,491	125,413	19,321	43,837	1,123	3.8%	3.2%	4.7%	6.43
2014	6,491	125,413	19,321	43,837	1,145	3.8%	4.3%	4.7%	6.4
2013	6,491	125,413	19,321	43,837	1,111	5.8%	4.3%	6.6%	6.4

Sources:

- (1) U.S. Census Bureau
- (2) Rittman Exempted Village School District Records
- (3) Ohio Bureau of Employment Services; Department of Labor, Bureau of Labor Statistics
 Unemployment rate is not available for the City of Rittman.
- (4) City Records

City of Rittman, Ohio
City Government Employees by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
City council	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mayor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
City manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Law	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Tax	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50
Administration	2.00	1.50	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50
Security of persons and property										
Police	14.50	14.00	14.50	14.50	15.00	13.50	12.50	16.50	12.00	12.00
Police - school guards	1.50	1.00	1.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Police - dispatchers	0.00	0.00	0.00	0.00	0.00	7.50	5.50	6.50	4.50	4.50
Police - animal wardens	0.00	0.00	0.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Police - records clerk	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire and EMS	24.50	25.00	24.50	25.50	14.50	14.00	15.50	14.50	11.50	11.50
Public health services										
Emergency medical services	0.00	0.00	0.00	0.00	18.50	22.00	15.50	18.00	14.50	14.50
Cemetery	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50
Leisure time activities										
Recreation	13.50	16.00	15.50	16.00	22.00	22.00	16.50	17.50	13.00	13.00
Parks	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
Transportation										
Service	3.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Street M&R	4.00	3.00	4.00	3.00	3.50	5.50	3.00	3.00	3.00	3.00
Basic utility services										
Solid waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Water	4.50	4.50	3.50	3.50	3.50	3.50	3.50	3.50	5.50	5.50
Waste water	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Storm water	4.50	4.50	4.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00
Totals:	<u>83.50</u>	<u>81.50</u>	<u>82.00</u>	<u>88.00</u>	<u>101.50</u>	<u>112.50</u>	<u>96.00</u>	<u>102.50</u>	<u>86.00</u>	<u>86.00</u>

Source: City Payroll Department Attendance Cards at Year End

Method: Using 1.00 for each full-time employee and 0.50 for each part-time

and seasonal employee at year end. Some employees are split between multiple functions/programs

City of Rittman, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019
General government				
Council and clerk:				
Number of ordinances passed	42	39	35	32
Number of resolutions passed	20	17	24	23
Number of planning commission docket items	-	-	-	-
Zoning board of appeals docket items	5	-	-	10
Finance department:				
Number of checks/vouchers issued	1,970	1,772	1,752	2,322
Amount of checks written	\$ 9,432,819	\$ 8,966,324	\$ 7,182,365	\$ 7,636,317
Number of payroll checks issued	2,992	3,357	3,608	3,888
Interest earning for fiscal year (cash basis)	\$ 69,638	\$ 44,832	\$ 68,769	\$ 93,012
Number of receipts issued	1,979	2,059	2,126	2,257
General fund receipts (cash basis)	\$ 3,388,086	\$ 3,086,156	\$ 2,951,482	\$ 3,219,010
General fund expenditures (cash basis)	\$ 2,726,904	\$ 2,540,138	\$ 2,393,549	\$ 2,956,870
General fund cash balances	\$ 2,423,167	\$ 1,968,183	\$ 1,803,842	\$ 1,208,883
Income tax department:				
Number of individual returns	3,880	2,837	3,129	2,507
Number of business returns	450	755	612	428
Number of business withholding accounts	815	850	668	604
Amount of penalties and interest collected	\$ 18,379	\$ 36,719	\$ 52,833	\$ 59,507
Civil services:				
Number of police entry tests administered	n/a	n/a	n/a	n/a
Number of hires of police officers from certified lists	1	n/a	n/a	n/a
Building department indicators:				
Number of zoning permits issued	91	110	119	118
Number of new housing permits issued	5	7	20	19
Estimated value of construction	\$ 7,409,940	\$ 2,666,022	\$ 7,687,160	\$ 3,081,933
Amount of revenue generated from permits	\$ 13,954	\$ 15,783	\$ 11,230	\$ 4,922
Security of persons and property				
Police:				
Total calls for services	8,030	7,341	7,664	7,524
Number of traffic citations issued	292	248	244	637
Number of parking citations issued	281	391	377	271
Number of criminal arrests	340	357	265	427
Number of accident reports completed	77	69	65	74
Injury accidents	6	9	7	13
Stolen vehicles	8	20	17	11
Incident reports	3,167	3,315	3,573	3,925
Dui arrests	8	8	15	7
Burglary	10	10	15	22
Thefts	118	104	100	139
Robberies	1	-	1	1
Homicides	-	-	-	n/a
Gasoline costs of fleet	\$ 39,746	\$ 28,598	\$ 24,327	\$ 27,728
Total calls handled through communication center	64,660	66,490	64,856	10,167

