

# City of Canal Fulton, Ohio

## Annual Comprehensive Financial Report



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**For the Year Ended December 31, 2023**

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

Members of Council  
City of Canal Fulton  
155 East Market Street  
Canal Fulton, Ohio 44614

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

August 22, 2024

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# Introductory Section

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**CITY OF CANAL FULTON, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**For the Year Ended December 31, 2023**

Prepared by The Department of Finance

William Rouse  
Director of Finance

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**City of Canal Fulton, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2023*  
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# City of Canal Fulton

155 East Market Street, Suite A  
Canal Fulton, Ohio 44614  
(330) 854-6761 Fax (330) 854-6260

June 27, 2024

To the Citizens, Mayor, and Members of Council  
of the City of Canal Fulton, Ohio:

I am pleased to present our 2023 Annual Comprehensive Financial Report for the City of Canal Fulton for your review. This report, for the year ended December 31, 2023, has been prepared using generally accepted accounting principles for governments, and contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Canal Fulton (the City). This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting. Ohio law requires that every general purpose local government prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have an annual audit. This report is published to fulfill that requirement for the year ended December 31, 2023.

Responsibility for both the accuracy of the data and completeness and fairness of the entire presentation rests with the management of the City, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the City to be subjected to an annual audit by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. Clark, Schaefer, Hackett was selected to perform these services and has issued unmodified (“clean”) opinions on the City’s financial statements for the year ended December 31, 2023. The Independent Auditors’ Report on the basic financial statements is included in the financial section of this report.

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

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*“A Friendly Community Since 1814”*

## **Profile of the Government**

### *History of Canal Fulton*

The Village of Milan, named after Milan, Italy, was the first settlement west of the Tuscarawas River in Stark County. The Village, located on the present site of Canal Fulton, was platted and recorded in Canton, Ohio on March 23, 1814. Several years after this, plans for the construction of a canal connecting Lake Erie to the Ohio River were prepared. The canal route lay through Stark County and, as a result, its construction produced twenty-five new villages in the County from 1826-1836. The first of these villages founded was Fulton. It was located on the east side of the Tuscarawas River opposite Milan. In 1832, the name “Canal” was prefixed to Fulton as it conveyed a more dynamic quality. Several years later, the Village was incorporated and, in 1853, Canal Fulton, West Fulton and Milan merged to form one community.

The Ohio and Erie Canal was completed in 1832. The canal ran from Cleveland on Lake Erie to Portsmouth on the Ohio River. It was the first important commercial avenue in the State. The census of 1840 reported that Stark County, as a direct result of the canal, was being transformed into one of the nation’s greatest trade centers. Canal Fulton’s commercial activity primarily served the canal traffic and the exporters of farm produce. The Canal Era began to come to an end in 1869 with the arrival of the railroad. Canal Fulton had grown rapidly with its two main commercial ventures: canal work and coal mining, but when these ceased, the population and commercial activity declined.

Today, Canal Fulton serves the surrounding rural area as an education, retail, and transportation center. Several industries are located in the City, but most of the residents commute to work outside the community. In the 1990’s, communities along the Ohio-Erie Canalway began working together to reconstruct the old canal towpath into a multi-use trail. Now with most of this trail completed, Canal Fulton has become a destination for cyclists, hikers, equestrian, and bird watchers throughout the region. Tourism has also become a factor in Canal Fulton’s commercial activity. Canal Fulton’s historic district, which is listed in the National Register of Historical Places, has over eighty sites including buildings and homes. Canal Fulton is also home to the St. Helena III, one of only four canal boats operating in Ohio. Visitors can cruise an original section of the canal where they see Lock IV, a canal lock that retains much of its original appearance.

### *Profile of the City*

The City of Canal Fulton, encompassing an area of approximately 3.3 square miles, is located in the northwest portion of Stark County, Ohio. The City has a population of 5,325 as reported in 2020 by the Bureau of Census. Canal Fulton is a “home-rule” city as defined by the State of Ohio Revised Code and operates pursuant to its Charter under a Mayor, City Council, and City Manager form of government. The representative branch of the City’s government consists of the Mayor and six City Council members who are elected at large to staggered four-year terms. The Mayor presides over all meetings of City Council and appoints the City Manager, upon confirmation of City Council, who serves as the Chief Administrative Officer of the City. The Mayor also appoints the Director of Law, the Director of Finance, the Police Chief, the Fire Chief, and members to a number of boards and commissions, upon confirmation of City Council. The Mayor does not have the authority to vote on ordinances or resolutions unless there is a tie among City Council members, nor does the Mayor have the power to veto legislation passed by City Council. City Council establishes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes.

The City provides a full range of municipal services to its citizens, including police and fire protection, emergency medical service, parks and recreation, street maintenance and repairs, zoning and other general government services. In addition, water, sanitary sewer, and storm sewer services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses, payments on debt and adequate infrastructure maintenance, repair, replacement and expansion. Health services are provided by the Stark County Health Department. Solid waste collection is provided by private contractors selected by customers (the City does not contract with those private contractors).

The City owns six parks offering residents a variety of activities to improve health and fitness. Various features include a small fishing pond, walking trails, children playgrounds, picnic areas, tennis courts, baseball fields, basketball courts, and enclosed fence areas for dog exercise. Several gazebos and pavilions are available for special occasions.

The City's residents are served by a diversified set of transportation options, including State Routes 21, 93, and 236, and I-77 in Canton. It is served by Amtrak for passenger rail service located in nearby Alliance, and is served by passenger and freight air services at Akron-Canton Regional Airport, located approximately 10 miles from the City. Public mass transit for the area is provided by the Stark Area Regional Transit Authority (SARTA) which offers fixed route and curbside service within and between the cities of Stark County.

Youth education is provided locally by the Northwest Local School District and Saints Philip and James, a Holy Cross Academy Catholic School. Additionally, several public and private two-year and four-year colleges and universities are within commuting distance, including the University of Mount Union, the University of Akron, Kent State University, Northeastern Ohio College of Medicine, Walsh University, Malone College, and the Stark State College of Technology. Several museums and attractions are located within a 20 minute drive from the City including the Pro Football Hall of Fame, the McKinley Presidential Library and Museum, the Akron Zoo, and the Akron Art Museum. These and other area attractions offer a variety of cultural and educational programs to the residents of Canal Fulton.

## **Economic Condition**

### *Summary of Local Economy*

While there is some commercial property within the City, Canal Fulton is generally classified as a bedroom community with most residents commuting to work outside the City. As a result, the City's local economy is dependent on conditions throughout Stark County and the surrounding areas. The economic conditions in Stark County have been steadily improving since the start of the COVID-19 pandemic in 2020. For example, the Stark County unemployment rate reached a high of 14.9 percent in April, 2020, but has now declined to 3.3 percent in December, 2023, which is now lower than any time in 2018 and 2019 before the pandemic. The local economic conditions have a significant impact on the City's income tax collections, which accounts for over 60 percent of the funding for the City's general government operations. The following table shows the City's income tax collections the last ten years by component:

## Income Tax Collections

Year of Collection	Collections from Individual Returns	Collections from Business Net Profit Returns	Collections from Payroll Withholdings	Total Collections
2014	\$866,349	\$171,789	\$1,265,245	\$2,303,383
2015	902,118	216,211	1,300,300	2,418,629
2016	842,049	168,704	1,424,034	2,434,787
2017	763,713	176,184	1,380,269	2,320,166
2018	728,448	170,562	1,434,264	2,333,274
2019	758,368	194,279	1,481,923	2,434,570
2020	589,430	335,091	1,830,459	2,754,980
2021	475,948	403,012	1,940,206	2,819,166
2022	509,095	388,758	2,219,691	3,117,544
2023	482,456	372,872	2,380,977	3,236,305

**Note:** All income tax information is presented on a cash basis.

The table above shows that the City’s total income tax collections achieved an average annual growth rate of over four percent between 2014 and 2023. Although some of the fluctuations can be attributed to the local economy, it is important to note that the State of Ohio also passed House Bill 5 in 2014, which changed the laws governing municipal income tax collections for the 2016 tax year (2017 collection year for individuals). Some of the changes include revisions to the due dates for submitting payroll withholdings, higher thresholds for requiring individuals and businesses to submit estimated tax payments, and uniform rules for processing business net profit/loss returns. The City also passed a tax reform in 2019 that raised the tax rate from 1.5 percent to 2.0 percent, while giving the citizens full credit for taxes paid to other cities, taking effect January 1, 2020. Prior to the recent tax reform, the City only gave Citizens credit for 50 percent of taxes paid to other cities. The new laws, the City’s tax reform, and the improving economy contribute to the variances shown in the table.

The City’s residential tax base consists of approximately 2,400 housing units and includes new construction as well as a collection of century homes located in the historic district. Property values inside the City increased roughly two and a half percent from 2022 to 2023 due to continued commercial and residential development and a strong housing market within the City. The U.S. Census Bureau reports that the City’s homeowner vacancy rate was 4.7 percent during the 2020 census, which was the same as the 2010 census. This is further illustrated by the City’s total population reported in the 2020 census (5,325) and the 2010 census (5,479) remaining relatively stable when compared to the 2000 census (5,061). Given the City’s status as a bedroom community, this stability has been important in ensuring consistent tax revenues and the overall health of the community.

Moving forward, several businesses within the City are currently expanding their operations and the City expects some growth in new housing construction over the next several years. This economic growth will be beneficial to the City and community, and the City is working to encourage and assist these expansions. Additionally, the City is undertaking several major transportation and infrastructure improvement projects that will also help facilitate future growth.



## *Long-Term Financial Planning*

As part of the annual budget process, the City Manager and City Council review a three-year financial forecast, which serves as a planning tool to identify and prepare for future needs and funding.

With the recent growth in income tax revenues, the City has made it a priority to set aside resources to help maintain long-term financial stability. Specifically, the City established the capital projects reserve fund and general capital projects reserve fund to be used in accumulating resources to replace vehicles and equipment in the future. The City had \$694,108 unencumbered balances available in the combined funds, on a cash basis, as of December 31, 2023. Similarly, the City had \$221,293 unencumbered balances, on a cash basis, set aside for emergencies as of December 31, 2023.

## *Relevant Financial Policies*

The following is relevant legislation that governs the City's financial operations:

- Section 182.01 of the City's administrative code specifies that 95.0 percent of income tax collections be distributed to the general fund and the remaining 5.0 percent be placed in the police fund.
- Ordinance 35-19 stipulates that 70.0 percent of water utility charges be used for water operations, 17.0 percent for water debt service, and 13.0 percent for water capital projects.
- Ordinance 36-19 stipulates that 83.0 percent of sewer utility charges be used for sewer operations, 6.5 percent for sewer debt service, and 10.5 percent for sewer capital projects.
- Ordinance 40-21 establishes employee pay rates and allocates personnel costs among the various governmental and enterprise funds.

## *Major Initiatives*

The City worked on the following initiatives in 2023:

- The City spent over \$350,000 on road improvements that included various asphalt, concrete and other road repairs throughout the City.
- The City made a significant investment in its historic downtown in 2023 replacing 74 light poles, and numerous trash cans and benches. The total cost of the project was approximately \$532,000.
- The City continued to develop the new community park in 2023 spending approximately \$257,000 to construct a road that connects the City's senior center, Muhlhauser Park, and the YMCA to the new community park.
- The City started a process of replacing generators at sanitary sewer system lift stations to better ensure proper functioning in the event of a power outage. The City replaced the Lift Station F generator in 2023 at a cost of approximately \$149,000. The City will continue to replace generators in future years until all lift stations have been upgraded.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is only valid for one year. The City of Canal Fulton has received a certificate for the past year. The City believes our current report continues to conform to Certificate of Achievement program requirements, and has submitted it to the Governmental Finance Officers Association to determine eligibility for another Certificate of Achievement.

Successful preparation of a report of this scope could not have been accomplished without the dedication of the Finance Department staff. Further appreciation is extended to the Mayor, the City Manager, City Council, the Stark County Auditor's Office, and the Local Government Services Section of Auditor of State Keith Faber's Office. In addition, we would like to thank the residents and taxpayers of the City for entrusting us with the administration of their local government.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'William Rouse', written in a cursive style.

William Rouse  
Finance Director  
City of Canal Fulton

**City of Canal Fulton  
Stark County, Ohio**

*Principal Officials  
December 31, 2023*

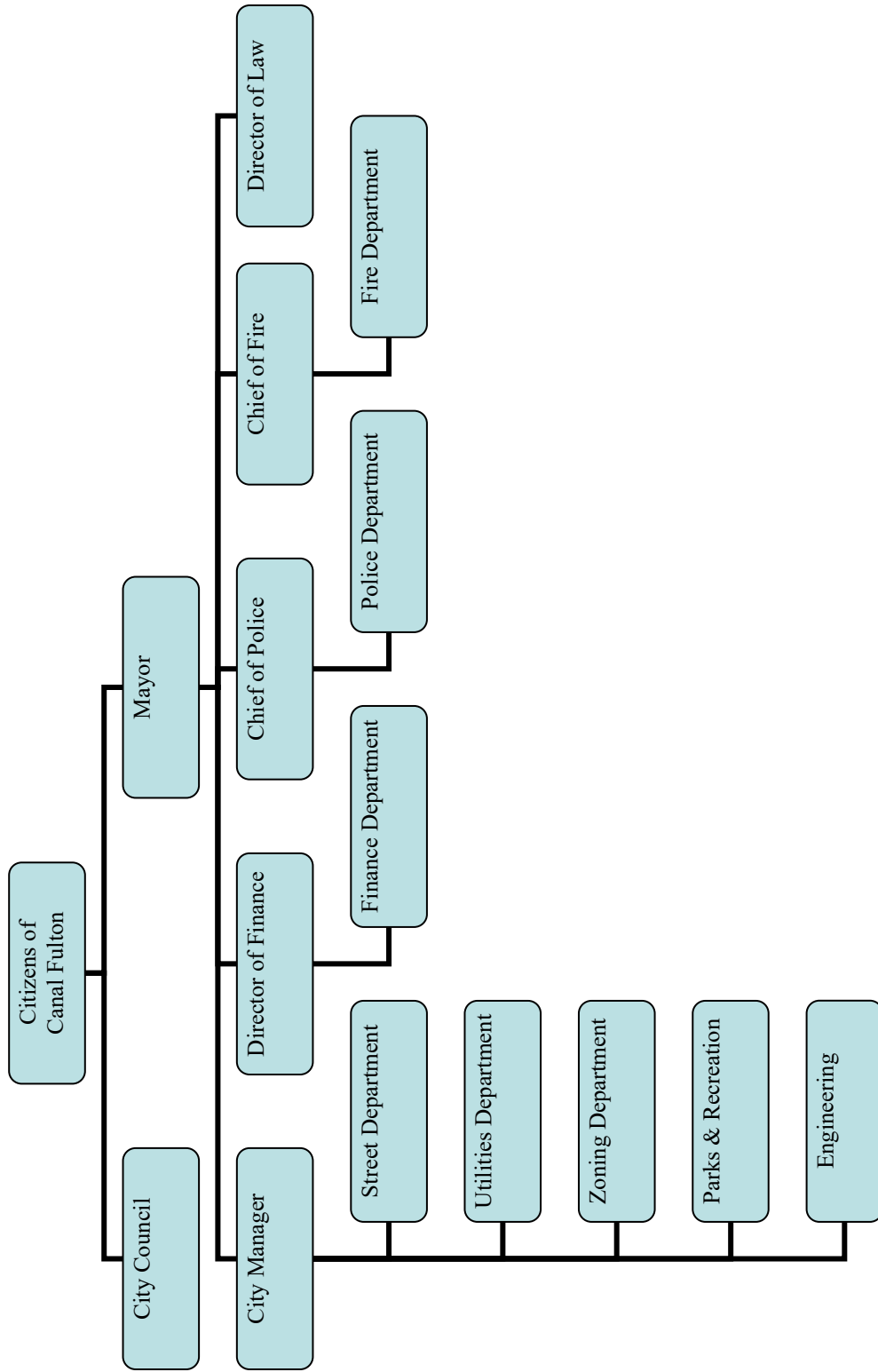
**Elected Officials**

Mayor ..... Joseph Schultz  
City Council President ..... Doug Morgan  
City Council Member ..... Mark Cozy  
City Council Member ..... Scott Svab  
City Council Member ..... Eric Whittington  
City Council Member ..... Jeanann VanDenberg  
City Council Member ..... Susan Mayberry

**Appointed Officials**

City Manager ..... Dan Bucher Jr  
Director of Finance ..... William Rouse  
Director of Law ..... Alex McCallion  
Chief of Police ..... Sara Wilson  
Chief of Fire ..... Shawn Yerian

**City of Canal Fulton  
Organization Chart – December 31, 2023**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Canal Fulton  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

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# Financial Section

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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Canal Fulton, Ohio  
155 East Market Street  
Canal Fulton, Ohio 44614

### 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 Canal Fulton, 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, 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, street maintenance, police, and fire/ems funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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



### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
June 27, 2024

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**City of Canal Fulton, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

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The discussion and analysis for the City of Canal Fulton's (the City) financial statements provide an overall review of the financial activity of the City for the twelve months ended December 31, 2023. The intent of this discussion is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the basic financial statements and the notes to the basic financial statements.

### **Financial Highlights**

Financial highlights for 2023 are as follows:

- The 2023 income tax collections on a cash basis were approximately \$3.2 million, which was 5.1 percent higher than the prior year. The higher income tax collections are primarily due to growth in employment and wages inside the City during 2023.
- In 2022 and 2023, the City used its general fund emergency reserve fund to provide up-front cash resources to build a walking trail and other improvements at the new community park. The City spent approximately \$248,000 on the park improvements over the two-year period and received approximately \$221,000 in reimbursements from a State capital grant and other sources. The balance in the general fund emergency reserve fund at the conclusion of 2023 was approximately \$221,000. The City is on track to restore the balance in the general fund emergency reserve fund to the original \$250,000 by the conclusion of 2024.
- The income tax collections exceeded the projections in the general fund in 2023, which allowed the City to process a year-end transfer to the capital projects fund. As a result, the fund balance in the combined capital projects reserve funds saw an increase from \$439,108 to \$694,108, which is being held in reserve for future road improvements.
- The City's 2023 water and sewer charges for services, on a cash basis, increased by 8.5 percent and 8.4 percent, respectively. The changes were due to a combination of the City's utility billing ordinances, which tie annual rate increases to changes in the consumer price index, and residential and commercial growth inside the City.

### **Using this Annual Financial Report**

This report consists of a series of financial statements and notes to those statements. These statements are prepared and organized in a manner that allows the reader to look at the financial activities of the City of Canal Fulton as a whole and allows the reader to obtain a more detailed view of the City's operations, if 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.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**City of Canal Fulton, Ohio**  
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***Reporting the City of Canal Fulton as a Whole***

*Statement of Net Position and Statement of Activities*

The statement of net position and the statement of activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting.

This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

These two statements report the City's net position and changes in that position. The change in net position is important since it is an indication of whether the financial position of the City is improving or declining; however, to properly evaluate the operation of the City, certain non-cash items should be taken into consideration. These items would include the current economic situation as a whole, the current tax base for the City and the age and condition of the City's buildings and infrastructure.

In the statement of net position and the statement of activities, the City is divided into two major activities:

Governmental Activities – Most of the City's programs and services are reported here, including general government, police, fire, transportation, and leisure time activities.

Business-Type Activities – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's business-type activities are water, sewer, and storm sewer.

***Reporting on the Most Significant Funds of the City of Canal Fulton***

*Fund Financial Statements*

The analysis of the City's major funds begins on page 11. Fund financial statements give a detailed report of the activities within the funds. The City currently has twenty funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Canal Fulton. Some funds provide for streets, police, fire and emergency medical service protection, capital improvements, water service and sewer service. Some also provide for the purchase of capital assets, while others provide for the payment of principal and interest on debt. Each fund is in some ways an entity unto itself. Each fund, other than the general fund, has a designated revenue stream and designated uses for the monies within the fund.

In this report, the focus is on seven major funds, the general fund, the police fund, the fire/EMS fund, the general capital projects reserve fund, the water fund, the sewer fund, and the storm sewer fund.

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**Governmental Funds** All of the City's major activities (excluding the Utility Department) are reported in the governmental funds. This report shows how monies flow into and out of these funds and also shows what balances are available for future expenditures. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can be converted into cash. This shows what level of financial resources are available or will be available to provide the services that the general government will provide in the near future. These services include police, fire, and emergency medical service protection, as well as improving and maintaining the City's streets. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and the governmental funds is reconciled in the financial statements.

**Proprietary Funds** Proprietary funds use the same basis of accounting as business-type activities. The City of Canal Fulton has three enterprise operations under the proprietary classification. They are the water, sewer, and storm sewer funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

### The City of Canal Fulton as a Whole

The statement of net position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2023 as it compares to 2022.

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$5,866,549	\$5,767,506	\$2,880,325	\$2,597,359	\$8,746,874	\$8,364,865
Net Pension Asset	29,448	40,505	31,897	55,936	61,345	96,441
Net OPEB Asset	0	93,548	0	129,180	0	222,728
Capital Assets, Net	14,467,187	13,461,096	11,025,469	11,227,893	25,492,656	24,688,989
<i>Total Assets</i>	<u>20,363,184</u>	<u>19,362,655</u>	<u>13,937,691</u>	<u>14,010,368</u>	<u>34,300,875</u>	<u>33,373,023</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding	1,469	1,604	5,914	6,450	7,383	8,054
Pension	1,237,182	540,864	465,481	200,514	1,663,491	737,101
OPEB	189,235	125,274	69,544	3,331	258,134	127,400
<i>Total Deferred Outflows of Resources</i>	<u>1,427,886</u>	<u>667,742</u>	<u>540,939</u>	<u>210,295</u>	<u>1,929,008</u>	<u>872,555</u>
<b>Liabilities</b>						
Current and Other Liabilities	403,152	495,482	111,825	145,226	514,977	640,708
Long-Term Liabilities:						
Due Within One Year	127,202	133,456	198,639	211,567	325,841	345,023
Due in More than One Year:						
Net Pension Liability	3,206,581	1,644,838	1,030,162	346,726	4,236,743	1,991,564
Net OPEB Liability	190,170	244,532	22,864	0	213,034	244,532
Other Amounts	417,638	533,242	1,384,710	1,559,768	1,802,348	2,093,010
<i>Total Liabilities</i>	<u>\$4,344,743</u>	<u>\$3,051,550</u>	<u>\$2,748,200</u>	<u>\$2,263,287</u>	<u>\$7,092,943</u>	<u>\$5,314,837</u>

(continued)

**City of Canal Fulton, Ohio**  
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**Table 1**  
**Net Position (continued)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Deferred Inflows of Resources</b>						
Property Taxes	\$550,642	\$529,903	\$0	\$0	\$550,642	\$529,903
Pension	246,713	961,793	58,954	440,541	266,495	1,398,057
OPEB	200,610	209,758	7,861	133,470	207,826	342,023
<i>Total Deferred Inflows of Resources</i>	<u>997,965</u>	<u>1,701,454</u>	<u>66,815</u>	<u>574,011</u>	<u>1,024,963</u>	<u>2,269,983</u>
<b>Net Position</b>						
Net Investment in Capital Assets	13,958,936	12,826,786	9,477,426	9,484,334	23,436,362	22,311,120
Restricted for:						
Debt Service	44,136	40,073	0	0	44,136	40,073
Capital Projects	493,587	758,864	0	0	493,587	758,864
Street Repair and Maintenance	434,296	584,204	0	0	434,296	584,204
Police Protection	435,701	528,895	0	0	435,701	528,895
St Helena II Canal Boat	54,834	38,679	0	0	54,834	38,679
Pension Plan	29,448	134,053	31,897	185,116	61,345	319,169
Other Purposes	3,591	3,591	0	0	3,591	3,591
Unclaimed Monies	8,085	8,085	0	0	8,085	8,085
Unrestricted	985,748	354,163	2,154,292	1,713,915	3,140,040	2,068,078
<i>Total Net Position</i>	<u>\$16,448,362</u>	<u>\$15,277,393</u>	<u>\$11,663,615</u>	<u>\$11,383,365</u>	<u>\$28,111,977</u>	<u>\$26,660,758</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023. 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. GASB noted that the unfunded portion of this pension 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 health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 previously, 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.

Total net position increased during the year due to increases in cash and cash equivalents and capital assets, with decreases in other long-term liabilities. Income taxes and investment earnings/interest both increased during the year, directly affecting cash and cash equivalents. Capital assets increased as a result

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of current year additions outpacing current year depreciation, with additions including downtown improvements and various department vehicles. The increase in long-term liabilities was mainly caused by an increase in net pension liability. Not only were there changes of assumptions and benefit terms in both retirement systems, the City's portion of Ohio Police and Fire increased based on the employer contributions made during 2023.

By comparing assets and deferred outflows of resources and liabilities and deferred inflows of resources, one can see the overall position of the City has improved over the prior year, as evidenced by an increase in net position. Management continues to diligently plan expenses, staying carefully within the City's revenues in an effort to maintain excellent levels of service within the constraints of the budget.

Table 2 shows the change in net position for 2023 as it compares to 2022.

