CITY OF CAMBRIDGE
GUERNSEY COUNTY

SINGLE AUDIT

JANUARY 1, 2023 – DECEMBER 31, 2023

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

OHIO AUDITOR OF STATE
KEITH FABER

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City Council
City of Cambridge
814 Wheeling Ave
Cambridge, Ohio 43725

We have reviewed the *Independent Auditor's Report* of the City of Cambridge, Guernsey County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2023 through December 31, 2023. 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 Cambridge is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

July 08, 2024

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CITY OF CAMBRIDGE
GUERNSEY COUNTY, OHIO

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GUERNSEY COUNTY, OHIO

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WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

City of Cambridge
Guernsey County
814 Wheeling Avenue
Cambridge, Ohio 43725

To the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cambridge, Guernsey County, Ohio (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cambridge, Guernsey County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Fire, and Street Improvement funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 2.X. to the financial statements, the 2022 financial statements have been restated to correct a misstatement. Our opinions are not modified with respect to this matter.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities/assets and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 19, 2024

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The discussion and analysis of the City of Cambridge's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. 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 2023 are as follows:

- In total, net position increased $2,466,615 from 2022 restated balances. Net position of governmental activities increased $675,116. Net position of business-type activities increased $1,791,499.

- Total capital assets increased $2,621,024. Capital assets of governmental activities increased $1,906,239 and capital assets of business-type activities increased $714,785.

- Outstanding debt increased from $11,102,615 to $11,962,432.

Using this Annual Financial Report

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

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2023 and how they affected the operations of the City as a whole.

Reporting the City of Cambridge 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 the general fund is by far the most significant fund. Business-type funds consist of the water and sewer funds.

A question typically asked about the City's finances "How did we do financially during 2023?" 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, community and economic development, 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 and sewer funds are reported as business activities.

Reporting the City of Cambridge'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, fire fund and street improvement fund.

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 use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for the internal service fund allocations.

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

The City of Cambridge as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2023 compared to 2022:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2023	Restated 2022	Change	2023	Restated 2022	Change
Assets						
Current and Other Assets	$15,653,713	$15,328,252	$ 325,461	$14,717,490	$13,230,942	$ 1,486,548
Net OPEB Asset	-	660,670	(660,670)	-	355,745	(355,745)
Capital Assets, net	38,435,273	36,529,034	1,906,239	23,771,226	23,056,441	714,785
Total Assets	54,088,986	52,517,956	1,571,030	38,488,716	36,643,128	1,845,588
Deferred Outflows of Resources						
Pension & OPEB	7,647,433	3,983,349	3,664,084	1,679,189	618,468	1,060,721
Liabilities						
Current & Other Liabilities	1,513,580	1,521,085	(7,505)	557,194	629,377	(72,183)
Long-Term Liabilities:						
Due Within One Year	706,194	659,833	46,361	378,835	181,184	197,651
Due In More Than One Year:						
Net Pension Liability	17,857,287	8,992,982	8,864,305	3,458,318	1,014,185	2,444,133
Net OPEB Liability	973,813	1,247,334	(273,521)	71,370	-	71,370
Other Amounts	7,603,589	7,211,784	391,805	4,466,669	4,317,777	148,892
Total Liabilities	28,654,463	19,633,018	9,021,445	8,932,386	6,142,523	2,789,863
Deferred Inflows of Resources						
Property Taxes	2,073,454	1,997,704	75,750	-	-	-
Leases	383,266	408,676	(25,410)	-	-	-
Pension & OPEB	1,757,587	6,269,374	(4,511,787)	42,127	1,717,180	(1,675,053)
Total Deferred Inflows of Resources	4,214,307	8,675,754	(4,461,447)	42,127	1,717,180	(1,675,053)
Net Investment in Capital Assets	31,283,608	29,951,599	1,332,009	19,141,934	18,596,472	545,462
Restricted	6,259,016	6,185,226	73,790	-	-	-
Unrestricted	(8,674,975)	(7,944,292)	(730,683)	12,051,458	10,805,421	1,246,037
Total Net Position	$28,867,649	$28,192,533	$ 675,116	$31,193,392	$29,401,893	$ 1,791,499

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

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

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

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

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

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

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

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

Capital assets include, land, land improvements, buildings, equipment, infrastructure and construction in progress. 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.

A portion of the City's net position, represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance.

The City began multiple paving projects, completed the Phillips Road project and entered into a lease purchase agreement for a vacuum truck, increasing governmental capital assets. The increase in capital assets for the business-type activities was primarily due to progress made on the Dewey Avenue storm sewer, water reservoir improvements and lead service project line construction projects.

Current and other assets in the business-type activities increased for cash and investments. This was caused by an increase in charges for services due to a rate increase that took place during 2022. The City saw a full year of collections for that increase in 2023.

The City's current and other liabilities decreased in the governmental activities due to a decrease in unearned revenue related to unspent grant revenue from the American Rescue Plan Act.

The increase in pension and OPEB expense was primarily caused by market conditions of investments. Both retirement systems experienced a net loss from investing activity during the most current measurement period while in the prior measurement period, investing activity resulted in a gain. This was the most significant contributing factor to the increase in unfunded liability for both retirement plans and caused the OPERS' net OPEB asset to revert back to a net OPEB liability. These fluctuations are passed through to the City relative to their proportionate share of contributions of all members, which remained relatively constant from prior year for both retirement plans.

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In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2023 and 2022.

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2023	2022	Change	2023	2022	Change
Revenues						
Program Revenues						
Charges for Services	$ 1,955,866	$ 1,906,226	$ 49,640	$ 8,562,737	$ 7,112,894	$ 1,449,843
Operating Grants	1,384,326	1,500,995	(116,669)	22,000	-	22,000
Capital Grants	136,416	2,692,162	(2,555,746)	1,130,162	966,031	164,131
Total Program Revenues	3,476,608	6,099,383	(2,622,775)	9,714,899	8,078,925	1,635,974
General Revenues						
Property Taxes	2,187,573	2,158,417	29,156	-	-	-
Income Taxes	9,283,559	9,050,027	233,532	-	-	-
Grants and Entitlements	623,153	710,147	(86,994)	-	-	-
Hotel Lodging Tax	267,341	288,553	(21,212)	-	-	-
Lease Revenue	25,410	25,410	-	-	-	-
Insurance Recoveries	39,296	104,895	(65,599)	-	-	-
Investment Earnings	954,501	(537,961)	1,492,462	1,037	111	926
Miscellaneous	928,879	293,070	635,809	148,450	21,893	126,557
Total General Revenues	14,309,712	12,092,558	2,217,154	149,487	22,004	127,483
Total Revenues	17,786,320	18,191,941	(405,621)	9,864,386	8,100,929	1,763,457
Program Expenses						
General Government	4,666,420	3,271,829	1,394,591	-	-	-
Security of Persons and Property	6,628,467	5,892,332	736,135	-	-	-
Public Health	507,841	413,230	94,611	-	-	-
Leisure Time Services	901,028	958,670	(57,642)	-	-	-
Community Development	683,887	440,029	243,858	-	-	-
Transportation	3,536,040	4,050,246	(514,206)	-	-	-
Interest and Fiscal Charges	187,521	165,539	21,982	-	-	-
Enterprise Operations						
Water	-	-	-	5,152,768	4,367,706	785,062
Sewer	-	-	-	2,920,119	2,883,200	36,919
Total Expenses	17,111,204	15,191,875	1,919,329	8,072,887	7,250,906	821,981
Change in Net Position	675,116	3,000,066	(2,324,950)	1,791,499	850,023	941,476
Net Position Beginning of Year	28,192,533	24,962,754	3,229,779	29,401,893	28,651,843	750,050
Restatement - See Note 2X	-	229,713	(229,713)	-	(99,973)	99,973
Net Position End of Year	$ 28,867,649	$ 28,192,533	$ 675,116	$ 31,193,392	$ 29,401,893	$ 1,791,499

The City's overall net position increased 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 City saw a decrease in capital grants due to prior year funding received from the Ohio Department of Transportation for the Steubenville Avenue road and street scaping project.

Investment earnings increased significantly in comparison to the prior fiscal year due to market fluctuations. Miscellaneous revenue increased due to a surety payment received in relation to the Clark Street project.

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, charges for services and investment interest.

The City's income tax is at a rate of 2.0 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 100 percent credit up to 2.0 percent 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.

Governmental revenue is comprised of program revenue and general revenue. General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded with the combination of property tax, income tax and intergovernmental revenues. The City monitors its sources of revenues very closely for fluctuations.

Police and fire (security of persons and property) represent the largest expense of the governmental activities. The police department operates out of the general fund and the fire department operates out of the fire fund.

The City also maintains a cemetery (public health services) and a park (leisure time activities) within the City.

The primary cause for the fluctuation in expenses was the change in net pension liability, as previously discussed, however in 2023, transportation expense also decreased due to fewer road repairs and maintenance expenses that were not capitalized.

Business-Type Activities

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services. In 2023, charges for services accounted for 87 percent of the business type revenues. The large increase in charges for services was due to a rate increase that took place during 2022. The City saw a full year of collections for that increase in 2023, as previously discussed. Business-type activities include water and sewer operations.

The City's Funds

Governmental Funds

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements and charges for services.

	Fund Balance		Increase
	12/31/2023	12/31/2022	(Decrease)
General	$ 3,480,623	$ 2,886,741	$ 593,882
Fire Fund	36,700	289,976	(253,276)
Street Improvement Fund	2,363,365	1,584,295	779,070

The fund balance increase in the general fund was primarily caused by an increase in investment earnings due to market fluctuations, as previously discussed.

The fire fund saw a decrease in fund balance during the current year. This was primarily due to an increase in accruals for wages and benefits combined with an increase in supplies and minor equipment that were not capitalized.

The street improvement fund saw an increase in fund balance. This was primarily due to a surety payment received as previously discussed.

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.

	Net Position		
	12/31/2023	Restated 12/31/2022	Increase (Decrease)
Water	$ 16,354,198	$15,282,720	$ 1,071,478
Sewer	14,783,569	14,063,232	720,337

Other factors concerning the finances of these two funds have already been addressed in the discussion of the business-type activities.

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 2023, the City amended its general fund budget. All recommendations for appropriation changes come to Council from the City Auditor. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

Original Budget Compared to Final Budget A review of original and final budgeted revenues and appropriations yields no significant variances.

Final Budget Compared to Actual Results Actual revenues were higher than final budgeted revenues. Most of this difference was attributable to an underestimation of income taxes and interest. Actual expenditures were lower than final appropriations, primarily due to conservative spending across all departments.

There were no significant variances to discuss within other financing sources and uses.

Capital Assets and Debt Administration

Capital Assets

The City started work on several street paving projects, a paving project at Northwood Cemetery and made progress on the Steubenville Avenue road and streetscaping project in 2023, increasing its capital assets for construction in progress. Additionally, the City entered into a lease purchase for a vacuum truck and completed the Phillips Road project which increased the City's governmental depreciable capital assets during 2023.

