



City of
PIQUA
Ohio, USA

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

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





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

City Council
City of Piqua
201 West Water Street
Piqua, Ohio 45356

We have reviewed the *Independent Auditor's Report* of the City of Piqua, Miami 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 Piqua 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

November 01, 2024

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CITY OF PIQUA, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended December 31, 2023

Issued by the Department of Finance

**Jerald O'Brien
Finance Director**

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**CITY OF PIQUA, OHIO
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Introductory Section

July 29, 2024

Honorable Mayor Kris Lee, City Commission Members
and Citizens of the City of Piqua, Ohio:

This Annual Comprehensive Financial Report is for the year ended December 31, 2023. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

Reporting Entity

This report includes all funds of the City. The City provides a full range of services including police and fire protection, parks, recreation and cultural facilities, street maintenance, health programs, planning, zoning and general governmental services. In addition, the City owns and operates business-type activities, with the major ones consisting of a power system, a sewer system, a water system, a stormwater system and a waste disposal system.

Piqua, founded in 1807, celebrated its Bicentennial in 2007. Piqua operates and is governed by the laws of the State of Ohio and its own charter which was adopted by the electorate in 1929. The Charter provides for a commission-manager form of government. Legislative authority is vested in a five-member commission. All members are elected from wards for four-year terms and serve in a part-time capacity. The Commission determines compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings, licensing and regulating of businesses and trades, and other municipal purposes. The City's Chief Executive and Administrative Officer is the City Manager who is appointed by the City Commission.

Local Economic Conditions and Outlook

The City of Piqua is a community (2020 Census 20,354) in Miami County, located in the west central part of the state, twenty-five miles north of Dayton. Inter and intra state highways I-75, US Route 36, State Route 185, and State Route 66 serve as the City's major transportation arteries. Edison State Community College, with over 3,400 students, is located on the east side of the city.

The City does not depend on one firm for local employment; as many as seven companies employ in excess of 150 people each, lending to the City's diversification. The City has four industrial parks with land available for business growth and attraction. The City's emphasis on economic retention and expansion are significant factors affecting the future economic strength of the community. Promoting Piqua as a good place for all types of businesses, new and existing, will continue to be one of our highest priorities.

Development activity remained steady throughout the calendar year despite rising interest rates and increasing economic uncertainties. Construction projects in 2023 included the construction of a new community recreation facility representing an investment of approximately \$22 million along with the modernization and or expansion of several existing industrial buildings, the construction of a new industrial spec building, and the revitalization of numerous downtown commercial buildings.

Major Initiatives

Current Year Projects: During 2023, the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Piqua Strategic Plan recommendations; including a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The following significant events took place in 2023:

- Improved signage, sidewalks, and traffic signals in the City's downtown and surrounding areas
- Implemented Downtown redevelopment grant to continue façade improvements to downtown structures
- Continued the Riverfront Redevelopment Project marketing and land acquisitions
- Continued beautification project on East Ash Street and US 36
- Continued implementation of the Parks Master Plan
- Continued IT assessment and strategic plan

Future Projects: The city anticipates the following significant events to take place in 2024:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, streetlights and parking
- Complete construction of the Lock 9 Park Improvements
- Encourage tourism and recreational trail events
- Continue efforts to improve the Regional Public Safety Training facility with area educational facility
- Complete the city wide GIS Database
- Private and public development of the Great Miami River Corridor
- Hosting the seventh annual Piqua 4th Fest in the downtown district
- Continue IT improvement strategic plan

Financial Information

Management of the City is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary System: Detailed provisions regulating the City's budget, tax levies and appropriations are set forth in the City Charter and in the Ohio Revised Code. The City Manager is required to submit to the City Commission annually, an appropriation measure, which must be adopted by the first Commission meeting in January. The Miami County Auditor must certify that the City's appropriation measure does not exceed the amounts set forth in the County Budget Commission's Certificate of Estimated Resources.

The City maintains legal budgetary control utilizing GAAP at an object level (personnel/administrative support, operation and maintenance, capital expenditures and transfers) for all funds. Lower levels within each object level are accounted for and reported internally. Such lower levels are referred to as the suffix level. All purchases are properly approved through the legislative process or issuance of a purchase order.

Expenditures are controlled at the suffix level throughout the year and any budgetary adjustments (at the object level), if necessary, are with the approval of the City Commission.

Accounting System: The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are in accordance with GAAP and the number of individual funds established is determined by legal requirements and sound financial administration.

The City's records are maintained on modified accrual basis for all governmental and similar fiduciary fund types. Accordingly, revenues are recognized when susceptible to accrual (i.e. both measurable and available). Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. Proprietary funds utilize the accrual basis of accounting and the electric system employs the Federal Energy Commission's system of accounts. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

Financial Reporting: Beginning in 2002, the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments." As part of this new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Independent Auditor's Report, providing an assessment of the City's finances for 2023.

The Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark Schaefer Hackett has completed an audit of the 2023 financial statements. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified audit opinion.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the thirty-third consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, for its annual comprehensive financial report for the fiscal year ended December 31, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Piqua, Ohio has received a Certificate of Achievement for thirty-three consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

To the many conscientious people who have contributed so much of their time and effort to the preparation of this report our sincere appreciation is extended. The Finance Department staff is commended for their commitment to professional excellence once again, exemplified by the contents of this report. Timely preparation of this report was accomplished by the diligent efforts and contributions of the entire Finance Department and a special appreciation to Kayla White for her extraordinary commitment and going above and beyond in her contributions to the completion of this report. Finally, contributions to the financial condition of the City of Piqua by the Mayor, members of the City Commission, and Department Directors and Managers cannot be overlooked. Their support and guidance are invaluable factors necessary for the City to continue to successfully manage the financial affairs and reporting requirements of municipal government within the Piqua Community.

Respectfully submitted,

Paul Oberdorfer,
City Manager

A handwritten signature in blue ink, appearing to read "Paul Oberdorfer", with a long horizontal flourish extending to the right.