**Table 2**  
**Change in Net Position**

	Governmental		Business - Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$292,345	\$252,250	\$2,357,560	\$2,313,605	\$2,649,905	\$2,565,855
Operating Grants and Contributions	806,889	703,420	0	0	806,889	703,420
Capital Grants and Contributions	264,953	68,643	37,500	394,671	302,453	463,314
Total Program Revenues	<u>1,364,187</u>	<u>1,024,313</u>	<u>2,395,060</u>	<u>2,708,276</u>	<u>3,759,247</u>	<u>3,732,589</u>
General Revenues:						
Property Taxes	530,490	524,978	0	0	530,490	524,978
Income Taxes	3,277,193	3,119,754	0	0	3,277,193	3,119,754
Hotel Taxes	5,127	0	0	0	5,127	0
Permissive Motor Vehicle Licenses Taxes	65,465	65,590	0	0	65,465	65,590
Grants and Entitlements	202,761	339,536	0	0	202,761	339,536
Unrestricted Contributions	6,832	2,161	0	0	6,832	2,161
Investment Earnings/Interest	352,052	105,293	0	0	352,052	105,293
Gain on Sale of Capital Assets	0	17,353	0	0	0	17,353
Other	48,071	86,980	133,123	94,894	181,194	181,874
Total General Revenues	<u>4,487,991</u>	<u>4,261,645</u>	<u>133,123</u>	<u>94,894</u>	<u>4,621,114</u>	<u>4,356,539</u>
Total Revenues	<u>5,852,178</u>	<u>5,285,958</u>	<u>2,528,183</u>	<u>2,803,170</u>	<u>8,380,361</u>	<u>8,089,128</u>
<b>Program Expenses</b>						
General Government	909,412	536,499	0	0	909,412	536,499
Security of Persons and Property	2,623,756	2,099,135	0	0	2,623,756	2,099,135
Transportation	901,200	1,050,790	0	0	901,200	1,050,790
Leisure Time Activities	225,007	178,163	0	0	225,007	178,163
Interest	21,834	30,820	0	0	21,834	30,820
Water	0	0	991,885	896,545	991,885	896,545
Sewer	0	0	1,199,880	1,042,114	1,199,880	1,042,114
Storm Sewer	0	0	56,168	124,547	56,168	124,547
Total Program Expenses	<u>4,681,209</u>	<u>3,895,407</u>	<u>2,247,933</u>	<u>2,063,206</u>	<u>6,929,142</u>	<u>5,958,613</u>
Increase in Net Position	1,170,969	1,390,551	280,250	739,964	1,451,219	2,130,515
Net Position Beginning of Year	15,277,393	13,886,842	11,383,365	10,643,401	26,660,758	24,530,243
Net Position End of Year	<u>\$16,448,362</u>	<u>\$15,277,393</u>	<u>\$11,663,615</u>	<u>\$11,383,365</u>	<u>\$28,111,977</u>	<u>\$26,660,758</u>



**City of Canal Fulton, Ohio**  
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***Governmental Activities***

The funding for governmental activities comes from several different sources, the most significant being the City's municipal income tax. Other prominent sources are operating grants, property taxes, and investment earnings/interest.

The City's income tax was established to be effective January 1, 1984 at a rate of 0.5 percent. The City's income tax rate gradually increased since then through a series of voter approved levies, with the most recent occurring in November 2019 when voters elected to increase the income tax rate to 2.0 percent effective January 1, 2020. Also, January 1, 2020, the City Council approved a 100 percent credit of the City's income tax rate for taxes paid to other political subdivisions in Ohio, up to 2.0 percent. The City's income tax revenue equaled \$3,277,193 in 2023, which was 5.1 percent higher than 2022 (\$3,119,754).

The operations of the City's police and fire departments account for the largest expenses of the governmental activities. The City's police department is a full-time 24-hour a day, 365-days a year department, with a chief, secretary, and 10 patrolmen comprising the full-time employees. The fire department is staffed by part-time firefighters. The remaining amount that is needed to operate the police and fire departments is subsidized by the general fund and income tax revenue.

***Business-Type Activities***

The City operates a Utility Department consisting of water and sewer services. The water utility includes a water treatment plant, the water distribution system, and the water utility administration. The sewer utility includes the wastewater collection system, wastewater treatment plant, and sewer utility administration.

The water utility services 2,265 customer accounts, which include customers within the City as well as customers outside of the City. The City owns and maintains the water treatment plant, which is located within the City, and the water lines of the distribution system, which are primarily located within the City, used to service the customers of the water utility.

Residential water customers within the City pay a water rate of \$2.75 per thousand gallons of usage plus a minimum fixed-rate charge of \$23.15 per month. Residential water customers outside the City pay a water rate of \$6.89 per thousand gallons of usage plus a minimum fixed-rate charge of \$23.15 per month. The City's utility billing ordinance stipulates that the per gallon water usage charge and minimum fixed-rate monthly charge are subject to inflationary increases based on the Consumer Price Index (CPI).

The City's water treatment plant treats an average of 435,000 gallons of water per day with a capacity to treat an additional 400,000 gallons per day. The raw water is supplied by five wells in the well field co-located with the water treatment plant, which was built in 1989.

The sewer utility services 2,198 customer accounts. The City owns and maintains the sewer lines of the collection system, which are located primarily within the City, and the wastewater treatment plant, which is located in neighboring Lawrence Township.

Sewer customers with a water meter pay a sewer rate of \$3.35 per thousand gallons of usage plus a minimum fixed-rate charge of \$22.60 per month. Sewer customers without a water meter pay an unmetered flat sewer rate of \$37.66 per month. As of December 31, 2023, there were 54 sewer customer accounts paying the flat sewer rate. The City's utility billing ordinance stipulates that the per gallon sewer charge and minimum fixed-rate monthly charge are subject to inflationary increases based on CPI.

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The City's wastewater treatment plant treats an average of 575,000 gallons of wastewater per day with a capacity to treat an additional 925,000 gallons per day. The wastewater treatment plant was built in 1983.

Through the Joint User Cost System with the Stark County Metropolitan Sewer District, the City receives wastewater from a portion of the Stark County Metropolitan Sewer District system located in northwestern Stark County and then processes this wastewater at the City's wastewater treatment plant. The Stark County Metropolitan Sewer District subsequently reimburses the City forty-percent of capital expenditures incurred for the wastewater treatment plant. In addition, the Stark County Metropolitan Sewer District reimburses the City for the operating expenses incurred within the Joint User Costs System based upon the number of City and Stark County Metropolitan Sewer District users connected to the sewer system.

As of December 31, 2023, the Joint User Cost System had 3,499 single family home equivalent connections, of which the combined total of all City sewer customers comprised 84 percent of the single family home equivalent connections and the remaining 16 percent were located in the Stark County Metropolitan Sewer District. In 2023, the City sewer utility received \$114,573 (on a cash basis) from the Stark County Metropolitan Sewer District for the operations of the Joint User Cost System.

The storm sewer fund was established to account for a \$2.00 water bill charge paid by all water customers on a monthly basis for the provision of storm drainage runoff service to the residents and commercial users located within the City.

The revenues and expenses for the three utilities are reported under the business-type activities in Table 2. The majority of revenues are derived from charges for services.

### **The City's Funds**

Information about the City's governmental funds begins on page 18. These funds are accounted for using the modified accrual basis of accounting. The City's general fund reflected an increase in fund balance, because revenues outpaced expenditures due to an increase in property tax, income tax and investment earning/interest. Despite increased transfers in from the general fund, the police fund had a decrease in fund balance due to the continued increase of operational expenditures. The fire/EMS fund had an increase in fund balance due to transfers in increasing from the general fund to provide for 2023 operations. The general capital projects reserve fund saw an increase in fund balance due to the transfers in from the general fund sufficiently covering capital outlay expenditures.

Information about the proprietary funds starts on page 25. These funds are accounted for on an accrual basis. The water and storm sewer funds had operating income due to charges being sufficient to cover the cost of operations. The sewer fund had an operating loss due to the sewer charges not being able to cover all costs of sewer operations, with personal services being the largest expense.

### ***Budgeting Highlights***

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures, and encumbrances. The most significant budgeted fund is the general fund. The legal level of budgetary control is at the personnel costs and other non-payroll costs appropriation groups within each department, as established by appropriation ordinance passed by City Council. Any budgetary modifications at this level may only be made by supplemental appropriation ordinance of City Council. City Council approves an annual budget resolution detailing its initial expenditure budget at the more detailed expense line-item level than the original appropriation

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ordinance. The budget resolution grants the Finance Director authority to shift the budget expenditures between individual expense line-items as long as the total appropriations of the appropriation groups are not violated and the changes are reported to City Council monthly. Interfund transfers are approved for their total annual amount as a part of the annual appropriation ordinance and supplemental appropriation ordinances passed by City Council. Monthly posting of interfund transfers and advances as well as their year-to-date totals are reported to City Council monthly.

Strong emphasis is placed on fund balances. The Finance Director reviews the fund balances on a daily basis. Special attention is paid to the City's largest funds, which are the general, water, and sewer funds. Council receives a monthly report showing the beginning fund balance for all funds at the beginning of the year, monthly and year-to-date revenues and expenditures, and the current fund balance.

Line item reports are reviewed regularly by the Finance Director. The department heads, as well as the City Manager, also monitor their appropriations to ensure the entire operation of the City operates within the appropriations.

For the general fund, final budgeted revenues were slightly higher than original budgeted revenues, and actual revenue collections were higher than original and final budgeted revenues. The increase in budgeted to actual revenue was primarily due to higher income tax and interest revenues.

Also, in the general fund, the final budgeted expenditures were slightly higher than the original budgeted expenditures. The difference between actual expenditures and final appropriations was due to diligent oversight of expenditures. The City's ending unencumbered cash balance in the general fund was higher than the final budgeted amount.

## **Capital Assets and Debt Administration**

### ***Capital Assets***

All capital assets, except land and construction in progress, are reported net of depreciation. Additions to capital assets included a improvements to downtown and the community park, a front wheel loader, road improvements, and a new salt shed. Due to additions outpacing depreciation, capital assets increased over the prior fiscal year. For more information on capital assets, refer to Note 15 of the basic financial statements.

### ***Debt Administration***

During 2005, the City issued \$730,000 of Water Improvement Bonds for the purpose of constructing a waterline for the Northwest Local School District.

During 2006, the City issued \$1,500,000 in fire station bonds, the proceeds of which were used to finance the construction of a new fire station.

During 2020, the City issued \$800,000 of Various Purpose Refunding Bonds to retire the remaining \$785,000 of the 2018 Various Purpose Improvement General Obligation Bonds.

The OPWC loans are comprised of nine separate, zero percent interest loans. The purpose of these loans are for the construction and improvement of various water, sewer, and storm sewer projects. These loans will be repaid over a period of 30 years by user fees. The loans will be retired anywhere from 2024 to 2051.

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As of December 31, 2023, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$14,362,981 and the unvoted legal debt margin was \$7,111,540.

See Note 14 in the financial statements for more information regarding the City's debt.

### **Current Financial Issues**

Over the past thirty years, income tax collections (on a cash basis) have increased from \$425,403 in 1993, to \$3,236,305 in 2023. This is largely attributed to a combination of annexing the Northwest Local School District in 2008 and various voter approved, tax increases, bringing the City's income tax rate to 2 percent in 2020. The Northwest Local School District was the City's largest employer in 2023. Based on the voter approved ballot language, one tenth of a percent of the City's income tax is dedicated to the Police Department. The remaining one and nine tenths of a percent is receipted into the general fund, from where it is distributed to various City departments and funds via transfers in the annual appropriation ordinances adopted by City Council. Transfers from the general fund to the various funds are used to support the operating expenses and capital improvements for all City departments except the water and sewer utilities. Because income taxes represent the primary source for funding the City's traditional government functions (Police, Fire, Administration, etc.), it is important that the City continue to promote economic development.

City Council adopted ordinances in 2011 and 2012 that created five-year phase in plans for increasing the water and sewer rates, and allowing for inflationary rate increases annually thereafter. The increase in water fees has enabled the City to stop the historical practice of subsidizing the water utility via transfers from the general fund. Similarly, the sewer rate increase has enabled the sewer utility to make substantial investments in capital upgrades including needed building repairs, reconstruction of the influent bar screen, and required maintenance to sewer infrastructure. The rate increases have also allowed both utilities to build reserves to fund future capital improvements and meet increased debt service requirements and take on special projects that will help improve overall efficiency like the comprehensive meter replacement program.

In addition to building reserve balances in the utility funds, the City has an emergency reserve with a total balance of approximately \$221,000 at the end of 2023. This reserve was originally established by City Council in 2010 to accumulate resources to help the City better withstand downturns in the local economy or the sudden loss of key revenues. Similarly, City Council created a capital projects reserve fund in 2015 and a general capital projects reserve fund in 2023 to accumulate resources to help replace vehicles and equipment in the future. The combined capital projects reserve funds had a balance of \$694,108 at the end of 2023.

The combination of the City's improved income tax collections, conservative budgeting practices, recent utility rate increases and infrastructure improvements, and continued funding for the reserve funds have helped ensure that the City is financially stable and positioned to meet future challenges.

### **Contacting the City's Finance Department**

This report is intended to provide our citizens, and anyone interested in the financial aspects of the City of Canal Fulton a general overview of our financial operation. If there are any questions, please feel free to contact the Finance Director, William Rouse, City of Canal Fulton, 155 East Market Street, Canal Fulton, Ohio 44614, telephone (330) 854-6761, or website at [www.cityofcanalfulton-oh.gov](http://www.cityofcanalfulton-oh.gov).

## **Basic Financial Statements**

**City of Canal Fulton, Ohio**  
*Statement of Net Position*  
*December 31, 2023*

	Governmental Activities	Business-Type Activities *	Total *
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,968,976	\$2,696,583	\$6,665,559
Materials and Supplies Inventory	30,892	1,216	32,108
Accounts Receivable	4,100	182,526	186,626
Intergovernmental Receivable	598,228	0	598,228
Income Taxes Receivable	700,288	0	700,288
Property Taxes Receivable	558,945	0	558,945
Permissive Motor Vehicle License Taxes Receivable	5,120	0	5,120
Net Pension Asset (See Note 16)	29,448	31,897	61,345
Nondepreciable Capital Assets	4,899,392	717,886	5,617,278
Depreciable Capital Assets, Net	9,567,795	10,307,583	19,875,378
<i>Total Assets</i>	<u>20,363,184</u>	<u>13,937,691</u>	<u>34,300,875</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding Pension	1,469	5,914	7,383
OPEB	1,237,182	465,481	1,663,491
	189,235	69,544	258,134
<i>Total Deferred Outflows of Resources</i>	<u>1,427,886</u>	<u>540,939</u>	<u>1,929,008</u>
<b>Liabilities</b>			
Accounts Payable	42,213	24,423	66,636
Accrued Wages	89,326	31,771	121,097
Contracts Payable	97,774	0	97,774
Intergovernmental Payable	44,636	14,839	59,475
Accrued Interest Payable	1,435	1,930	3,365
Vacation Benefits Payable	88,333	38,862	127,195
Deposits Held Payable	39,435	0	39,435
Long-Term Liabilities:			
Due Within One Year	127,202	198,639	325,841
Due In More Than One Year:			
Net Pension Liability (See Note 16)	3,206,581	1,030,162	4,236,743
Net OPEB Liability (See Note 17)	190,170	22,864	213,034
Other Amounts	417,638	1,384,710	1,802,348
<i>Total Liabilities</i>	<u>4,344,743</u>	<u>2,748,200</u>	<u>7,092,943</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	550,642	0	550,642
Pension	246,713	58,954	266,495
OPEB	200,610	7,861	207,826
<i>Total Deferred Inflows of Resources</i>	<u>997,965</u>	<u>66,815</u>	<u>1,024,963</u>
<b>Net Position</b>			
Net Investment in Capital Assets	13,958,936	9,477,426	23,436,362
Restricted for:			
Debt Service	44,136	0	44,136
Capital Projects	493,587	0	493,587
Street Repair and Maintenance	434,296	0	434,296
Police Protection	435,701	0	435,701
St Helena II Canal Boat	54,834	0	54,834
Pension Plan	29,448	31,897	61,345
Other Purposes	3,591	0	3,591
Unclaimed Monies	8,085	0	8,085
Unrestricted	985,748	2,154,292	3,140,040
<i>Total Net Position</i>	<u>\$16,448,362</u>	<u>\$11,663,615</u>	<u>\$28,111,977</u>

\*After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2023

	Program Revenues			
	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Expenses				
<b>Governmental Activities:</b>				
General Government	\$909,412	\$57,778	\$170,262	\$264,953
Security of Persons and Property	2,623,756	208,380	217,944	0
Transportation	901,200	3,732	418,683	0
Leisure Time Activities	225,007	22,455	0	0
Interest	21,834	0	0	0
<i>Total Governmental Activities</i>	<u>4,681,209</u>	<u>292,345</u>	<u>806,889</u>	<u>264,953</u>
<b>Business-Type Activities:</b>				
Water	991,885	1,178,044	0	37,500
Sewer	1,199,880	1,117,116	0	0
Storm Sewer	56,168	62,400	0	0
<i>Total Business-Type Activities</i>	<u>2,247,933</u>	<u>2,357,560</u>	<u>0</u>	<u>37,500</u>
<i>Total</i>	<u><u>\$6,929,142</u></u>	<u><u>\$2,649,905</u></u>	<u><u>\$806,889</u></u>	<u><u>\$302,453</u></u>

**General Revenues**

Property Taxes Levied for:  
    General Purposes  
    Capital Projects  
Income Tax Levied for:  
    General Purposes  
    Other Purposes  
Hotel Taxes  
Permissive Motor Vehicle License Taxes  
Grants and Entitlements not  
    Restricted to Specific Programs  
Unrestricted Contributions  
Investment Earnings/Interest  
Other

*Total General Revenues*

*Change in Net Position*

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements

<u>Net (Expense) Revenue and Changes in Net Position</u>		
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
(\$416,419)	\$0	(\$416,419)
(2,197,432)	0	(2,197,432)
(478,785)	0	(478,785)
(202,552)	0	(202,552)
<u>(21,834)</u>	<u>0</u>	<u>(21,834)</u>
<u>(3,317,022)</u>	<u>0</u>	<u>(3,317,022)</u>
0	223,659	223,659
0	(82,764)	(82,764)
<u>0</u>	<u>6,232</u>	<u>6,232</u>
<u>0</u>	<u>147,127</u>	<u>147,127</u>
<u>(3,317,022)</u>	<u>147,127</u>	<u>(3,169,895)</u>
432,239	0	432,239
98,251	0	98,251
3,113,229	0	3,113,229
163,964	0	163,964
5,127	0	5,127
65,465	0	65,465
202,761	0	202,761
6,832	0	6,832
352,052	0	352,052
<u>48,071</u>	<u>133,123</u>	<u>181,194</u>
<u>4,487,991</u>	<u>133,123</u>	<u>4,621,114</u>
1,170,969	280,250	1,451,219
<u>15,277,393</u>	<u>11,383,365</u>	<u>26,660,758</u>
<u>\$16,448,362</u>	<u>\$11,663,615</u>	<u>\$28,111,977</u>



**City of Canal Fulton, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2023*

	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$1,140,419	\$488,502	\$623,445	\$745,568	\$919,931	\$3,917,865
Materials and Supplies Inventory	0	0	0	0	30,892	30,892
Accounts Receivable	4,100	0	0	0	0	4,100
Intergovernmental Receivable	97,898	0	8,701	255,335	236,294	598,228
Income Taxes Receivable	665,274	35,014	0	0	0	700,288
Property Taxes Receivable	332,636	0	0	0	226,309	558,945
Permissive Motor Vehicle License Taxes	0	0	0	0	5,120	5,120
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	11,676	0	0	0	39,435	51,111
<i>Total Assets</i>	<u>\$2,252,003</u>	<u>\$523,516</u>	<u>\$632,146</u>	<u>\$1,000,903</u>	<u>\$1,457,981</u>	<u>\$5,866,549</u>
<b>Liabilities</b>						
Accounts Payable	\$18,902	\$4,422	\$9,687	\$0	\$9,202	\$42,213
Accrued Wages	15,654	48,722	19,145	0	5,805	89,326
Contracts Payable	0	0	0	44,444	53,330	97,774
Intergovernmental Payable	9,739	20,418	12,029	0	2,450	44,636
Deposits Held Payable from Restricted Assets	0	0	0	0	39,435	39,435
<i>Total Liabilities</i>	<u>44,295</u>	<u>73,562</u>	<u>40,861</u>	<u>44,444</u>	<u>110,222</u>	<u>313,384</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	327,856	0	0	0	222,786	550,642
Unavailable Revenue	384,825	18,068	0	255,335	157,185	815,413
<i>Total Deferred Inflows of Resources</i>	<u>712,681</u>	<u>18,068</u>	<u>0</u>	<u>255,335</u>	<u>379,971</u>	<u>1,366,055</u>
<b>Fund Balances</b>						
Nonspendable	11,676	0	0	0	30,892	42,568
Restricted	0	431,886	0	0	918,871	1,350,757
Committed	0	0	591,285	701,124	18,025	1,310,434
Assigned	99,583	0	0	0	0	99,583
Unassigned	1,383,768	0	0	0	0	1,383,768
<i>Total Fund Balances</i>	<u>1,495,027</u>	<u>431,886</u>	<u>591,285</u>	<u>701,124</u>	<u>967,788</u>	<u>4,187,110</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$2,252,003</u>	<u>\$523,516</u>	<u>\$632,146</u>	<u>\$1,000,903</u>	<u>\$1,457,981</u>	<u>\$5,866,549</u>

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2023*

<b>Total Governmental Fund Balances</b>	<b>\$4,187,110</b>
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	14,467,187
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:	
Delinquent Property Taxes	8,303
Income Taxes	361,358
Intergovernmental	445,752
Total	815,413
Vacation benefits payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(88,333)
Deferred outflows of resources represent deferred charges on refundings, which are not reported in the funds.	1,469
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(1,435)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(510,994)
Compensated Absences	(33,846)
Total	(544,840)
The net pension/OPEB assets/liabilities are not available, or due and payable, in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds:	
Net Pension Asset	29,448
Deferred Outflows - Pension	1,237,182
Deferred Outflows - OPEB	189,235
Net Pension Liability	(3,206,581)
Net OPEB Liability	(190,170)
Deferred Inflows - Pension	(246,713)
Deferred Inflows - OPEB	(200,610)
Total	(2,388,209)
 <i>Net Position of Governmental Activities</i>	 <b>\$16,448,362</b>

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2023*

	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	\$320,846	\$0	\$0	\$0	\$215,011	\$535,857
Income Taxes	3,076,049	161,953	0	0	0	3,238,002
Permissive Motor Vehicle License Taxes	0	0	0	0	65,465	65,465
Hotel Taxes	5,127	0	0	0	0	5,127
Charges for Services	20,448	0	207,423	0	17,738	245,609
Licenses and Permits	41,399	0	0	0	0	41,399
Fines and Forfeitures	0	36	0	0	921	957
Intergovernmental	210,477	163,346	54,598	0	623,063	1,051,484
Investment Earnings/Interest	335,241	0	0	0	16,811	352,052
Rent	4,380	0	0	0	0	4,380
Contributions and Donations	650	0	100	0	6,082	6,832
Other	9,985	5,090	14,622	0	18,374	48,071
<i>Total Revenues</i>	<u>4,024,602</u>	<u>330,425</u>	<u>276,743</u>	<u>0</u>	<u>963,465</u>	<u>5,595,235</u>
<b>Expenditures</b>						
Current:						
General Government	841,707	0	0	0	173,452	1,015,159
Security of Persons and Property	0	1,526,742	787,742	0	1,400	2,315,884
Transportation	31,639	0	0	0	638,891	670,530
Leisure Time Activities	192,640	0	0	0	2,254	194,894
Capital Outlay	0	0	0	287,984	970,690	1,258,674
Debt Service:						
Principal Retirement	0	0	0	0	126,194	126,194
Interest	0	0	0	0	22,801	22,801
<i>Total Expenditures</i>	<u>1,065,986</u>	<u>1,526,742</u>	<u>787,742</u>	<u>287,984</u>	<u>1,935,682</u>	<u>5,604,136</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,958,616</u>	<u>(1,196,317)</u>	<u>(510,999)</u>	<u>(287,984)</u>	<u>(972,217)</u>	<u>(8,901)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	389,108	1,143,500	569,000	989,108	533,000	3,623,716
Transfers Out	(3,234,608)	0	0	0	(389,108)	(3,623,716)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,845,500)</u>	<u>1,143,500</u>	<u>569,000</u>	<u>989,108</u>	<u>143,892</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	113,116	(52,817)	58,001	701,124	(828,325)	(8,901)
<i>Fund Balances Beginning of Year</i>	<u>1,381,911</u>	<u>484,703</u>	<u>533,284</u>	<u>0</u>	<u>1,796,113</u>	<u>4,196,011</u>
<i>Fund Balances End of Year</i>	<u>\$1,495,027</u>	<u>\$431,886</u>	<u>\$591,285</u>	<u>\$701,124</u>	<u>\$967,788</u>	<u>\$4,187,110</u>

See accompanying notes to the basic financial statements

**City of Canal Fulton, 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*

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**Net Change in Fund Balances - Total Governmental Funds** (\$8,901)

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

Governmental funds report capital outlay as an expenditure;  
however, in the statement of activities, the cost of those  
assets is allocated over their estimated useful lives as  
depreciation expense. This is the amount by which  
capital outlay exceeded depreciation in the current period:

Capital Asset Additions	1,787,827	
Current Year Depreciation	<u>(781,736)</u>	
Total		1,006,091

Revenues in the statement of activities that do not provide current  
financial resources are not reported as revenues in the funds:

Delinquent Property Taxes	(5,367)	
Income Taxes	39,191	
Grants	<u>223,119</u>	
Total		256,943

Repayment of long-term obligations is an expenditure in the  
governmental funds, but the repayment reduces  
long-term liabilities in the statement of net position.