The City made progress on the Dewer Avenue storm sewer, the water reservoir improvements and lead service project line construction projects during the year which increase capital assets for the business-type activities.

See Note 8 for additional information about the capital assets of the City.

Debt

There were no significant changes in the City's long-term debt obligations during 2023. See Note 14 for additional information about the debt of the City.

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 Conner Johnson, Auditor of City of Cambridge, 814 Wheeling Ave., Cambridge, Ohio 43725 or email camb-auditor@cambridgeoh.org.

City of Cambridge
Guernsey County, Ohio
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	$ 9,826,238	$ 13,506,407	$ 23,332,645
Cash and Investment in Segregated Accounts	605,891	-	605,891
Accounts Receivable	27,695	841,272	868,967
Intergovernmental Receivable	673,441	-	673,441
Property Taxes Receivable	2,289,708	-	2,289,708
Income Taxes Receivable	1,801,156	-	1,801,156
Leases Receivable	392,999	-	392,999
Loans Receivable	8,312	-	8,312
Internal Balances	(55,625)	55,625	-
Prepaid Items	22,572	27,088	49,660
Materials and Supplies Inventory	61,326	68,916	130,242
Restricted Assets	-	218,182	218,182
Non-Depreciable Capital Assets	12,897,023	4,239,659	17,136,682
Depreciable Capital Assets, net	25,538,250	19,531,567	45,069,817
Total Assets	54,088,986	38,488,716	92,577,702
Deferred Outflows of Resources			
Pension	6,508,097	1,460,862	7,968,959
OPEB	1,139,336	218,327	1,357,663
Total Deferred Outflows of Resources	7,647,433	1,679,189	9,326,622
Liabilities			
Accounts Payable	100,929	107,092	208,021
Accrued Wages	323,037	75,743	398,780
Contracts Payable	89,420	14,264	103,684
Intergovernmental Payable	193,163	42,197	235,360
Claims Payable	13,275	-	13,275
Accrued Vacation Leave Payable	243,010	99,716	342,726
Matured Compensated Absences Payable	99,281	-	99,281
Customer Deposits Payable	-	218,182	218,182
Unearned Revenue	451,465	-	451,465
Long-Term Liabilities:			
Due Within One Year	706,194	378,835	1,085,029
Due In More Than One Year:			
Net Pension Liability	17,857,287	3,458,318	21,315,605
Net OPEB Liability	973,813	71,370	1,045,183
Other Amounts Due in More Than One Year	7,603,589	4,466,669	12,070,258
Total Liabilities	28,654,463	8,932,386	37,586,849
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	2,073,454	-	2,073,454
Leases	383,266	-	383,266
Pension	811,176	18,457	829,633
OPEB	946,411	23,670	970,081
Total Deferred Inflows of Resources	4,214,307	42,127	4,256,434
Net Position			
Net Investment in Capital Assets	31,283,608	19,141,934	50,425,542
Restricted for:			
Debt Service	65,126	-	65,126
Capital Outlay	1,930	-	1,930
Other Purposes	6,191,960	-	6,191,960
Unrestricted	(8,674,975)	12,051,458	3,376,483
Total Net Position	$ 28,867,649	$ 31,193,392	$ 60,061,041

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position — Primary Government		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	$ 4,666,420	$ 1,158,019	$ 164,716	$ -	$ (3,343,685)	$ -	$ (3,343,685)
Security of Persons and Property	6,628,467	241,653	372,466	-	(6,014,348)	-	(6,014,348)
Public Health	507,841	223,600	14,400	-	(269,841)	-	(269,841)
Leisure Time Services	901,028	325,220	27,086	-	(548,722)	-	(548,722)
Community Development	683,887	200	418	-	(683,269)	-	(683,269)
Transportation	3,536,040	7,174	805,240	136,416	(2,587,210)	-	(2,587,210)
Interest and Fiscal Charges	187,521	-	-	-	(187,521)	-	(187,521)
Total Governmental Activities	17,111,204	1,955,866	1,384,326	136,416	(13,634,596)	-	(13,634,596)
Business-Type Activities							
Water	5,152,768	5,278,044	22,000	820,600	-	967,876	967,876
Sewer	2,920,119	3,284,693	-	309,562	-	674,136	674,136
Total Business-Type Activities	8,072,887	8,562,737	22,000	1,130,162	-	1,642,012	1,642,012
Total	$ 25,184,091	$ 10,518,603	$ 1,406,326	$ 1,266,578	(13,634,596)	1,642,012	(11,992,584)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Property Taxes Levied for:			
General Purposes	425,591	-	425,591
Fire	1,650,956	-	1,650,956
Police and Fire Pension	111,026	-	111,026
Income Taxes Levied for:			
General Purposes	6,509,542	-	6,509,542
Street Department	722,921	-	722,921
Fire	605,256	-	605,256
Street Improvements	1,445,840	-	1,445,840
Grants and Entitlements not Restricted to Specific Programs	623,153	-	623,153
Hotel Lodging Tax	267,341	-	267,341
Leases	25,410	-	25,410
Insurance Recoveries	39,296	-	39,296
Investment Earnings	954,501	1,037	955,538
Miscellaneous	928,879	148,450	1,077,329
Total General Revenues	14,309,712	149,487	14,459,199
Change in Net Position	675,116	1,791,499	2,466,615
Net Position Beginning of Year - Restated, See Note 2X.	28,192,533	29,401,893	57,594,426
Net Position End of Year	$ 28,867,649	$ 31,193,392	$ 60,061,041

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Balance Sheet
Governmental Funds
December 31, 2023

	General Fund	Fire Fund	Street Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	$ 3,138,752	$ 154,001	$ 2,167,463	$ 4,366,022	$ 9,826,238
Cash and Investment in Segregated Accounts	117,736	-	-	199,339	317,075
Accounts Receivable	5,000	-	-	22,695	27,695
Intergovernmental Receivable	170,951	32,481	1,358	468,651	673,441
Property Taxes Receivable	444,582	1,729,874	-	115,252	2,289,708
Income Taxes Receivable	870,113	212,869	478,781	239,393	1,801,156
Loans Receivable	-	-	-	8,312	8,312
Leases Receivable	392,999	-	-	-	392,999
Prepaid Items	19,942	-	-	2,630	22,572
Materials and Supplies Inventory	-	-	-	61,326	61,326
Total Assets	$ 5,160,075	$ 2,129,225	$ 2,647,602	$ 5,483,620	$ 15,420,522
Liabilities					
Accounts Payable	$ 60,218	$ 5,796	$ 5,151	$ 29,764	$ 100,929
Accrued Wages	169,391	109,017	-	44,629	323,037
Contracts Payable	-	-	70,491	18,929	89,420
Intergovernmental Payable	100,397	68,368	-	24,398	193,163
Matured Compensated Absences Payable	50,851	48,430	-	-	99,281
Unearned Revenue	-	-	-	451,465	451,465
Total Liabilities	380,857	231,611	75,642	569,185	1,257,295
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	403,617	1,578,065	-	91,772	2,073,454
Leases	383,266	-	-	-	383,266
Unavailable Revenue	511,712	282,849	208,595	491,205	1,494,361
Total Deferred Inflows of Resources	1,298,595	1,860,914	208,595	582,977	3,951,081
Fund Balances					
Nonspendable	99,077	-	-	63,956	163,033
Restricted	-	36,700	2,363,365	3,862,410	6,262,475
Committed	-	-	-	411,034	411,034
Assigned	3,158,796	-	-	-	3,158,796
Unassigned	222,750	-	-	(5,942)	216,808
Total Fund Balance	3,480,623	36,700	2,363,365	4,331,458	10,212,146
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 5,160,075	$ 2,129,225	$ 2,647,602	$ 5,483,620	$ 15,420,522

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2023

Total Governmental Fund Balances		$ 10,212,146
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		38,435,273
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	$ 203,460	
Income Tax	761,980	
Intergovernmental	512,327	
Other	16,594	1,494,361
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		219,916
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	6,508,097	
Deferred Outflows - OPEB	1,139,336	
Net Pension Liability	(17,857,287)	
Net OPEB Liability	(973,813)	
Deferred Inflows - Pension	(811,176)	
Deferred Inflows - OPEB	(946,411)	(12,941,254)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,615,000)	
Installment Loans	(850,704)	
USDA Loan	(2,635,662)	
Unamortized Bond Premium	(142,527)	
Accrued Pension Liability	(285,608)	
Lease Purchase	(818,353)	
Accrued Vacation Leave Payable	(243,010)	
Compensated Absences	(961,929)	(8,552,793)
Net Position of Governmental Activities		$ 28,867,649

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Fire Fund	Street Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Local Taxes	$ 418,550	$ 1,621,640	$ -	$ 109,188	$ 2,149,378
Income Taxes	6,452,625	579,836	1,387,448	693,725	9,113,634
Other Local Taxes	-	-	-	267,341	267,341
Charges for Services	245,658	180,000	-	354,962	780,620
Licenses and Permits	91,984	-	-	7,174	99,158
Fines and Forfeitures	349,633	-	-	712,263	1,061,896
Intergovernmental	631,989	67,810	266,532	1,621,957	2,588,288
Leases	25,410	-	-	-	25,410
Interest	947,159	-	-	24,898	972,057
Rent	14,192	-	-	-	14,192
Contributions and Donations	27,086	4,158	-	-	31,244
Other	233,434	26,641	641,491	38,251	939,817
Total Revenues	9,437,720	2,480,085	2,295,471	3,829,759	18,043,035
Expenditures					
Current:					
General Government	3,781,681	-	-	551,244	4,332,925
Security of Persons and Property	3,167,859	2,716,169	-	311,728	6,195,756
Public Health	13,390	-	-	911,619	925,009
Leisure Time Services	969,103	-	-	106,057	1,075,160
Community Development	212,424	-	-	463,141	675,565
Transportation	79,490	-	1,445,910	1,243,252	2,768,652
Capital Outlay	665,869	7,392	70,491	1,096,859	1,840,611
Debt Service:					
Principal Retirement	108,691	9,800	-	379,537	498,028
Interest and Fiscal Charges	80,862	-	-	116,840	197,702
Total Expenditures	9,079,369	2,733,361	1,516,401	5,180,277	18,509,408
Excess of Revenues Over (Under) Expenditures	358,351	(253,276)	779,070	(1,350,518)	(466,373)
Other Financing Sources (Uses)					
Proceeds of Loans	473,062	-	-	-	473,062
Inception of Lease Purchase	-	-	-	550,510	550,510
Insurance Recoveries	28,826	-	-	10,470	39,296
Transfers In	-	-	-	266,357	266,357
Transfers Out	(266,357)	-	-	-	(266,357)
Total Other Financing Sources (Uses)	235,531	-	-	827,337	1,062,868
Net Change in Fund Balances	593,882	(253,276)	779,070	(523,181)	596,495
Fund Balances Beginning of Year	2,886,741	289,976	1,584,295	4,854,639	9,615,651
Fund Balances End of Year	$ 3,480,623	$ 36,700	$ 2,363,365	$ 4,331,458	$ 10,212,146