Jerald O'Brien, CPA, MBA, CGFM
Director of Finance

A handwritten signature in blue ink that reads "Jerald O'Brien" in a cursive style.

Department of Finance Staff: Kayla White-Finance/Tax Manager, Dawn Bennett-Accountant, Financial Analyst II, Jamie Richard, Kelley McGlinch, and Denise Donnelly

CITY OF PIQUA, OHIO
LIST OF PRINCIPAL OFFICIALS
As of December 31, 2023

CITY COMMISSION

Cindy J. Pearson, Mayor
Kris E. Lee, Vice Mayor
James D. Vetter, Commissioner
Kathryn B. Hinds, Commissioner
James C. Grissom, Commissioner (resigned 9/19/2023)
Thomas Hohman, Commissioner (appointed 11/7/2023)

CITY MANAGER

L. Paul Oberdorfer

CITY ADMINISTRATION

Assistant City Manager/Parks & Recreation Director
Amy Welker

Finance Director
Jerald O'Brien

Human Resources Director
Catherine Bogan

Law Director/Prosecutor
Frank Patrizio

Community and Economic Development Director
Chris Schmiesing

Public Information Officer
Michelle Perry

Public Safety Director
Rick Byron

Public Works Director
Brian Brookhart

Power System Director
Ed Kreiger

Utilities Director
Kevin Krejny

INDEPENDENT AUDITORS

Clark Schaefer Hackett & Co

Effective January, 2024:

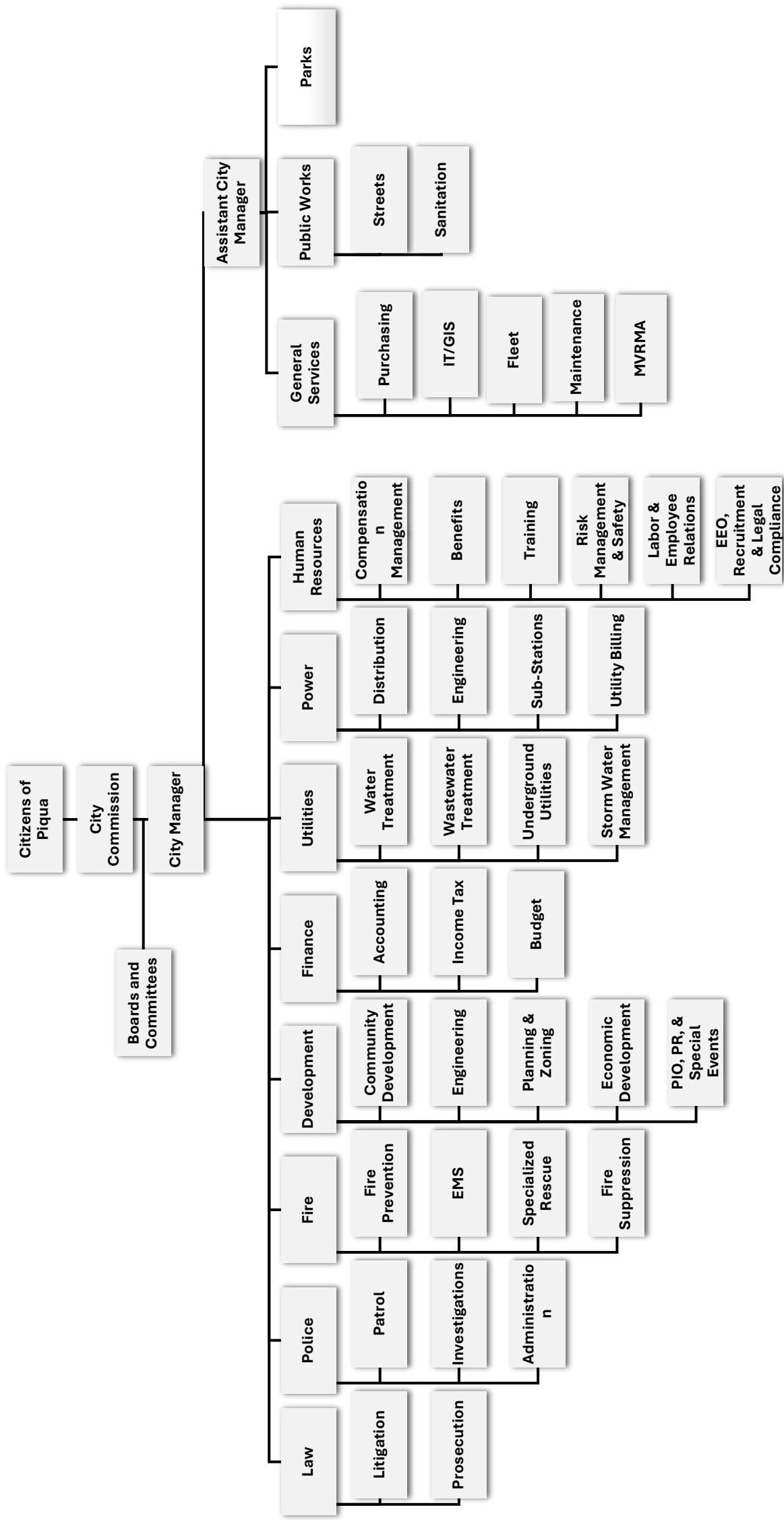
Commissioners re-elected November 7, 2023: James Vetter

Commissioners elected November 7, 2023: Frank DeBrosse, Paul Simmons

Appointment of Mayor for a two-year term: Kris Lee

Appointment of Vice Mayor for two-year term: James Vetter

2023 Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Piqua
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

INDEPENDENT AUDITORS' REPORT

City Commission
City of Piqua, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules 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 financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 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
July 29, 2024

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2023
(Unaudited)