2018	2017	2016	2015	2014	2013
30	32	43	33	35	26
16	13	3	19	27	23
2	-	1	-	1	1
13	2	7	3	5	1
1,855	1,757	1,829	1,948	1,934	1,923
\$ 7,447,937	\$ 6,579,811	\$ 7,469,596	\$ 7,052,567	\$ 6,241,435	\$ 6,056,147
3,872	3,186	3,828	3,714	3,441	3,052
\$ 65,070	\$ 43,394	\$ 33,803	\$ 32,085	\$ 23,328	\$ 27,968
2,224	2,678	2,090	2,217	2,283	2,435
\$ 2,877,300	\$ 2,729,162	\$ 2,804,179	\$ 2,483,530	\$ 2,177,530	\$ 2,222,883
\$ 2,845,048	\$ 2,586,603	\$ 2,563,397	\$ 2,376,894	\$ 2,358,006	\$ 2,311,190
\$ 886,643	\$ 891,793	\$ 742,399	\$ 494,733	\$ 372,272	\$ 547,405
3,869	3,976	3,825	3,582	3,607	3,468
539	562	481	444	442	418
588	566	506	514	531	484
\$ 67,503	\$ 60,523	\$ 47,837	\$ 37,334	\$ 36,753	\$ 29,635
7	n/a	19	n/a	n/a	n/a
n/a	n/a	1	n/a	n/a	n/a
84	101	94	64	50	49
12	1	4	7	3	6
\$ 1,771,351	\$ 322,000	\$ 600,000	\$ 2,157,344	\$ 1,332,618	\$ 1,663,818
\$ 1,995	\$ 2,289	\$ 2,556	\$ 3,425	\$ 2,082	\$ 5,646
7,954	8,965	8,711	7,880	8,786	9,759
606	737	417	304	390	288
419	171	206	262	206	233
497	469	338	475	381	317
111	201	84	96	105	107
4	12	10	7	10	10
16	10	14	5	6	8
966	644	740	415	537	560
14	35	17	11	10	14
35	41	34	19	64	87
229	193	105	191	335	142
-	2	2	2	2	3
n/a	n/a	n/a	n/a	n/a	n/a
\$ 27,298	\$ 15,692	\$ 15,854	\$ 18,368	\$ 32,171	\$ 29,535
20,095	18,682	17,379	14,558	15,124	14,670

City of Rittman, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019
Fire/EMS:				
EMS total runs	1,059	959	924	963
EMS transports	666	641	628	640
Ambulance billing collections (net)	\$ 291,429	\$ 88,346	\$ 216,715	\$ 197,171
Fire calls	129	145	152	142
Fires with loss	5	5	7	8
Fires with losses exceeding \$10K	-	-	1	2
Fire losses	\$ 11,200	\$ 3,600	\$ 177,250	\$ 118,450
Fire safety inspections	10	7	4	10
Number of times mutual aid received for fire and EMS	86	41	16	5
 Public health and welfare				
Cemetery burials	32	37	26	48
Cemetery cremations	17	22	18	13
Cemetery sale of lots	32	29	36	39
Cemetery receipts	\$ 60,961	\$ 58,984	\$ 50,114	\$ 50,581
 Leisure time activities				
Recreation				
Recreation center membership receipts	\$ 93,410	\$ 83,140	\$ 70,105	\$ 106,897
Recreation center silver sneaker receipts	\$ 24,532	\$ 17,390	\$ 18,543	\$ 32,483
Recreation center rental receipts	\$ 9,143	\$ 8,079	\$ 3,678	\$ 18,518
Recreation center program receipts	\$ 10,231	\$ 8,968	\$ 9,007	\$ 16,952
Recreation center miscellaneous receipts	\$ 7,756	\$ 419	\$ 458	\$ 9,702
Total recreation department receipts	\$ 145,072	\$ 117,996	\$ 101,791	\$ 184,552
 Transportation				
Crackseal coating program - annual cost	\$ 20,950	\$ 12,575	\$ 33,190	\$ 33,525
Paint striping - annual cost	\$ 399	\$ -	\$ 12,186	\$ -
Leaf collection - disposal costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Cost of salt purchased	\$ 52,833	\$ 48,914	\$ 28,671	\$ 71,450
 Water department				
Water rates per 1st 300 cu ft of water used	\$ 21	\$ 20	\$ 19	\$ 17
Annual total of utility accounts billed	31,732	31,730	31,446	31,141
Annual total water collections billed	\$ 1,194,064	\$ 1,124,593	\$ 1,030,717	\$ 934,328
Avg. water billed monthly (gallons)	15,462	16,033	15,510	14,945
Total water collections annually (including p&i)	\$ 1,227,676	\$ 1,137,774	\$ 1,059,701	\$ 1,000,026
 Waste water department				
Waste water rates per 1st 300 cu ft of water used	\$ 24	\$ 24	\$ 23	\$ 23
Annual total sewer collections billed	\$ 1,024,394	\$ 1,061,403	\$ 974,365	\$ 974,573
Total sewer collections annually	\$ 1,089,354	\$ 1,067,181	\$ 1,073,282	\$ 1,042,619