126,194

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

Accrued Interest	465	
Amortization of Deferred Charges	(135)	
Amortization of Premiums on Debt	<u>637</u>	
Total		967

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:

Vacation Benefits Payable	(77,875)	
Compensated Absences	<u>(4,973)</u>	
Total		(82,848)

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

Pension	220,051	
OPEB	<u>4,797</u>	
Total		224,848

Except for amounts reported as deferred inflows/outflows, changes  
in the net pension/OPEB assets/liabilities are reported as  
pension/OPEB expense in the statement of activities:

Pension	(381,452)	
OPEB	<u>29,127</u>	
Total		<u>(352,325)</u>

*Change in Net Position of Governmental Activities* \$1,170,969

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$315,609	\$320,748	\$320,846	\$98
Income Taxes	2,666,581	2,710,000	3,074,013	364,013
Hotel Taxes	0	0	5,127	5,127
Special Assessments	2,460	2,500	0	(2,500)
Charges for Services	246	250	20,448	20,198
Licenses and Permits	31,487	32,000	40,038	8,038
Intergovernmental	141,593	143,898	174,171	30,273
Interest	94,954	96,500	335,241	238,741
Rent	2,952	3,000	4,380	1,380
Contributions and Donations	0	0	650	650
Other	35,977	36,563	8,130	(28,433)
<i>Total Revenues</i>	3,291,859	3,345,459	3,983,044	637,585
<b>Expenditures</b>				
Current:				
General Government	950,852	981,852	939,314	42,538
Transportation	27,622	21,622	21,622	0
Leisure Time Activities	204,339	209,339	200,207	9,132
<i>Total Expenditures</i>	1,182,813	1,212,813	1,161,143	51,670
<i>Excess of Revenues Over Expenditures</i>	2,109,046	2,132,646	2,821,901	689,255
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	389,108	389,108	0
Transfers Out	(2,245,500)	(3,234,608)	(3,234,608)	0
<i>Total Other Financing Sources (Uses)</i>	(2,245,500)	(2,845,500)	(2,845,500)	0
<i>Net Change in Fund Balance</i>	(136,454)	(712,854)	(23,599)	689,255
<i>Fund Balance Beginning of Year</i>	741,530	741,530	741,530	0
Prior Year Encumbrances Appropriated	88,459	88,459	88,459	0
<i>Fund Balance End of Year</i>	\$693,535	\$117,135	\$806,390	\$689,255

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Income Taxes	\$154,500	\$154,500	\$161,790	\$7,290
Fines and Forfeitures	250	250	36	(214)
Intergovernmental	150,000	150,000	163,346	13,346
Other	12,500	12,500	5,090	(7,410)
<i>Total Revenues</i>	317,250	317,250	330,262	13,012
<b>Expenditures</b>				
Current:				
Security of Persons and Property	1,651,382	1,651,382	1,605,160	46,222
<i>Excess of Revenues Under Expenditures</i>	(1,334,132)	(1,334,132)	(1,274,898)	59,234
<b>Other Financing Sources</b>				
Transfers In	1,143,500	1,143,500	1,143,500	0
<i>Net Change in Fund Balance</i>	(190,632)	(190,632)	(131,398)	59,234
<i>Fund Balance Beginning of Year</i>	357,496	357,496	357,496	0
Prior Year Encumbrances Appropriated	188,470	188,470	188,470	0
<i>Fund Balance End of Year</i>	<u>\$355,334</u>	<u>\$355,334</u>	<u>\$414,568</u>	<u>\$59,234</u>

See accompanying notes to the basic financial statement:

**City of Canal Fulton, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire/EMS Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$140,000	\$190,000	\$207,423	\$17,423
Intergovernmental	0	0	46,633	46,633
Contributions and Donations	0	0	100	100
Other	4,000	4,000	14,622	10,622
<i>Total Revenues</i>	144,000	194,000	268,778	74,778
<b>Expenditures</b>				
Current:				
Security of Persons and Property	841,806	850,306	813,778	36,528
<i>Excess of Revenues Under Expenditures</i>	(697,806)	(656,306)	(545,000)	111,306
<b>Other Financing Sources</b>				
Transfers In	569,000	569,000	569,000	0
<i>Net Change in Fund Balance</i>	(128,806)	(87,306)	24,000	111,306
<i>Fund Balance Beginning of Year</i>	487,217	487,217	487,217	0
Prior Year Encumbrances Appropriated	74,866	74,866	74,866	0
<i>Fund Balance End of Year</i>	<u>\$433,277</u>	<u>\$474,777</u>	<u>\$586,083</u>	<u>\$111,306</u>

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2023*

	Water	Sewer	Storm Sewer	Total
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$1,507,051	\$1,121,314	\$68,218	\$2,696,583
Materials and Supplies Inventory	200	1,016	0	1,216
Accounts Receivable	96,151	81,184	5,191	182,526
<i>Total Current Assets</i>	<u>1,603,402</u>	<u>1,203,514</u>	<u>73,409</u>	<u>2,880,325</u>
<i>Noncurrent Assets:</i>				
<i>Restricted Assets:</i>				
Net Pension Asset	12,880	19,017	0	31,897
Nondepreciable Capital Assets	401,803	316,083	0	717,886
Depreciable Capital Assets, Net	4,753,240	3,193,204	2,361,139	10,307,583
<i>Total Noncurrent Assets</i>	<u>5,167,923</u>	<u>3,528,304</u>	<u>2,361,139</u>	<u>11,057,366</u>
<i>Total Assets</i>	<u>6,771,325</u>	<u>4,731,818</u>	<u>2,434,548</u>	<u>13,937,691</u>
<b>Deferred Outflows of Resources</b>				
Deferred Charge on Refunding Pension	2,957	2,957	0	5,914
OPEB	192,957	284,123	0	477,080
	28,126	41,482	0	69,608
<i>Total Deferred Outflows of Resources</i>	<u>224,040</u>	<u>328,562</u>	<u>0</u>	<u>552,602</u>
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Accounts Payable	6,043	16,935	1,445	24,423
Accrued Wages	15,885	15,886	0	31,771
Intergovernmental Payable	4,675	10,164	0	14,839
Accrued Interest Payable	1,654	276	0	1,930
Vacation Benefits Payable	18,320	20,542	0	38,862
General Obligation Bonds Payable	63,399	13,399	0	76,798
OPWC Loans Payable	85,672	12,417	6,886	104,975
Compensated Absences Payable	8,433	8,433	0	16,866
<i>Total Current Liabilities</i>	<u>204,081</u>	<u>98,052</u>	<u>8,331</u>	<u>310,464</u>
<i>Long-Term Liabilities:</i>				
Net Pension Liability	415,972	614,190	0	1,030,162
Net OPEB Liability	9,233	13,631	0	22,864
General Obligation Bonds Payable	189,497	134,241	0	323,738
OPWC Loans Payable	825,942	153,639	68,865	1,048,446
Compensated Absences Payable	6,263	6,263	0	12,526
<i>Total Long-Term Liabilities</i>	<u>1,446,907</u>	<u>921,964</u>	<u>68,865</u>	<u>2,437,736</u>
<i>Total Liabilities</i>	<u>1,650,988</u>	<u>1,020,016</u>	<u>77,196</u>	<u>2,748,200</u>
<b>Deferred Inflows of Resources</b>				
Pension	64,449	6,104	0	70,553
OPEB	3,429	4,496	0	7,925
<i>Total Deferred Inflows of Resources</i>	<u>67,878</u>	<u>10,600</u>	<u>0</u>	<u>78,478</u>
<b>Net Position</b>				
Net Investment in Capital Assets	3,993,490	3,198,548	2,285,388	9,477,426
Restricted for Pension Plan	12,880	19,017	0	31,897
Unrestricted	1,270,129	812,199	71,964	2,154,292
<i>Total Net Position</i>	<u>\$5,276,499</u>	<u>\$4,029,764</u>	<u>\$2,357,352</u>	<u>\$11,663,615</u>

See accompanying notes to the basic financial statements



**City of Canal Fulton, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2023*

	Water	Sewer	Storm Sewer	Total
<b>Operating Revenues</b>				
Charges for Services	\$1,178,044	\$1,117,116	\$62,400	\$2,357,560
Other	45,845	39,000	48,278	133,123
<i>Total Operating Revenues</i>	<u>1,223,889</u>	<u>1,156,116</u>	<u>110,678</u>	<u>2,490,683</u>
<b>Operating Expenses</b>				
Personal Services	366,028	368,753	0	734,781
Fringe Benefits	198,746	235,770	0	434,516
Contractual Services	145,624	263,509	0	409,133
Materials and Supplies	43,780	108,017	0	151,797
Depreciation	190,858	186,920	53,963	431,741
Other	38,216	33,072	2,205	73,493
<i>Total Operating Expenses</i>	<u>983,252</u>	<u>1,196,041</u>	<u>56,168</u>	<u>2,235,461</u>
<i>Operating Income (Loss)</i>	240,637	(39,925)	54,510	255,222
<b>Non-Operating Expenses</b>				
Interest	(8,633)	(3,839)	0	(12,472)
<i>Income (Loss) before Capital Contributions</i>	232,004	(43,764)	54,510	242,750
Capital Contributions	37,500	0	0	37,500
<i>Change in Net Position</i>	269,504	(43,764)	54,510	280,250
<i>Net Position Beginning of Year</i>	<u>5,006,995</u>	<u>4,073,528</u>	<u>2,302,842</u>	<u>11,383,365</u>
<i>Net Position End of Year</i>	<u>\$5,276,499</u>	<u>\$4,029,764</u>	<u>\$2,357,352</u>	<u>\$11,663,615</u>

See accompanying notes to the basic financial statements

**City of Canal Fulton, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2023

	Water	Sewer	Storm Sewer	Total
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,171,714	\$1,113,066	\$62,247	\$2,347,027
Other Cash Receipts	45,845	39,000	48,278	133,123
Cash Payments to Employees for Services	(546,527)	(546,667)	0	(1,093,194)
Cash Payments for Goods and Services	(199,484)	(385,291)	(40,312)	(625,087)
Other Cash Payments	(45,942)	(39,758)	(2,651)	(88,351)
<i>Net Cash Provided by Operating Activities</i>	<u>425,606</u>	<u>180,350</u>	<u>67,562</u>	<u>673,518</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital Contributions	37,500	0	0	37,500
Principal Paid on Bonds	(62,903)	(12,903)	0	(75,806)
Interest Paid on Bonds	(9,301)	(3,595)	0	(12,896)
Principal Paid on OPWC Loans	(100,688)	(12,417)	(6,886)	(119,991)
Payments for Capital Acquisitions	(30,548)	(157,969)	(40,800)	(229,317)
<i>Net Cash Used in Capital and Related Financing Activities</i>	<u>(165,940)</u>	<u>(186,884)</u>	<u>(47,686)</u>	<u>(400,510)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	259,666	(6,534)	19,876	273,008
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,247,385</u>	<u>1,127,848</u>	<u>48,342</u>	<u>2,423,575</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$1,507,051</u></u>	<u><u>\$1,121,314</u></u>	<u><u>\$68,218</u></u>	<u><u>\$2,696,583</u></u>

(continued)

**City of Canal Fulton, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2023*

	Water	Sewer	Storm Sewer	Total
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>				
Operating Income (Loss)	\$240,637	(\$39,925)	\$54,510	\$255,222
Adjustments:				
Depreciation	190,858	186,920	53,963	431,741
(Increase) Decrease in Assets:				
Materials and Supplies Inventory	94	481	0	575
Accounts Receivable	(6,330)	(4,050)	(153)	(10,533)
Net Pension Asset	2,530	1,392	0	3,922
Decrease in Deferred Outflows of Resources:				
Pension	84,874	124,395	0	209,269
OPEB	19,784	28,551	0	48,335
Increase (Decrease) in Liabilities:				
Accounts Payable	(6,197)	(13,318)	(39,355)	(58,870)
Accrued Wages	3,435	3,435	0	6,870
Contracts Payable	(957)	(957)	(957)	(2,871)
Intergovernmental Payable	(837)	4,920	0	4,083
Vacation Benefits Payable	15,363	17,585	0	32,948
Deposits Held Payable	(7,726)	(6,686)	(446)	(14,858)
Compensated Absences Payable	4,033	4,033	0	8,066
Net Pension Liability	24,994	16,935	0	41,929
Net OPEB Liability	(483)	(713)	0	(1,196)
Decrease in Deferred Inflows of Resources:				
Pension	(103,223)	(90,976)	0	(194,199)
OPEB	(35,243)	(51,672)	0	(86,915)
<i>Net Cash Provided by Operating Activities</i>	<u>\$425,606</u>	<u>\$180,350</u>	<u>\$67,562</u>	<u>\$673,518</u>

See accompanying notes to the basic financial statements

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**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 – Description of the City and Reporting Entity**

As a result of the 2000 census, Canal Fulton, formerly known as the Village of Canal Fulton, became the City of Canal Fulton. The City of Canal Fulton (the "City") is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a Mayor-City Manager-Council form of government. The Mayor and Council are elected to staggered four year terms. The City Manager is appointed by the Mayor upon confirmation by City Council.

***Reporting Entity***

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. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City. The primary government provides the following services to its citizens: water and utilities, storm sewer activities, park operations (leisure time activities), street maintenance and repairs, police and fire protection, emergency medical services, and administrative duties.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. There are no component units included as part of this report.

The City participates in the Local Organized Governments in Cooperation, which is defined as a joint venture, the Northwest Stark Senior Citizens Commission, which is defined as a related organization, as well as the Stark County Regional Planning Commission, the Stark Council of Governments, and the Stark County District Board of Health as jointly governed organizations. These organizations are presented in Notes 11, 12, and 13 to the basic financial statements.

**Note 2 – Summary of Significant Accounting Policies**

The financial statements of the City of Canal Fulton have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the City's accounting policies are described as follows.

***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. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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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 investment/interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

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

***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. The City's funds are classified as either governmental or proprietary.

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

***General Fund*** The general fund accounts for and reports 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 charter of the City of Canal Fulton and/or the general laws of Ohio.

***Police Fund*** The police fund accounts for and reports income taxes levied and restricted for expenditures related to police protection in the City.

***Fire/EMS Fund*** The fire/EMS fund accounts for and reports charges for services committed to expenditures related to fire protection and emergency medical services in the City.

***General Capital Projects Reserve Fund*** The general capital projects reserve fund, established in 2023, accounts for and reports transfers committed by City Council for the purchase of capital assets.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City has no internal service funds.

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

**Water Fund** The water fund accounts for the provision of water treatment and distribution to 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.

**Storm Sewer Fund** The storm sewer fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

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

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

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and 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.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents 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 the deferred charges on refundings, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 16 and 17.

In addition to liabilities, the statement of net position reports 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, 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 the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes income taxes, delinquent property taxes, and intergovernmental grants. 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 found on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 16 and 17).

***Reclassifications***

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements.



**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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

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

***Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Investment earnings/interest in the pool is presented as “equity in pooled cash and cash equivalents”.

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 City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides 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 appreciated. STAR Ohio reserves the right to limit the transaction to \$250 million per day.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings/interest revenue credited to the general fund during 2023 amounted to \$335,241, which includes \$272,528 assigned from other City funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

***Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies and general trust. Restricted assets in the enterprise funds represent amounts held in trust by the pension plans for future benefits.

***Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except 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. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimate Lives</u>
Buildings and Improvements	50 years
Equipment and Machinery	5-10 years
Vehicles	5-15 years
Infrastructure	20-75 years

The City's current infrastructure consists of roads, storm sewers and water and sewer lines. Pursuant to GASB Statement No. 34, which includes guidance based upon an entity's size, the City only reports the infrastructure acquired after 2002.

***Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of resources restricted to capital acquisitions and construction.

***Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. Per City policy, all vacation time must be used within one year of accrual, thus the outstanding liability is recorded as "vacation benefits payable" on the statement of net position rather than as a long-term liability.

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

***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liabilities (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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position have been determined on the same basis as they are reported by the pension/OPEB plans. 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.

***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, 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 year. Net pension/OPEB liabilities 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. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***Fund Balances***

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

***Nonspendable*** The nonspendable fund balance 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.

***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.

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally legally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally legally 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.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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**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. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by ordinance or by State Statute. State Statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

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.

***Net Position***

Net position represents the difference between all other elements in the statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position for pension plans represent the corresponding restricted asset amounts held in trust by the pension plans for future benefits. Net position restricted for other purposes include resources restricted for the general trust.

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

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, and storm sewer services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

***Internal Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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

***Premiums***

On the government-wide financial statements, premiums are deferred and amortized for the term of the debt issuances using the straight-line method. Premiums are presented as an increase of the face amount of the debt issuance payable. On governmental fund statements, premiums are received in the year the debt issuances are issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

***Deferred Charge on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources or deferred inflows of resources on the statement of net position.

***Estimates***

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

***Budgetary Process***

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the corresponding governmental funds. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative 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 personal services and individual object level within each department for all funds. Any budgetary modifications at this level may only be made by resolution of City Council. Authority to further allocate Council appropriations within departments has been given to the Finance Director.

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

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
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The appropriation ordinance 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.

**Note 3 – Changes in Accounting Principles**

For 2023, the City implemented Governmental Accounting Standards Board (GASB) No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The City did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The City did not have any contracts that met the GASB 96 definition of a SBITA, other than short-term SBITAs.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

For 2023, the City also implemented the guidance in GASB's Implementation Guide No. 2021-1, *Implementation Guidance Update—2021* (other than question 5.1).

**Note 4 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures, and changes in fund balance - budget (non-GAAP basis) and actual presented for the general fund and 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 GAAP basis and budget basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Budgetary revenues and expenditures of the park deposits and budget stabilization funds are reclassified to the general fund for GAAP reporting.
4. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP).

**City of Canal Fulton, Ohio**  
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The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the major special revenue funds.

Net Change in Fund Balance  
 General and Major Special Revenue Funds

	General	Police	Fire/EMS
GAAP Basis	\$113,116	(\$52,817)	\$58,001
Net Adjustment for Revenue Accruals	(30,213)	(163)	(7,965)
Net Adjustment for Expenditure Accruals	2,494	(4,484)	11,326
Perspective Differences:			
Budget Stabilization	3,740	0	0
Encumbrances	(112,736)	(73,934)	(37,362)
Budget Basis	<u>(\$23,599)</u>	<u>(\$131,398)</u>	<u>\$24,000</u>

**Note 5 – Deposits and Investments**

The City is a charter City and has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

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

Inactive deposits are public deposits that Council has identified as not required for use within the current 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 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 bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

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

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 are also prohibited. Except as noted above, an investment must mature within five years from the date of settlement, 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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest, or coupons; and
3. Obligations of the City.



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***Investments***

As of December 31, 2023, the City had investments in STAR Ohio in the amount of \$6,583,384. The investments in STAR Ohio are valued at net asset value (NAV) per share and had an average maturity of 46.4 days as of December 31, 2023.

***Credit Risk*** STAR Ohio carries a credit rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization. The City has no investment policy that addresses credit risk.

**Note 6 – Receivables**

Receivables at December 31, 2023, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, and accounts (billings for utility service). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

***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 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 statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 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 \$4.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

	Assessed Value
Real Property	\$142,552,400
Public Utility Property	2,476,430
Total	<u>\$145,028,830</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Canal Fulton. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
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which are measurable as of December 31, 2023, and for which there is an enforceable legal claim. In governmental funds, the entire receivable has been offset by deferred inflows of resources – property taxes since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes during the available period are not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

***Income Taxes***

The City levies a municipal income tax of 2.0 percent on substantially all earned income arising from employment, residency, or business activities within the City. The City allows a credit of 100 percent for the income tax paid to another municipality to a maximum of half the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the general fund and the police special revenue fund.

***Intergovernmental Receivables***

A summary of intergovernmental receivables follows:

	<u>Amount</u>
<b><i>Governmental Activities:</i></b>	
State of Ohio Park Reimbursement	\$269,265
Gasoline Tax	167,591
Local Government	116,601
Homestead and Rollback	32,244
Reimbursements	<u>12,527</u>
Total Governmental Activities	<u><u>\$598,228</u></u>

**Note 7 – Contingencies**

***Litigation***

The City is not party to legal proceedings as of December 31, 2023.

***Grants***

The City receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires 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 of the general fund or any other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2023.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 8 – Other Employee Benefits**

***Compensated Absences***

Vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn ten or more days of vacation per year, depending upon length of service. Effective 2023, employees can now carry over their normal vacation accrual amount plus five days at year end. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at a rate of 4.6 hours for each completed pay period of 80 hours. Sick leave accumulation is unlimited, but upon retirement, employees can be paid twenty-five percent of accumulated, unused sick leave.

***Medical and Dental Insurance***

The City provides medical, dental, and vision benefits to employees through the Stark County Educational Service Center. The City also provides \$25,000 of life insurance for employees through the Stark County Educational Service Center. The City’s portion of monthly premiums for 2023 were \$2,234.38 for family and \$918.02 for single.

***Deferred Compensation***

City employees may participate in the Ohio Public Employees Deferred Compensation Plan and Buckeye Deferred Compensation Plan. These plans were created in accordance with Internal Revenue Code Section 457 and are considered an other employee benefit plan. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

**Note 9 – Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the City contracted with The Ohio Municipal Joint Self Insurance Pool for various types of insurance.

The coverage and deductible are as follows:

Type of Coverage	Deductible	Coverage
General Liability	\$1,000	\$3,000,000
Employers Liability	0	1,000,000
Employee Benefits	1,000	1,000,000
Law Enforcement Officers Liability	5,000	3,000,000
Public Officials Liability	1,000	3,000,000
Automobile	0	3,000,000
Property	1,000	18,961,932
Electronic Equipment/Media Coverage	500	73,000
Public Employee Dishonesty	500	10,000
Boiler and Machinery	1,000	18,961,932
Emergency Medical Services Liability	1,000	3,000,000
Municipal Attorney and Law Director	1,000	1,000,000

**City of Canal Fulton, Ohio**  
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There has not been a significant reduction in coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

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

**Note 10 – Internal Activity**

***Interfund Transfers***

Interfund transfers for the year ended December 31, 2023, consisted of the following:

Transfer to	General	Transfer From Other Governmental Funds	Total
General	\$0	\$389,108	\$389,108
Police	1,143,500	0	1,143,500
Fire/EMS	569,000	0	569,000
General Capital Projects Reserve	989,108	0	989,108
Other Governmental Funds	533,000	0	533,000
Total	\$3,234,608	\$389,108	\$3,623,716

The transfers from the general fund to the police and fire/EMS special revenue funds were to supplement the operations of those funds. The transfers from the general fund to the other governmental funds were for debt payments and capital projects within the City. The transfers from other governmental funds to the general fund were to close an old capital fund where the original purpose had been completed.

***Internal Balances – Change in Proportionate Share***

The City uses an internal proportionate share to allocate its net pension/OPEB liability (asset) and corresponding deferred outflows/inflows of resources and pension/OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension/OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

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Balances related to the internal proportionate share for pension and OPEB at December 31, 2023, were as follows:

	Pension		OPEB	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Governmental Activities	\$35,289	\$3,883	\$231	\$414
Business-Type Activities:				
Water	5,235	44,397	208	295
Sewer	10,247	2,491	270	0
<i>Total Enterprise Funds/Business-Type Activities</i>	15,482	46,888	478	295
Elimination from Proprietary Fund Statements	(11,599)	(11,599)	(64)	(64)
Total Business-Type Activities	3,883	35,289	414	231
Total	\$39,172	\$39,172	\$645	\$645

**Note 11 – Joint Venture**

The City participates in the Local Organized Governments in Cooperation (LOGIC), a statutorily created political subdivision of the State formed in 1986 to provide safety dispatching services. LOGIC is a joint venture among the City, Jackson Township, Lawrence Township, City of Massillon, and Hills and Dales Village, with each participant providing one representative to serve on the board. Each representative has a membership share based on the percentage of contractual financial contributions to the total funding, and each participant is entitled to vote its percentage share. The board has total authority over the operation of LOGIC, including budgeting, appropriating, contracting, and designating management. Continued existence of LOGIC is dependent on the City’s continued participation; however, the City does not have an equity interest in the LOGIC. LOGIC does not provide specific financial benefits or impose specific financial burdens on the City. During 2023, the City made contributions of \$102,668, but does not have an equity interest in LOGIC. Financial statements of LOGIC may be obtained from Local Organized Governments in Cooperation, 2601 Cleveland Avenue, Canton, Ohio 44709.

**Note 12 – Related Organization**

Four of the nine members of the Northwest Stark Senior Citizens Commission (Senior Citizens Commission) are appointed by the Mayor of the City. Four of the nine members of the Senior Citizens Commission are elected by the members of the Northwest Stark Senior Center. These eight members of the Senior Citizens Commission elect the remaining member. The Senior Citizens Commission administers its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the Senior Citizens Commission nor is the Senior Citizens Commission financially dependent on the City. During 2023, the City paid \$468 to the Senior Citizens Commission. Financial information may be obtained by contacting the Senior Citizens Commission at 853 Locust Street, Canal Fulton, Ohio 44614.

**Note 13 – Jointly Governed Organizations**

***Stark County Regional Planning Commission***

The City participates in the Stark County Regional Planning Commission (Planning Commission), which is a statutorily created political subdivision of the State. The Planning Commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 64 member board, the City appoints one member. The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Planning Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic and physical environment of Stark County. The board exercises total authority for the day-to-day operations of the Planning Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Planning Commission's liabilities. In 2023, the City contributed a total of \$534 to the Planning Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, 201 3rd Street NE, Suite 201, Canton, Ohio 44702.