The discussion and analysis of the City of Piqua's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- The Statement of Net Position reports that assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources for a net position of \$155,720,713 at December 31, 2023. The total net position increased by \$6,626,389 over the prior year. Net position of the governmental activities increased \$3,195,108 to \$67,720,604, while net position of the business-type activities increased \$3,431,281 to \$88,000,109.
- The Statement of Activities reports total governmental activities revenue of \$27,437,581 with general revenues accounting for \$21,463,641. Income taxes provided \$15,313,720 of the total general revenues. Program specific revenues in the form of charges for services, grants, and contributions accounted for the remaining \$5,973,940 in governmental revenue.
- The Statement of Activities shows business-type activities having program specific revenues of \$49,309,108 an increase of \$386,875 over the prior year.
- The Statement of Activities reports \$24,142,473 in expenses related to governmental activities. Of these expenses, \$5,973,940 was offset by program specific charges for services, grants, and contributions. General revenues of \$21,643,641 were sufficient to provide for these programs.
- The Statement of Activities shows business-type activities accounted for \$47,412,646 of the City's overall expenses of \$71,555,119. Program specific charges for services and grants of \$49,309,108 were sufficient to cover business-type expenses.
- The Statement of Revenues, Expenditures, and Changes in Fund Balances for governmental funds reports a combined ending fund balance of \$31,342,289, an increase of \$4,025,197 over the prior year's ending fund balance. The general fund ending balance accounts for \$15,805,545 of the combined total with \$13,340,143 considered unassigned at December 31, 2023.

Using this Annual Financial Report

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. This annual report consists of a series of government-wide financial statements, fund financial statements, notes to these statements, and a statistical section. The government-wide statements provide both short-term and long-term information about the City's overall financial status while the fund financial statements are more detailed and focus on individual parts of the City.

The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. 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 non-major funds presented in total in one column.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2023
(Unaudited)

Reporting the City of Piqua as a Whole

Government-wide Statements While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions. The Statement of Net Position and the Statement of Activities include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

The Statement of Net Position and the Statement of Activities report the City's net position and the changes in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

- **Governmental Activities** – Most of the City's programs and services are reported here, including general government, public safety, street and maintenance, parks and recreation, and community development. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **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 electric, water, refuse, wastewater, stormwater, and golf activities are reported here.

Reporting the City of Piqua's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Funds are established to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Piqua's three kinds of funds – *governmental*, *proprietary*, and *fiduciary* – use different accounting approaches.

- **Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. On the government-wide statements, these funds are reported using the accrual method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of timing of related cash flows. The governmental fund statements, using a modified accrual system of accounting, provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements or on an accompanying schedule.
- **Proprietary funds** – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Piqua

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2023
(Unaudited)

uses enterprise funds to account for its electric, water, refuse, wastewater, stormwater services, and golf. Internal service funds are an accounting method used to accumulate and allocate costs internally among the City's various functions. The City of Piqua uses an internal service fund to account for its information technology and insurance activities. As these activities predominantly benefit governmental rather than business-type functions, they are shown within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, and wastewater systems which are considered to be major funds of the city as well as non-major enterprise funds consisting of refuse, stormwater, and golf.

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

Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget, proportionate share of net pension and OPEB assets and liabilities, and pension and OPEB contributions. The City adopts an annual appropriation budget for its general fund and other funds. A budgetary comparison schedule has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Also provided are the schedules of the City's proportionate share of the net pension and OPEB assets and liabilities for OPERS and Ohio Police and Fire and schedules of the City contributions for pension and OPEB plans to OPERS and Ohio Police and Fire.

The combining statements in connection with non-major governmental and enterprise funds, as well as, internal service funds are presented immediately following the required supplemental information.

The City of Piqua as a Whole

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2023 and 2022.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2023
(Unaudited)

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 41,019,633	\$ 39,435,674	\$ 45,204,928	\$ 42,117,934	\$ 86,224,561	\$ 81,553,608
Capital assets	55,915,695	53,313,434	145,156,382	150,084,960	201,072,077	203,398,394
Total Assets	96,935,328	92,749,108	190,361,310	192,202,894	287,296,638	284,952,002
Deferred outflows of resources						
Pension	8,480,403	5,117,423	4,390,372	1,373,105	12,870,775	6,490,528
OPEB	1,580,291	1,642,651	660,888	7,243	2,241,179	1,649,894
Total Deferred Outflows of Resources	10,060,694	6,760,074	5,051,260	1,380,348	15,111,954	8,140,422
Liabilities						
Long-term liabilities	31,601,942	20,333,014	103,983,499	99,760,218	135,585,441	120,093,232
Other liabilities	1,712,862	3,621,026	3,073,076	3,641,494	4,785,938	7,262,520
Total Liabilities	33,314,804	23,954,040	107,056,575	103,401,712	140,371,379	127,355,752
Deferred Inflows of Resources						
Property Taxes	1,594,909	1,574,127	-	-	1,594,909	1,574,127
Leases	367,300	522,862	-	-	367,300	522,862
Pension	2,068,135	7,142,273	260,529	4,346,886	2,328,664	11,489,159
OPEB	1,930,270	1,790,384	95,357	1,265,816	2,025,627	3,056,200
Total Deferred Inflows of Resources	5,960,614	11,029,646	355,886	5,612,702	6,316,500	16,642,348
Net position						
Net investment in capital assets	52,657,050	53,187,268	55,372,958	55,848,348	108,030,008	109,035,616
Restricted by: legislation	13,019,078	11,602,185	-	-	13,019,078	11,602,185
Restricted by: debt covenants	710,139	401,272	-	-	710,139	401,272
Restricted by: other	15,761	-	8,323	-	24,084	-
Unrestricted	1,318,576	(665,229)	32,618,828	28,720,480	33,937,404	28,055,251
Total Net Position	\$ 67,720,604	\$ 64,525,496	\$ 88,000,109	\$ 84,568,828	\$ 155,720,713	\$ 149,094,324

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." In 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the deferred outflows related to pension and OPEB.