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, 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, 2023

Net Change in Fund Balances - Total Governmental Funds		$ 596,495
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activites, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	$ 3,610,608	
Current Year Depreciation	(1,692,281)	1,918,327
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.		(12,088)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	38,195	
Income Tax	169,926	
Intergovernmental	(500,536)	
Other	(10,939)	(303,354)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	150,000	
Installment Loans	77,903	
USDA Loan	76,876	
Accrued Pension Liability	19,006	
Lease Purchase	174,243	498,028
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Installment Loans	(473,062)	
Lease Purchase	(550,510)	(1,023,572)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Amortization of Premium on Bonds	10,181	10,181
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,143,167	
OPEB	15,316	1,158,483
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(2,379,226)	
OPEB	145,160	(2,234,066)
The internal service fund used by management to charge the costs of insurance to invididual funds is not reported in the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		6,341
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences	77,198	
Accrued Vacation Leave Payable	(16,857)	60,341
Change in Net Position of Governmental Activities		$ 675,116

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 351,000	$ 351,000	$ 418,550	$ 67,550
Income Taxes	5,575,000	5,575,000	6,496,475	921,475
Charges for Services	-	22,305	22,305	-
Licenses and Permits	126,000	126,000	123,081	(2,919)
Fines and Forfeitures	315,250	315,250	333,323	18,073
Intergovernmental	430,900	459,743	636,479	176,736
Interest	50,000	50,000	555,638	505,638
Rent	15,000	15,000	14,192	(808)
Other	10,100	215,498	216,465	967
Total Revenues	6,873,250	7,129,796	8,816,508	1,686,712
Expenditures				
Current:				
General Government	3,733,191	4,031,496	3,661,323	370,173
Security of Persons and Property	3,408,982	3,409,043	3,185,312	223,731
Public Health	10,000	20,000	13,390	6,610
Leisure Time Services	846,503	850,161	715,831	134,330
Community Development	256,788	256,788	214,343	42,445
Capital Outlay	644,280	644,280	304,600	339,680
Debt Service:				
Principal Retirement	220,000	177,223	108,691	68,532
Interest and Fiscal Charges	-	80,862	80,862	-
Total Expenditures	9,119,744	9,469,853	8,284,352	1,185,501
Excess of Receipts Over (Under) Disbursements	(2,246,494)	(2,340,057)	532,156	2,872,213
Other Financing Sources (Uses)				
Proceeds of Loans	-	-	119,600	119,600
Insurance Recoveries	-	27,680	27,680	-
Transfers Out	(325,000)	(400,116)	(368,347)	31,769
Total Other Financing Sources (Uses)	(325,000)	(372,436)	(221,067)	151,369
Net Change in Fund Balance	(2,571,494)	(2,712,493)	311,089	3,023,582
Fund Balance Beginning of Year	2,495,383	2,495,383	2,495,383	-
Prior Year Encumbrances Appropriated	209,616	209,616	209,616	-
Fund Balance End of Year	$ 133,505	$ (7,494)	$ 3,016,088	$ 3,023,582

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Fire Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 1,550,000	$ 1,550,000	$ 1,621,640	$ 71,640
Income Taxes	500,000	500,000	569,867	69,867
Charges for Services	180,000	180,000	180,000	-
Intergovernmental	65,000	67,880	67,810	(70)
Contributions and Donations	-	4,158	4,158	-
Miscellaneous	70,000	94,254	26,641	(67,613)
Total Revenues	2,365,000	2,396,292	2,470,116	73,824
Expenditures				
Current:				
Security of Persons and Property	2,634,703	2,665,997	2,594,856	71,141
Capital Outlay	10,000	10,000	7,432	2,568
Debt Service:				
Principal Retirement	9,800	9,800	9,800	-
Total Expenditures	2,654,503	2,685,797	2,612,088	73,709
Excess of Receipts Over (Under) Disbursements	(289,503)	(289,505)	(141,972)	147,533
Net Change in Fund Balance	(289,503)	(289,505)	(141,972)	147,533
Fund Balance Beginning of Year	277,173	277,173	277,173	-
Prior Year Encumbrances Appropriated	15,803	15,803	15,803	-
Fund Balance End of Year	$ 3,473	$ 3,471	$ 151,004	$ 147,533

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Street Improvement Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Income Taxes	$ 1,000,000	$ 1,000,000	$ 1,367,679	$ 367,679
Intergovernmental	-	265,174	265,174	-
Miscellaneous	-	575,138	641,491	66,353
Total Revenues	1,000,000	1,840,312	2,274,344	434,032
Expenditures				
Current:				
Transportation	2,198,646	3,038,959	1,881,674	1,157,285
Debt Service:				
Principal Retirement	7,100	7,100	-	7,100
Total Expenditures	2,205,746	3,046,059	1,881,674	1,164,385
Excess of Receipts Over (Under) Disbursements	(1,205,746)	(1,205,747)	392,670	1,598,417
Net Change in Fund Balance	(1,205,746)	(1,205,747)	392,670	1,598,417
Fund Balance Beginning of Year	1,315,693	1,315,693	1,315,693	-
Prior Year Encumbrances Appropriated	28,846	28,846	28,846	-
Fund Balance End of Year	$ 138,793	$ 138,792	$ 1,737,209	$ 1,598,417

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

	Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	$ 8,552,146	$ 4,954,261	$ 13,506,407	$ -
Cash and Investments in Segregated Accounts	-	-	-	288,816
Accounts Receivable	407,764	433,508	841,272	-
Prepaid Items	18,672	8,416	27,088	-
Materials and Supplies Inventory	54,531	14,385	68,916	-
Total Current Assets	9,033,113	5,410,570	14,443,683	288,816
Non-Current Assets:				
Restricted Assets:				
Equity in Pooled Cash and Investments	218,182	-	218,182	-
Non-Depreciable Capital Assets	3,453,806	785,853	4,239,659	-
Depreciable Capital Assets, Net	9,370,833	10,160,734	19,531,567	-
Total Non-Current Assets	13,042,821	10,946,587	23,989,408	-
Total Assets	22,075,934	16,357,157	38,433,091	288,816
Deferred Outflows of Resources				
Pension	866,793	594,069	1,460,862	-
OPEB	128,102	90,225	218,327	-
Total Deferred Outflows of Resources	994,895	684,294	1,679,189	-
Liabilities				
Current Liabilities:				
Accounts Payable	83,405	23,687	107,092	-
Accrued Wages	44,962	30,781	75,743	-
Contracts Payable	10,601	3,663	14,264	-
Intergovernmental Payable	25,002	17,195	42,197	-
Accrued Vacation Leave Payable	51,658	48,058	99,716	-
Claims Payable	-	-	-	13,275
Customer Deposits Payable	218,182	-	218,182	-
Compensated Absences Payable	8,465	7,822	16,287	-
Lease Purchase Payable	49,844	-	49,844	-
Loans Payable	13,667	13,667	27,334	-
OWDA Loans Payable	121,232	164,138	285,370	-
Total Current Liabilities	627,018	309,011	936,029	13,275
Long-Term Liabilities:				
Compensated Absences Payable - Net of Current Portion	90,963	123,676	214,639	-
Lease Purchase Payable - Net of Current Portion	104,583	-	104,583	-
OWDA Loans Payable - Net of Current Portion	3,803,934	343,513	4,147,447	-
Net Pension Liability	2,034,305	1,424,013	3,458,318	-
Net OPEB Liability	41,982	29,388	71,370	-
Total Long-Term Liabilities	6,075,767	1,920,590	7,996,357	-
Total Liabilities	6,702,785	2,229,601	8,932,386	13,275
Deferred Inflows of Resources				
Pension	-	18,457	18,457	-
OPEB	13,846	9,824	23,670	-
Total Deferred Inflows of Resources	13,846	28,281	42,127	-
Net Position				
Net Investment in Capital Assets	8,720,328	10,421,606	19,141,934	-
Unrestricted	7,633,870	4,361,963	11,995,833	275,541
Total Net Position	$ 16,354,198	$ 14,783,569	31,137,767	$ 275,541

Some amounts reported for business-type activities in the statement of net position are difference because internal service fund assets and liabilities are included with business-type activities.	
Net Position of business-type activities	55,625
	$ 31,193,392

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Enterprise			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Operating Revenues				
Charges for Services	$ 5,278,044	$ 3,284,693	$ 8,562,737	$ 453,400
Other	103,397	45,053	148,450	2,058
Total Operating Revenues	5,381,441	3,329,746	8,711,187	455,458
Operating Expenses				
Personal Services	1,685,473	1,182,779	2,868,252	-
Contractual Services	1,607,915	562,192	2,170,107	17,117
Materials and Supplies	1,293,577	758,956	2,052,533	-
Claims	-	-	-	439,658
Depreciation	455,293	397,008	852,301	-
Other	1,702	-	1,702	-
Total Operating Expenses	5,043,960	2,900,935	7,944,895	456,775
Operating Income (Loss)	337,481	428,811	766,292	(1,317)
Non-Operating Revenues (Expenses)				
Intergovernmental	22,000	-	22,000	-
Interest	-	1,037	1,037	7,342
Interest and Fiscal Charges	(108,603)	(19,073)	(127,676)	-
Total Non-Operating Revenues (Expenses)	(86,603)	(18,036)	(104,639)	7,342
Income (Loss) Before Capital Contributions	250,878	410,775	661,653	6,025
Capital Contributions	820,600	309,562	1,130,162	-
Change in Net Position	1,071,478	720,337	1,791,815	6,025
Net Position Beginning of Year - Restated, See Note 2X.	15,282,720	14,063,232		269,516
Net Position End of Year	$ 16,354,198	$ 14,783,569		$ 275,541
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:			(316)	
Changes in Net Position of Business-Type Activities			$ 1,791,499	