***Stark Council of Governments***

The City participates in the Stark Council of Governments (Council) which is a statutorily created political subdivision of the State. The Council is jointly governed among Stark County and its municipalities and townships which direct the operations of the Stark County Metropolitan Narcotics Unit and the Stark County Crime Laboratory. Of the 27 members, the City has one appointed member. Each member's control over the operation of the Council is limited to its representation on the board. The board exercises total authority over the operation of the Council including budgeting, appropriation, contracting, and designating management. The Council is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City did not contribute any funds to the Council in 2023. Complete financial statements can be obtained from the Stark Council of Governments, P.O. Box 21451 Canton, Ohio 44701-1451.

***Stark County District Board of Health***

The City participates in the Stark County District Board of Health (Health District) which is a statutorily created political subdivision of the State. The Health District is jointly governed by Stark County townships, villages, the City of Canal Fulton, the City of Louisville, and the City of North Canton. Of the 8 board members, the City has one appointed member. The board is made up of various professionals who are equally representative of the general health district. The board exercises total authority over the operation of the Health District including budgeting, appropriation, contracting, and designating management. The Health District is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City contributed \$28,457 to the Health District in 2023. Complete financial statements can be obtained from the Stark County Combined General Health District, 3951 Convenience Circle NW, Canton, Ohio 44718.

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**Note 14 – Long-Term Obligations**

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<b><i>Governmental Activities:</i></b>			
<b>General Obligation Bonds:</b>			
Fire Station Bonds 1 - 2006	4.25-5%	\$750,000	December 1, 2025
Fire Station Bonds 2 - 2006	4.25-5	750,000	December 1, 2025
Various Purpose Refunding Bonds - 2020	2.24	402,984	December 1, 2033
<b><i>Business-Type Activities:</i></b>			
<b>General Obligation Bonds:</b>			
Northwest Waterline Bonds - 2005	3.0-4.5	730,000	March 15, 2025
Various Purpose Refunding Bonds - 2020	2.24	397,016	December 1, 2033
<b>OPWC Loans from Direct Borrowings:</b>			
Water Treatment Plant Loan - 2003	0	600,595	July 1, 2024
Milan Street Waterline Loan - 2006	0	331,649	January 1, 2026
Wooster/Milan Waterline Loan - 2016	0	533,411	January 1, 2037
Poplar/Steiner Waterline Loan - 2016	0	304,899	January 1, 2037
Locust Abandonment Waterline Loan - 2016	0	29,260	January 1, 2037
Cherry Street Waterline Loan - 2021	0	325,585	July 1, 2051
Solids Handling Improvement Loan - 2003	0	376,100	January 1, 2023
High Street Sanitary Sewer Loan - 2009	0	116,357	January 1, 2041
WWTP Screening Improvements - 2014	0	170,750	July 1, 2035
Wooster Street Storm Sewer - 2014	0	137,727	January 1, 2035

The changes in the City's long-term obligations during the year consist of the following:

	Amount Outstanding 12/31/2022	Additions	Deletions	Amount Outstanding 12/31/2023	Amounts Due in One Year
<b><i>Governmental Activities:</i></b>					
<b><u>General Obligation Bonds:</u></b>					
Fire Station Bonds 1	\$155,000	\$0	\$50,000	\$105,000	\$50,000
Premium on Fire Station Bonds 1	1,351	0	450	901	0
Fire Station Bonds 2	155,000	0	50,000	105,000	50,000
Premium on Fire Station Bonds 2	560	0	187	373	0
2020 Various Purpose Refunding Bonds	325,914	0	26,194	299,720	27,202
<b>Total General Obligation Bonds</b>	<b>637,825</b>	<b>0</b>	<b>126,831</b>	<b>510,994</b>	<b>127,202</b>
<b><u>Other Long-Term Obligations:</u></b>					
Compensated Absences	28,873	12,235	7,262	33,846	0
<b><u>Net Pension Liability:</u></b>					
OPERS	251,078	699,920	0	950,998	0
OP&F	1,393,760	861,823	0	2,255,583	0
<b>Total Net Pension Liability</b>	<b>1,644,838</b>	<b>1,561,743</b>	<b>0</b>	<b>3,206,581</b>	<b>0</b>
<b><u>Net OPEB Liability:</u></b>					
OPERS	0	21,110	0	21,110	0
OP&F	244,532	0	75,472	169,060	0
<b>Total Net OPEB Liability</b>	<b>244,532</b>	<b>21,110</b>	<b>75,472</b>	<b>190,170</b>	<b>0</b>
<b>Total Governmental Activities</b>	<b>2,556,068</b>	<b>1,595,088</b>	<b>209,565</b>	<b>3,941,591</b>	<b>127,202</b>

**City of Canal Fulton, Ohio**  
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	Amount Outstanding 12/31/2022	Additions	Deletions	Amount Outstanding 12/31/2023	Amounts Due in One Year
<b><i>Business-Type Activities</i></b>					
<b><i>General Obligation Bonds:</i></b>					
<b><i>Northwest Waterline Bonds:</i></b>					
Term Bonds - Water	155,000	0	50,000	105,000	50,000
Premium on Northwest Waterline Bonds	511	0	255	256	0
<b><i>Various Purpose Refunding Bonds 2020:</i></b>					
Serial Bonds - Water	160,543	0	12,903	147,640	13,399
Serial Bonds - Sewer	160,543	0	12,903	147,640	13,399
<b>Total General Obligation Bonds</b>	<b>476,597</b>	<b>0</b>	<b>76,061</b>	<b>400,536</b>	<b>76,798</b>
<b><i>OPWC Loans from Direct Borrowings:</i></b>					
Water - Treatment Plant	45,044	0	30,030	15,014	15,014
Water - Milan Street	49,747	0	16,582	33,165	16,582
Water - Wooster/Milan	373,389	0	26,671	346,718	26,671
Water - Poplar/Steiner	213,429	0	15,245	198,184	15,245
Water - Locust Abandonment	20,482	0	1,463	19,019	1,463
Water - Cherry Street	310,211	0	10,697	299,514	10,697
Sewer - High Street Sanitary Sewer	71,754	0	3,879	67,875	3,879
Sewer - WWTP Screening Improvements	106,719	0	8,538	98,181	8,538
Storm Sewer - Wooster Street Storm Sewer	82,637	0	6,886	75,751	6,886
<b>Total OPWC Loans</b>	<b>1,273,412</b>	<b>0</b>	<b>119,991</b>	<b>1,153,421</b>	<b>104,975</b>
<b>Compensated Absences</b>	<b>21,326</b>	<b>23,836</b>	<b>15,770</b>	<b>29,392</b>	<b>16,866</b>
<b><i>Net Pension Liability - OPERS:</i></b>					
Water	173,363	242,609	0	415,972	0
Sewer	173,363	440,827	0	614,190	0
<b>Total Net Pension Liability - OPERS</b>	<b>346,726</b>	<b>683,436</b>	<b>0</b>	<b>1,030,162</b>	<b>0</b>
<b><i>Net OPEB Liability - OPERS:</i></b>					
Water	0	9,233	0	9,233	0
Sewer	0	13,631	0	13,631	0
<b>Total Net OPEB Liability - OPERS</b>	<b>0</b>	<b>22,864</b>	<b>0</b>	<b>22,864</b>	<b>0</b>
<b>Total Business-Type Activities</b>	<b>\$2,118,061</b>	<b>\$730,136</b>	<b>\$211,822</b>	<b>\$2,636,375</b>	<b>\$198,639</b>

The fire station bonds 1 and 2 and the governmental portion of the 2020 various purpose improvement bonds are paid from the general obligation debt retirement fund.

On March 15, 2005, the City issued \$730,000 of Water Improvement Bonds for the purpose of constructing a waterline for the Northwest Local School District. The bonds are subject to mandatory sinking fund redemption before maturity. Interest payments, at rates ranging from 3 percent to 4.5 percent per year are payable on March 15 and September 15 of each year, until the principal amount is paid. The Water Improvement Bonds are paid from the water fund. The enterprise portion of the 2020 various purpose refunding bonds are paid from the water and sewer funds.



**City of Canal Fulton, Ohio**  
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*For the Year Ended December 31, 2023*

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**Redemption Provisions**

***Mandatory Sinking Fund Redemption*** The Northwest waterline bonds maturing on March 15, 2025 are term bonds and are subject to mandatory sinking redemption requirements on March 15 in the years (Mandatory Redemption Dates) and in the principal amounts as follows (with the balance of \$55,000 to be paid at maturity on March 15, 2025):

<u>Year</u>	<u>Principal Amount</u>
2024	50,000

On September 3, 2020, the City issued general obligation bonds, in the amount of \$800,000, to refund the 2018 various purpose improvement bonds in order to take advantage of lower interest rates. The bonds were issued with an interest rates of 2.24 percent. The bonds were issued for a 14 year period with a final maturity on December 1, 2033. The bonds will be retired through the downtown improvement debt service fund, water fund, and sewer fund. Net proceeds of \$795,066 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded bonds. As a result, \$785,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. As of December 31, 2023, \$510,994 of the defeased bonds remain outstanding.

The City has pledged future water revenues net of expenses to repay OPWC loans. These loans are payable solely from net revenues and are payable through 2051. Annual principal payments on these loans are expected to require less than 24 percent of net revenues and less than 9 percent of total revenues. The total principal remaining to be paid on the loans is \$911,614. Principal paid for the current year was \$100,688, total net revenues were \$431,495, and total operating revenues were \$1,223,889.

The City has pledged future sewer revenues net of expenses to repay OPWC loans. These loans are payable solely from net revenues and are payable through 2041. Annual principal payments on these loans are expected to require less than 9 percent of net revenues and less than 2 percent of total revenues. The total principal remaining to be paid on the loans is \$166,056. Principal paid for the current year was \$12,417, total net revenues were \$146,995, and total operating revenues were \$1,156,116.

The City has pledged future storm sewer revenues net of expenses to repay an OPWC loan. This loan is payable solely from net revenues and is payable though 2034. Annual principal and interest payments on the debt issues are expected to require less than 6 percent of net revenues and less than 6 percent of total revenues. The total principal remaining to be paid on the loan is \$75,751. Principal paid for the current year was \$6,886, total net revenues were \$108,473 and total operating revenues were \$110,678.

The City's outstanding OPWC loans from direct borrowings related to business-type activities of \$1,153,421 contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and, as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension liability; however, employer pension and OPEB contributions are made from the general fund, the street maintenance, police, and fire/EMS special revenue funds, and the water and sewer enterprise funds. The compensated absences liability will be paid from the same funds.

As of December 31, 2023, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$14,362,981 and the unvoted legal debt margin was \$7,111,540.

**City of Canal Fulton, Ohio**  
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Principal and interest requirements to retire the City’s long-term obligations outstanding at December 31, 2023, are as follows:

Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2024	\$127,202	\$17,214
2025	137,705	11,616
2026	28,209	5,495
2027	28,713	4,863
2028	29,720	4,220
2029-2033	158,171	10,821
Total	\$509,720	\$54,229

Year	Business-Type Activities				From Direct Borrowings OPWC Loans Principal
	General Obligation Bonds				
	Serial		Term		
	Principal	Interest	Principal	Interest	
2024	\$26,798	\$6,614	\$50,000	\$3,600	\$104,975
2025	27,294	6,014	55,000	1,238	89,962
2026	27,792	5,404	0	0	73,379
2027	28,288	4,780	0	0	73,379
2028	29,280	4,148	0	0	73,379
2029-2033	155,828	10,636	0	0	366,895
2034-2038	0	0	0	0	222,703
2039-2043	0	0	0	0	63,175
2044-2048	0	0	0	0	53,485
2049-2051	0	0	0	0	32,089
Total	\$295,280	\$37,596	\$105,000	\$4,838	\$1,153,421

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 15 – Capital Assets**

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balance 12/31/2022	Additions	Deductions	Balance 12/31/2023
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated</i>				
Land	\$3,376,557	\$0	\$0	\$3,376,557
Construction in Progress	1,079,527	443,308	0	1,522,835
<b>Total Capital Assets, not being depreciated</b>	<b>4,456,084</b>	<b>443,308</b>	<b>0</b>	<b>4,899,392</b>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	5,859,885	666,126	0	6,526,011
Equipment and Machinery	1,676,520	228,273	0	1,904,793
Vehicles	2,313,707	82,827	0	2,396,534
Infrastructure:				
Roads	7,404,112	367,293	0	7,771,405
<b>Total Capital Assets, being depreciated</b>	<b>17,254,224</b>	<b>1,344,519</b>	<b>0</b>	<b>18,598,743</b>
<b>Less Accumulated Depreciation:</b>				
Buildings and Improvements	(3,064,489)	(139,142)	0	(3,203,631)
Equipment and Machinery	(1,222,902)	(135,695)	0	(1,358,597)
Vehicles	(1,124,263)	(139,226)	0	(1,263,489)
Infrastructure:				
Roads	(2,837,558)	(367,673)	0	(3,205,231)
<b>Total Accumulated Depreciation</b>	<b>(8,249,212)</b>	<b>(781,736)*</b>	<b>0</b>	<b>(9,030,948)</b>
<i>Total Capital Assets being depreciated, Net</i>	<i>9,005,012</i>	<i>562,783</i>	<i>0</i>	<i>9,567,795</i>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$13,461,096</b>	<b>\$1,006,091</b>	<b>\$0</b>	<b>\$14,467,187</b>

\* Depreciation expense was charged to governmental activities as follows:

General Government	\$47,589
Security of Persons and Property	218,098
Transportation	484,164
Leisure Time Activities	31,885
<b>Total Depreciation Expense</b>	<b>\$781,736</b>

**City of Canal Fulton, Ohio**  
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	Balance 12/31/2022	Additions	Deductions	Balance 12/31/2023
<b>Business-Type Activities</b>				
<i>Capital Assets, not being depreciated</i>				
Land	\$350,014	\$0	\$0	\$350,014
Construction in Progress	210,955	156,917	0	367,872
<b>Total Capital Assets, not being depreciated</b>	<b>560,969</b>	<b>156,917</b>	<b>0</b>	<b>717,886</b>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	5,661,981	23,000	0	5,684,981
Equipment and Machinery	421,532	0	0	421,532
Vehicles	232,065	0	0	232,065
Infrastructure:				
Water Lines	8,050,516	0	0	8,050,516
Sewer Lines	5,214,142	8,600	0	5,222,742
Storm Sewers	4,829,085	40,800	0	4,869,885
<b>Total Capital Assets, being depreciated</b>	<b>24,409,321</b>	<b>72,400</b>	<b>0</b>	<b>24,481,721</b>
<b>Less Accumulated Depreciation:</b>				
Buildings and Improvements	(3,590,726)	(145,109)	0	(3,735,835)
Equipment and Machinery	(262,902)	(29,038)	0	(291,940)
Vehicles	(184,462)	(12,888)	0	(197,350)
Infrastructure:				
Water Lines	(4,124,718)	(131,764)	0	(4,256,482)
Sewer Lines	(3,111,087)	(60,863)	0	(3,171,950)
Storm Sewers	(2,468,502)	(52,079)	0	(2,520,581)
<b>Total Accumulated Depreciation</b>	<b>(13,742,397)</b>	<b>(431,741)</b>	<b>0</b>	<b>(14,174,138)</b>
<i>Total Capital Assets being depreciated, Net</i>	10,666,924	(359,341)	0	10,307,583
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$11,227,893</b>	<b>(\$202,424)</b>	<b>\$0</b>	<b>\$11,025,469</b>

**Note 16 – Defined Benefit Pension Plans**

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

**Net Pension Liability (Asset) /Net OPEB Liability**

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions/OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 17 for the required OPEB disclosures.

***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.

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):

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<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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 traditional plan 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. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring 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.

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

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

	State and Local	
	Traditional	Combined
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
<b>2023 Actual Contribution Rates</b>		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

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

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

For 2023, the City’s contractually required contribution was \$163,877 for the traditional plan and \$15,972 for the combined plan. Of these amounts, \$19,669 is reported as an intergovernmental payable for the traditional plan and \$1,917 for the combined plan.

***Ohio Police & Fire Pension Fund (OP&F)***

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

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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
<b>2023 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2023 Actual Contribution Rates</b>		
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 %



**City of Canal Fulton, Ohio**  
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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$133,726 for 2023. Of this amount, \$15,802 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) 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 (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.00670700%	0.02602800%	0.02374540%	
Prior Measurement Date	<u>0.00687100%</u>	<u>0.02447700%</u>	<u>0.02230940%</u>	
Change in Proportionate Share	<u><u>-0.00016400%</u></u>	<u><u>0.00155100%</u></u>	<u><u>0.00143600%</u></u>	
Proportionate Share of the:				
Net Pension Liability	\$1,981,160	\$0	\$2,255,583	\$4,236,743
Net Pension Asset	0	(61,345)	0	(61,345)
Pension Expense	298,883	10,293	226,721	535,897

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

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$65,809	\$3,771	\$33,833	\$103,413
Changes of assumptions	20,931	4,061	203,446	228,438
Net difference between projected and actual earnings on pension plan investments	564,719	22,357	328,385	915,461
Changes in proportion and differences between City contributions and proportionate share of contributions	6,070	14,865	81,669	102,604
City contributions subsequent to the measurement date	163,877	15,972	133,726	313,575
Total Deferred Outflows of Resources	<u>\$821,406</u>	<u>\$61,026</u>	<u>\$781,059</u>	<u>\$1,663,491</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$1	\$8,765	\$51,388	\$60,154
Changes of assumptions	0	0	43,983	43,983
Changes in proportion and differences between City contributions and proportionate share of contributions	17,317	6,859	138,182	162,358
Total Deferred Inflows of Resources	<u>\$17,318</u>	<u>\$15,624</u>	<u>\$233,553</u>	<u>\$266,495</u>

\$313,575 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 or increase to the net pension asset in 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2024	\$71,014	\$2,134	\$9,269	\$82,417
2025	126,332	5,337	87,060	218,729
2026	166,226	6,932	115,624	288,782
2027	276,639	10,918	192,827	480,384
2028	0	1,380	9,000	10,380
Thereafter	0	2,729	0	2,729
Total	<u>\$640,211</u>	<u>\$29,430</u>	<u>\$413,780</u>	<u>\$1,083,421</u>

**City of Canal Fulton, Ohio**  
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***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (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:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2023, then 2.05 percent, simple	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
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) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

During 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 12.1 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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
<b>City's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$2,967,848	\$1,981,160	\$1,160,579
OPERS Combined Plan	(32,014)	(61,345)	(84,591)

**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

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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	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

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.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
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.

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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
	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** For 2022, 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

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was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$2,975,549	\$2,255,583	\$1,657,075

**Note 17 – Defined Benefit OPEB Plans**

See Note 16 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.

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 for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans 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 traditional pension plan and combined plan 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.

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



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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 for the traditional plan.

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. 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 in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$2,662 for 2023. Of this amount, \$320 is reported as an intergovernmental payable.

***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

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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](http://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 \$3,519 for 2023. Of this amount, \$416 is reported as an intergovernmental payable.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred 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:

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	<u>OPERS</u>	<u>OP&amp;F</u>	
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.00697400%	0.02374540%	
Prior Measurement Date	<u>0.00711100%</u>	<u>0.02230940%</u>	
Change in Proportionate Share	<u>-0.00013700%</u>	<u>0.00143600%</u>	
			<u>Total</u>
Proportionate Share of the:			
Net OPEB Liability	\$43,974	\$169,060	\$213,034
OPEB Expense	(\$76,704)	\$9,185	(\$67,519)

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$0	\$10,089	\$10,089
Changes of assumptions	42,949	84,250	127,199
Net difference between projected and actual earnings on OPEB plan investments	87,331	14,500	101,831
Changes in proportion and differences between City contributions and proportionate share of contributions	0	12,834	12,834
City contributions subsequent to the measurement date	<u>2,662</u>	<u>3,519</u>	<u>6,181</u>
Total Deferred Outflows of Resources	<u>\$132,942</u>	<u>\$125,192</u>	<u>\$258,134</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$10,968	\$33,335	\$44,303
Changes of assumptions	3,534	138,278	141,812
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>818</u>	<u>20,893</u>	<u>21,711</u>
Total Deferred Inflows of Resources	<u>\$15,320</u>	<u>\$192,506</u>	<u>\$207,826</u>

\$6,181 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 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:

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Year Ending December 31:	OPERS	OP&F	Total
2024	\$13,633	(\$6,771)	\$6,862
2025	31,904	(4,953)	26,951
2026	27,232	(8,007)	19,225
2027	42,191	(4,782)	37,409
2028	0	(14,885)	(14,885)
Thereafter	0	(31,435)	(31,435)
Total	<u>\$114,960</u>	<u>(\$70,833)</u>	<u>\$44,127</u>

***Actuarial Assumptions - OPERS***

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

Projections of 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:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent
	including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial
	3.50 percent, ultimate in 2036
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) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2023

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 the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution 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 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.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

***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 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 (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
City's proportionate share of the net OPEB liability (asset)	\$149,662	\$43,974	(\$43,239)

***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 Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$41,216	\$43,974	\$47,075

***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.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
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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	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 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	2.2 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 131percent 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.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
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.

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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 OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 16.

**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 (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
City's proportionate share of the net OPEB liability	\$208,182	\$169,060	\$136,032



**City of Canal Fulton, Ohio**  
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For the Year Ended December 31, 2023

**Note 18 – Encumbrances**

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

<i><b>Governmental Funds:</b></i>		<i><b>Proprietary Funds:</b></i>	
General	\$112,736	Water	\$220,593
Police	73,934	Sewer	95,299
Fire/EMS	37,362	Storm Sewer	2,500
General Capital Projects Reserve	51,460	Total	<u>\$318,392</u>
Other Governmental Funds	289,926		
Total	<u>\$565,418</u>		

**Note 19 – Fund Balances**

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

Fund Balances	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Materials and Supplies Inventory	\$0	\$0	\$0	\$0	\$30,892	\$30,892
General Trust	3,591	0	0	0	0	3,591
Unclaimed Monies	8,085	0	0	0	0	8,085
<i>Total Nonspendable</i>	<u>11,676</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,892</u>	<u>42,568</u>
<u>Restricted to:</u>						
Street Repair and Maintenance	0	0	0	0	275,481	275,481
Police Protection	0	431,886	0	0	51,647	483,533
St. Helena II	0	0	0	0	54,834	54,834
Debt Service	0	0	0	0	44,954	44,954
Capital Projects	0	0	0	0	491,955	491,955
<i>Total Restricted</i>	<u>0</u>	<u>431,886</u>	<u>0</u>	<u>0</u>	<u>918,871</u>	<u>1,350,757</u>
<u>Committed to:</u>						
Fire Protection	0	0	591,285	0	0	591,285
Capital Projects	0	0	0	701,124	18,025	719,149
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>591,285</u>	<u>701,124</u>	<u>18,025</u>	<u>1,310,434</u>
<u>Assigned to:</u>						
Purchases on Order:						
General Government	91,701	0	0	0	0	91,701
Transportation	1,276	0	0	0	0	1,276
Leisure Time Activities	6,606	0	0	0	0	6,606
<i>Total Assigned</i>	<u>99,583</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>99,583</u>
Unassigned	1,383,768	0	0	0	0	1,383,768
<b>Total Fund Balances</b>	<u>\$1,495,027</u>	<u>\$431,886</u>	<u>\$591,285</u>	<u>\$701,124</u>	<u>\$967,788</u>	<u>\$4,187,110</u>

**City of Canal Fulton, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2023*

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In addition to the above fund balance constraints, the City has a general fund budget stabilization arrangement that does not meet the criteria to be classified as restricted or committed. Pursuant to Ohio Revised Code Section 5705.13, the City established a budget stabilization by resolution to provide options to respond to unexpected infrastructure failure, or disaster situations. Expenditures of a recurring nature are not addressed through the use of this arrangement. City Council authorized the funding of this arrangement as resources become available in the general fund. The balance in the reserve at December 31, 2023, was \$221,293.

**Note 20 – Asset Retirement Obligations**

The Governmental Accounting Standard Board's (GASB) Statement No. 83, *Certain Asset Retirement Obligations*, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City may be responsible to address any public safety issues associated with their lift stations, requiring the City to record an asset retirement obligation (ARO). There may be additional AROs related to public safety issues; however, these amounts are not reasonably estimable. Currently, there is significant uncertainty as to what items would need to be addressed; therefore, a reliable estimated amount could not be determined.

**Note 21 – Subsequent Events**

In November 2023, the City entered into a cooperative agreement with the Ohio Water Department Authority (OWDA) and the Ohio Public Works Commission (OPWC) to provide financing for the construction of a new water tower. The City was approved for a loan of \$1.6 million from OWDA and a \$900,000 loan and a \$2.1 million grant from OPWC to fund the project. To date the City has drawn \$371,732.32 from the OWDA loan and has received \$857,491 in OPWC grants under this agreement.