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange"—that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this pension promise is a present obligation of the government as 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 this liability. 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

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requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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

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

The amount by which the City's assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government's financial position. At year-end, the City's net position was \$155,720,713 compared to \$149,094,324 in 2022, an increase of \$6,626,389. Net Position for governmental activities increased \$3,195,108 while business-type activities increased \$3,431,281. Of that amount, in 2023 approximately \$108,030,008 was invested in capital assets, net of debt related to those assets. At year-end 2022 that amount was \$109,035,616. The largest portion of the City's net position reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, infrastructure and right to use leased assets), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

For 2023, \$13,753,301 was subject to legislative and external restrictions upon its use. For 2022, \$12,003,457 was subject to external restrictions.

The total net position of the City's governmental activities increased \$3,195,108 during the current year with a \$530,218 decrease in net investment in capital assets and \$1,983,805 increase in unrestricted net position. Restricted net position increased by \$1,741,521.

Total net position of the City's business-type activities increased \$3,431,281 during the current year with a \$475,390 decrease in net investment in capital assets and \$3,898,348 increase in unrestricted net position.

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

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Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for Services	\$ 2,231,823	\$ 2,539,206	\$ 48,874,092	\$ 48,514,493	\$ 51,105,915	\$ 51,053,699
Operating Grants/Contributions	2,689,776	410,862	120,347	27,574	2,810,123	438,436
Capital Grants/Contributions	1,052,341	67,727	314,669	380,166	1,367,010	447,893
General revenues:						
Property Taxes	1,615,018	1,526,422	-	-	1,615,018	1,526,422
Income Taxes	15,313,720	14,773,823	-	-	15,313,720	14,773,823
Other Taxes	3,502,319	3,582,909	-	-	3,502,319	3,582,909
Investment Earnings & Misc.	1,032,584	154,816	1,434,819	138,420	2,467,403	293,236
Total Revenues	27,437,581	23,055,765	50,743,927	49,060,653	78,181,508	72,116,418
Program Expenses						
General Government	3,601,425	3,121,168	-	-	3,601,425	3,121,168
Public Safety	10,433,721	10,573,889	-	-	10,433,721	10,573,889
Street and Maintenance	5,221,743	3,975,528	-	-	5,221,743	3,975,528
Parks and Recreation	1,382,098	874,325	-	-	1,382,098	874,325
Community Development	3,478,506	57,202	-	-	3,478,506	57,202
Interest on long-term debt	24,980	800	-	-	24,980	800
Electric	-	-	29,880,052	32,059,982	29,880,052	32,059,982
Wastewater	-	-	6,408,468	5,467,008	6,408,468	5,467,008
Water	-	-	6,881,060	5,953,190	6,881,060	5,953,190
Refuse	-	-	2,223,401	1,810,117	2,223,401	1,810,117
Storm Water	-	-	975,645	795,213	975,645	795,213
Golf	-	-	1,044,020	736,359	1,044,020	736,359
Pool	-	-	-	65,680	-	65,680
Total Expenses	24,142,473	18,602,912	47,412,646	46,887,549	71,555,119	65,490,461
Increase in Net Position before Transfers & Proceeds	3,295,108	4,452,853	3,331,281	2,173,104	6,626,389	6,625,957
Transfers	(100,000)	(235,141)	100,000	235,141	-	-
Increase(Decrease) in Net Position	3,195,108	4,217,712	3,431,281	2,408,245	6,626,389	6,625,957
Net Position Beginning	64,525,496	60,307,784	84,568,828	82,160,583	149,094,324	142,468,367
Net Position Ending	\$ 67,720,604	\$ 64,525,496	\$ 88,000,109	\$ 84,568,828	\$ 155,720,713	\$ 149,094,324

Governmental Activities

Governmental activities increased the City's net position by \$3,195,108 in 2023. Total revenues increased by \$4,381,816 as a result of an increase in operating grants and income tax revenue in 2023. The breakdown of the increase is operating grants by \$2,278,914, capital grants by \$984,614, income taxes by \$539,897, property taxes by \$88,596, and investment earnings by \$920,806 while charges for services decreased \$307,383. Program expenses increased in 2023 by \$5,539,561 primarily due to a \$3,421,304 increase in Community Development and a \$1,246,215 increase in Streets and Maintenance. General Government increased by \$480,257 and Parks and Recreation by \$507,773 while Public Safety decreased by \$140,168.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2023 was \$15,313,720 as compared to \$14,773,823 in 2022. The City's income tax rate was 2.0 percent for 2023, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a

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locality that has a municipal income tax, the City provides 100 percent credit up to 2.00 percent for those who pay income tax to another city.

Program revenues saw a decrease of \$307,383 in charges for services. Operating and capital grants had a \$3,263,528 increase primarily due to one-time fiscal relief grant funds for grants received in 2022 and recognized in 2023. General revenues increased by \$1,425,671 over 2022 with income taxes being \$539,897 and Investment Earnings increasing \$920,806 mainly due to higher yield investments. With the combination of program revenues, property tax, income tax, intergovernmental funding, investment earnings and existing net position, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent to which that program must be subsidized by general revenues. The following table summarizes the net cost of each program:

Table 3
Government Activities with GASB 68 and 75 costs

	2023		2022		Program Revenues		Net Cost of Services	
	2023	2022	2023	2022	2023	2022	2023	2022
General Government	\$ 3,601,425	\$ 3,121,168	\$ 629,984	\$ 864,358	\$ 2,971,441	\$ 2,256,810		
Public Safety	10,433,721	10,573,889	1,746,840	1,729,223	8,686,881	8,844,666		
Street and Maintenance	5,221,743	3,975,528	116,647	235,990	5,105,096	3,739,538		
Parks and Recreation	1,382,098	874,325	32,097	77,648	1,350,001	796,677		
Community Development	3,478,506	57,202	3,448,372	110,576	30,134	(53,374)		
Interest on long-term debt	24,980	800	-	-	24,980	800		
Total	24,142,473	18,602,912	5,973,940	3,017,795	18,168,533	15,585,117		

As explained above, the provisions of GASB Statements 68 and 75 distort the true financial position of the City. The same provisions require the City to recognize a pension/OPEB adjustment that increased expenses by \$1.2 million in 2023 compared to a decrease in expenses of \$1.3 million in 2022. This caused an \$2.5 million swing in expense from one year to the next. As a result, it is very difficult to ascertain the true operational cost of services and the change in cost of services from year to year. The chart below shows total costs of services and net cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed and will be used in Financial Highlights.