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Cash Flows from Operating Activities				
Cash Received from Customers	$ 5,252,061	$ 3,212,906	$ 8,464,967	$ 453,400
Cash Received from Other Operating Receipts	104,214	45,053	149,267	2,058
Cash Payments to Suppliers for Goods and Services	(1,268,174)	(769,260)	(2,037,434)	-
Cash Payments to Employees for Services and Benefits	(1,603,201)	(1,122,240)	(2,725,441)	-
Cash Payments for Contractual Services	(1,550,030)	(544,451)	(2,094,481)	(17,117)
Cash Payments for Claims	-	-	-	(434,122)
Net Cash Provided by Operating Activities	934,870	822,008	1,756,878	4,219
Cash Flows from Capital and Related Financing Activities				
Intergovernmental Revenue	22,000	-	22,000	-
Capital Grants	469,683	325,752	795,435	-
Proceeds of OWDA Loans	657,824	-	657,824	-
Acquisition of Capital Assets	(476,277)	(702,187)	(1,178,464)	-
Principal Payments on Debt	(354,397)	(172,259)	(526,656)	-
Interest Payments on Debt	(108,603)	(19,073)	(127,676)	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	210,230	(567,767)	(357,537)	-
Cash Flows from Investing Activities				
Interest	-	1,037	1,037	7,342
Net Increase (Decrease) in Cash and Investments	1,145,100	255,278	1,400,378	11,561
Cash and Investments Beginning of Year	7,625,228	4,698,983	12,324,211	277,255
Cash and Investments End of Year	$ 8,770,328	$ 4,954,261	$ 13,724,589	$ 288,816
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	$ 337,481	$ 428,811	$ 766,292	$ (1,317)
Adjustments:				
Depreciation	455,293	397,008	852,301	-
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	(25,166)	(71,787)	(96,953)	-
Prepaid Items	(4,119)	(701)	(4,820)	-
Materials and Supplies Inventory	1,851	(2,754)	(903)	-
Net OPEB Asset	203,283	152,462	355,745	-
Deferred Outflows - Pension/OPEB	(647,803)	(412,918)	(1,060,721)	-
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	62,043	10,892	72,935	-
Accrued Wages	(1,688)	1,391	(297)	-
Intergovernmental Payable	7,560	4,806	12,366	-
Claims Payable	-	-	-	5,536
Customer Deposits Payable	25,215	-	25,215	-
Accrued Vacation Leave Payable	896	(7,717)	(6,821)	-
Compensated Absences Payable	(39,577)	41,666	2,089	-
Deferred Inflows - Pension/OPEB	(937,152)	(737,901)	(1,675,053)	-
Net Pension Liability	1,454,771	989,362	2,444,133	-
Net OPEB Liability	41,982	29,388	71,370	-
Net Cash Provided by (Used For) Operating Activities	$ 934,870	$ 822,008	$ 1,756,878	$ 4,219

Noncash Capital Financing Activities:
The City purchased $3,663 and $189,845 of capital assets on account in the sewer fund in 2023 and 2022, respectively.
The City purchased $10,601 of capital assets on account in the water fund in 2023.
The City entered into lease purchase agreements in the amount of $213,286 in the water fund in 2023.
The City received capital contributions for principal forgiveness from OWDA in the water fund in the amount of $350,917 during 2023.

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Private Purpose Trust	Custodial
Assets		
Cash and Investments in Segregated Accounts	$ 46,941	$ 57,645
Liabilities		
Intergovernmental Payable	-	57,645
Net Position		
Restricted for Private Purposes	46,941	-
Total Net Position	$ 46,941	$ -

See accompanying notes to the basic financial statements.

City of Cambridge
Guernsey County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Private Purpose Trust	Custodial
Additions		
Fines & Forfeitures for Other Governments	$ -	$ 1,037,032
Deductions		
Payments in Accordance with Trust Agreements	200	-
Fines & Forfeitures Distributions to Other Governments	-	1,043,511
Total Deductions	200	1,043,511
Change in Net Position	(200)	(6,479)
Net Position Beginning of Year	47,141	6,479
Net Position End of Year	$ 46,941	$ -

See accompanying notes to the basic financial statements.

NOTE 1 - REPORTING ENTITY

The City of Cambridge, Ohio (the "City") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the Constitution and laws of the State of Ohio. The City was incorporated in 1837 and is a statutory municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: police and fire protection, water, sewer, parks and recreation, planning, zoning, street maintenance and repair, and general administrative services. The operation of each of these activities is directly controlled by the Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

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

Related Organizations

Guernsey County Convention Facilities Authority – The Convention Facilities Authority (CFA) was created pursuant to state statutes for the purpose of constructing, equipping, and operating a convention facility in Guernsey County. The Authority operates under the direction of an eleven member appointed board of directors. This board consists of six members appointed by Guernsey County, three members appointed by the Mayor of Cambridge, and two members appointed by the remaining municipal corporations located within the County. The City's accountability does not extend beyond making the appointments.

Cambridge Metropolitan Housing Authority – The Cambridge Metropolitan Housing Authority is a nonprofit organization established to provide adequate public housing for low income individuals and was created pursuant to state statutes. The Authority is operated by a five member board. Two members are appointed by the Mayor of Cambridge, one member is appointed by the common pleas court judge, and one member is appointed by the Guernsey County Commissioners. The City is not financially accountable for the Authority.

South East Area Transit – The South East Area Transit (SEAT) was created pursuant to state statute in 1979. SEAT formulates general policy for the operation of the Regional Transit Authority. Other duties of SEAT include determining routes and fares, formulate operating procedures, promote and maintain community awareness, and appoint and remove the General Manager and Secretary/Treasurer. SEAT is limited to a ten member board comprised of seven individuals appointed by the Mayor of Zanesville, two people appointed by Muskingum County Commissioners, one individual appointed by the Mayor of South Zanesville, one person appointed by the Guernsey County Commissioners and one person appointed by the Mayor of Cambridge. The continued existence of the Authority is not dependent on the City's continued participation and the City has no equity interest in or financial responsibility for the Authority.

Guernsey County Airport Authority – The Guernsey County Airport Authority was created to provide for the orderly development of aviation facilities in the region. The Authority is governed by a five member board of trustees. The initial board consisted of three members appointed by the City of Cambridge and two members appointed by the Guernsey County Board of Commissioners. Subsequent appointments are made by the City in each even numbered year and the County in each odd numbered year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government 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.

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is also eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limitations. 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. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. Fund Accounting

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

Governmental Funds Governmental funds are those through which most governmental functions 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 in flow 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.
>
> ***Fire Fund*** The fire special revenue fund is used to account for the property and income taxes levied in the City for the operation of its fire department.
>
> ***Street Improvement Fund*** The Street Improvement project fund is used to account for the income tax monies used for street improvements.

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 Fund Type Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The following are the City's proprietary fund types:

> ***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 sewer and water funds are the City’s major enterprise funds.
>
>> ***Water Fund*** The water fund accounts for the provision of water service to the residents and commercial users located within the City.
>>
>> ***Sewer Fund*** The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.
>
> ***Internal Service Fund*** The internal service fund accounts for the financing of service provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City’s internal service fund reports on a self-insurance program for employee dental benefits.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. The four types of trust funds are used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. The City has four private purpose trust funds which are used to account for the money set aside to be donated to charities as authorized in the will of the individuals. The City has two custodial fund which are used to account for monies held for individuals and organizations for fines and forfeitures.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using 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 the City are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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

Like the government-wide statements, all proprietary and fiduciary fund types are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary fund activities. Private purpose trust funds are reported using the economic resources measurement focus. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the 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 the fiscal year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 5.) Revenue from grants, entitlements, and donations is recognized in the fiscal 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 theresources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources 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 OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, leases, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Deferred inflows of resources for leases relate to future periods and are not recognized as revenue until the period in which they relate. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 9 and 10)

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 are not recognized in governmental funds.

E. Pooled Cash and Investments

To improve cash management, all cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "equity in pooled cash and investments." Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposit and repurchase agreements, which are reported at cost.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2023 amounted to a $947,159, which includes $780,348 assigned from other City funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are reported as investments.

During 2023, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The County measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of $100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to $250 million, 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.

The City has segregated bank accounts for monies held separate from the City’s central bank account. These interest bearing depository accounts are presented as “cash and investments in segregated accounts” since they are not required to be deposited into the City’s treasury. See Note 4, “Deposits and Investments.”

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

G. Materials and Supplies Inventory

Materials and supplies inventory is stated at cost (first-in, first-out) in the governmental funds, and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the governmental activities and proprietary funds when used.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the assets. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Customer deposits have been restricted in the enterprise funds because the deposit remains the property of the customer. The restricted asset account is balanced by a customer deposit payable liability account.

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the 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 values as of the date received. The City maintains a capitalization threshold of $5,000 for all capital assets except $25,000 for governmental infrastructure. 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. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	15 - 20 Years	N/A
Buildings	5 - 50 Years	15 - 25 Years
Improvements Other Than Buildings	15 - 25 Years	25 - 65 Years
Machinery and Equipment	3 - 25 Years	5 - 25 Years
Furniture and Fixtures	10 - 15 Years	5 - 15 Years
Vehicles	5 - 20 Years	5 - 10 Years
Water/Sewer Lines	N/A	65 Years
Infrastructure	25 - 75 Years	N/A

J. Interfund Balances

On fund financial statements, long-term interfund loans are reported as "advances to/from other funds." Repayment is expected to be made within a reasonable time. These amounts are eliminated in the governmental columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as "internal balances."

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and the employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. All employees with the City are deemed vested.

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

In governmental funds, the liability for unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. 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 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.

M. Pensions/Other Postemployment Benefits (OPEB)

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

N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. 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, 2023, none of the City's net position was 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 are available.

O. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, unclaimed monies, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the City. City Council has by resolution authorized the City Auditor to assign fund balance. City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance 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) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sewer services. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Q. 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 non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the current year.

S. Estimates

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

T. Budgetary Data

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate.

The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level within each department in the general fund and at the object level for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

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

The appropriations 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.

U. Contributions of Capital

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

V. 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.

W. Implementation of New Accounting Principles

For the year ended December 31, 2023, the City has implemented GASB Statement No. 93, paragraphs 13 and 14, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Available Payment Arrangements,* GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and certain provisions of GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 93, paragraphs 13 and 14, provide an exception to the lease modifications guidance in GASB Statement No. 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The implementation of GASB Statement No. 93 paragraphs 13 and 14, did not have an effect on the financial statements of the City.

GASB Statement No. 94 improves financial reporting by establishing the definitions of public-private and public-public partnership arrangements and availability payment arrangements as well as provides uniform guidance on accounting and financial reporting for transactions that meet the definitions. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 improves financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement also enhances the relevance and reliability of the financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and discloses essential information about the arrangement. The note disclosures also allow the users to understand the scale and important aspects of the SBITA activities and evaluate the obligations and assets resulting from the SBITAs. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the City.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of certain provisions of GASB Statement No. 99 that relate to extension of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, and pledges of future revenues by pledging governments, did not have an effect on the financial statements of the City.

X. Restatement of Net Position

The City reviewed its capital assets during 2023 and identified corrections to the prior year balances. This had the following effect on net position as reported December 31, 2022.

	Governmental Activities	Business-Type Activities
Net Position, December 31, 2022	$27,962,820	$ 29,501,866
Capital Assets	229,713	(99,973)
Restated Net Position, December 31, 2022	$28,192,533	$ 29,401,893

	Water Fund	Sewer Fund
Net Position, December 31, 2022	$15,292,536	$ 14,153,389
Capital Assets	(9,816)	(90,157)
Restated Net Position, December 31, 2022	$15,282,720	$ 14,063,232

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

The Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and the major special revenue funds 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 the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

3. Encumbrances are treated as expenditure/expenses (budget) rather than as an assigned fund balance (GAAP).

4. Some funds are included in the general fund, (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general and fire funds.

Net Change in Fund Balance

	General	Fire	Street Improvement
GAAP Basis	$ 593,882	$ (253,276)	$ 779,070
Net Adjustment for Revenue Accruals	(202,547)	(9,969)	(21,127)
Net Adjustment for Expenditure Accruals	42,008	124,269	64,982
Funds Budgeted Elsewhere **	(74,880)	-	-
Adjustment for Encumbrances	(47,374)	(2,996)	(430,255)
Budget Basis	$ 311,089	$ (141,972)	$ 392,670

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes municipal airport fund, tree fund, park user fee reserve fund and municipal trust fund.