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**Required Supplementary Information**

**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Ten Years*

	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.00670700%	0.00687100%	0.00670000%	0.00652800%
City's Proportionate Share of the Net Pension Liability	\$1,981,160	\$597,804	\$992,124	\$1,290,304
City's Covered Payroll	\$1,039,664	\$997,257	\$943,714	\$918,429
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.56%	59.94%	105.13%	140.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%

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

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.00697900%	0.00704100%	0.00723300%	0.00716800%	0.00733100%	0.00733100%
\$1,911,407	\$1,104,597	\$1,642,490	\$1,241,590	\$884,200	\$864,229
\$943,886	\$929,262	\$935,058	\$892,150	\$898,775	\$864,297
202.50%	118.87%	175.66%	139.17%	98.38%	99.99%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Asset*  
*Ohio Public Employees Retirement System - Combined Plan*  
*Last Six Years (1) \**

	2023	2022	2021	2020
City's Proportion of the Net Pension Asset	0.02602800%	0.02447700%	0.03384600%	0.03246200%
City's Proportionate Share of the Net Pension Asset	\$61,345	\$96,441	\$97,702	\$67,694
City's Covered Payroll	\$121,093	\$111,593	\$149,157	\$144,507
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	50.66%	86.42%	65.50%	46.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	137.14%	169.88%	157.67%	145.28%

(1) Although this schedule is intended to show information for ten years, information prior to 2018 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

<u>2019</u>	<u>2018</u>
0.03083000%	0.03035700%
\$34,475	\$41,325
\$131,857	\$124,331
26.15%	33.24%
126.64%	137.28%



**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability/Asset*  
*Ohio Public Employees Retirement System - OPEB Plan*  
*Last Seven Years (1) \**

	2023	2022	2021	2020
City's Proportion of the Net OPEB Liability/Asset	0.00697400%	0.00711100%	0.00723700%	0.00712100%
City's Proportionate Share of the Net OPEB Asset	\$0	\$222,728	\$128,933	\$0
City's Proportionate Share of the Net OPEB Liability	\$43,974	\$0	\$0	\$983,595
City's Covered Payroll	\$1,160,757	\$1,108,850	\$1,094,546	\$1,075,886
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	3.79%	-20.09%	-11.78%	91.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2019	2018	2017
0.00755000%	0.00757000%	0.00766000%
\$0	\$0	\$0
\$984,341	\$822,045	\$773,685
\$1,075,743	\$1,053,593	\$1,046,375
91.50%	78.02%	73.94%
46.33%	54.14%	54.04%

**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.02374540%	0.02230940%	0.02359000%	0.02509850%
City's Proportionate Share of the Net Pension Liability	\$2,255,583	\$1,393,760	\$1,608,151	\$1,690,769
City's Covered Payroll	\$640,932	\$631,995	\$645,026	\$612,437
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	351.92%	220.53%	249.32%	276.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

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

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.02501600%	0.02499900%	0.02550200%	0.02608600%	0.02718150%	0.02718150%
\$2,041,966	\$1,534,302	\$1,615,271	\$1,678,131	\$1,408,114	\$1,323,824
\$670,011	\$609,637	\$607,695	\$589,974	\$598,700	\$612,772
304.77%	251.67%	265.80%	284.44%	235.20%	216.04%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Seven Years (1) \**

	2023	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.02374540%	0.02230940%	0.02359000%	0.02509850%
City's Proportionate Share of the Net OPEB Liability	\$169,060	\$244,532	\$249,940	\$247,917
City's Covered Payroll	\$640,932	\$631,995	\$645,026	\$612,437
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	26.38%	38.69%	38.75%	40.48%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.90%	45.40%	47.08%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2019	2018	2017
0.02501600%	0.02499900%	0.02550200%
\$227,811	\$1,416,407	\$1,210,523
\$670,011	\$609,637	\$607,695
34.00%	232.34%	199.20%
46.57%	14.13%	15.96%

**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Public Employees Retirement System*  
*Last Ten Years*

	2023	2022	2021	2020
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$163,877	\$145,553	\$139,616	\$132,120
Contributions in Relation to the Contractually Required Contribution	(163,877)	(145,553)	(139,616)	(132,120)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$1,170,550	\$1,039,664	\$997,257	\$943,714
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net Pension Liability/Asset - Combined Plan</b>				
Contractually Required Contribution	\$15,972	\$16,953	\$15,623	\$20,882
Contributions in Relation to the Contractually Required Contribution	(15,972)	(16,953)	(15,623)	(20,882)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$133,100	\$121,093	\$111,593	\$149,157
Pension Contributions as a Percentage of Covered Payroll	<u>12.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability/Asset - OPEB Plan</b>				
Contractually Required Contribution	\$2,662	\$0	\$0	\$67
Contributions in Relation to the Contractually Required Contribution	(2,662)	0	0	(67)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$1,303,650	\$1,160,757	\$1,108,850	\$1,094,546
OPEB Contributions as a Percentage of Covered Payroll	<u>0.20%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.01%</u>

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
\$128,580	\$132,144	\$120,804	\$112,207	\$107,058	\$107,853
(128,580)	(132,144)	(120,804)	(112,207)	(107,058)	(107,853)
\$0	\$0	\$0	\$0	\$0	\$0
\$918,429	\$943,886	\$929,262	\$935,058	\$892,150	\$898,775
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$20,231	\$18,460	\$16,163	\$13,358	\$14,366	\$19,179
(20,231)	(18,460)	(16,163)	(13,358)	(14,366)	(19,179)
\$0	\$0	\$0	\$0	\$0	\$0
\$144,507	\$131,857	\$124,331	\$111,317	\$119,717	\$159,825
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$518	\$824	\$11,223	\$21,431	\$20,517	\$21,172
(518)	(824)	(11,223)	(21,431)	(20,517)	(21,172)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,075,886	\$1,075,743	\$1,053,593	\$1,046,375	\$1,018,089	\$1,058,600
0.05%	0.08%	1.07%	2.05%	2.02%	2.00%



**City of Canal Fulton, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Contributions*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$133,726	\$121,777	\$120,079	\$122,555
Contributions in Relation to the Contractually Required Contribution	<u>(133,726)</u>	<u>(121,777)</u>	<u>(120,079)</u>	<u>(122,555)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$703,821	\$640,932	\$631,995	\$645,026
Pension Contributions as a Percentage of Covered Payroll	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$3,519	\$3,205	\$3,160	\$3,225
Contributions in Relation to the Contractually Required Contribution	<u>(3,519)</u>	<u>(3,205)</u>	<u>(3,160)</u>	<u>(3,225)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
\$116,363	\$127,302	\$115,831	\$115,462	\$112,095	\$113,756
(116,363)	(127,302)	(115,831)	(115,462)	(112,095)	(113,756)
\$0	\$0	\$0	\$0	\$0	\$0
\$612,437	\$670,011	\$609,637	\$607,695	\$589,974	\$598,700
19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
\$3,062	\$3,350	\$3,048	\$3,038	\$2,950	\$2,994
(3,062)	(3,350)	(3,048)	(3,038)	(2,950)	(2,994)
\$0	\$0	\$0	\$0	\$0	\$0
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
19.50%	19.50%	19.50%	19.50%	19.50%	19.50%

**City of Canal Fulton, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2023

**Changes in Assumptions – OPERS Pension– Traditional Plan**

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 through 2021	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
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:

2023	3.0 percent, simple through 2023 then 2.05 percent, simple
2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2022 use pre-retirement mortality rates 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) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all 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 these tables.

**City of Canal Fulton, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2023

Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

**Changes in Assumptions – OPERS Pension – Combined Plan**

	<u>2022</u>	<u>2019 through 2021</u>	<u>2018</u>
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

**City of Canal Fulton, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2023

**Changes in Assumptions – OP&F Pension**

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

Beginning in 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022 and forward.

Beginning in 2023, 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.

Beginning in 2023, 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.

Beginning in 2023, 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.

Beginning in 2023, 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.

Prior to 2023, 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

**City of Canal Fulton, Ohio**  
*Notes to the Required Supplementary Information*  
For the year ended December 31, 2023

Prior to 2023, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

**Changes in Assumptions – OPERS OPEB**

Wage Inflation:	
2023 and 2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
2023 and 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

**City of Canal Fulton, Ohio**  
*Notes to the Required Supplementary Information*  
*For the year ended December 31, 2023*

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**Changes in Assumptions – OP&F OPEB**

Blended Discount Rate:	
2023	4.27 percent
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022 and 2023.

**Changes in Benefit Terms – OPERS OPEB**

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 Benefit Terms – OP&F OPEB**

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

**Combining and Individual Fund Statements and  
Schedules**



## **Fund Descriptions – Nonmajor Governmental Funds**

### ***Nonmajor Special Revenue Funds***

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

***Street Maintenance Fund*** – To account for and report State gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

***State Highway Fund*** – To account for and report State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

***Motor Vehicle License Fund*** – To account for and report the permissive motor vehicle license tax levied by the City and the permissive motor vehicle license taxes received from County permissive motor vehicle license fees. The proceeds are restricted for street maintenance.

***Enforcement and Education Fund*** – To account for the collection of fines that are restricted to educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol and to reinforce the “Say No to Drugs” message.

***Law Enforcement Trust Fund*** – To account for and report restricted monies received from drug fines and forfeited bonds restricted for security of persons and property.

***Canal Boat Fund*** – To account for and report charges for services that are restricted for canal boat maintenance and costs of events held on the canal.

***American Rescue Plan Fund*** – To account for and report restricted monies received for Coronavirus relief and expenses incurred due to the public health emergency with respect to the Coronavirus Disease of 2019.

***Fire Demolition Fund*** – To account for and report insurance settlement monies held by the City until such time that the properties have been suitably demolished. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

***Unclaimed Monies Fund*** – To account for and report nonspendable revenues received from various unclaimed funds. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

***General Trust Fund*** – To account for and report nonspendable revenues received as donations to various City departments. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

***Park Deposits Fund*** – To account for and report revenue from rental deposits which provides for the furnishings and upkeep of City parks. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

***Budget Stabilization Fund*** – To account for and provide options to respond to unexpected infrastructure failure or disaster situations. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

## **Fund Descriptions – Nonmajor Governmental Funds**

### ***Nonmajor Debt Service Fund***

Debt service funds are used to account for and report financial resources that restricted, committed, or assigned to expenditures for principal and interest.

***General Obligation Debt Retirement Fund*** – To account for and report property taxes, other revenues, and transfers from the general fund restricted for debt payments.

### ***Nonmajor Capital Projects Funds***

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

***Parks and Recreation Capital Projects Fund*** – To account for and report fines, licenses, and permits and contributions and donations receipts committed for the purpose of improving existing park and recreation facilities.

***Downtown Capital Improvement Fund*** – To account for and report initial debt proceeds restricted for related capital outlays according to the debt covenants.

***Capital Projects Reserve Fund*** – The capital projects reserve fund accounts for and reports transfers committed by City Council for the purchase of capital assets.

***Capital Improvements Fund*** – The capital improvements fund accounts for and reports grant monies restricted for the purchase of capital assets.

***Fire Equipment Fund*** – To account for and report property tax monies restricted for the purchase of Fire- and EMS-related capital assets.

**City of Canal Fulton, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$320,375	\$37,205	\$562,351	\$919,931
Materials and Supplies Inventory	30,892	0	0	30,892
Intergovernmental Receivable	227,447	7,749	1,098	236,294
Property Taxes Receivable	0	121,268	105,041	226,309
Permissive Motor Vehicle License Taxes	5,120	0	0	5,120
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	39,435	0	0	39,435
<i>Total Assets</i>	<u>\$623,269</u>	<u>\$166,222</u>	<u>\$668,490</u>	<u>\$1,457,981</u>
<b>Liabilities</b>				
Accounts Payable	\$9,063	\$0	\$139	\$9,202
Accrued Wages	5,805	0	0	5,805
Contracts Payable	0	0	53,330	53,330
Intergovernmental Payable	2,450	0	0	2,450
Deposits Held Payable from Restricted Assets	39,435	0	0	39,435
<i>Total Liabilities</i>	<u>56,753</u>	<u>0</u>	<u>53,469</u>	<u>110,222</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	119,377	103,409	222,786
Unavailable Revenue	153,662	1,891	1,632	157,185
<i>Total Deferred Inflows of Resources</i>	<u>153,662</u>	<u>121,268</u>	<u>105,041</u>	<u>379,971</u>
<b>Fund Balances</b>				
Nonspendable	30,892	0	0	30,892
Restricted	381,962	44,954	491,955	918,871
Committed	0	0	18,025	18,025
<i>Total Fund Balances</i>	<u>412,854</u>	<u>44,954</u>	<u>509,980</u>	<u>967,788</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$623,269</u>	<u>\$166,222</u>	<u>\$668,490</u>	<u>\$1,457,981</u>

**City of Canal Fulton, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$0	\$115,505	\$99,506	\$215,011
Permissive Motor Vehicle License Taxes	65,465	0	0	65,465
Charges for Services	17,738	0	0	17,738
Fines and Forfeitures	921	0	0	921
Intergovernmental	584,760	22,510	15,793	623,063
Investment Earnings/Interest	16,811	0	0	16,811
Contributions and Donations	148	0	5,934	6,082
Other	5,073	0	13,301	18,374
<i>Total Revenues</i>	<u>690,916</u>	<u>138,015</u>	<u>134,534</u>	<u>963,465</u>
<b>Expenditures</b>				
Current:				
General Government	170,262	1,782	1,408	173,452
Security of Persons and Property	1,400	0	0	1,400
Transportation	638,891	0	0	638,891
Leisure Time Activities	2,254	0	0	2,254
Capital Outlay	0	0	970,690	970,690
Debt Service:				
Principal Retirement	0	126,194	0	126,194
Interest	0	22,801	0	22,801
<i>Total Expenditures</i>	<u>812,807</u>	<u>150,777</u>	<u>972,098</u>	<u>1,935,682</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(121,891)</u>	<u>(12,762)</u>	<u>(837,564)</u>	<u>(972,217)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	18,000	515,000	533,000
Transfers Out	0	0	(389,108)	(389,108)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>18,000</u>	<u>125,892</u>	<u>143,892</u>
<i>Net Change in Fund Balances</i>	<u>(121,891)</u>	<u>5,238</u>	<u>(711,672)</u>	<u>(828,325)</u>
<i>Fund Balances Beginning of Year</i>	<u>534,745</u>	<u>39,716</u>	<u>1,221,652</u>	<u>1,796,113</u>
<i>Fund Balances End of Year</i>	<u>\$412,854</u>	<u>\$44,954</u>	<u>\$509,980</u>	<u>\$967,788</u>

**City of Canal Fulton, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2023*

	Street Maintenance	State Highway	Motor Vehicle License	Enforcement and Education
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$123,761	\$63,361	\$26,772	\$18,121
Materials and Supplies Inventory	30,892	0	0	0
Intergovernmental Receivable	210,522	16,925	0	0
Permissive Motor Vehicle License Taxes	0	0	5,120	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
<i>Total Assets</i>	<u>\$365,175</u>	<u>\$80,286</u>	<u>\$31,892</u>	<u>\$18,121</u>
<b>Liabilities</b>				
Accounts Payable	\$9,063	\$0	\$0	\$0
Accrued Wages	5,805	0	0	0
Intergovernmental Payable	2,450	0	0	0
Deposits Held Payable from Restricted Assets	0	0	0	0
<i>Total Liabilities</i>	<u>17,318</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	142,271	11,391	0	0
<b>Fund Balances</b>				
Nonspendable	30,892	0	0	0
Restricted	174,694	68,895	31,892	18,121
<i>Total Fund Balances</i>	<u>205,586</u>	<u>68,895</u>	<u>31,892</u>	<u>18,121</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$365,175</u>	<u>\$80,286</u>	<u>\$31,892</u>	<u>\$18,121</u>

Law Enforcement Trust	Canal Boat	Fire Demolition	Total Nonmajor Special Revenue Funds
\$33,526	\$54,834	\$0	\$320,375
0	0	0	30,892
0	0	0	227,447
0	0	0	5,120
0	0	39,435	39,435
<u>\$33,526</u>	<u>\$54,834</u>	<u>\$39,435</u>	<u>\$623,269</u>
\$0	\$0	\$0	\$9,063
0	0	0	5,805
0	0	0	2,450
0	0	39,435	39,435
0	0	39,435	56,753
0	0	0	153,662
0	0	0	30,892
33,526	54,834	0	381,962
33,526	54,834	0	412,854
<u>\$33,526</u>	<u>\$54,834</u>	<u>\$39,435</u>	<u>\$623,269</u>

**City of Canal Fulton, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2023*

	Street Maintenance	State Highway	Motor Vehicle License	Enforcement and Education
<b>Revenues</b>				
Permissive Motor Vehicle License Taxes	\$0	\$0	\$65,465	\$0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	350
Intergovernmental	381,620	30,755	2,123	0
Investment Earnings/Interest	11,396	2,827	2,588	0
Contributions and Donations	0	0	0	0
Other	4,550	0	0	0
<i>Total Revenues</i>	<u>397,566</u>	<u>33,582</u>	<u>70,176</u>	<u>350</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	0	0
Security of Persons and Property	0	0	0	400
Transportation	498,494	15,559	124,838	0
Leisure Time Activities	0	0	0	0
<i>Total Expenditures</i>	<u>498,494</u>	<u>15,559</u>	<u>124,838</u>	<u>400</u>
<i>Net Change in Fund Balances</i>	(100,928)	18,023	(54,662)	(50)
<i>Fund Balances Beginning of Year</i>	<u>306,514</u>	<u>50,872</u>	<u>86,554</u>	<u>18,171</u>
<i>Fund Balances End of Year</i>	<u>\$205,586</u>	<u>\$68,895</u>	<u>\$31,892</u>	<u>\$18,121</u>

Law Enforcement Trust	Canal Boat	American Rescue Plan	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$65,465
0	17,738	0	17,738
571	0	0	921
0	0	170,262	584,760
0	0	0	16,811
0	148	0	148
0	523	0	5,073
<u>571</u>	<u>18,409</u>	<u>170,262</u>	<u>690,916</u>
0	0	170,262	170,262
1,000	0	0	1,400
0	0	0	638,891
0	2,254	0	2,254
<u>1,000</u>	<u>2,254</u>	<u>170,262</u>	<u>812,807</u>
(429)	16,155	0	(121,891)
<u>33,955</u>	<u>38,679</u>	<u>0</u>	<u>534,745</u>
<u>\$33,526</u>	<u>\$54,834</u>	<u>\$0</u>	<u>\$412,854</u>



**City of Canal Fulton, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2023*

	Parks and Recreation Capital Projects	Downtown Capital Improvement	Capital Improvements	Fire Equipment	Total Nonmajor Capital Projects Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$18,025	\$136,923	\$255,570	\$151,833	\$562,351
Intergovernmental Receivable	0	0	0	1,098	1,098
Property Taxes Receivable	0	0	0	105,041	105,041
<i>Total Assets</i>	<u>\$18,025</u>	<u>\$136,923</u>	<u>\$255,570</u>	<u>\$257,972</u>	<u>\$668,490</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$139	\$0	\$139
Contracts Payable	0	0	0	53,330	53,330
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>139</u>	<u>53,330</u>	<u>53,469</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	\$0	\$0	\$0	\$103,409	\$103,409
Unavailable Revenue	0	0	0	1,632	1,632
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>105,041</u>	<u>105,041</u>
<b>Fund Balances</b>					
Restricted	0	136,923	255,431	99,601	491,955
Committed	18,025	0	0	0	18,025
<i>Total Fund Balances</i>	<u>18,025</u>	<u>136,923</u>	<u>255,431</u>	<u>99,601</u>	<u>509,980</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$18,025</u>	<u>\$136,923</u>	<u>\$255,570</u>	<u>\$257,972</u>	<u>\$668,490</u>

**City of Canal Fulton, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2023*

	Parks and Recreation Capital Projects	Downtown Capital Improvement	Capital Projects Reserve	Capital Improvements	Fire Equipment	Total Nonmajor Capital Projects Funds
<b>Revenues</b>						
Property Taxes	\$0	\$0	\$0	\$0	\$99,506	\$99,506
Intergovernmental	0	0	0	12,615	3,178	15,793
Contributions and Donations	5,934	0	0	0	0	5,934
Other	0	13,301	0	0	0	13,301
<i>Total Revenues</i>	<u>5,934</u>	<u>13,301</u>	<u>0</u>	<u>12,615</u>	<u>102,684</u>	<u>134,534</u>
<b>Expenditures</b>						
Current:						
General Government	0	0	0	0	1,408	1,408
Capital Outlay	20,651	503,066	50,000	321,204	75,769	970,690
<i>Total Expenditures</i>	<u>20,651</u>	<u>503,066</u>	<u>50,000</u>	<u>321,204</u>	<u>77,177</u>	<u>972,098</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(14,717)</u>	<u>(489,765)</u>	<u>(50,000)</u>	<u>(308,589)</u>	<u>25,507</u>	<u>(837,564)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	0	70,000	0	445,000	0	515,000
Transfers Out	0	0	(389,108)	0	0	(389,108)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>70,000</u>	<u>(389,108)</u>	<u>445,000</u>	<u>0</u>	<u>125,892</u>
<i>Net Change in Fund Balances</i>	<u>(14,717)</u>	<u>(419,765)</u>	<u>(439,108)</u>	<u>136,411</u>	<u>25,507</u>	<u>(711,672)</u>
<i>Fund Balances Beginning of Year</i>	<u>32,742</u>	<u>556,688</u>	<u>439,108</u>	<u>119,020</u>	<u>74,094</u>	<u>1,221,652</u>
<i>Fund Balances End of Year</i>	<u>\$18,025</u>	<u>\$136,923</u>	<u>\$0</u>	<u>\$255,431</u>	<u>\$99,601</u>	<u>\$509,980</u>

**Individual Fund Schedules of Revenues,  
Expenditures/Expenses and Changes in Fund Balances  
– Budget (Non-GAAP Basis) and Actual**

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$315,609	\$320,748	\$320,846	\$98
Income Taxes	2,666,581	2,710,000	3,074,013	364,013
Hotel Taxes	0	0	5,127	5,127
Special Assessments	2,460	2,500	0	(2,500)
Charges for Services	246	250	20,448	20,198
Licenses and Permits	31,487	32,000	40,038	8,038
Intergovernmental	141,593	143,898	174,171	30,273
Investment Earnings/Interest	94,954	96,500	335,241	238,741
Rent	2,952	3,000	4,380	1,380
Contributions and Donations	0	0	650	650
Other	35,977	36,563	8,130	(28,433)
<i>Total Revenues</i>	<u>3,291,859</u>	<u>3,345,459</u>	<u>3,983,044</u>	<u>637,585</u>
<b>Expenditures</b>				
Current:				
General Government				
City Council				
Personal Services	26,377	26,377	24,548	1,829
Contractual Services	500	500	485	15
Materials and Supplies	500	500	0	500
City Council Total	<u>27,377</u>	<u>27,377</u>	<u>25,033</u>	<u>2,344</u>
Mayor's Office				
Personal Services	183,601	173,601	155,722	17,879
Contractual Services	105,333	119,045	116,694	2,351
Materials and Supplies	14,869	14,657	14,633	24
Capital Outlay	6,400	2,900	2,831	69
Mayor's Office Total	<u>310,203</u>	<u>310,203</u>	<u>289,880</u>	<u>20,323</u>
Finance Department				
Personal Services	60,583	65,583	62,174	3,409
Contractual Services	46,328	47,527	47,193	334
Materials and Supplies	11,274	10,574	10,574	0
Capital Outlay	500	0	0	0
Finance Department Total	<u>118,685</u>	<u>123,684</u>	<u>119,941</u>	<u>3,743</u>
Legal Department				
Contractual Services	70,056	89,556	89,159	397
Materials and Supplies	0	500	485	15
Legal Department Total	<u>\$70,056</u>	<u>\$90,056</u>	<u>\$89,644</u>	<u>\$412</u>

(continued)

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Engineering Department				
Contractual Services	\$25,958	\$25,957	\$25,957	\$0
Materials and Supplies	5,000	5,000	5,000	0
Engineering Department Total	<u>30,958</u>	<u>30,957</u>	<u>30,957</u>	<u>0</u>
Land/Buildings				
Personal Services	86,275	90,275	83,437	6,838
Contractual Services	81,693	83,542	83,116	426
Materials and Supplies	8,820	11,972	11,329	643
Capital Outlay	5,000	0	0	0
Land/Buildings Total	<u>181,788</u>	<u>185,789</u>	<u>177,882</u>	<u>7,907</u>
Community Service				
Contractual Services	250	250	0	250
Income Tax				
Personal Services	83,387	85,388	84,014	1,374
Contractual Services	44,010	33,942	27,834	6,108
Materials and Supplies	6,898	12,466	12,466	0
Capital Outlay	500	0	0	0
Other	76,740	81,740	81,663	77
Income Tax Total	<u>211,535</u>	<u>213,536</u>	<u>205,977</u>	<u>7,559</u>
General Government Total	<u>950,852</u>	<u>981,852</u>	<u>939,314</u>	<u>42,538</u>
Transportation				
Street Lighting				
Contractual Services	27,622	21,622	21,622	0
Leisure Time Activities				
Parks and Recreation				
Personal Services	138,367	143,366	136,353	7,013
Contractual Services	41,810	42,796	41,104	1,692
Materials and Supplies	23,662	10,893	10,467	426
Capital Outlay	500	12,284	12,283	1
Leisure Time Activities Total	<u>204,339</u>	<u>209,339</u>	<u>200,207</u>	<u>9,132</u>
<i>Total Expenditures</i>	<u>\$1,182,813</u>	<u>\$1,212,813</u>	<u>\$1,161,143</u>	<u>\$51,670</u>

(continued)