Table 4
Government Activities with GASB 68 and 75 costs removed

	2023		2022		Program Revenues		Net Cost of Services	
	2023	2022	2023	2022	2023	2022	2023	2022
General Government	\$ 3,616,847	\$ 3,527,355	\$ 629,984	\$ 864,358	\$ 2,986,863	\$ 2,662,997		
Public Safety	9,151,323	10,797,544	1,746,840	1,729,223	7,404,483	9,068,321		
Street and Maintenance	5,250,241	4,411,232	116,647	235,990	5,133,594	4,175,242		
Parks and Recreation	1,396,251	1,027,490	32,097	77,648	1,364,154	949,842		
Community Development	3,498,072	170,246	3,448,372	110,576	49,700	59,670		
Interest on long-term debt	24,980	800	-	-	24,980	800		
Total	22,937,714	19,934,667	5,973,940	3,017,795	16,963,774	16,916,872		

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Using Table 4, the largest program function for the City relates to Public Safety, which accounts for 39.9% of total program expenses in 2023.

Business-Type Activities

The Business-Type activities of the City include the Electric, Wastewater, and Water with Refuse, Stormwater, and Golf comprising the non-major activities. Business-Type activities increased the City's net position by \$3,431,281 in 2023.

Table 5
Business-type Activities

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2023	2022	2023	2022	2023	2022
Electric	\$29,880,052	\$32,059,982	\$30,651,398	\$30,502,526	\$771,346	\$(1,557,456)
Wastewater	6,408,468	5,467,008	6,624,304	6,873,893	215,836	1,406,885
Water	6,881,060	5,953,190	7,463,350	7,332,950	582,290	1,379,760
Refuse	2,223,401	1,810,117	2,298,118	2,300,676	74,717	490,559
Stormwater	975,645	795,213	1,359,033	1,243,219	383,388	448,006
Golf	1,044,020	736,359	912,905	619,346	(131,115)	(117,013)
Pool	-	65,680	-	49,623	-	(16,057)
Total	\$47,412,646	\$46,887,549	\$49,309,108	\$48,922,233	\$1,896,462	\$2,034,684

For 2023, the Electric, Wastewater, Water, Refuse, and Stormwater, had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Electric saw revenues in excess of expenses of \$771,346. Golf activity funds had expenses in excess of program revenues of \$131,115 in 2023 as compared to \$117,013 in 2022.

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Financial Analysis of the City's Funds

As previously noted, the City uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds

The governmental funds are accounted for using the modified accrual basis of accounting. The City's governmental funds reported a combined fund balance of \$31,342,289 for 2023 which is \$4,025,197 more than the 2022 total of \$27,317,092. All governmental funds had total revenues in 2023 of \$27,112,924 compared to \$22,308,089 in 2022 for an increase of \$4,804,835. All governmental funds had expenditures in 2023 of \$25,393,312 compared to \$19,798,614 in 2022, an increase of \$5,594,698.

General Fund. The most significant governmental fund is the General Fund. The General fund accounts for such activities as Police and Fire protection, Parks and Recreation, and City administration. The 2023 ending fund balance for the General Fund was \$15,805,545, which comprises just under half of the total ending governmental funds balance of \$31,342,289. The fund balance increased \$2,003,848 from 2022's ending balance of \$13,801,697. The unassigned portion of the General Fund ending balance was \$13,340,143.

General Fund revenues are comprised of a 2% city income tax, inside millage property taxes, state revenues, capital and operating grants, and charges for services. Revenues for 2023 were \$17,255,497, an increase of \$927,267 over 2022. In concurrence with the current economy demonstrating higher income levels and property values, the primary increases in revenues were due to higher income tax and property tax collections in 2023. Miami County, Ohio had a property valuation update in 2022 for collection year 2023 that increased the valuations for the City 19.9% from \$331,718,740 in 2022 to \$397,710,020. The increased values were on tax bills for 2023.

The General Fund saw expenditures decreasing to \$14,090,235 in 2023 as compared to \$15,255,667 in 2022 for a difference of (\$1,165,432). The City realized federal funding under the American Rescue Plan Act (ARPA) in 2023 to offset salary and fringe costs for the Police and Fire Protection departments. Revenues exceeded expenditures for 2023 by \$3,165,263. The ending fund General Fund balance for 2023 was \$15,805,545, which was \$2,003,848 higher than 2022. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Street Maintenance Fund. The Street Maintenance Fund is a major governmental fund. Fund balance at year-end was \$7,861,889 in 2023 as compared to \$6,551,770 in 2022. Revenues exceeded expenditures by \$1,310,119 in 2023 as compared to \$1,425,980 in 2022. Revenues increased from \$3,616,175 in 2022 to \$4,038,708 in 2023 due to higher income tax collections and increases from higher-yield investment earnings. Expenditures of \$2,728,589 in 2023 were higher than \$2,190,195 in 2022. The Street Maintenance Fund has recently been budgeting street projects into the Street Levy Fund which has a ¼% voted income tax as its source of revenues. Revenues in the Street Levy Fund have been sufficient enough to provide for street replacements and maintenance thus allowing for capital expenditure planning in the Street Maintenance Fund as the City is in need of large equipment and vehicle replacements in order to stay within the replacement cycle.

Lock 9 Park Improvement Fund. The City has been involved in a major capital improvement with the Lock 9 Park Improvement project. In 2023, the City made the decision to create a new governmental fund to account for the revenues and expenditures of the Lock 9 project. The City borrowed \$5.8 million from the Wastewater Fund in order to proceed with the project without having to utilize external debt sources. The Lock 9 project fund had \$289,720 in revenues for 2023 which were derived from capital grants, private donations, and investment earnings. Expenditures of \$1,269,143 were primarily comprised of capital improvements costs for the Lock 9 park project.