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 treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Protection of the 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 deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guarantee as to principal or 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 agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bond and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

6. The State Treasurer's Investment Pool (STAR Ohio).

7. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred and eighty days and two hundred and seventy days, respectively, from the purchase date in any amount not to exceed 40 percent of the interim monies available for investment at any one time; and

8. Under limited circumstances, corporate debt interests noted in either of the two highest rating 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 and the use of leverage and short selling is 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 **-** At year-end, $4,996,442 of the City's bank balance of $5,496,442 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the City's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Custodial Credit Risk 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.

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.

Investments

As of December 31, 2023, the City had the following investments and maturities:

S&P Global Ratings	Investment Type	Measurement Value	Investment Maturities 12 Months or Less	12 to 36 Months	More Than 36 Months	Percent of Total
	Net Asset Value (NAV):					
AAAm	STAR Ohio	$ 4,550,221	$ 4,550,221	$ -	$ -	23.65%
AAAm	First American Government Obligation	24,057	24,057	-	-	0.13%
	Fair Value:					
Aaa	US Treasury Note	4,055,454	613,874	1,522,490	1,919,090	21.08%
Aaa	Federal Farm Credit Banks	2,540,505	860,892	691,885	987,728	13.20%
Aaa	Federal Home Loan Banks	3,879,686	245,795	2,084,617	1,549,274	20.16%
Aaa	Federal National Mortgage Association	902,086	294,994	607,092	-	4.69%
Aaa	Federal Home Loan Mortgage Corporation	187,128	-	187,128	-	0.97%
Aaa	Private Expt Funding Corporation	197,764	-	-	197,764	1.03%
Aaa	Tennessee Valley Authority Power	248,885	-	-	248,885	1.29%
N/A	Negotiable Certificates of Deposit	2,655,089	2,169,791	-	485,298	13.80%
	Total Investments	$19,240,875	$ 8,759,624	$ 5,093,212	$ 5,388,039	100.00%

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, 2023. The City's investments measured at fair value are 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 (Level 2 inputs).

Interest Rate Risk The City has no investment policy to address interest rate risk in place at this time.

Credit Risk 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, 2023, is 46 days.

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2023 for real and public utility property taxes represents collections of the 2022 taxes.

2023 real property taxes were levied after October 1, 2023 on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

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 statue 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. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2023, was $13.70 per $1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2023 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	$ 187,060,090
Public Utilities	16,884,930
Total Assessed Value	$ 203,945,020

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, 2023, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2023 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.

B. Income Taxes

The City levies a tax of 2.0 percent on all salaries, wages, commissions and other compensation, and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality to a maximum of the total amount assessed.

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

NOTE 6 - RECEIVABLES

Receivables at December 31, 2023 consisted of taxes, accounts, loans, leases and intergovernmental receivables arising from shared revenues.

The other governmental funds reflect loans receivable of $8,312. These loans receivable are for financing the rehabilitation of homes to low and moderate income families and loans to local businesses for community development. The fund balance representing revolving loans receivable is restricted because it is not appropriable for expenditures, or is legally segregated for specific use.

NOTE 7 - INTERFUND TRANSFERS

Following is a summary of transfers in and out for all funds for 2023:

Fund	Transfers In	Transfers Out
General Fund	$ -	$ 266,357
Non-Major Governmental Funds:		
COPS Grant	12,670	-
SVAA Grant	3,349	-
SENT Grant	10,093	-
Cemetery	240,245	-
Total All Funds	$ 266,357	$ 266,357

The transfers from the General Fund to the various other funds were to provide additional resources for current operations.

NOTE 8 - CAPITAL ASSETS

A summary of changes in capital assets during 2023 follows:

	Restated Balance 12/31/2022	Additions		Deletions	Balance 12/31/2023
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	$ 2,408,156	$ -		$ -	$ 2,408,156
Construction in Progress	9,351,107	1,475,502		(337,742)	10,488,867
Total Capital Assets Not Being Depreciated	11,759,263	1,475,502		(337,742)	12,897,023
Capital Assets, Being Depreciated:					
Land Improvements	121,584	-		-	121,584
Buildings	9,948,178	380,304		-	10,328,482
Improvements Other Than Buildings	3,158,623	716,118		(53,724)	3,821,017
Machinery and Equipment	3,020,672	824,399		(73,423)	3,771,648
Furniture and Fixtures	37,414	-		-	37,414
Vehicles	3,524,191	214,285		(79,560)	3,658,916
Infrastructure	31,457,954	337,742		-	31,795,696
Total Capital Assets, Being Depreciated	51,268,616	2,472,848		(206,707)	53,534,757
Less Accumulated Depreciation:					
Land Improvements	(109,336)	(2,451)		-	(111,787)
Buildings	(3,575,132)	(280,189)		-	(3,855,321)
Improvements Other Than Buildings	(1,901,060)	(76,446)		41,636	(1,935,870)
Machinery and Equipment	(2,243,678)	(233,591)		73,423	(2,403,846)
Furniture and Fixtures	(32,414)	(2,000)		-	(34,414)
Vehicles	(2,440,954)	(194,977)		79,560	(2,556,371)
Infrastructure	(16,196,271)	(902,627)		-	(17,098,898)
Total Accumulated Depreciation	(26,498,845)	(1,692,281)	*	194,619	(27,996,507)
Total Capital Assets Being Depreciated, Net	24,769,771	780,567		(12,088)	25,538,250
Total Governmental Activities Capital Assets, Net	$ 36,529,034	$ 2,256,069		$ (349,830)	$ 38,435,273

*Depreciation expense was charged to governmental functions as follows:

General Government	$ 162,805
Leisure Time Services	155,241
Security of Persons and Property	302,781
Transportation	1,015,283
Public Health	56,171
Total	$ 1,692,281

	Restated Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 359,692	$ -	$ -	$ 359,692
Construction in progress	2,849,559	1,030,408	-	3,879,967
Total Capital Assets Not Being Depreciated	3,209,251	1,030,408	-	4,239,659
Capital Assets, Being Depreciated:				
Buildings	10,874,155	72,135	-	10,946,290
Improvements Other Than Buildings	9,782,557	89,502	-	9,872,059
Machinery and Equipment	2,782,988	237,841	(24,113)	2,996,716
Furniture and Fixtures	145,949	-	-	145,949
Vehicles	601,366	109,150	(13,646)	696,870
Water Lines	10,918,257	28,050	-	10,946,307
Sewer Lines	8,990,694	-	-	8,990,694
Total Capital Assets, Being Depreciated	44,095,966	536,678	(37,759)	44,594,885
Less Accumulated Depreciation:				
Buildings	(10,023,835)	(212,752)	-	(10,236,587)
Improvements Other Than Buildings	(5,191,863)	(166,919)	-	(5,358,782)
Machinery and Equipment	(1,896,966)	(109,281)	24,113	(1,982,134)
Furniture and Fixtures	(145,949)	-	-	(145,949)
Vehicles	(443,527)	(28,971)	13,646	(458,852)
Water Lines	(2,906,659)	(197,598)	-	(3,104,257)
Sewer Lines	(3,639,977)	(136,780)	-	(3,776,757)
Total Accumulated Depreciation	(24,248,776)	(852,301)	37,759	(25,063,318)
Total Capital Assets Being Depreciated, Net	19,847,190	(315,623)	-	19,531,567
Total Business-Type Activities Capital Assets, Net	$ 23,056,441	$ 714,785	$ -	$ 23,771,226

NOTE 9 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability

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

The net pension/OPEB liability represents 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 calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City's obligation for the 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. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

The remainder of this note includes the pension disclosures. See Note 10 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment.

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

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

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2023 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was $748,045 for 2023. Of this amount, $144,164 is reported as an intergovernmental payable.

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

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

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

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

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

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

	Police	Firefighters
2023 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2023 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
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 $649,457 for 2023. Of this amount, $89,060 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighter in 1967. As of December 31, 2023, the specific liability of the City was $285,608 payable in semi-annual payments through the year 2035.

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

The net pension liability for OPERS was measured as of December 31, 2022, 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, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. 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:

	OPERS	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.034433%	0.1173181%	
Prior Measurement Period	0.033305%	0.1137989%	
Change in Proportion	0.001128%	0.0035192%	
Proportionate Share of the Net Pension Liability	$ 10,171,523	$ 11,144,082	$ 21,315,605
Pension Expense	$ 1,600,165	$ 1,333,515	$ 2,933,680

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual Earnings on Pension Plan Investments	$ 2,899,202	$ 1,622,444	$ 4,521,646
Differences between Expected and Actual Experience	337,855	167,153	505,008
Changes of Assumptions	107,455	1,005,160	1,112,615
Changes in Proportionate Share and Differences in Contributions	203,958	228,230	432,188
City Contributions Subsequent to the Measurement Date	748,045	649,457	1,397,502
Total Deferred Outflows of Resources	$ 4,296,515	$ 3,672,444	$ 7,968,959
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$ -	$ 253,894	$ 253,894
Changes of Assumptions	-	217,307	217,307
Changes in Proportionate Share and Differences in Contributions	18,457	339,975	358,432
Total Deferred Inflows of Resources	$ 18,457	$ 811,176	$ 829,633

$1,397,502 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2024	$ 540,634	$ 166,846	$ 707,480
2025	715,771	476,014	1,191,785
2026	853,375	598,860	1,452,235
2027	1,420,233	959,681	2,379,914
2028	-	10,410	10,410
Total	$ 3,530,013	$ 2,211,811	$ 5,741,824

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 (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, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.00 percent, simple
Post-January 7, 2013 Retirees	3.00 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.90 percent
Actuarial Cost Method	Individual Entry Age

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

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

During 2022, 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 a loss of 12.10 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability for the current year was 6.9 percent. The discount rate for the prior year was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	$ 15,236,603	$ 10,171,523	$ 5,958,286

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Cost of Living Adjustments	2.20 percent simple per year

For 2022, the mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted to 96.20 percent for males and 98.70 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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, 2022, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.
* levered 2.5x

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	$ 14,701,195	$ 11,144,082	$ 8,187,054

NOTE 10 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

See Note 9 for a description of the net OPEB liability.

Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care. Medicare-enrolled retirees may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members. 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.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City had no contractually required contribution for 2023.

Ohio Police & Fire Pension Fund (OP&F)

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

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

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare

Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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 2023, 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 $15,316 for 2023. Of this amount, $2,135 is reported as an intergovernmental payable.