Source: City of Rittman

(1) Information prior to 2002 is not available

2018	2017	2016	2015	2014	2013
1,038	1,058	1,024	1,025	882	913
590	589	680	671	610	598
\$ 183,806	\$ 161,895	\$ 196,554	\$ 188,943	\$ 175,521	\$ 201,529
170	157	174	196	165	137
13	7	8	8	5	2
3	1	3	-	-	2
\$ 98,295	\$ 40,800	\$ 118,725	\$ 37,435	\$ 8,200	\$ 96,000
12	20	10	20	11	31
17	23	39	20	22	22
41	40	39	31	37	37
5	7	14	12	9	5
34	16	37	36	34	37
\$ 48,282	\$ 41,788	\$ 49,102	\$ 36,312	\$ 35,078	\$ 38,509
\$ 111,500	\$ 126,626	\$ 123,609	\$ 111,647	\$ 121,412	\$ 135,960
\$ 34,464	\$ 34,470	\$ 35,025	\$ 32,618	\$ 30,863	\$ 28,533
\$ 13,296	\$ 11,173	\$ 14,936	\$ 13,846	\$ 14,241	\$ 17,409
\$ 18,587	\$ 16,759	\$ 21,918	\$ 25,470	\$ 17,244	\$ 16,788
\$ 8,676	\$ 1,124	\$ 2,669	\$ 3,705	\$ 946	\$ 11,259
\$ 186,523	\$ 190,152	\$ 198,157	\$ 187,286	\$ 184,706	\$ 209,949
\$ -	\$ 15,025	\$ -	\$ -	\$ 15,457	\$ 2,156
\$ -	\$ 11,525	\$ 13,312	\$ 11,274	\$ 14,163	\$ -
\$ 3,400	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
\$ 25,451	\$ 29,893	\$ 24,622	\$ 28,282	\$ 24,864	\$ 28,089
\$ 16	\$ 14	\$ 13	\$ 10	\$ 10	\$ 10
30,925	30,753	30,708	30,377	30,047	30,182
\$ 850,801	\$ 715,691	\$ 626,304	\$ 497,809	\$ 497,743	\$ 514,778
15,129	14,244	13,637	13,406	13,233	14,733
\$ 885,999	\$ 750,779	\$ 64,453	\$ 526,738	\$ 524,260	\$ 538,343
\$ 25	\$ 26	\$ 27	\$ 27	\$ 27	\$ 27
\$ 929,541	\$ 1,066,444	\$ 1,123,587	\$ 1,196,523	\$ 1,196,500	\$ 1,193,740
\$ 1,080,704	\$ 1,103,742	\$ 1,274,560	\$ 1,292,919	\$ 1,264,988	\$ 1,268,189

City of Rittman, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Administrative vehicles	1	1	1	1	1	1	1	1	1	1
Security of persons and property - police/fire										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles - police	7	8	8	8	8	10	10	10	10	10
Vehicles - fire	6	6	6	6	6	8	8	8	8	8
Emergency medical services										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	4	4	4	4	4	4	4	4
Recreation										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Number of shelters/pavilions	10	3	3	3	3	3	3	3	3	3
Number of parks	12	12	12	12	12	12	12	12	12	12
Number of pools	1	1	1	1	1	1	1	1	1	1
Number of baseball diamonds	8	8	8	8	8	8	8	8	8	8
Number of skateboarding areas	-	-	-	-	-	-	-	-	-	-
Number of tot lots	6	9	9	9	9	9	9	9	9	9
Vehicles	1	1	-	-	-	-	-	-	-	-
Transportation										
Number of buildings	2	2	2	2	2	2	2	2	2	2
Salt building	1	1	1	1	1	1	1	1	1	1
Streets (center lane miles)	41	41	41	41	41	41	41	41	41	41
Storm sewers (miles)	19	19	19	19	19	19	19	19	19	19
Service vehicles	11	10	8	8	8	11	11	11	11	11
Public health and welfare										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Service vehicles	1	1	1	1	1	1	1	1	1	1
Water										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Pole building	1	1	1	1	1	1	1	1	1	1
Water lines (miles)	44	44	44	44	44	44	44	44	44	44
Vehicles	5	5	5	5	5	5	5	5	5	5
Waste water										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	39	39	39	39	39	39	39	39	39	39
Vehicles	6	6	9	9	9	5	5	5	5	5

Source: City of Rittman's capital asset records

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF RITTMAN

WAYNE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/26/2023

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

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