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Business-Type Activities

The City's business-type funds are Electric, Wastewater, Water, Refuse, Stormwater, and Golf. Business-type funds are required to be accounted for on an accrual basis. All Business-Type Funds had operating revenues of \$48,466,004 in 2023 and \$47,932,988 in 2022. Operating expenses were \$45,829,599 in 2023 and \$45,266,707 in 2022. Fund balances increased \$3,240,492 in 2023 while increasing \$2,267,425 in 2022.

Electric Fund. Revenues for the Electric Fund maintained at \$30,329,017 in 2023 from \$30,104,630 in 2022. Expenses decreased \$2,164,015 from \$32,099,923 in 2022 to \$29,935,908 in 2023. Much of the decrease in costs was due to the City's purchased power as the City purchases wholesale electric from multiple sources. Costs for electric are in partnership with natural gas prices. Natural gas prices and wholesale electric prices have been increasing recently at levels that have not been seen since 2008. The City's purchased power costs increased 9.0% from 2021 to 2022. A rate increase for residents was implemented for 2023 in response to the increased costs. However, 2023 saw costs not increasing at the rate that was projected and reduced costs from lower usage due to a mild temperatures throughout the year. Revenues exceeded expenses by \$1,487,177 for an ending net position of \$33,642,077.

Wastewater Fund. Revenues for the Wastewater Fund maintained at \$6,625,194 in 2023 from \$6,617,010 in 2022. The expenses increased to \$6,017,511 for 2023 from \$5,092,889 in 2022. GASB 68 and 75 require the reporting of Ohio employee pension and benefits liability and is calculated using the full accrual method of accounting and can vary from year to year; much of the increase in expenses is due to the recognition of these benefits. Revenues were sufficient to cover expenses and the ending net position for 2023 was \$21,669,952, an increase of \$429,415 from 2022.

Water Fund. Revenues for the Water Fund decreased from \$7,186,811 in 2022 to \$7,063,542 in 2023, which is considered insubstantial. Expenses increased to \$5,603,561 for 2023 from \$4,638,501 in 2022. As stated above with Wastewater Fund, GASB 68 and 75 require the reporting of Ohio employee pension and benefits liability and is calculated using the full accrual method of accounting and can vary from year to year; much of the increase in expenses is due to the recognition of these benefits. Revenues were sufficient to cover expenses and the ending net position for 2023 was \$22,833,291, an increase of \$790,014 from 2022.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The annual appropriation budget ordinance is limited by the certificate of anticipated resources as determined during the preceding fiscal year by the county Budget Commission. The certificate of resources may be amended throughout the fiscal year as can the budgeted appropriation measure, as long as the expenditures do not exceed available resources.

The most significant budgeted fund within the governmental funds is the General Fund. The City Commission is provided with a detailed line-item budget that is prepared at department level and then object level which is personal services and other expenditures. After presentation and discussion at a regularly held commission meeting, the budget is adopted by Commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal year 2023, the City amended its general fund budget at the end of the fiscal year in November and December. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

General Fund original budgeted revenues were \$15,557,444 for 2023 and final budgeted revenues were \$14,597,776. Actual revenues received were \$2,657,721 higher than anticipated at \$17,255,497. As stated earlier, in concurrence with the current economy demonstrating higher income levels and property values, the primary increases in revenues received were due to higher income tax collections and a 19.9% increase

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in property valuation for the City due to the valuation update performed every six years by the Auditor of Miami County, Ohio. The values were updated in 2022 for collection by the City in 2023.

The original general fund appropriations for 2023 were budgeted at \$20,442,779. Two appropriation adjustments were approved by Commission in November and December with the final budget being \$1,956,400 lower than original for a total final appropriation of \$18,486,379. As discussed above in General Fund revenues, the Lock 9 park improvement project was moved from the General Fund to its own major governmental fund during 2023. Adjustments were made to the General Fund final appropriations to account for the reduction in capital spending. Actual expenditures in the General Fund for 2023 were \$14,090,234, which is \$4,396,145 lower than the final appropriations. The majority of this difference is due to the utilization of fiscal relief funds to support salary and fringe expenses of public safety departments. The remaining portion of the variance can be attributed to governmental budget reductions and the re-allocation of governmental expenditures to other funds.

Capital Asset and Debt Administration

Total Capital Assets for the City of Piqua for the year ended December 31, 2023 were \$201,072,077, a decrease of \$2,326,317 from 2022. Assets decreased primarily due to the sale of \$1.8 million in Transmissions from the Electric Fund to American Municipal Power. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note F of the financial statements.

Debt

At December 31, 2023, the City of Piqua had \$1.1 million less in total loans at \$90.6 million compared to \$94.1 million in debt outstanding at December 31, 2022.

During 2023, \$2,365,000 in non-tax revenue bonds in governmental activities was issued for the purpose of acquiring land as part of the Scott Drive Economic Development project.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$42,284,044 on December 31, 2023.

As of December 31, 2023, the City had leases outstanding of \$97,976 in governmental activities and \$45,732 in business-type activities.

The City implemented GASB Statement No. 96 *Subscription-Based Information Technology Arrangements* during 2023. As of Decem 31, 2023, the City had an outstanding liability for a SBITA in governmental activities in the amount of \$120,423.

Additional information concerning the City's debt can be found in Notes G-H of the financial statements.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. This report is also available on the City's website at www.piquaoh.gov. If you have any questions about this report or need additional financial information, contact Jerald O'Brien, Director of Finance, City of Piqua, 201 West Water Street, Piqua, Ohio 45356, (937) 778-2065.