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Over Expenditures</i>	\$2,109,046	\$2,132,646	\$2,821,901	\$689,255
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	389,108	389,108	0
Transfers Out	<u>(2,245,500)</u>	<u>(3,234,608)</u>	<u>(3,234,608)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(2,245,500)</u>	<u>(2,845,500)</u>	<u>(2,845,500)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(136,454)	(712,854)	(23,599)	689,255
<i>Fund Balance Beginning of Year</i>	741,530	741,530	741,530	0
Prior Year Encumbrances Appropriated	<u>88,459</u>	<u>88,459</u>	<u>88,459</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$693,535</u>	<u>\$117,135</u>	<u>\$806,390</u>	<u>\$689,255</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Income Taxes	\$154,500	\$154,500	\$161,790	\$7,290
Fines and Forfeitures	250	250	36	(214)
Intergovernmental	150,000	150,000	163,346	13,346
Other	12,500	12,500	5,090	(7,410)
<i>Total Revenues</i>	<u>317,250</u>	<u>317,250</u>	<u>330,262</u>	<u>13,012</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	1,302,917	1,302,918	1,258,787	44,131
Contractual Services	231,232	213,495	211,855	1,640
Materials and Supplies	46,508	37,702	37,414	288
Capital Outlay	70,725	97,267	97,104	163
<i>Total Expenditures</i>	<u>1,651,382</u>	<u>1,651,382</u>	<u>1,605,160</u>	<u>46,222</u>
<i>Excess of Revenues Under Expenditures</i>	(1,334,132)	(1,334,132)	(1,274,898)	59,234
<b>Other Financing Sources</b>				
Transfers In	1,143,500	1,143,500	1,143,500	0
<i>Net Change in Fund Balance</i>	(190,632)	(190,632)	(131,398)	59,234
<i>Fund Balance Beginning of Year</i>	357,496	357,496	357,496	0
Prior Year Encumbrances Appropriated	188,470	188,470	188,470	0
<i>Fund Balance End of Year</i>	<u>\$355,334</u>	<u>\$355,334</u>	<u>\$414,568</u>	<u>\$59,234</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire/EMS Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$140,000	\$190,000	\$207,423	\$17,423
Intergovernmental	0	0	46,633	46,633
Contributions and Donations	0	0	100	100
Other	4,000	4,000	14,622	10,622
<i>Total Revenues</i>	<u>144,000</u>	<u>194,000</u>	<u>268,778</u>	<u>74,778</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	578,630	585,630	554,962	30,668
Contractual Services	215,784	211,668	208,614	3,054
Materials and Supplies	43,392	49,008	46,202	2,806
Capital Outlay	4,000	4,000	4,000	0
<i>Total Expenditures</i>	<u>841,806</u>	<u>850,306</u>	<u>813,778</u>	<u>36,528</u>
<i>Excess of Revenues Under Expenditures</i>	(697,806)	(656,306)	(545,000)	111,306
<b>Other Financing Sources</b>				
Transfers In	569,000	569,000	569,000	0
<i>Net Change in Fund Balance</i>	(128,806)	(87,306)	24,000	111,306
<i>Fund Balance Beginning of Year</i>	487,217	487,217	487,217	0
Prior Year Encumbrances Appropriated	74,866	74,866	74,866	0
<i>Fund Balance End of Year</i>	<u>\$433,277</u>	<u>\$474,777</u>	<u>\$586,083</u>	<u>\$111,306</u>



**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 General Capital Projects Reserve Fund  
 For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government				
Capital Outlay	295,000	295,000	295,000	0
<i>Excess of Revenues Under Expenditures</i>	(295,000)	(295,000)	(295,000)	0
<b>Other Financing Sources</b>				
Transfers In	398,108	989,108	989,108	0
<i>Net Change in Fund Balance</i>	103,108	694,108	694,108	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$103,108</u>	<u>\$694,108</u>	<u>\$694,108</u>	<u>\$0</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$1,074,000	\$1,107,300	\$1,171,714	\$64,414
Intergovernmental	0	0	37,500	37,500
Other	10,200	10,200	45,845	35,645
<i>Total Revenues</i>	<u>1,084,200</u>	<u>1,117,500</u>	<u>1,255,059</u>	<u>137,559</u>
<b>Expenses</b>				
Personal Services	379,990	369,541	360,410	9,131
Fringe Benefits	199,003	209,452	205,912	3,540
Contractual Services	191,698	203,733	175,029	28,704
Materials and Supplies	55,861	63,480	62,890	590
Capital Outlay	304,690	285,257	192,911	92,346
Other	500	278	45,942	(45,664)
Debt Service:				
Principal Retirement	162,247	163,591	163,591	0
Interest	9,446	9,303	9,301	2
<i>Total Expenses</i>	<u>1,303,435</u>	<u>1,304,635</u>	<u>1,215,986</u>	<u>88,649</u>
<i>Net Change in Fund Equity</i>	(219,235)	(187,135)	39,073	226,208
<i>Fund Equity Beginning of Year</i>	1,060,296	1,060,296	1,060,296	0
Prior Year Encumbrances Appropriated	187,089	187,089	187,089	0
<i>Fund Equity End of Year</i>	<u>\$1,028,150</u>	<u>\$1,060,250</u>	<u>\$1,286,458</u>	<u>\$226,208</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$1,028,500	\$1,110,595	\$1,113,066	\$2,471
Other	9,500	9,500	39,000	29,500
<i>Total Revenues</i>	<u>1,038,000</u>	<u>1,120,095</u>	<u>1,152,066</u>	<u>31,971</u>
<b>Expenses</b>				
Personal Services	355,050	369,631	360,425	9,206
Fringe Benefits	223,244	208,662	206,037	2,625
Contractual Services	350,635	351,739	347,666	4,073
Materials and Supplies	61,067	136,625	136,002	623
Capital Outlay	166,558	135,097	135,096	1
Other	200	0	39,758	(39,758)
Debt Service:				
Principal Retirement	34,473	34,722	25,320	9,402
Interest	3,880	3,631	3,595	36
<i>Total Expenses</i>	<u>1,195,107</u>	<u>1,240,107</u>	<u>1,253,899</u>	<u>(13,792)</u>
<i>Net Change in Fund Equity</i>	(157,107)	(120,012)	(101,833)	18,179
<i>Fund Equity Beginning of Year</i>	1,036,405	1,036,405	1,036,405	0
Prior Year Encumbrances Appropriated	91,443	91,443	91,443	0
<i>Fund Equity End of Year</i>	<u>\$970,741</u>	<u>\$1,007,836</u>	<u>\$1,026,015</u>	<u>\$18,179</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Storm Sewer Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$60,000	\$60,000	\$62,247	\$2,247
Other	300	300	20,011	19,711
<i>Total Revenues</i>	<u>60,300</u>	<u>60,300</u>	<u>82,258</u>	<u>21,958</u>
<b>Expenses</b>				
Contractual Services	55,357	14,557	14,545	12
Capital Outlay	0	40,800	40,800	0
Other	0	0	2,651	(2,651)
Debt Service:				
Principal Retirement	6,886	6,886	6,886	0
<i>Total Expenses</i>	<u>62,243</u>	<u>62,243</u>	<u>64,882</u>	<u>(2,639)</u>
<i>Net Change in Fund Equity</i>	(1,943)	(1,943)	17,376	19,319
<i>Fund Equity Beginning of Year</i>	45,985	45,985	45,985	0
Prior Year Encumbrances Appropriated	2,357	2,357	2,357	0
<i>Fund Equity End of Year</i>	<u>\$46,399</u>	<u>\$46,399</u>	<u>\$65,718</u>	<u>\$19,319</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$379,000	\$379,000	\$373,039	(\$5,961)
Investment Earnings/Interest	500	500	11,396	10,896
Other	4,500	4,500	4,550	50
<i>Total Revenues</i>	<u>384,000</u>	<u>384,000</u>	<u>388,985</u>	<u>4,985</u>
<b>Expenditures</b>				
Current:				
Transportation				
Personal Services	208,131	208,131	192,492	15,639
Contractual Services	92,559	98,884	97,368	1,516
Materials and Supplies	145,240	163,785	163,348	437
Capital Outlay	61,803	62,133	62,115	18
Other	200	0	0	0
<i>Total Expenditures</i>	<u>507,933</u>	<u>532,933</u>	<u>515,323</u>	<u>17,610</u>
<i>Net Change in Fund Balance</i>	(123,933)	(148,933)	(126,338)	22,595
<i>Fund Balance Beginning of Year</i>	98,068	98,068	98,068	0
Prior Year Encumbrances Appropriated	<u>137,707</u>	<u>137,707</u>	<u>137,707</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$111,842</u></u>	<u><u>\$86,842</u></u>	<u><u>\$109,437</u></u>	<u><u>\$22,595</u></u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$30,000	\$30,000	\$30,059	\$59
Investment Earnings/Interest	0	0	2,827	2,827
<i>Total Revenues</i>	<u>30,000</u>	<u>30,000</u>	<u>32,886</u>	<u>2,886</u>
<b>Expenditures</b>				
Current:				
Transportation				
Contractual Services	34,287	34,287	30,275	4,012
Materials and Supplies	2,700	2,700	0	2,700
<i>Total Expenditures</i>	<u>36,987</u>	<u>36,987</u>	<u>30,275</u>	<u>6,712</u>
<i>Net Change in Fund Balance</i>	(6,987)	(6,987)	2,611	9,598
<i>Fund Balance Beginning of Year</i>	42,572	42,572	42,572	0
Prior Year Encumbrances Appropriated	<u>7,287</u>	<u>7,287</u>	<u>7,287</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$42,872</u></u>	<u><u>\$42,872</u></u>	<u><u>\$52,470</u></u>	<u><u>\$9,598</u></u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Motor Vehicle License Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Permissive Motor Vehicle License Taxes	\$0	\$0	\$60,345	\$60,345
Intergovernmental	84,000	84,000	15,160	(68,840)
Investment Earnings/Interest	0	0	2,588	2,588
<i>Total Revenues</i>	<u>84,000</u>	<u>84,000</u>	<u>78,093</u>	<u>(5,907)</u>
<b>Expenditures</b>				
Current:				
Transportation				
Contractual Services	18,000	18,000	11,850	6,150
Materials and Supplies	136,491	136,491	136,491	0
<i>Total Expenditures</i>	<u>154,491</u>	<u>154,491</u>	<u>148,341</u>	<u>6,150</u>
<i>Net Change in Fund Balance</i>	(70,491)	(70,491)	(70,248)	243
<i>Fund Balance Beginning of Year</i>	9,526	9,526	9,526	0
Prior Year Encumbrances Appropriated	67,991	67,991	67,991	0
<i>Fund Balance End of Year</i>	<u>\$7,026</u>	<u>\$7,026</u>	<u>\$7,269</u>	<u>\$243</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Enforcement and Education Fund  
 For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$400	\$400	\$350	(\$50)
<b>Expenditures</b>				
Current:				
Security of Persons and Property Materials and Supplies	400	400	400	0
<i>Net Change in Fund Balance</i>	0	0	(50)	(50)
<i>Fund Balance Beginning of Year</i>	18,171	18,171	18,171	0
<i>Fund Balance End of Year</i>	<u>\$18,171</u>	<u>\$18,171</u>	<u>\$18,121</u>	<u>(\$50)</u>



**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Trust Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$1,000	\$1,000	\$571	(\$429)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Capital Outlay	1,000	1,000	1,000	0
<i>Net Change in Fund Balance</i>	0	0	(429)	(429)
<i>Fund Balance Beginning of Year</i>	33,955	33,955	33,955	0
<i>Fund Balance End of Year</i>	<u>\$33,955</u>	<u>\$33,955</u>	<u>\$33,526</u>	<u>(\$429)</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Canal Boat Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$7,500	\$7,500	\$17,738	\$10,238
Contributions and Donations	1,500	1,500	148	(1,352)
Other	0	0	523	523
<i>Total Revenues</i>	<u>9,000</u>	<u>9,000</u>	<u>18,409</u>	<u>9,409</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Contractual Services	2,000	2,225	2,155	70
Materials and Supplies	5,250	5,025	599	4,426
Capital Outlay	1,500	1,500	0	1,500
Other	250	250	0	250
<i>Total Expenditures</i>	<u>9,000</u>	<u>9,000</u>	<u>2,754</u>	<u>6,246</u>
<i>Net Change in Fund Balance</i>	0	0	15,655	15,655
<i>Fund Balance Beginning of Year</i>	<u>39,179</u>	<u>39,179</u>	<u>39,179</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$39,179</u></u>	<u><u>\$39,179</u></u>	<u><u>\$54,834</u></u>	<u><u>\$15,655</u></u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*American Rescue Plan Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government				
Capital Outlay	170,262	170,262	170,262	0
<i>Net Change in Fund Balance</i>	(170,262)	(170,262)	(170,262)	0
<i>Fund Balance Beginning of Year</i>	2,262	2,262	2,262	0
Prior Year Encumbrances Appropriated	168,000	168,000	168,000	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Budget Stabilization Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$239,000	\$0	\$9,490	\$9,490
Other	0	0	700	700
<i>Total Revenues</i>	239,000	0	10,190	10,190
<b>Expenditures</b>				
Current:				
Transportation				
Other	17,759	17,759	13,930	3,829
<i>Net Change in Fund Balance</i>	221,241	(17,759)	(3,740)	14,019
<i>Fund Balance Beginning of Year</i>	221,274	221,274	221,274	0
Prior Year Encumbrances Appropriated	3,759	3,759	3,759	0
<i>Fund Balance End of Year</i>	<u>\$446,274</u>	<u>\$207,274</u>	<u>\$221,293</u>	<u>\$14,019</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Debt Retirement Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$114,350	\$115,083	\$115,505	\$422
Intergovernmental	14,822	14,917	14,761	(156)
<i>Total Revenues</i>	<u>129,172</u>	<u>130,000</u>	<u>130,266</u>	<u>266</u>
<b>Expenditures</b>				
Current:				
General Government				
Contractual Services	3,500	3,311	1,782	1,529
Debt Service:				
Principal Retirement	120,690	126,194	126,194	0
Interest	28,126	22,811	22,801	10
<i>Total Debt Service</i>	<u>148,816</u>	<u>149,005</u>	<u>148,995</u>	<u>10</u>
<i>Total Expenditures</i>	<u>152,316</u>	<u>152,316</u>	<u>150,777</u>	<u>1,539</u>
<i>Excess of Revenues Under Expenditures</i>	(23,144)	(22,316)	(20,511)	1,805
<b>Other Financing Sources</b>				
Transfers In	18,000	18,000	18,000	0
<i>Net Change in Fund Balance</i>	(5,144)	(4,316)	(2,511)	1,805
<i>Fund Balance Beginning of Year</i>	<u>39,716</u>	<u>39,716</u>	<u>39,716</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$34,572</u></u>	<u><u>\$35,400</u></u>	<u><u>\$37,205</u></u>	<u><u>\$1,805</u></u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Parks and Recreation Capital Projects Fund  
 For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Contributions and Donations	\$10,000	\$20,000	\$5,934	(\$14,066)
<b>Expenditures</b>				
Capital Outlay	20,760	20,760	20,721	39
<i>Net Change in Fund Balance</i>	(10,760)	(760)	(14,787)	(14,066)
<i>Fund Balance Beginning of Year</i>	32,742	32,742	32,742	0
<i>Fund Balance End of Year</i>	<u>\$21,982</u>	<u>\$31,982</u>	<u>\$17,955</u>	<u>(\$14,066)</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Downtown Capital Improvement Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Other	\$24,400	\$9,400	\$13,301	\$3,901
<b>Expenditures</b>				
Capital Outlay	528,000	628,000	626,045	1,955
<i>Excess of Revenues Under Expenditures</i>	(503,600)	(618,600)	(612,744)	5,856
<b>Other Financing Sources</b>				
Transfers In	70,000	70,000	70,000	0
<i>Net Change in Fund Balance</i>	(433,600)	(548,600)	(542,744)	5,856
<i>Fund Balance Beginning of Year</i>	128,688	128,688	128,688	0
Prior Year Encumbrances Appropriated	428,000	428,000	428,000	0
<i>Fund Balance End of Year</i>	<u>\$123,088</u>	<u>\$8,088</u>	<u>\$13,944</u>	<u>\$5,856</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Capital Projects Reserve Fund  
 For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
General Government				
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(50,000)	(50,000)	(50,000)	0
<b>Other Financing Uses</b>				
Transfers Out	<u>0</u>	<u>(389,108)</u>	<u>(389,108)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(50,000)	(439,108)	(439,108)	0
<i>Fund Balance Beginning of Year</i>	<u>439,108</u>	<u>439,108</u>	<u>439,108</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$389,108</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Capital Improvements Fund  
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$27,615	\$27,615
<b>Expenditures</b>				
Current:				
General Government				
Capital Outlay	57,505	57,505	52,919	4,586
Security of Persons and Property				
Capital Outlay	105,220	105,220	103,473	1,747
Transportation				
Capital Outlay	309,650	324,650	324,401	249
<i>Total Expenditures</i>	<u>472,375</u>	<u>487,375</u>	<u>480,793</u>	<u>6,582</u>
<i>Excess of Revenues Under Expenditures</i>	(472,375)	(487,375)	(453,178)	34,197
<b>Other Financing Sources</b>				
Transfers In	462,000	445,000	445,000	0
<i>Net Change in Fund Balance</i>	(10,375)	(42,375)	(8,178)	34,197
<i>Fund Balance Beginning of Year</i>	186,044	186,044	186,044	0
Prior Year Encumbrances Appropriated	13,875	13,875	13,875	0
<i>Fund Balance End of Year</i>	<u>\$189,544</u>	<u>\$157,544</u>	<u>\$191,741</u>	<u>\$34,197</u>

**City of Canal Fulton, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Equipment Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$98,831	\$99,500	\$99,506	\$6
Intergovernmental	2,483	2,500	2,080	(420)
<i>Total Revenues</i>	<u>101,314</u>	<u>102,000</u>	<u>101,586</u>	<u>(414)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Contractual Services	2,500	2,500	1,408	1,092
Capital Outlay	30,000	83,500	80,769	2,731
<i>Total Expenditures</i>	<u>32,500</u>	<u>86,000</u>	<u>82,177</u>	<u>3,823</u>
<i>Net Change in Fund Balance</i>	68,814	16,000	19,409	3,409
<i>Fund Balance Beginning of Year</i>	<u>\$74,094</u>	<u>74,094</u>	<u>74,094</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$142,908</u></u>	<u><u>\$90,094</u></u>	<u><u>\$93,503</u></u>	<u><u>\$3,409</u></u>

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# Statistical Section

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# Statistical Section

This part of the City of Canal Fulton, Ohio's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>S2-S11</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and the municipal income tax.	<b>S12-S19</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>S20-S28</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>S29-S31</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>S32-S37</b>

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

**City of Canal Fulton, Ohio**  
*Net Position By Component*  
*Last Ten Years*  
*(Accrual Basis of Accounting)*

	2023	2022	2021	2020
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$13,958,936	\$12,826,786	\$12,012,038	\$11,931,755
Restricted:				
Debt Service	44,136	40,073	39,338	23,315
Capital Projects	493,587	758,864	776,354	339,139
Street Repair and Maintenance	434,296	584,204	593,610	626,934
Police Protection	435,701	528,895	492,595	496,454
St Helena II Canal Boat	54,834	38,679	0	0
Pension Plan	29,448	134,053	36,570	0
Other Purposes	3,591	3,591	36,359	17,372
Unclaimed Monies	8,085	8,085	8,085	8,085
Unrestricted (Deficit)	985,748	354,163	(108,107)	(784,224)
<i>Total Governmental Activities Net Position</i>	<u>16,448,362</u>	<u>15,277,393</u>	<u>13,886,842</u>	<u>12,658,830</u>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	9,477,426	9,484,334	9,076,475	9,194,164
Restricted for Pension Plan	31,897	185,116	45,740	0
Unrestricted	2,154,292	1,713,915	1,521,186	913,453
<i>Total Business-Type Activities Net Position</i>	<u>11,663,615</u>	<u>11,383,365</u>	<u>10,643,401</u>	<u>10,107,617</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	23,436,362	22,311,120	21,088,513	21,125,919
Restricted	1,535,575	2,281,560	2,028,651	1,511,299
Unrestricted	3,140,040	2,068,078	1,413,079	129,229
<i>Total Primary Government Net Position</i>	<u>\$28,111,977</u>	<u>\$26,660,758</u>	<u>\$24,530,243</u>	<u>\$22,766,447</u>

- (1) The City reported the impact of GASB Statement No. 84 on net position beginning in 2018.
- (2) The City reported the impact of GASB Statement No. 75 on net position beginning in 2017.
- (3) Beginning in 2016, storm sewer capital assets and related debt were restated from governmental activities to business-type activities.
- (4) The City reported the impact of GASB Statement No. 68 on net position beginning in 2014.

2019	2018 (1)	2017 (2)	2016 (3)	2015	2014 (4)
\$11,479,443	\$10,876,002	\$9,814,140	\$9,442,004	\$9,570,228	\$9,686,893
39,289	20,276	0	12,121	17,928	0
323,330	432,538	1,128,667	1,334,524	425,433	229,167
568,174	425,479	440,477	447,347	396,260	476,418
346,339	214,246	288,092	230,585	259,268	193,117
0	0	0	0	0	0
0	0	0	0	0	0
17,916	7,366	17,777	13,501	9,843	10,104
1,956	1,956	1,956	1,956	1,956	2,825
(964,386)	(1,549,033)	(1,808,732)	(268,626)	258,710	264,745
11,812,061	10,428,830	9,882,377	11,213,412	10,939,626	10,863,269
9,139,463	8,987,568	8,641,577	8,544,408	6,621,541	6,542,902
0	0	0	0	0	0
835,623	1,256,400	1,421,426	1,569,975	1,238,405	1,125,947
9,975,086	10,243,968	10,063,003	10,114,383	7,859,946	7,668,849
20,618,906	19,863,570	18,455,717	17,986,412	16,191,769	16,229,795
1,297,004	1,101,861	1,876,969	2,040,034	1,110,688	911,631
(128,763)	(292,633)	(387,306)	1,301,349	1,497,115	1,390,692
\$21,787,147	\$20,672,798	\$19,945,380	\$21,327,795	\$18,799,572	\$18,532,118

**City of Canal Fulton, Ohio**

*Changes in Net Position  
Last Ten Years  
(Accrual Basis of Accounting)*

	2023	2022	2021	2020
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales:				
General Government	\$57,778	\$53,514	\$40,789	\$85,571
Security of Persons and Property	208,380	180,458	194,383	178,411
Transportation	3,732	0	0	4,585
Leisure Time Activities	22,455	18,278	24,458	0
Subtotal - Charges for Services	<u>292,345</u>	<u>252,250</u>	<u>259,630</u>	<u>268,567</u>
Operating Grants and Contributions:				
General Government	170,262	38,772	36,279	0
Security of Persons and Property	217,944	220,096	285,712	483,337
Transportation	418,683	444,512	514,916	415,151
Leisure Time Activities	0	40	676	5,856
Subtotal - Operating Grants and Contributions	<u>806,889</u>	<u>703,420</u>	<u>837,583</u>	<u>904,344</u>
Capital Grants and Contributions:				
General Government	264,953	13,000	0	0
Security of Persons and Property	0	0	0	0
Transportation	0	0	41,293	42,941
Leisure Time Activities	0	55,643	0	4,587
Subtotal - Capital Grants and Contributions	<u>264,953</u>	<u>68,643</u>	<u>41,293</u>	<u>47,528</u>
<i>Total Governmental Activities Program Revenues</i>	<u>1,364,187</u>	<u>1,024,313</u>	<u>1,138,506</u>	<u>1,220,439</u>
Business-type Activities:				
Charges for Services:				
Water	1,178,044	1,148,399	1,053,991	1,025,182
Sewer	1,117,116	1,103,534	997,781	1,011,138
Storm Sewer	62,400	61,672	60,455	59,882
Operating Grants and Contributions				
Storm Sewer	0	0	0	0
Capital Grants and Contributions				
Water	37,500	394,671	0	0
Sewer	0	0	0	0
Storm Sewer	0	0	44,200	0
<i>Total Business-type Activities Program Revenues</i>	<u>2,395,060</u>	<u>2,708,276</u>	<u>2,156,427</u>	<u>2,096,202</u>
<i>Total Primary Government Program Revenues</i>	<u>3,759,247</u>	<u>3,732,589</u>	<u>3,294,933</u>	<u>3,316,641</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	909,412	536,499	644,608	729,108
Security of Persons and Property	2,623,756	2,099,135	2,141,061	2,410,912
Transportation	901,200	1,050,790	777,193	639,771
Leisure Time Activities	225,007	178,163	99,825	126,669
Interest	21,834	30,820	42,531	45,096
<i>Total Governmental Activities Expenses</i>	<u>4,681,209</u>	<u>3,895,407</u>	<u>3,705,218</u>	<u>3,951,556</u>
Business-Type Activities				
Water	991,885	896,545	741,574	851,549
Sewer	1,199,880	1,042,114	887,879	1,089,560
Storm Sewer	56,168	124,547	87,219	80,052
<i>Total Business-Type Activities Expenses</i>	<u>2,247,933</u>	<u>2,063,206</u>	<u>1,716,672</u>	<u>2,021,161</u>
<i>Total Primary Government Expenses</i>	<u>6,929,142</u>	<u>5,958,613</u>	<u>5,421,890</u>	<u>5,972,717</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(3,317,022)	(2,871,094)	(2,566,712)	(2,731,117)
Business-Type Activities	147,127	645,070	439,755	75,041
<i>Total Primary Government Net Expense</i>	<u>(\$3,169,895)</u>	<u>(\$2,226,024)</u>	<u>(\$2,126,957)</u>	<u>(\$2,656,076)</u>