Net OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.033292%	0.1173181%	
Prior Measurement Period	0.032451%	0.1137989%	
Change in Proportion	0.000841%	0.0035192%	
Proportionate Share of the Net OPEB Liability	$ 209,912	$ 835,271	$ 1,045,183
OPEB Expense	$ (442,524)	$ 132,719	$ (309,805)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	$ 416,891	$ 71,642	$ 488,533
Differences between Expected and Actual Experience	-	49,845	49,845
Changes of Assumptions	205,026	416,251	621,277
Changes in Proportionate Share and Differences in Contributions	9,791	172,901	182,692
City Contributions Subsequent to the Measurement Date	-	15,316	15,316
Total Deferred Outflows of Resources	$ 631,708	$ 725,955	$ 1,357,663
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$ 52,360	$ 164,700	$ 217,060
Changes of Assumptions	16,871	683,186	700,057
Changes in Proportionate Share and Differences in Contributions	132	52,832	52,964
Total Deferred Inflows of Resources	$ 69,363	$ 900,718	$ 970,081

$15,316 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction/addition of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2024	$ 78,284	$ 53,595	$ 131,879
2025	152,666	53,050	205,716
2026	130,001	(40,325)	89,676
2027	201,394	(24,743)	176,651
2028	-	(72,628)	(72,628)
Thereafter	-	(159,028)	(159,028)
Total	$ 562,345	$ (190,079)	$ 372,266

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	December 31, 2022	December 31, 2021
Wage Inflation	2.75 percent	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	4.05 percent	1.84 percent
Health Care Cost Trend Rate	5.50 percent, initial 3.50 percent, ultimate in 2036	5.50 percent, initial 3.50 percent, ultimate in 2034
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

During 2022, 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 eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other Investments	6.00	1.84
Total	100.00%	

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability (Asset)	$ 714,446	$ 209,912	$ (206,410)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability or asset. The following table presents the net 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.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	$ 196,756	$ 209,912	$ 224,721

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2022, with Actuarial Liabilities Rolled Forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 Percent
Projected Salary Increases	3.75 Percent to 10.50 Percent
Payroll Growth	3.25 Percent
Blended Discount Rate:	
Current Measurement Date	4.27 Percent
Prior Measurement Date	2.84 Percent
Cost of Living Adjustments	2.20 Percent Simple per Year
Projected Depletion Year of OPEB Assets	2036

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

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

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2021.

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.
* levered 2.5x

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 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 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, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

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 4.27 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 (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	$ 1,028,558	$ 835,271	$ 672,087

NOTE 11 - COMPENSATED ABSENCES

All full-time City employees earn sick leave at the rate of 4.6 hours for each completed eighty (80) hours in active pay status, with the exception of the fire department employees. All fire department employees working 24 hour crew shifts accumulate 14 hours of sick leave per pay period. Upon retirement from the City, employees with five (5) years of service or more with the City receive a lump sum settlement for unused sick leave at the rate of one-half (1/2) of all unused sick leave or a maximum of 60 days or 480 hours. In addition, any union employees who retires or is laid-off after ten (10) years of service, is eligible to receive 10 percent of all sick time in excess of 960 hours. The payment is based upon a maximum of sixty (60) days at the employee’s hourly rate of compensation at the time of retirement.

City employees earn vacation at various rates depending on length of service. The City requires each employee to work one full year prior to permitting the use of vacation leave. Consequently, all employees’ vacation leave earned is carried forward to the succeeding calendar year and only lost if not used by the end of that calendar year, except for police officers. Police officers can carryover vacation balance up to three years. Upon separation, an employee is paid for unused vacation earned in the year prior to their retirement plus any current year vacation earned through their retirement date.

NOTE 12 – ENCUMBRANCE COMMITMENTS

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

Fund	Amount
General	$ 28,737
Fire Fund	1,971
Street Improvement Fund	358,921
Nonmajor Governmental	52,889
	$ 442,518

NOTE 13 - LEASES

The City has entered into a Lease Agreement for the rental of McFarland stadium and athletic facilities. This agreement will terminate January 31, 2039 unless a new agreement is reached. The City is reporting a lease receivable of $392,999 in the governmental funds at December 31, 2023. This amount represents the discounted future monthly lease payments. This discount is being amortized using the straight-line method. For 2023, the City reported lease revenue of $25,410 and interest revenue of $16,057 in the general fund.

A summary of future payments to be received is as follows:

Year	Principal	Interest	Total
2024	$ 19,519	$ 15,481	$ 35,000
2025	20,314	14,686	35,000
2026	21,142	13,858	35,000
2027	22,003	12,997	35,000
2028	22,900	12,100	35,000
2029-2033	129,276	45,724	175,000
2034-2038	157,846	17,155	175,000
	$ 392,999	$ 132,001	$ 525,000

NOTE 14 - LONG-TERM OBLIGATIONS

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities:			
General Obligation Bonds:			
Courthouse Facilities Improvement Refunding Bonds-2017			
Serial Bonds	2.00%-3.00%	$ 1,220,000	12/1/2027
Term Bonds	3.00-4.00%	1,995,000	12/1/2037
Direct Borrowings:			
USDA Loan	2.75%	3,000,000	9/1/2047
Installment Loans:			
Hondros Building Installment Loan	0.00%	80,000	4/25/2024
Peoples Bank	2.20%	323,309	6/2/2025
Peoples Bank	2.45%	1,000,000	9/16/2027
Lease Purchase:			
Street Sweeper	5.52%	550,510	8/1/2028
Mcfarland Stadium Lighting	3.59%	641,230	7/8/2029
Two Police Cruisers	8.50%	102,636	8/1/2025
Business-Type Activities:			
Direct Borrowings:			
Ohio Water Development Authority Loans:			
Water Line Replacement - 2011	3.77%	1,187,512	7/1/2041
Brown Heights Waterline Replacement	2.58%	1,003,500	7/1/2038
Trihalomethane Removal System	2.90%	1,650,320	7/1/2028
Waste Water Treatment Plant Improvements - 2015	3.04%	1,527,847	1/1/2027
Steubenville Avenue Waterline Replacement	1.83%	1,599,792	1/1/2052
Installment Loan:			
Hondros Building	0.00%	160,000	4/25/2024
Lease Purchase:			
Case Track Loader	5.99%	86,993	3/24/2025
Backhoe	5.75%	126,293	10/20/2027

Changes in long-term obligations of the City during the year ended December 31, 2023 consisted of the following:

	Principal Balance 12/31/2022	Additions	Reductions	Principal Balance 12/31/2023	Due in One Year
Governmental Activities					
General Obligation Bonds:					
2017 Courthouse Facilities Improvement Refunding Bonds					
Serial and Term Bonds	$ 2,765,000	$ -	$ (150,000)	$ 2,615,000	$ 150,000
Unamortized Premium	152,708	-	(10,181)	142,527	-
Total General Obligation Bonds	2,917,708	-	(160,181)	2,757,527	150,000
Direct Borrowings					
Hondros Building Installment Loan	26,667	-	(14,000)	12,667	12,667
USDA Loan	2,712,538	-	(76,876)	2,635,662	78,988
Installment Loans	428,878	473,062	(63,903)	838,037	186,934
Lease Purchases	442,086	550,510	(174,243)	818,353	153,265
Total Direct Borrowings	3,610,169	1,023,572	(329,022)	4,304,719	431,854
Other Long-Term Obligations:					
Compensated Absences	1,039,126	54,176	(131,373)	961,929	104,517
Accrued Police and Fire Pension Liability	304,614	-	(19,006)	285,608	19,823
Net Pension/OPEB Liabilities	10,240,316	8,864,305	(273,521)	18,831,100	-
Total Other Long-Term Obligations	11,584,056	8,918,481	(423,900)	20,078,637	124,340
Total Governmental Activities Long-Term Debt and Other Long-Term Obligations	$ 18,111,933	$ 9,942,053	$ (913,103)	$ 27,140,883	$ 706,194

	Principal Balance 12/31/2022	Additions	Reductions	Principal Balance 12/31/2023	Due in One Year
Business-Type Activities					
Direct Borrowings					
OWDA Loans:					
Water Line Replacement	$ 879,177	$ -	$ (33,604)	$ 845,573	$ 34,883
WWTP Improvements	666,910	-	(159,259)	507,651	164,138
Steubenville Avenue Waterline Replacement	1,539,417	-	(40,660)	1,498,757	41,407
Brown Heights Waterline Replacement	823,016	-	(43,805)	779,211	44,942
Trihalomethane Removal System	308,270 `	657,824	(164,469)	801,625	-
Lead Service Line Replacement	-	350,917	(350,917)	-	-
Total OWDA Loans	4,216,790	1,008,741	(792,714)	4,432,817	285,370
Hondros Building Installment Loan	53,334	-	(26,000)	27,334	27,334
Lease Purchases	-	213,286	(58,859)	154,427	49,844
Total Direct Borrowings	4,270,124	1,222,027	(877,573)	4,614,578	362,548
Other Long-Term Obligations:					
Compensated Absences	228,837	2,089	-	230,926	16,287
Net Pension/OPEB Liabilities	1,014,185	2,515,503	-	3,529,688	-
Total Other Long-Term Obligations	1,243,022	2,517,592	-	3,760,614	16,287
Total Business-Type Activities Long-Term Debt and Other Long-Term Obligations	$ 5,513,146	$ 3,739,619	$ (877,573)	$ 8,375,192	$ 378,835

2017 Courthouse Facilities Improvement Refunding Bonds

On December 18, 2017, the City issued $3,215,000 in general obligation bonds, which included serial and term bonds in the amount of $1,220,000 and $1,995,000, respectively. The bonds advance refunded $3,210,000 of outstanding 2009 Courthouse Facilities Improvement Bonds. The bonds were issued for a twenty year period final maturity at December 1, 2037.

At the date of refunding, $3,418,611 (including premium and after underwriting fees and other issuance costs) was received to pay off old debt. As a result, $3,210,000 of the 2009 Series Bonds are considered to be defeased. The liability of the bonds was removed from the financial statements at the time of the refunding. The advance refunding reduced cash flows required for debt service by $424,543 over the next twenty years and resulted in an economic gain of $272,449. The $3,210,000 of the defeased bonds were called on June 1, 2019.

The refunding bonds were issued with a premium of $203,611. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of $120,405. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of $353,113. The issuance resulted in an economic gain of $272,449.

General Obligation bonds are backed by the full faith and credit of the City.

2014 Installment Loan

On May 26, 2020, the City entered into an installment loan for $323,309 with Peoples Bank for a business loan. A $50,000 principal and interest payment was due on May 26, 2021 and 2022 with the entire principal being paid on May 26, 2023. The loan is backed by certificates of deposit. In the event of a default, as defined by the signed agreement, the lender may take all funds in the account and apply them to the indebtedness.

USDA Loan

In 2017 the City entered into an United States Department of Agriculture Loan the purpose of purchasing and remodeling a building to house the administrative offices. The City can borrow up to $3,000,000, as of December 31, 2020 the City had drawn down the $3,000,000. The first principal payment was paid on September 1, 2019 in the amount of $68,968. The amortization schedule presented is based on the City borrowing the entire $3,000,000.

2019 Installment Loan

In 2019, the City entered into a land installment contract for the purpose of purchasing a tract of land and building. The loan is to be paid in five annual installments. In the event of default, the entire unpaid balance shall be subject to a 5 percent interest rate until paid in full. The loan is backed by the land and building.