Basic Financial Statements

CITY OF PIQUA, OHIO

STATEMENT OF NET POSITION DECEMBER 31, 2023

	Government Activities	Business-type Activities	Total Activities
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 38,100,373	\$ 30,007,142	\$ 68,107,515
Restricted cash	15,761	8,323	24,084
Accounts receivable	9,573,176	7,213,536	16,786,712
Allowance for bad debts	-	(1,526,367)	(1,526,367)
Interfund balances	(6,685,020)	6,685,020	-
Inventories	-	1,620,190	1,620,190
Prepaid items and other assets	8,197	88,100	96,297
Loans receivable, net of allowance	7,146	-	7,146
Recoverable purchased power	-	1,108,984	1,108,984
Capital assets not being depreciated	13,969,414	3,415,649	17,385,063
Capital assets being depreciated, net	41,946,281	141,740,733	183,687,014
Total assets	<u>96,935,328</u>	<u>190,361,310</u>	<u>287,296,638</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred by pensions	8,480,403	4,390,372	12,870,775
Deferred by OPEB	1,580,291	660,888	2,241,179
Total deferred outflow of resources	<u>10,060,694</u>	<u>5,051,260</u>	<u>15,111,954</u>
LIABILITIES:			
Accounts payable	1,128,995	2,338,527	3,467,522
Salary and benefits payable	374,912	113,042	487,954
Other accruals	174,983	621,470	796,453
Unearned revenue	33,972	37	34,009
Long-term liabilities:			
Due within one year	930,833	4,031,682	4,962,515
Due in more than one year:			
Net pension liability	25,391,450	10,813,738	36,205,188
Net OPEB liability	1,643,921	222,890	1,866,811
Other amounts due in more than one year	3,635,738	88,915,189	92,550,927
Total liabilities	<u>33,314,804</u>	<u>107,056,575</u>	<u>140,371,379</u>
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	1,594,909	-	1,594,909
Leases	367,300	-	367,300
Deferred by pension	2,068,135	260,529	2,328,664
Deferred by OPEB	1,930,270	95,357	2,025,627
Total deferred inflows of resources	<u>5,960,614</u>	<u>355,886</u>	<u>6,316,500</u>
NET POSITION:			
Net investment in capital assets	52,657,050	55,372,958	108,030,008
Restricted by: legislation	13,019,078	-	13,019,078
Restricted by: debt covenants	710,139	-	710,139
Restricted by: other	15,761	8,323	24,084
Unrestricted	1,318,576	32,618,828	33,937,404
Total net position	<u>\$ 67,720,604</u>	<u>\$ 88,000,109</u>	<u>\$ 155,720,713</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	\$ 3,601,425	\$ 629,621	\$ 363	\$ -	\$ (2,971,441)	\$ -	\$ (2,971,441)
Public safety	10,433,721	1,338,748	144,774	263,318	(8,686,881)	-	(8,686,881)
Streets and maintenance	5,221,743	20,763	-	95,884	(5,105,096)	-	(5,105,096)
Parks and recreation	1,382,098	31,097	1,000	-	(1,350,001)	-	(1,350,001)
Community development	3,478,506	211,594	2,543,639	693,139	(30,134)	-	(30,134)
Interest on long term debt	24,980	-	-	-	(24,980)	-	(24,980)
Total governmental activities	<u>24,142,473</u>	<u>2,231,823</u>	<u>2,689,776</u>	<u>1,052,341</u>	<u>(18,168,533)</u>	<u>-</u>	<u>(18,168,533)</u>
BUSINESS-TYPE ACTIVITIES:							
Electric	29,880,052	30,651,398	-	-	-	771,346	771,346
Wastewater	6,408,468	6,624,304	-	-	-	215,836	215,836
Refuse	2,223,401	2,298,118	-	-	-	74,717	74,717
Water	6,881,060	7,143,604	120,347	199,399	-	582,290	582,290
Storm Water	975,645	1,243,763	-	115,270	-	383,388	383,388
Golf	1,044,020	912,905	-	-	-	(131,115)	(131,115)
Total business-type activities	<u>47,412,646</u>	<u>48,874,092</u>	<u>120,347</u>	<u>314,669</u>	<u>-</u>	<u>1,896,462</u>	<u>1,896,462</u>
Total	<u>\$ 71,555,119</u>	<u>\$ 51,105,915</u>	<u>\$ 2,810,123</u>	<u>\$ 1,367,010</u>	<u>\$ (18,168,533)</u>	<u>\$ 1,896,462</u>	<u>(16,272,071)</u>
GENERAL REVENUES:							
Property taxes					1,615,018	-	1,615,018
Shared revenues unrestricted					2,434,792	-	2,434,792
Income tax					15,313,720	-	15,313,720
Locally levied taxes					1,067,527	-	1,067,527
Investment earnings					1,032,584	807,765	1,840,349
Gain on sale of capital assets					-	627,054	627,054
Total general revenues					<u>21,463,641</u>	<u>1,434,819</u>	<u>22,898,460</u>
Transfers, in (out)					<u>(100,000)</u>	<u>100,000</u>	<u>-</u>
Change in net position					3,195,108	3,431,281	6,626,389
Total net position:							
Beginning of year					<u>64,525,496</u>	<u>84,568,828</u>	<u>149,094,324</u>
End of year					<u>\$ 67,720,604</u>	<u>\$ 88,000,109</u>	<u>\$ 155,720,713</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Street Maintenance	Lock 9 Park Improvements	Other Governmental	Total Governmental
ASSETS					
Equity in pooled cash and cash equivalents	\$ 14,093,330	\$ 7,260,564	\$ 5,400,789	\$ 8,129,399	\$ 34,884,082
Restricted cash	15,761	-	-	-	15,761
Accounts receivable	6,349,483	1,370,962	688,417	827,456	9,236,318
Interfund receivable	-	-	-	33,260	33,260
Prepaid items and other assets	4,488	-	-	-	4,488
Loans receivable, net of allowance	-	-	-	7,146	7,146
Total Assets	<u>\$ 20,463,062</u>	<u>\$ 8,631,526</u>	<u>\$ 6,089,206</u>	<u>\$ 8,997,261</u>	<u>\$ 44,181,055</u>
LIABILITIES					
Accounts payable	\$ 220,911	\$ 44,231	\$ 553,839	\$ 292,548	\$ 1,111,529
Interfund payable	-	-	5,800,000	84,987	5,884,987
Salaries and benefits payable	345,490	20,391	-	4,527	370,408
Other accruals	58,319	-	111,356	5,308	174,983
Unearned income	33,972	-	-	-	33,972
Restricted deposits	50,471	-	-	-	50,471
Total Liabilities	<u>709,163</u>	<u>64,622</u>	<u>6,465,195</u>	<u>387,370</u>	<u>7,626,350</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes	2,217,231	-	-	51,749	2,268,980
State shared taxes	293,458	501,864	-	2,939	798,261
Income taxes	888,000	168,000	-	144,000	1,200,000
Leases	367,299	-	-	-	367,299
Other unavailable revenue	182,366	35,151	326,434	33,925	577,876
Total deferred inflows of resources	<u>3,948,354</u>	<u>705,015</u>	<u>326,434</u>	<u>232,613</u>	<u>5,212,416</u>
FUND BALANCES					
Nonspendable fund balance	4,488	-	-	-	4,488
Restricted fund balance	1,231	7,861,889	-	8,377,278	16,240,398
Assigned fund balance	2,459,683	-	-	-	2,459,683
Unassigned fund balance	13,340,143	-	(702,423)	-	12,637,720
Total fund balances	<u>15,805,545</u>	<u>7,861,889</u>	<u>(702,423)</u>	<u>8,377,278</u>	<u>31,342,289</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,463,062</u>	<u>\$ 8,631,526</u>	<u>\$ 6,089,206</u>	<u>\$ 8,997,261</u>	