2019	2018 (1)	2017	2016	2015 (2)	2014
\$30,084	\$41,894	\$38,739	\$43,865	\$16,811	\$23,265
148,765	146,856	136,847	118,968	131,280	126,494
0	1,311	1,284	1,794	306	451
34,497	41,238	51,440	57,297	43,181	43,346
213,346	231,299	228,310	221,924	191,578	193,556
0	0	0	0	9,285	17,832
149,696	439,612	41,002	4,065	8,622	46,069
484,481	361,949	334,599	350,761	330,533	351,170
2,944	4,188	4,079	168	41	63
637,121	805,749	379,680	354,994	348,481	415,134
0	69,742	0	0	0	0
49,479	102,509	0	0	0	0
0	92,414	196,221	2,416,960	20	375,769
681,802	7,485	2,326	2,751	5,180	11,989
731,281	272,150	198,547	2,419,711	5,200	387,758
1,581,748	1,309,198	806,537	2,996,629	545,259	996,448
984,545	948,232	931,320	922,925	886,090	855,225
911,741	906,509	901,630	969,515	979,301	860,934
58,808	58,023	52,372	0	0	0
16,640	0	0	0	0	0
0	38,099	0	0	0	82
0	45,040	0	0	0	10,204
0	112,314	352,701	0	0	0
1,971,734	2,108,217	2,238,023	1,892,440	1,865,391	1,726,445
3,553,482	3,417,415	3,044,560	4,889,069	2,410,650	2,722,893
797,909	749,583	968,111	1,055,431	1,016,114	897,594
1,181,505	2,181,540	1,894,929	2,027,991	1,811,002	1,743,433
854,859	813,188	557,060	205,825	507,694	562,997
196,714	143,612	112,419	120,034	123,410	136,787
57,345	92,628	67,326	57,890	56,621	51,445
3,088,332	3,980,551	3,599,845	3,467,171	3,514,841	3,392,256
1,129,232	916,730	873,302	762,036	680,771	680,780
1,096,143	1,024,207	1,002,379	870,450	935,430	786,729
55,941	70,993	79,452	0	0	0
2,281,316	2,011,930	1,955,133	1,632,486	1,616,201	1,467,509
5,369,648	5,992,481	5,554,978	5,099,657	5,131,042	4,859,765
(1,506,584)	(2,671,353)	(2,793,308)	(470,542)	(2,969,582)	(2,395,808)
(309,582)	96,287	282,890	259,954	249,190	258,936
(\$1,816,166)	(\$2,575,066)	(\$2,510,418)	(\$210,588)	(\$2,720,392)	(\$2,136,872)

**City of Canal Fulton, Ohio**

*Changes in Net Position  
Last Ten Years (continued)  
(Accrual Basis of Accounting)*

	2023	2022	2021	2020
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$432,239	\$315,289	\$252,472	\$248,814
Debt Service	0	112,275	111,130	109,729
Capital Projects	98,251	97,414	96,969	96,655
Income Taxes levied for:				
General Purposes	3,113,229	2,980,313	2,793,587	2,600,921
Other Purposes	163,964	139,441	143,988	146,536
Hotel Taxes	5,127	0	0	0
Permissive Motor Vehicle License Taxes	65,465	65,590	0	0
Grants and Entitlements not Restricted to				
Specific Programs	202,761	339,536	319,214	146,112
Unrestricted Contributions	6,832	2,161	600	50
Investment Earnings/Interest	352,052	105,293	4,381	31,491
Gain on Sale of Capital Assets	0	17,353	2,952	0
Other	48,071	86,980	69,431	197,578
<i>Total Governmental Activities</i>	<u>4,487,991</u>	<u>4,261,645</u>	<u>3,794,724</u>	<u>3,577,886</u>
Business-Type Activities				
Investment Earnings/Interest	0	0	2,229	0
Gain on Sale of Capital Assets	0	0	4,906	0
Other	133,123	94,894	88,894	57,490
<i>Total Business-Type Activities</i>	<u>133,123</u>	<u>94,894</u>	<u>96,029</u>	<u>57,490</u>
<i>Total Primary Government</i>	<u>4,621,114</u>	<u>4,356,539</u>	<u>3,890,753</u>	<u>3,635,376</u>
<b>Transfers</b>				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Change in Net Position</b>				
Governmental Activities	1,170,969	1,390,551	1,228,012	846,769
Business-type Activities	280,250	739,964	535,784	132,531
	<u>\$1,451,219</u>	<u>\$2,130,515</u>	<u>\$1,763,796</u>	<u>\$979,300</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

(2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

2019	2018 (1)	2017	2016	2015 (2)	2014
\$242,040	\$215,404	\$207,001	\$209,304	\$188,988	\$184,963
106,101	103,926	85,639	91,915	97,869	118,647
84,597	85,410	89,069	0	0	0
2,276,114	2,162,932	2,305,909	2,037,563	2,327,106	2,139,654
163,476	155,323	165,590	146,321	167,111	153,652
0	0	0	0	0	0
0	0	0	0	0	0
135,532	122,413	88,763	123,128	119,315	113,121
4,451	0	0	0	0	0
104,471	97,077	27,022	2,897	4,875	2,178
0	168,058	0	0	15,000	0
65,133	103,672	66,737	51,879	61,075	64,497
<u>3,181,915</u>	<u>3,214,215</u>	<u>3,035,730</u>	<u>2,663,007</u>	<u>2,981,339</u>	<u>2,776,712</u>
0	0	0	0	0	0
0	0	0	0	0	0
40,700	84,678	62,210	75,804	6,507	34,289
<u>40,700</u>	<u>84,678</u>	<u>62,210</u>	<u>75,804</u>	<u>6,507</u>	<u>34,289</u>
<u>3,222,615</u>	<u>3,298,893</u>	<u>3,097,940</u>	<u>2,738,811</u>	<u>2,987,846</u>	<u>2,811,001</u>
0	0	0	0	64,600	(55,000)
0	0	0	0	(64,600)	55,000
0	0	0	0	0	0
1,675,331	542,862	242,422	2,192,465	76,357	325,904
(268,882)	180,965	345,100	335,758	191,097	348,225
<u>\$1,406,449</u>	<u>\$723,827</u>	<u>\$587,522</u>	<u>\$2,528,223</u>	<u>\$267,454</u>	<u>\$674,129</u>

**City of Canal Fulton, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2023	2022	2021	2020
<b>General Fund</b>				
Nonspendable	\$11,676	\$11,676	\$11,676	\$11,676
Assigned	99,583	105,009	63,922	72,661
Unassigned	1,383,768	1,265,226	1,328,537	1,130,951
<b>Total General Fund</b>	<u>1,495,027</u>	<u>1,381,911</u>	<u>1,404,135</u>	<u>1,215,288</u>
<b>All Other Governmental Funds</b>				
Nonspendable	30,892	30,888	27,119	27,242
Restricted	1,350,757	1,778,078	1,745,355	1,359,711
Committed	1,310,434	1,005,134	714,494	708,209
Assigned	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<b>Total All Other Governmental Funds</b>	<u>2,692,083</u>	<u>2,814,100</u>	<u>2,486,968</u>	<u>2,095,162</u>
<b>Total Governmental Funds</b>	<u>\$4,187,110</u>	<u>\$4,196,011</u>	<u>\$3,891,103</u>	<u>\$3,310,450</u>

Note: During 2018, the City implemented GASB Statement No. 84.

2019	2018	2017	2016	2015	2014
\$5,547	\$5,547	\$1,956	\$1,956	\$1,956	\$2,825
37,449	84,712	36,113	64,161	154,679	93,874
1,013,272	919,076	984,782	890,246	931,960	1,167,137
1,056,268	1,009,335	1,022,851	956,363	1,088,595	1,263,836
32,535	32,212	27,024	26,722	25,867	25,386
1,097,741	1,297,131	1,506,928	1,803,102	1,441,228	741,365
446,801	409,891	305,908	246,618	250,382	170,026
0	1,644	1,644	1,644	1,855	33,596
0	0	(996,274)	0	0	(87,303)
1,577,077	1,740,878	845,230	2,078,086	1,719,332	883,070
\$2,633,345	\$2,750,213	\$1,868,081	\$3,034,449	\$2,807,927	\$2,146,906

**City of Canal Fulton, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2023	2022	2021	2020
<b>Revenues</b>				
Property Taxes	\$535,857	\$530,741	\$459,078	\$449,600
Income Taxes	3,238,002	3,130,624	2,885,042	2,787,670
Permissive Motor Vehicle License Taxes	65,465	65,590	0	0
Hotel Taxes	5,127	0	0	0
Special Assessments	0	635	3,465	2,875
Charges for Services	245,609	205,585	213,277	184,137
Fines, Licenses and Permits	42,356	40,565	37,883	79,530
Intergovernmental	1,051,484	1,081,957	1,140,381	1,133,681
Investment Earnings/Interest	352,052	105,293	4,381	31,491
Rent	4,380	5,465	5,005	2,025
Contributions and Donations	6,832	34,682	9,879	6,056
Other	48,071	86,980	69,431	197,578
<i>Total Revenues</i>	<u>5,595,235</u>	<u>5,288,117</u>	<u>4,827,822</u>	<u>4,874,643</u>
<b>Expenditures</b>				
Current:				
General Government	1,015,159	896,364	806,471	790,301
Security of Persons and Property	2,315,884	2,097,802	2,021,534	2,157,407
Transportation	670,530	910,946	583,227	406,934
Leisure Time Activities	194,894	130,885	113,133	102,391
Capital Outlay	1,258,674	691,606	491,466	432,392
Debt Service:				
Principal Retirement	126,194	244,801	235,448	260,805
Interest	22,801	32,097	41,010	47,308
Issuance Costs	0	0	0	2,486
<i>Total Expenditures</i>	<u>5,604,136</u>	<u>5,004,501</u>	<u>4,292,289</u>	<u>4,200,024</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,901)</u>	<u>283,616</u>	<u>535,533</u>	<u>674,619</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	21,292	45,120	0
Refunding Bonds Issued	0	0	0	402,984
Payment to Refunding Bond Escrow Agent	0	0	0	(400,498)
Inception of Financed Purchase	0	0	0	0
Notes Issued	0	0	0	0
Premium on Note Issuance	0	0	0	0
Transfers In	3,623,716	2,501,000	2,300,000	2,148,000
Transfers Out	(3,623,716)	(2,501,000)	(2,300,000)	(2,148,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>21,292</u>	<u>45,120</u>	<u>2,486</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$8,901)</u></u>	<u><u>\$304,908</u></u>	<u><u>\$580,653</u></u>	<u><u>\$677,105</u></u>
Debt Service as a Percentage of Noncapital Expenditures (1)	3.9%	7.6%	7.5%	9.3%

(1) The large increases in 2016 was due to the retirement of long-term notes with short-term note proceeds.

2019	2018	2017	2016	2015	2014
\$437,049	\$399,281	\$383,734	\$299,717	\$286,690	\$303,213
2,430,744	2,320,096	2,350,351	2,440,861	2,432,858	2,266,371
0	0	0	0	0	0
0	0	0	0	0	0
2,700	0	0	0	0	0
183,907	187,995	190,094	171,885	177,251	171,066
23,629	43,304	38,216	50,039	14,327	22,490
1,503,716	752,953	717,700	2,890,064	518,265	853,520
104,471	97,077	27,022	3,185	4,875	2,178
3,110	0	0	0	0	0
8,275	17,499	10,255	3,684	3,579	4,572
65,133	103,672	66,737	51,879	61,075	64,497
<u>4,762,734</u>	<u>3,921,877</u>	<u>3,784,109</u>	<u>5,911,314</u>	<u>3,498,920</u>	<u>3,687,907</u>
691,029	691,533	897,086	1,026,444	970,280	806,201
1,924,474	1,947,734	1,756,630	1,827,881	1,706,800	1,627,886
391,499	415,029	586,499	496,842	554,821	335,527
98,600	109,666	106,870	96,704	98,481	110,282
1,480,406	803,384	409,955	2,031,999	577,517	901,987
232,362	220,849	1,105,799	1,123,953	95,818	88,241
61,232	89,990	87,638	60,371	48,700	52,542
0	0	0	6,400	7,460	0
<u>4,879,602</u>	<u>4,278,185</u>	<u>4,950,477</u>	<u>6,670,594</u>	<u>4,059,877</u>	<u>3,922,666</u>
<u>(116,868)</u>	<u>(356,308)</u>	<u>(1,166,368)</u>	<u>(759,280)</u>	<u>(560,957)</u>	<u>(234,759)</u>
0	173,058	0	0	15,000	0
0	415,577	0	0	0	0
0	0	0	0	0	137,727
0	580,340	0	0	134,918	0
0	0	0	1,000,000	1,000,000	0
0	0	0	6,400	7,460	0
1,984,025	2,999,248	1,791,200	1,776,600	1,828,940	1,627,000
<u>(1,984,025)</u>	<u>(2,999,248)</u>	<u>(1,791,200)</u>	<u>(1,776,600)</u>	<u>(1,764,340)</u>	<u>(1,682,000)</u>
0	1,168,975	0	1,006,400	1,221,978	82,727
<u>(\$116,868)</u>	<u>\$812,667</u>	<u>(\$1,166,368)</u>	<u>\$247,120</u>	<u>\$661,021</u>	<u>(\$152,032)</u>
8.3%	9.1%	28.5%	29.4%	4.5%	4.5%

**City of Canal Fulton, Ohio**  
*Assessed Valuation and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2023	\$111,200,060	\$31,352,340	\$407,292,571	\$2,476,430	\$9,905,720
2022	108,681,820	30,372,750	397,298,771	2,458,150	9,832,600
2021	82,802,100	28,008,210	316,600,886	2,326,840	9,307,360
2020	81,602,610	27,855,630	312,737,829	2,185,560	8,742,240
2019	80,144,960	27,888,470	308,666,943	2,009,780	8,039,120
2018	71,388,160	23,213,080	270,289,257	1,936,070	7,744,280
2017	70,381,950	22,898,350	266,515,143	1,805,160	7,220,640
2016	69,985,570	22,700,260	264,816,657	1,656,380	6,625,520
2015	62,658,180	21,382,750	240,116,943	1,560,960	6,243,840
2014	61,875,110	21,604,180	238,512,257	1,432,390	5,729,560

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

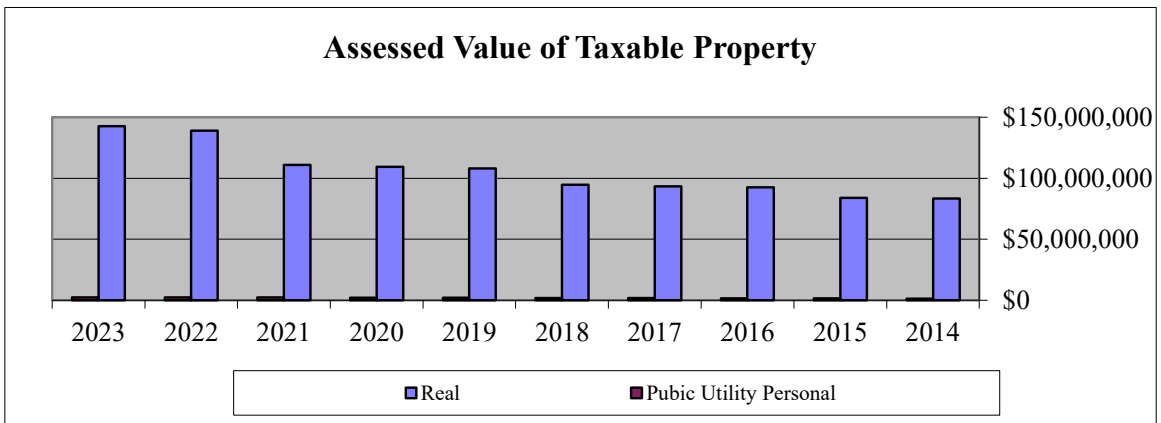
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Stark County Auditor



Assessed Value	Total		Direct Tax Rate
	Estimated Actual Value	Ratio	
\$145,028,830	\$417,198,291	34.76%	4.40
141,512,720	407,131,371	34.76	4.40
113,137,150	325,908,246	34.71	4.60
111,643,800	321,480,069	34.73	4.60
110,043,210	316,706,063	34.75	4.60
96,537,310	278,033,537	34.72	4.60
95,085,460	273,735,783	34.74	4.70
94,342,210	271,442,177	34.76	4.60
85,601,890	246,360,783	34.75	3.80
84,911,680	244,241,817	34.77	4.10



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

	2023	2022	2021	2020
<b>Unvoted Millage</b>				
Operating	\$2.5000	\$2.5000	\$2.5000	\$2.5000
Debt	0.9000	0.9000	1.1000	1.1000
Capital Projects	1.0000	1.0000	1.0000	1.0000
<b>Total Unvoted Millage</b>	<b>\$4.4000</b>	<b>\$4.4000</b>	<b>\$4.6000</b>	<b>\$4.6000</b>
<b>Overlapping Rates by Taxing District</b>				
Northwest Local School District				
Residential/Agricultural Real	\$28.6000	\$28.6000	\$29.6000	\$29.6000
Commercial/Industrial and Public Utility Real	28.6000	28.6000	29.6648	29.6648
General Business and Public Utility Personal	51.4000	51.4000	52.4000	52.4000
Stark County JVSD				
Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000
Commercial/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000
Stark County				
Residential/Agricultural Real	7.3714	7.3714	8.2811	8.2811
Commercial/Industrial and Public Utility Real	8.5505	8.5505	9.0099	9.0091
General Business and Public Utility Personal	11.5000	11.5000	11.5000	11.5000
Canal Fulton Library				
Residential/Agricultural Real	1.2759	1.2759	1.5489	0.7743
Commercial/Industrial and Public Utility Real	1.5617	1.5617	1.6710	0.8347
General Business and Public Utility Personal	2.0000	2.0000	2.0000	1.0000
Stark County Parks				
Residential/Agricultural Real	0.6976	0.6976	0.8204	0.8204
Commercial/Industrial and Public Utility Real	0.7811	0.7811	0.8376	0.8376
General Business and Public Utility Personal	1.0000	1.0000	1.0000	1.0000

Source: Ohio Department of Taxation

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Voted real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2019	2018	2017	2016	2015	2014
\$2.5000	\$2.5000	\$2.5000	\$2.5000	\$2.5000	\$2.5000
1.1000	1.1000	1.2000	2.1000	1.3000	1.6000
1.0000	1.0000	1.0000	0.0000	0.0000	0.0000
<u>\$4.6000</u>	<u>\$4.6000</u>	<u>\$4.7000</u>	<u>\$4.6000</u>	<u>\$3.8000</u>	<u>\$4.1000</u>

\$30.5000	\$31.6000	\$32.6561	\$33.2000	\$35.8668	\$35.8785
30.7693	31.7305	35.0735	35.0700	36.6052	36.5338
53.3000	54.4000	55.0000	55.1000	56.0000	56.0000

2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000

8.0589	8.0803	8.6770	8.7200	9.2924	9.3007
8.8684	8.7898	9.6374	9.6100	10.0762	10.0757
11.5000	11.5000	11.5000	11.5000	11.5000	11.5000

0.7969	0.8004	0.8846	0.9100	1.9977	1.9971
0.8448	0.8366	0.9737	0.9700	2.0000	1.9986
1.0000	1.0000	1.0000	1.0000	2.0000	2.0000

0.8237	0.8267	0.9106	0.9200	0.9971	0.9986
0.8467	0.8367	0.9443	0.9400	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

**City of Canal Fulton, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

Year	Total Tax Levy	Current Tax Collections (1)	Percentage of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2023	\$595,163	\$583,034	97.96 %	\$8,303	\$591,337
2022	581,111	569,981	98.08	6,644	576,625
2021	506,583	496,836	98.08	11,986	508,822
2020	500,254	488,257	97.60	10,310	498,567
2019	493,267	476,071	96.51	10,453	486,524
2018	453,161	436,658	96.36	9,419	446,077
2017	437,470	422,071	96.48	7,262	429,333
2016	339,632	335,105	98.67	6,460	341,565
2015	325,287	320,379	98.49	7,339	327,718
2014	348,138	341,300	98.04	7,846	349,146

Source: Stark County Fiscal Officer

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

<u>Percentage of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
99.36 %	\$18,995	3.19 %
99.23	13,670	2.35
100.44	19,433	3.84
99.66	17,940	3.59
98.63	12,241	2.48
98.44	16,653	3.67
98.14	14,731	3.37
100.57	12,554	3.70
100.75	10,843	3.33
100.29	10,675	3.07

**City of Canal Fulton, Ohio**  
*Principal Real Estate Property Taxpayers*  
2023 and 2014

<u>2023</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation (1)</u>	<u>Percentage of Total Real Property Assessed Valuation</u>
Schalmo Properties, Incorporated	\$4,790,840	3.39 %
United Church Homes, Incorporated	2,309,480	1.63
Centennial Apartments, LTD	1,590,450	1.13
Avalon Food Service, Incorporated	1,252,160	0.89
G & B Properties, Incorporated	1,219,160	0.86
Vandenberg E.K.	773,540	0.55
Carter-Jones Lumber	731,200	0.52
Campbell Oil Company	676,030	0.48
KHELP Properties, LTD	674,080	0.49
McCully Properties	621,750	0.44
<b>Total</b>	<b>\$14,638,690</b>	<b>10.38 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$141,353,600</b>	

<u>2014</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation (1)</u>	<u>Percentage of Total Real Real Assessed Valuation</u>
Schalmo Properties, Incorporated	\$5,196,130	6.22 %
Avalon Food Service, Incorporated	1,115,210	1.34
United Church Homes, Incorporated	988,390	1.18
KHELP Properties, LTD	692,930	0.83
Centennial Apartments, LTD	621,010	0.75
Vandenberg E.K.	620,260	0.75
G & B Properties, Incorporated	560,250	0.67
Willison Realty, LLC	503,150	0.60
CFO Realty Associates	470,760	0.56
Madison Home Associates	407,760	0.49
<b>Total</b>	<b>\$11,175,850</b>	<b>13.39 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$83,479,290</b>	

Source: Stark County Auditor

(1) The amounts presented represent the assessed values upon which 2023 and 2014 collections were based.

**City of Canal Fulton, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

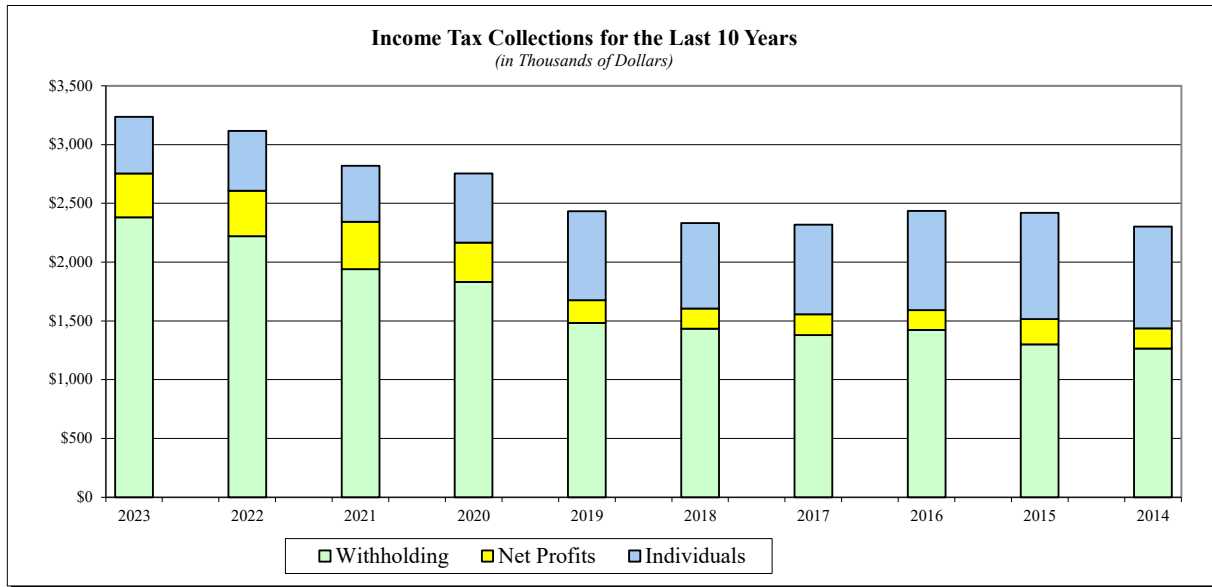
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2023	2.00%	\$3,236,305	\$2,380,977	73.57%	\$372,872	11.52%	\$482,456	14.91%
2022	2.00	3,117,544	2,219,691	71.20	388,758	12.47	509,095	16.33
2021	2.00	2,819,166	1,940,150	68.82	403,141	14.30	475,875	16.88
2020	2.00	2,754,980	1,830,459	66.44	335,091	12.16	589,430	21.40
2019	1.50	2,434,570	1,481,923	60.87	194,279	7.98	758,368	31.15
2018	1.50	2,333,274	1,434,264	61.47	170,562	7.31	728,448	31.22
2017	1.50	2,320,166	1,380,269	59.49	176,184	7.59	763,713	32.92
2016	1.50	2,434,787	1,424,034	58.49	168,704	6.93	842,049	34.58
2015	1.50	2,418,629	1,300,300	53.76	216,211	8.94	902,118	37.30
2014	1.50	2,303,383	1,265,245	54.93	171,789	7.46	866,349	37.61

Source: City Income Tax Department

(1) The City's basic income tax rate may only be increased by a majority vote of the City's residents.