2022 Installment Loan

On September 16, 2022, the City entered into an installment loan for $1,000,000 with Peoples Bank for a capital improvements to the City's buildings, facilities and parks. The loan is to be paid in five annual installments. In the event of a default, as defined by the signed agreement, the lender may take all funds in the account and apply them to the indebtedness. As of December 31, 2023 $663,176 has been drawn on this loan.

Lease Purchases

In 2019 the City entered into a lease purchase agreement for lighting at the Cambridge High School McFarland and Don Cross ballfields. In the event of default, the lessee has the right to declare all rental payments and other amounts payable by the lessee due or to the premises where the equipment is located and take possession of the equipment. The lessor has the right to sell or lease the equipment for the account of the lessee and hold the lessee liable for the difference.

In 2022 the City entered into a lease purchase agreement for two police cruisers. In the event of default, the lessee has the right to declare all rental payments and other amounts payable by the lessee due or take possession of the equipment. The lessor has the right to sell or lease the equipment for the account of the lessee and hold the lessee liable for the difference.

In 2023 the City entered into a lease purchase agreement for a street sweeper. In the event of default, the lessee has the right to declare all rental payments and other amounts payable by the lessee due or take possession of the equipment.

The police cruisers will be paid from the general fund, the street sweeper will be paid from the street fund and the McFarland stadium lighting will be paid from the public lands capital improvement fund.

OWDA Loans

The City entered into an OWDA in 2012 for a waterline replacement in the amount of $1,184,375.

In 2017, the City entered into an OWDA loan for wastewater treatment plant improvements in the amount of $1,492,956.

The City entered into an OWDA loan in 2018 for a water line replacement at Brown Heights in the amount of $1,003,500.

The City entered into an OWDA loan in 2018 for a trihalomethane removal system in the amount of $1,650,320. As of December 31, 2023, the full amount had been drawn down by the City. There is no amortization schedule available for this loan.

The City entered into an OWDA loan in 2020 for the Steubenville Avenue waterline replacement in the amount of $1,575,188. This loan matures on January 1, 2052.

The City entered into an OWDA loan in 2022 for the lead service line replacement in the amount of $1,000,000. As of December 31, 2023, $350,917 had been drawn down by the City. This debt was forgiven in 2023, releasing them from the debt obligation.

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 City to pay any fines or penalties incurred with interest.

Lease Purchases

In 2023 the City entered into a lease purchase agreement for a backhoe. In the event of default, the lessee has the right to declare all rental payments and other amounts payable by the lessee due or take possession of the equipment. Payments will be made from the water fund.

In 2023 the City entered into a lease purchase agreement for a Track Loader. In the event of default, the lessee has the right to declare all rental payments and other amounts payable by the lessee due or take possession of the equipment. Payments will be made from the water fund.

The City has pledged future water revenue and sewer revenue, net of specified operating expenses to repay $4,432,817 of Ohio Water Development Authority (OWDA) loans. 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 39.87 percent. The total principal and interest remaining to be paid on the loans are $4,565,836. Principal and interest paid for the current year and total net revenues were $654,332 and $1,641,180 respectively.

General obligation bonds will be paid from tax revenues in the debt service fund. The installment loan is being paid by the code violation special revenue fund. The USDA loan will be paid from the general fund. Governmental compensated absences will be paid from fund from which the employees' salaries are paid, which is primarily the general, street, fire and cemetery fund.

The Ohio Water Development Authority (OWDA) loans will be paid from charges for services from the water and sewer funds. Business-type compensated absences will be paid from general operating revenues of the water and sewer funds.

There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and water and sewer funds. For additional information related to the net pension liability and net OPEB liability see Notes 9 and 10.

The City's liability for past service costs related to the Police and Firemen's Pension Fund at December 31, 2023 was $363,725 in principal and interest payments through the year 2035. Only the principal amount of $285,608 is included in the Governmental Activities as a long-term liability. Payments are made from property tax receipted into the police and fire pension special revenue funds.

The annual requirements to retire governmental activities debt are as follows:

	Accrued Pension Liability		General Obligation Bonds		Lease Purchases		Hondros Building
Years	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2024	$ 19,823	$ 11,930	$ 150,000	$ 92,800	$ 153,265	$ 40,691	$ 12,667
2025	20,674	11,079	150,000	88,300	161,544	32,412	-
2026	21,562	10,191	160,000	83,800	141,428	23,649	-
2027	22,488	9,264	160,000	79,800	148,253	18,824	-
2028	23,454	8,298	170,000	75,800	155,419	9,658	-
2029-2033	133,277	25,488	940,000	274,600	58,444	2,133	-
2034-2038	44,330	1,867	885,000	90,200	-	-	-
Totals	$ 285,608	$ 78,117	$ 2,615,000	$ 785,300	$ 818,353	$ 127,367	$ 12,667

	USDA Loan		Installment Loans		Total	
Years	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 78,988	$ 72,679	$ 186,934	$ 28,808	$ 601,677	$ 246,908
2025	81,159	70,309	191,426	24,317	604,803	226,417
2026	83,391	68,077	105,591	19,785	511,972	205,502
2027	85,685	65,783	354,086	17,163	770,512	190,834
2028	88,041	63,601	-	-	436,914	157,357
2029-2033	477,880	279,605	-	-	1,609,601	581,826
2034-2038	547,304	210,151	-	-	1,476,634	302,218
2039-2043	626,813	130,608	-	-	626,813	130,608
2044-2047	566,401	39,511	-	-	566,401	39,511
Totals	$ 2,635,662	$ 1,000,324	$ 838,037	$ 90,073	$ 7,205,327	$ 2,081,181

The annual requirements to retire business-type activities debt are as follows:

	Lease Purchase		OWDA Loans		Hondros Building	Total	
Years	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2024	$ 49,844	$ 9,015	$ 285,370	$ 92,801	$ 27,334	$ 362,548	$ 101,816
2025	52,776	6,083	293,653	84,517	-	346,429	90,600
2026	25,180	2,979	302,187	75,985	-	327,367	78,964
2027	26,627	1,531	131,287	68,552	-	157,914	70,083
2028	-	-	134,836	65,004	-	134,836	65,004
2029-2033	-	-	731,175	268,022	-	731,175	268,022
2034-2038	-	-	804,602	156,057	-	804,602	156,057
2039-2043	-	-	439,378	66,942	-	439,378	66,942
2044-2048	-	-	309,203	34,027	-	309,203	34,027
2049-2051			199,501	22,737	-	199,501	22,737
Totals	$ 154,427	$ 19,608	$ 3,631,192	$ 934,644	$ 27,334	$ 3,812,953	$ 954,252

The Trihalomethane Removal System has not been finalized and no amortization schedule is available, therefore it has been excluded from the above maturity schedules.

NOTE 15 - INSURANCE AND RISK MANAGEMENT

Self-Insurance

The City maintains a self-funded dental and vision insurance program and for the deductible portion of their health insurance plan with claims processed by administrators on behalf of the City. A separate Self-Insurance Fund (an internal service fund) was created in 1989 to account for and finance the insurance program.

All funds of the City from which employee salaries are paid participate in the dental and vision insurance program and the deductible portion of the health insurance plan and make payments to the Self-Insurance Fund. The claims liability of $13,275 reported in the Self-Insurance Fund at December 31, 2023 is based on the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,* which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the City's claims liability amount in during 2022 and 2023 were as follows:

Year	Beginning of Year Liability	Claims Expense	Claims Payments	Balance of Liability at Year End
2023	$ 7,739	$ 439,658	$ 434,122	$ 13,275
2022	$ 6,688	$ 350,523	$ 349,472	$ 7,739

Claims did not exceed coverage in the past three years. There has not been a significant reduction in coverage from the prior year.

Risk Pool Membership

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

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

The City is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the City's policy. The Pool covers general liability and casualty, public official's liability, cyber, law enforcement liability, automobile liability, vehicles, property and equipment breakdown.

The City reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2022 (latest information available):

	2022
Cash and Investments	$ 42,310,794
Actuarial Liabilities	(15,724,479)
Net Position	$ 26,586,315

Workers Compensation

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

NOTE 16 - CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued Revenue Bonds to provide financial assistance to the City's hospital facilities and retirement housing. The monies are used primarily for upgrades to these facilities. The City has no obligation for the repayment of this debt. The bonds are not bond indebtedness of the City and are therefore not reported on the City's balance sheet. At December 31, 2023, there was one series of revenue bonds outstanding for the cancer center with a principal amount payable of $6,356,000.

NOTE 17 - CONTINGENCIES

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

The City received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2023.

NOTE 18 - FUND BALANCE

Fund balance can be 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 governmental funds.

The constraints placed on fund balance for the major governmental funds and all other funds are presented as follows:

	General	Fire Fund	Street Improvement Fund	Other Governmental Funds	Total
Nonspendable for:					
Inventory	$ -	$ -	$ -	$ 61,326	$ 61,326
Prepaids	19,942	-	-	2,630	22,572
Unclaimed Monies	79,135	-	-	-	79,135
Total Nonspendable	99,077	-	-	63,956	163,033
Restricted for:					
Motor Vehicle & Gasoline Tax	-	-	-	42,258	42,258
Street Fund	-	-	-	819,795	819,795
Special Projects	-	-	-	424,096	424,096
Municipal Court	-	-	-	76,903	76,903
FEMA	-	-	-	4,418	4,418
Fire	-	36,700	-	-	36,700
Northwood Cemetery	-	-	-	1,068,241	1,068,241
Other Purposes	-	-	-	1,426,699	1,426,699
Street Improvement	-	-	2,363,365	-	2,363,365
Total Restricted	-	36,700	2,363,365	3,862,410	6,262,475
Committed for:					
Park Side Tasty Treat	-	-	-	8,839	8,839
Code Violation	-	-	-	16,937	16,937
Fire Capital Equipment	-	-	-	13,990	13,990
Public Land Capital Improvement	-	-	-	370,803	370,803
Capital Improvement	-	-	-	465	465
Total Committed	-	-	-	411,034	411,034
Assigned for:					
General Government	14,942	-	-	-	14,942
Public Safety - Coroner	12,164	-	-	-	12,164
Human Services - Veterans	50	-	-	-	50
Community Environment	412	-	-	-	412
Subsequent Year Appropriations	2,765,889	-	-	-	2,765,889
Other Purposes	365,339	-	-	-	365,339
Total Assigned	3,158,796	-	-	-	3,158,796
Unassigned	222,750	-	-	(5,942)	216,808
Total Fund Balance	$ 3,480,623	$ 36,700	$ 2,363,365	$ 4,331,458	$ 10,212,146

At December 31, 2023 the cemetery fund had a deficit fund balance of $741, the court remote technology grant fund had a deficit fund balance of $3,271 and the Clark Avenue project fund had a deficit fund balance of $1,930. These deficits resulted from adjustments for accrued liabilities.