(2) Gross Collections - Cash Basis of Accounting

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



**City of Canal Fulton, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Assessed Property Value	<u>\$145,028,830</u>	<u>\$141,512,720</u>	<u>\$113,137,150</u>	<u>\$111,643,800</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>15,228,027</u>	<u>14,858,836</u>	<u>11,879,401</u>	<u>11,722,599</u>
Debt Outstanding:				
Various Purpose General Obligation Bonds	805,000	957,000	1,103,000	1,243,000
Water Improvement Enterprise Bonds	105,000	155,000	200,000	245,000
Various Purpose Notes	0	0	0	0
OPWC Loans	<u>1,153,421</u>	<u>1,273,412</u>	<u>1,422,636</u>	<u>1,250,685</u>
Total Gross Indebtedness	2,063,421	2,385,412	2,725,636	2,738,685
Less:				
OPWC Loans	(1,153,421)	(1,273,412)	(1,422,636)	(1,250,685)
Various Purpose Notes	0	0	0	0
Amount Available in Debt Service	<u>(44,954)</u>	<u>(39,716)</u>	<u>(32,404)</u>	<u>(18,236)</u>
Total Net Debt Applicable to Debt Limit	<u>865,046</u>	<u>1,072,284</u>	<u>1,270,596</u>	<u>1,469,764</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$14,362,981</u>	<u>\$13,786,552</u>	<u>\$10,608,805</u>	<u>\$10,252,835</u>
Legal Debt Margin as a Percentage of the Debt Limit	94.32%	92.78%	89.30%	87.46%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$7,976,586</u>	<u>\$7,783,200</u>	<u>\$6,222,543</u>	<u>\$6,140,409</u>
Total Gross Indebtedness	2,063,421	2,385,412	2,725,636	2,738,685
Less:				
Total Debt Outside Limitations	(1,153,421)	(1,273,412)	(1,422,636)	(1,250,685)
Amount Available in Debt Service	<u>(44,954)</u>	<u>(39,716)</u>	<u>(32,404)</u>	<u>(18,236)</u>
Net Debt Within 5 ½ % Limitations	<u>865,046</u>	<u>1,072,284</u>	<u>1,270,596</u>	<u>1,469,764</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$7,111,540</u>	<u>\$6,710,916</u>	<u>\$4,951,947</u>	<u>\$4,670,645</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	89.16%	86.22%	79.58%	76.06%

Source: City Financial Records

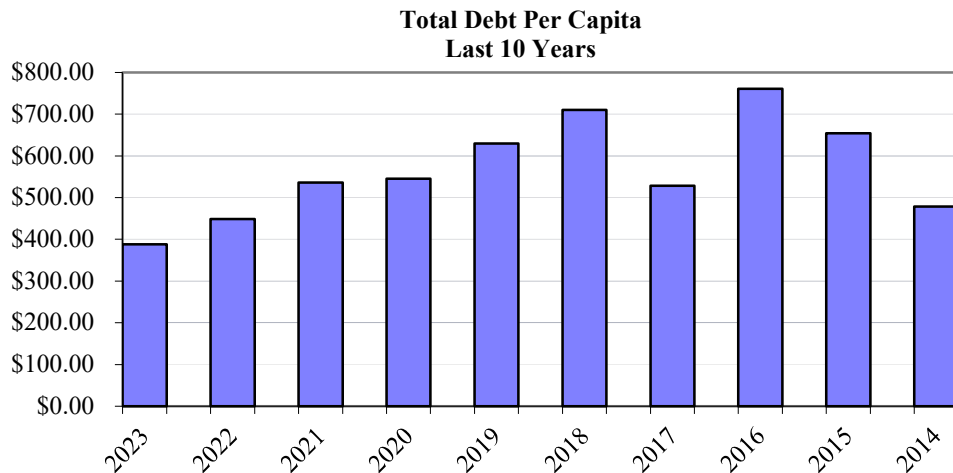


2019	2018	2017	2016	2015	2014
<u>\$110,043,210</u>	<u>\$96,537,310</u>	<u>\$95,085,460</u>	<u>\$94,342,210</u>	<u>\$85,601,890</u>	<u>\$84,911,680</u>
11,554,537	10,136,418	9,983,973	9,905,932	8,988,198	8,915,726
1,370,000	1,490,000	745,000	815,000	885,000	955,000
285,000	325,000	365,000	400,000	435,000	470,000
0	0	1,730,000	1,000,000	1,000,000	0
1,399,642	1,548,602	1,697,558	1,821,273	1,084,526	1,141,090
3,054,642	3,363,602	4,537,558	4,036,273	3,404,526	2,566,090
(1,399,642)	(1,548,602)	(1,697,558)	(1,821,273)	(1,084,526)	(1,141,090)
0	0	(1,730,000)	(1,000,000)	(1,000,000)	0
(38,193)	(21,722)	(22,649)	(26,085)	(28,080)	(33,598)
1,616,807	1,793,278	1,087,351	1,188,915	1,291,920	1,391,402
<u>\$9,937,730</u>	<u>\$8,343,140</u>	<u>\$8,896,622</u>	<u>\$8,717,017</u>	<u>\$7,696,278</u>	<u>\$7,524,324</u>
86.01%	82.31%	89.11%	88.00%	85.63%	84.39%
<u>\$6,052,377</u>	<u>\$5,309,552</u>	<u>\$5,229,700</u>	<u>\$5,188,822</u>	<u>\$4,708,104</u>	<u>\$4,670,142</u>
3,054,642	3,363,602	4,537,558	4,036,273	3,404,526	2,566,090
(1,399,642)	(1,548,602)	(1,697,558)	(1,821,273)	(1,084,526)	(1,141,090)
(38,193)	(21,722)	(22,649)	(26,085)	(28,080)	(33,598)
1,616,807	1,793,278	2,817,351	2,188,915	2,291,920	1,391,402
<u>\$4,435,570</u>	<u>\$3,516,274</u>	<u>\$2,412,349</u>	<u>\$2,999,907</u>	<u>\$2,416,184</u>	<u>\$3,278,740</u>
73.29%	66.23%	46.13%	57.81%	51.32%	70.21%

**City of Canal Fulton, Ohio**  
*Ratio of Outstanding Debt to  
 Total Personal Income and Debt Per Capita  
 Last Ten Years*

<b>Governmental Activities</b>				
Year	General Obligation Bonds	Bond Anticipation Notes	OPWC Loans	Financed Purchases
2023	\$510,994	\$0	\$0	\$0
2022	637,825	0	0	0
2021	759,152	0	0	124,111
2020	874,974	0	0	244,373
2019	984,348	0	0	388,984
2018	1,085,035	0	0	521,296
2017	750,095	0	0	81,805
2016	820,731	1,006,400	123,954	117,604
2015	891,368	1,007,460	130,841	164,670
2014	962,005	0	137,727	48,684

Note: Population and Personal Income data are presented on page S30.



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**Business-Type Activities**

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<u>Water Utility Bonds</u>	<u>General Obligation Bonds</u>	<u>OPWC Loans</u>	<u>Total Debt</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
\$105,256	\$295,280	\$1,153,421	\$2,064,951	1.28 %	\$387.78
155,511	321,086	1,273,412	2,387,834	1.48	448.42
200,766	346,396	1,422,636	2,853,061	1.77	535.79
246,021	371,210	1,250,685	2,987,263	2.48	545.22
286,276	389,473	1,399,642	3,448,723	2.87	629.44
326,531	409,423	1,548,602	3,890,887	3.24	710.15
366,787	0	1,697,558	2,896,245	2.41	528.61
402,043	0	1,697,319	4,168,051	3.47	760.73
437,298	0	953,685	3,585,322	2.98	654.38
472,554	0	1,003,363	2,624,333	2.18	478.98

**City of Canal Fulton, Ohio**

*Ratio of General Obligation Bonded Debt to Estimated  
Actual Value and Bonded Debt Per Capita  
Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Bonded Debt (3)</u>	<u>Ratio of Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Bonded Debt Per Capita</u>
2023	5,325	\$413,773,149	\$911,530	0.22 %	\$171
2022	5,325	407,131,371	1,114,422	0.27	209
2021	5,325	325,908,246	1,306,314	0.40	245
2020	5,479	321,480,069	1,492,205	0.46	272
2019	5,479	316,706,063	1,660,097	0.52	303
2018	5,479	278,033,537	1,820,989	0.65	332
2017	5,479	273,735,783	1,116,882	0.41	204
2016	5,479	271,442,177	1,222,774	0.45	223
2015	5,479	246,360,783	1,328,666	0.54	243
2014	5,479	244,241,817	1,434,559	0.59	262

(1) U. S. Bureau of Census, Census of Population. 2021-2023 from 2020 Federal Census; 2014-2020 from 2010 Federal Census.

(2) Stark County Auditor

(3) Includes all general obligation bonded debt.

Note: Although the general obligation debt retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

**City of Canal Fulton, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2023*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Canal Fulton</b>			
General Obligation Bonds	<u>\$510,994</u>	100 %	<u>\$510,994</u>
<b>Overlapping</b>			
Northwest Local School District			
General Obligation Bonds	8,661,117	35.30	3,057,374
Stark County			
General Obligation Bonds	9,360,000	1.31	122,616
Wayne Public Library District			
General Obligation Bonds	<u>850,000</u>	3.08	<u>26,180</u>
<i>Total Overlapping Debt</i>	<u>18,871,117</u>		<u>3,206,170</u>
<b>Total</b>	<u><u>\$19,382,111</u></u>		<u><u>\$3,717,164</u></u>

Source: Stark County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

**City of Canal Fulton, Ohio**  
*Pledged Revenue Coverage*  
*Water*  
*Last Ten Years*

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2023	\$1,223,889	\$792,394	\$431,495	\$100,688	4.29
2022	1,266,108	684,554	581,554	100,687	5.78
2021	1,104,884	526,256	578,628	94,668	6.11
2020	1,054,640	660,867	393,773	89,991	4.38
2019	998,428	927,100	71,328	89,991	0.79
2018	989,301	711,472	277,829	89,991	3.09
2017	971,931	688,252	283,679	89,991	3.15
2016	957,241	618,596	338,645	46,612	7.27
2015	886,553	535,285	351,268	57,750	6.08
2014	886,075	536,165	349,910	68,892	5.08

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the water enterprise fund.

**Source:** City financial records

**City of Canal Fulton, Ohio**  
*Pledged Revenue Coverage*  
*Sewer*  
*Last Ten Years*

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2023	\$1,156,116	\$1,009,121	\$146,995	\$12,417	11.84
2022	1,149,285	846,790	302,495	41,651	7.26
2021	1,033,410	689,063	344,347	52,080	6.61
2020	1,039,004	894,811	144,193	52,080	2.77
2019	938,459	890,431	48,028	52,082	0.92
2018	950,118	822,236	127,882	52,080	2.46
2017	923,229	807,406	115,823	52,081	2.22
2016	1,011,003	686,562	324,441	52,080	6.23
2015	985,345	767,950	217,395	47,812	4.55
2014	864,373	634,295	230,078	43,543	5.28

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the sewer enterprise fund.

**Source:** City financial records

**City of Canal Fulton, Ohio**  
*Pledged Revenue Coverage*  
*Storm Sewer*  
*Last Ten Years*

Year	Storm Sewer Operating Revenues	Storm Sewer Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2023	\$110,678	\$2,205	\$108,473	\$6,886	15.75
2022	64,335	71,128	(6,793)	6,886	(0.99)
2021	62,827	31,354	31,473	6,886	4.57
2020	60,048	29,871	30,177	6,886	4.38
2019	58,907	5,877	53,030	6,887	7.70
2018	58,023	27,669	30,354	6,885	4.41
2017	52,372	26,291	26,081	6,887	3.79
2016	0	0	0	0	0.00
2015	0	0	0	0	0.00
2014	0	0	0	0	0.00

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the storm sewer enterprise fund.

**Source:** City financial records



**City of Canal Fulton, Ohio**  
*Principal Employers*  
 2023 and 2014

<b>2023</b>	
Employer	Employees
Northwest Local School District	356
Echoing Hills Village, Incorporated	263
United Church Homes, Incorporated	243
Skipco Financial Adjusters, Incorporated	182
City of Canal Fulton	99
Bell Stores, Incorporated	99
Avalon Foodservice, Incorporated	93
YMCA of Central Stark County	84
Canal Fulton Specialty Meats	71
Blind & Son, LLC	70
Total	<u>1,560</u>
Total Employment within the City	<u>3,901</u>

<b>2014</b>	
Employer	Employees
Northwest Local School District	400
Echoing Hills Village, Incorporated	250
United Church Homes, Incorporated	238
Skipco Financial Adjusters, Incorporated	129
City of Canal Fulton	108
Communication Exhibits, Incorporated	99
Hydrochem Industrial Services, Incorporated	87
Avalon Foodservice, Incorporated	80
ZVN Properties, Incorporated	79
Tomtreco, Incorporated	78
Total	<u>1,548</u>
Total Employment within the City	<u>3,274</u>

Source: City Records  
 N/A - Information not available

**City of Canal Fulton, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2023	5,325	\$161,613,750	\$30,350	\$48,908	43.4
2022	5,325	161,613,750	30,350	48,908	43.4
2021	5,325	161,613,750	30,350	48,908	43.4
2020	5,479	120,214,739	21,941	50,332	40.3
2019	5,479	120,214,739	21,941	50,332	40.3
2018	5,479	120,214,739	21,941	50,332	40.3
2017	5,479	120,214,739	21,941	50,332	40.3
2016	5,479	120,214,739	21,941	50,332	40.3
2015	5,479	120,214,739	21,941	50,332	40.3
2014	5,479	120,214,739	21,941	50,332	40.3

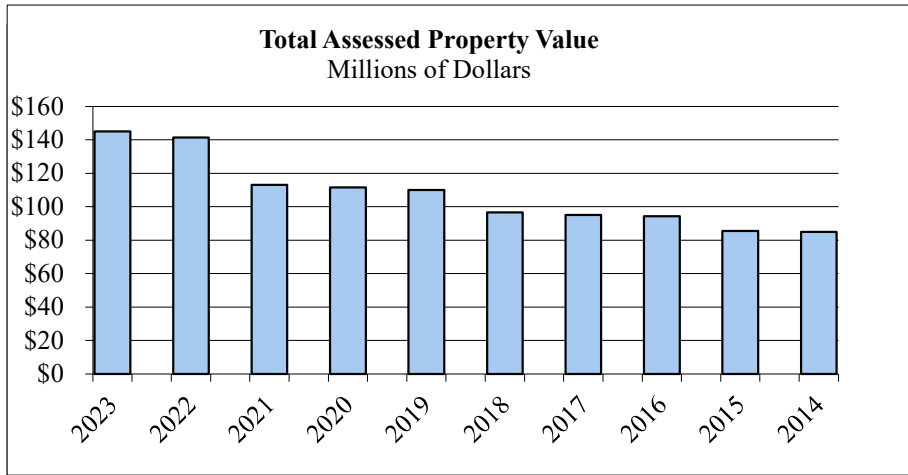
(1) Source: U. S. Census - 2021-2023 from 2020 Federal Census; 2014-2020 from 2010 Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

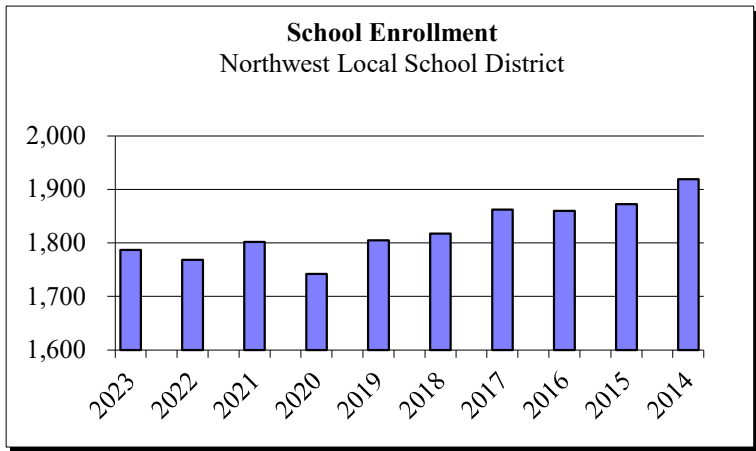
(3) Source: Ohio Department of Job and Family Services & Stark County Annual Comprehensive Financial Report.

(4) Source: Stark County Auditor's Office

(5) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (1)	Public School Enrollment (2)	Stark County Unemployment Rate (3)	Total Assessed Property Value (4)
27.2 %	1,787	3.3 %	\$145,028,830
27.2	1,768	3.8	\$141,512,720
27.2	1,802	3.6	113,137,150
20.5	1,742	4.4	111,643,800
20.5	1,805	4.4	110,043,210
20.5	1,817	5.2	96,537,310
20.5	1,862	5.0	95,085,460
20.5	1,860	5.2	94,342,210
20.5	1,872	5.3	85,601,890
20.5	1,919	4.8	84,911,680



**City of Canal Fulton, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Ten Years*

Function/Program	2023	2022	2021	2020
General Government				
Council	3.00	3.00	3.00	3.00
Administration	4.50	5.00	3.00	3.00
Finance	2.50	3.50	3.50	4.50
Law	0.00	0.00	1.50	1.50
Community Service	0.00	0.00	0.00	0.50
Other	0.00	0.00	0.00	0.00
Security of Persons and Property				
Police	12.50	12.50	13.50	14.00
Fire	30.50	27.00	32.50	36.00
Leisure Time Activities				
Recreation and Parks	5.20	5.00	3.50	1.80
Canal Boat	0.00	0.00	0.00	0.00
Transportation				
Streets	4.00	4.00	4.00	5.00
Utilities				
Water	3.50	3.50	3.50	3.50
Sewer	3.50	3.50	3.50	3.50
Totals:	<u>69.20</u>	<u>67.00</u>	<u>71.50</u>	<u>76.30</u>

**Source:** City Payroll Department W2 Listing

**Method:** Using 1.0 for each full-time employee, 0.50 for each part-time employee, and 0.30 for seasonal employees.

2019	2018	2017	2016	2015	2014
3.00	3.00	3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00	3.00	4.00
3.50	3.50	3.50	3.50	3.50	3.50
0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50
1.20	2.70	0.90	1.50	1.80	1.80
14.00	13.00	12.00	12.50	12.50	12.50
27.50	27.00	23.50	23.00	21.00	20.50
1.10	1.10	1.30	1.40	1.40	1.40
3.00	3.00	3.30	2.70	3.30	3.60
4.00	4.00	4.00	4.00	4.00	4.00
3.50	3.50	3.50	3.75	3.75	3.75
3.50	3.50	3.50	3.75	3.75	3.75
<u>68.30</u>	<u>68.30</u>	<u>62.50</u>	<u>63.10</u>	<u>62.00</u>	<u>62.80</u>

**City of Canal Fulton, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*

Function/Program	2023	2022	2021	2020
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of ordinances proposed	32	33	40	36
Number of resolutions proposed	13	17	22	17
<i>Finance Department</i>				
Value of payments issued (1)	\$7,733,273	\$7,293,407	\$6,824,180	\$6,423,693
General fund interest earnings for fiscal year (cash basis)	\$335,241	\$99,705	\$4,095	\$29,211
Number of receipt transactions processed (1)	1,959	1,991	1,893	1,729
General fund receipts (cash basis in thousands)	\$4,372	\$3,607	\$3,147	\$3,136
General fund expenditures/net financing (cash basis in thousands)	\$4,396	\$3,594	\$3,222	\$3,096
Ending general fund balance (cash basis in thousands)	\$806	\$742	\$671	\$665
<i>Income Tax Department</i>				
Number of annual withholding forms processed	5,238	5,017	4,323	3,945
Number of business net profit forms processed	329	297	333	324
Number of individual returns processed	1,901	1,834	1,945	2,174
Amount of penalties and interest collected	\$12,138	\$9,074	\$11,612	\$9,785
Annual number of balance due/estimated payment forms processed	537	478	852	953
Annual number of reconciliations of withholdings processed	628	648	609	546
<b>Security of Persons and Property</b>				
<i>Police</i>				
Number of traffic stops	1,050	968	1,361	1,260
Number of arrests	71	82	130	78
DUI arrests	17	17	38	15
Motor vehicle accidents	95	88	81	89
<i>Fire</i>				
EMS calls for service	721	598	600	526
Fire calls for service	148	235	196	216
Fire safety inspections	195	11	12	64
Number of times mutual aid given	20	18	2	9
Number of times mutual aid received	24	25	18	23
<b>Transportation</b>				
Street resurfacing (miles)	3.94	4.25	4.15	0
Tons of salt used	481	375	736	400
<b>Utilities</b>				
<i>Water</i>				
Minimum water rate	\$23.15	\$21.74	\$21.01	\$20.80
Rate per thousand gallons used	\$2.75	\$2.59	\$2.50	\$2.47
Number of water accounts (1)	2,265	2,259	2,229	2,160
Total water collections (2)	\$1,126,320	\$1,037,681	\$987,087	\$971,594
<i>Sewer</i>				
Minimum sewer rate	\$22.60	\$21.22	\$20.50	\$20.30
Rate per thousand gallons used	\$3.35	\$3.14	\$3.04	\$3.01
Number of sewer accounts (1)	2,198	2,198	2,176	2,038
Total sewer collections (2)	\$968,084	\$892,888	\$862,980	\$854,361

**Source:** City Records (unless otherwise noted)

(1) N/A indicates that the information is not available for the indicated year.

(2) This represents only collections from City residents for utility service and does not include tap-in fees or revenue from Stark County.

2019	2018	2017	2016	2015	2014
43	53	39	36	35	31
16	32	35	29	41	32
\$6,854,906	\$10,204,363	\$7,305,062	\$9,069,803	\$5,785,401	\$5,562,203
\$99,156	\$92,764	\$25,727	\$4,640	\$4,302	\$1,022
1,774	1,808	1,752	1,727	1,695	1,647
\$2,792	\$2,676	\$2,565	\$2,649	\$2,591	\$2,498
\$2,787	\$2,972	\$2,578	\$2,647	\$2,382	\$2,571
\$566	\$541	\$778	\$770	\$768	\$559
4,477	5,065	6,471	5,756	4,230	3,807
364	386	399	438	494	442
2,802	2,887	3,195	3,041	3,353	3,384
\$59,415	\$67,675	\$62,649	\$56,291	\$63,374	\$54,432
2,342	2,700	2,588	2,385	1,726	1,861
689	710	712	676	699	652
2,482	2,104	1,575	1,041	1,237	1,596
127	133	140	106	119	133
21	23	17	19	29	22
100	114	116	115	120	97
675	617	596	602	859	795
274	239	269	270	379	402
183	120	165	206	154	147
18	32	28	16	29	27
11	63	58	18	54	60
1.02	2.40	2.63	2.56	3.81	3.00
775	882	392	384	877	563
\$20.41	\$19.97	\$19.66	\$19.50	\$18.75	\$17.50
\$2.43	\$2.38	\$2.34	\$2.32	\$2.32	\$2.32
2,128	2,109	2,158	2,075	2,122	2,105
\$963,333	\$948,741	\$929,492	\$916,961	\$879,656	\$856,655
\$19.92	\$19.49	\$19.18	\$19.03	\$18.03	\$16.53
\$2.95	\$2.89	\$2.84	\$2.82	\$2.82	\$2.82
2,007	1,990	2,023	1,957	1,963	2,019
\$826,518	\$814,079	\$797,063	\$790,189	\$758,970	\$739,134

**City of Canal Fulton, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*

Function/Program	2023	2022	2021	2020
<b>General Government</b>				
Buildings	3	3	3	3
Vehicles	0	0	2	2
<b>Security of Persons and Property</b>				
<b>Police</b>				
Stations	1	1	1	1
Vehicles	15	14	15	18
<b>Fire</b>				
Stations	2	2	2	2
Vehicles	7	7	7	11
<b>Leisure Time Activities</b>				
<b>Recreation</b>				
Buildings	8	8	7	7
Vehicles	0	0	0	0
<b>Transportation</b>				
<b>Service</b>				
Buildings	3.3	3.3	3.3	3.3
Vehicles	10	10	9	10
<b>Utilities</b>				
<b>Water</b>				
Buildings	1.3	1.3	1.3	1.3
Vehicles	7.5	7.5	7.5	8.5
<b>Sewer</b>				
Buildings	10.3	10.3	10.3	10.3
Vehicles	7.5	7.5	7.5	8.5

**Source:** City Records



2019	2018	2017	2016	2015	2014
3 2	3 2	4 2	4 2	4 2	4 2
1 15	1 14	1 12	1 11	1 10	1 11
2 10	2 9	2 8	2 8	2 8	2 8
7 0	7 0	7 0	7 0	7 0	7 0
3.3 10	3.3 9	3 8	3 7	3 6	3 6
1.3 8.5	1.3 7.5	1 7	1 7	1 9	1 8
10.3 8.5	10.3 7.5	10 7	10 7	10 9	10 7

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**CLARK SCHAEFER HACKETT**  
BUSINESS ADVISORS

**CITY OF CANAL FULTON  
STARK COUNTY, OHIO**

REGULAR AUDIT

FOR YEAR ENDED DECEMBER 31, 2023

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

City Council  
City of Canal Fulton, Ohio  
155 East Market Street  
Canal Fulton, Ohio 44614

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Canal Fulton, 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, and have issued our report thereon dated June 27, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of audit findings and responses as item 2023-001, that we consider to be a material weakness.

**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*.

**City's Response to Finding**

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

**Purpose of this Report**

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

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
June 27, 2024

**Finding 2023-001: Financial Reporting**

Audit adjustments were noted and made for an intergovernmental receivable originally recorded as revenue within the fund financial statements even though the amounts were not received by the City within the defined available period. Once made, the adjustment resulted in the general capital projects reserve fund being reported as a major fund instead of part of the other governmental funds opinion unit. Other adjustments, which were not deemed significant to any opinion unit were also noted during the audit and not posted in the final financial statements.

We recommend the City work with its third-party preparer to help ensure the final financial statements presented for audit are properly stated.

*Management's Response: The City concurred with the audit adjustments proposed and posted them to the 2023 financial statements. The City will continue to improve financial reporting procedures to ensure such issues are not repeated in the future.*



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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF CANAL FULTON**

**STARK COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 9/3/2024**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)