The general fund is liable for any deficit in this fund and provides transfers when cash is required, rather than when accruals occur.

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City of Cambridge
Guernsey County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Years

	2023	2022	2021	2020
Ohio Public Employees' Retirement System (OPERS)				
City's Proportion of the Net Pension Liability	0.034433%	0.033305%	0.031437%	0.034067%
City's Proportionate Share of the Net Pension Liability	$ 10,171,523	$ 2,897,670	$ 4,655,135	$ 6,733,574
City's Covered Payroll	$ 5,337,564	$ 4,833,557	$ 4,428,043	$ 4,792,950
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.56%	59.95%	105.13%	140.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%
Ohio Police and Fire Pension Fund (OPF)				
City's Proportion of the Net Pension Liability	0.117318%	0.113799%	0.113713%	0.122852%
City's Proportionate Share of the Net Pension Liability	$ 11,144,082	$ 7,109,497	$ 7,751,924	$ 8,275,947
City's Covered Payroll	$ 2,820,226	$ 3,115,349	$ 2,802,173	$ 2,905,204
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	395.15%	228.21%	276.64%	284.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.033161%	0.032138%	0.033032%	0.034506%	0.034485%	0.034485%
$ 9,082,126	$ 5,041,871	$ 7,500,959	$ 5,976,874	$ 4,159,276	$ 4,065,332
$ 4,495,871	$ 4,230,400	$ 4,268,567	$ 4,294,375	$ 4,227,858	$ 3,235,331
202.01%	119.18%	175.73%	139.18%	98.38%	125.65%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
0.125742%	0.121527%	0.114352%	0.125081%	0.124645%	0.124645%
$ 10,263,870	$ 7,458,666	$ 7,242,936	$ 8,046,549	$ 6,457,105	$ 6,070,578
$ 2,835,467	$ 2,654,488	$ 2,455,940	$ 2,598,758	$ 2,469,624	$ 2,374,669
361.98%	280.98%	294.92%	309.63%	261.46%	255.64%
63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

See accompanying notes to the required supplementary information.

City of Cambridge
Guernsey County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - Pension
Last Ten Years

	2023	2022	2021	2020
Ohio Public Employees' Retirement System (OPERS)				
Contractually Required Contribution	$ 748,045	$ 747,259	$ 676,698	$ 619,926
Contributions in Relation to the Contractually Required Contribution	(748,045)	(747,259)	(676,698)	(619,926)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 5,343,179	$ 5,337,564	$ 4,833,557	$ 4,428,043
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Ohio Police and Fire Pension Fund (OPF)				
Contractually Required Contribution	$ 649,457	$ 597,433	$ 660,322	$ 592,973
Contributions in Relation to the Contractually Required Contribution	(649,457)	(597,433)	(660,322)	(592,973)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 3,063,112	$ 2,820,226	$ 3,115,349	$ 2,802,173
Contributions as a Percentage of Covered Payroll	21.20%	21.18%	21.20%	21.16%

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
$ 671,013	$ 629,422	$ 549,952	$ 512,228	$ 515,325	$ 507,343
(671,013)	(629,422)	(549,952)	(512,228)	(515,325)	(507,343)
$ -	$ -	$ -	$ -	$ -	$ -
$ 4,792,950	$ 4,495,871	$ 4,230,400	$ 4,268,567	$ 4,294,375	$ 4,227,858
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$ 612,954	$ 599,028	$ 561,873	$ 520,431	$ 549,101	$ 521,629
(612,954)	(599,028)	(561,873)	(520,431)	(549,101)	(521,629)
$ -	$ -	$ -	$ -	$ -	$ -
$ 2,905,204	$ 2,835,467	$ 2,654,488	$ 2,455,940	$ 2,598,758	$ 2,469,624
21.10%	21.13%	21.17%	21.19%	21.13%	21.12%

See accompanying notes to the required supplementary information.

City of Cambridge
Guernsey County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Last Seven Years (1)

	2023	2022	2021	2020
Ohio Public Employees' Retirement System (OPERS)				
City's Proportion of the Net OPEB Liability (Asset)	0.033292%	0.032451%	0.030876%	0.033407%
City's Proportionate Share of the Net OPEB Liability (Asset)	$ 209,912	$ (1,016,415)	$ (550,081)	$ 4,614,375
City's Covered Payroll	$ 5,337,564	$ 4,833,557	$ 4,428,043	$ 4,792,950
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	3.93%	-21.03%	-12.42%	96.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%
Ohio Police and Fire Pension Fund (OPF)				
City's Proportion of the Net OPEB Liability	0.117318%	0.113799%	0.113713%	0.122852%
City's Proportionate Share of the Net OPEB Liability	$ 835,271	$ 1,247,334	$ 1,204,809	$ 1,213,495
City's Covered Payroll	$ 2,820,226	$ 3,115,349	$ 2,802,173	$ 2,905,204
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	29.62%	40.04%	43.00%	41.77%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.86%	45.42%	47.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

2019		2018		2017	
	0.032550%		0.031951%		0.032929%
$	4,243,752	$	3,469,599	$	3,325,941
$	4,495,871	$	4,230,400	$	4,268,567
	94.39%		82.02%		77.92%
	46.33%		54.14%		54.04%
	0.125742%		0.121527%		0.114352%
$	1,145,074	$	6,885,556	$	5,428,032
$	2,835,467	$	2,654,488	$	2,455,940
	40.38%		259.39%		221.02%
	46.57%		14.13%		15.96%

See accompanying notes to the required supplementary information.

City of Cambridge
Guernsey County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - OPEB
Last Ten Years

	2023	2022	2021	2020
Ohio Public Employees' Retirement System (OPERS)				
Contractually Required Contribution	$ -	$ -	$ -	$ -
Contributions in Relation to the Contractually Required Contribution	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
City's Covered Payroll (1)	$ 5,343,179	$ 5,337,564	$ 4,833,557	$ 4,428,043
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
Ohio Police and Fire Pension Fund (OPF)				
Contractually Required Contribution	$ 15,316	$ 14,101	$ 15,577	$ 14,011
Contributions in Relation to the Contractually Required Contribution	(15,316)	(14,101)	(15,577)	(14,011)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 3,063,112	$ 2,820,226	$ 3,115,349	$ 2,802,173
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

(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.
(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

See accompanying notes to the required supplementary information.

2019		2018		2017		2016		2015		2014	
$	-	$	-	$	42,304	$	85,371		n/a		n/a
	-		-		(42,304)		(85,371)		n/a		n/a
$	-	$	-	$	-	$	-		n/a		n/a
$	4,792,950	$	4,495,871	$	4,230,400	$	4,268,567		n/a		n/a
	0.00%		0.00%		1.00%		2.00%		n/a		n/a
$	14,526	$	14,177	$	13,272	$	12,280	$	12,994	$	43,010
	(14,526)		(14,177)		(13,272)		(12,280)		(12,994)		(43,010)
$	-	$	-	$	-	$	-	$	-	$	-
$	2,905,204	$	2,835,467	$	2,654,488	$	2,455,940	$	2,598,758	$	2,469,624
	0.50%		0.50%		0.50%		0.50%		0.50%		1.70%

See accompanying notes to the required supplementary information.

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

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

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

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

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

Changes in Benefit Terms – OPERS

There were no significant changes in benefit terms.

Changes in Assumptions – OP&F

For 2022, the single discount rate changed from 8.00 percent to 7.50 percent.

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

Changes in Benefit Terms – OP&F

There were no significant changes in benefit terms.

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Assumption	2023	2022	2021	2020	2019	2018
Wage Inflation	2.75%	2.75%	3.25%	3.25%	3.25%	3.25%
Discount Rate	5.22%	6.00%	6.00%	3.16%	3.96%	3.85%
Municipal Bond Rate	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Health Care Cost Trend Rate	5.50%	5.50%	8.50%	10.50%	10.00%	7.50%

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Changes in Benefit Terms – OPERS

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

Changes in Assumptions – OP&F

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Assumption	2023	2022	2021	2020	2019	2018
Blended Discount Rate	4.27%	2.84%	2.96%	3.56%	4.66%	3.24%
Municipal Bond Rate	3.65%	2.05%	2.12%	2.75%	4.13%	3.16%

Changes in Benefit Terms – OP&F

Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

CITY OF CAMBRIDGE
GUERNSEY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/ *Pass Through Grantor/* Program Grant Title	Pass Through Entity Number	Assistance Listing Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development			
Passed through Ohio Development Service Agency			
Community Development Block Grant - Community Housing Impact and Preservation	A-C-21-2AS-1	14.228	$ 155,317
Home Investment Partnership Program	A-C-21-2AS-2	14.339	235,266
Total Department of Housing and Urban Development			**390,583**
U.S. Department of Justice			
Passed through Ohio Attorney General's Office:			
Crime Victim Assistance	2024-VOCA-135504527	16.575	9,293
Direct Assistance:			
Public Safety Partnership and Community Policing Grants	2020UMWX0317	16.710	58,492
Total Department of Justice			**67,785**
U.S Department of Transportation			
Passed through Ohio Department of Transportation			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	101667	20.205	15,944
Highway Planning and Construction	106433	20.205	168,075
Highway Planning and Construction	115951	20.205	12,527
Total Department of Transportation			**196,546**
U.S. Department of the Treasury			
Passed through Ohio Office of Budget and Management			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	ARPA-LFRF NEU-2021	21.027	492,501
Passed through Ohio Department of Development			
COVID-19 House Bill 168 - ARPA Design Grant	DEV-2021 - 181875	21.027	217,104
Total Department of the Treasury			**709,605**
U.S. Department of Health and Human Services			
Passed through Mental Health & Recovery Services Board, Muskingum County:			
State Opioid Response Grant (SOR)	2200416	93.788	159,829
Total Department of Health and Human Services			**159,829**
Total Federal Awards Expenditures			**$ 1,524,348**

The accompanying notes are an integral part of this schedule.

CITY OF CAMBRIDGE
GUERNSEY COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Cambridge, Guernsey County (the City) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - MATCHING REQUIREMENTS

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

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

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

City of Cambridge
Guernsey County
814 Wheeling Avenue
Cambridge, Ohio 43725

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cambridge, Guernsey County, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 19, 2024, wherein we noted the 2022 financial statements have been restated to correct a misstatement.

Report on Internal Control Over Financial Reporting

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

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

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

10 West Locust Street | Newark, Ohio 43055 | Phone: 740-345-6611 | Fax: 740-345-5635 | wssinc.cpa

Report on Compliance and Other Matters

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

Purpose of This Report

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 19, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

City of Cambridge
Guernsey County
814 Wheeling Avenue
Cambridge, Ohio 43725

To the City Council:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Cambridge's (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. The City's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Cambridge 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, 2023.

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 Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 19, 2024

CITY OF CAMBRIDGE
GUERNSEY COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515

DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	COVID-19 Coronavirus State and Local Fiscal Recovery Funds/ALN 21.027
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

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OHIO AUDITOR OF STATE
KEITH FABER

CITY OF CAMBRIDGE

GUERNSEY 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 7/18/2024

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