Amounts reported for governmental activities in the Statement of Net Position (page 24) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	55,915,695
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	3,250,207
The net unamortized portion of pension liability deferred inflows and outflows are	6,412,268
The net unamortized portion of OPEB liability deferred inflows and outflows are	(349,979)
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Lease and SBITA payable	(218,398)
Bonds	(2,365,000)
Vacation and Sick leave compensated balances	(1,932,702)
Net Pension Liability	(25,391,450)
Net OPEB Liability	(1,643,921)
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	2,701,595
Net position of governmental activities	<u>\$ 67,720,604</u>

CITY OF PIQUA, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-- GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	Street Maintenance	Lock 9 Park Improvements	Other Governmental	Total Governmental
REVENUES:					
Municipal income tax	\$ 11,237,316	\$ 2,233,263	\$ -	\$ 1,943,141	\$ 15,413,720
Property taxes	1,575,319	-	-	95,555	1,670,874
State shared revenues	818,307	1,591,761	-	6,699	2,416,767
Locally levied taxes	1,067,527	-	-	-	1,067,527
Licenses and permits, fees	1,266,410	15,150	-	980	1,282,540
Grants: capital	229,885	-	214,160	308,009	752,054
Grants: operating	139,591	-	-	2,545,685	2,685,276
Investment income	354,591	192,921	75,560	242,228	865,300
Donations: operating	4,500	-	-	-	4,500
Other fines, rents, and reimbursements	562,051	5,613	-	386,702	954,366
Total revenues	<u>17,255,497</u>	<u>4,038,708</u>	<u>289,720</u>	<u>5,528,999</u>	<u>27,112,924</u>
EXPENDITURES:					
General government administration	2,841,799	-	-	-	2,841,799
Public safety	8,922,474	-	-	2,260,778	11,183,252
Public health	-	-	-	65,053	65,053
Street repairs and maintenance	-	2,384,545	-	1,439,735	3,824,280
Parks and recreation	1,256,807	-	-	-	1,256,807
Fort Piqua Plaza	239,162	-	-	-	239,162
Community planning and development	90,472	-	20,001	1,111,056	1,221,529
Other	-	-	-	52,837	52,837
Debt principal payment	22,705	-	-	-	22,705
Debt interest payment	4,680	-	-	20,300	24,980
Capital costs	712,135	344,044	1,249,142	2,355,587	4,660,908
Total expenditures	<u>14,090,234</u>	<u>2,728,589</u>	<u>1,269,143</u>	<u>7,305,346</u>	<u>25,393,312</u>
Excess (deficiency) of revenues over expenditures	<u>3,165,263</u>	<u>1,310,119</u>	<u>(979,423)</u>	<u>(1,776,347)</u>	<u>1,719,612</u>
OTHER FINANCING SOURCES (USES):					
Issuance of debt	-	-	-	2,050,000	2,050,000
Proceeds from sale of capital assets	40,585	-	-	-	40,585
Premium on issuance of debt	-	-	-	315,000	315,000
Transfers, in	-	-	277,000	825,000	1,102,000
Transfers, out	(1,202,000)	-	-	-	(1,202,000)
Total other financing sources (uses)	<u>(1,161,415)</u>	<u>-</u>	<u>277,000</u>	<u>3,190,000</u>	<u>2,305,585</u>
Net change in fund balance	2,003,848	1,310,119	(702,423)	1,413,653	4,025,197
Fund balance-beginning of year	<u>13,801,697</u>	<u>6,551,770</u>	<u>-</u>	<u>6,963,625</u>	<u>27,317,092</u>
Fund balance-end of year	<u>\$ 15,805,545</u>	<u>\$ 7,861,889</u>	<u>\$ (702,423)</u>	<u>\$ 8,377,278</u>	<u>\$ 31,342,289</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Total net change in fund balances Governmental funds \$ 4,025,197

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense.

Capital outlays	4,660,908
Depreciation expense	<u>(2,262,555)</u>
	2,398,353

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

State shared taxes/grants	293,529
Income tax	(100,000)
EMS billing	(61,093)
Delinquent property taxes	24,937
Accrued interest receivable	<u>146,470</u>
	303,843

Repayment of debt obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position 22,705

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 and sick leave compensated balances	71,522
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Proceeds from the issuance of bonds, lease or other debt instruments are not considered revenues on the Statement of Activities (2,365,000)

Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows. Except for these amounts, changes in the net pension liability are reported as pension expense in the statement of activities. (1,270,613)

Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows. Except for these amounts, changes in the net OPEB liability reported as positive or negative OPEB expense in the statement of activities. 63,593

The net book value of assets retired (the difference of original cost (\$493,707) and accumulated depreciation (\$427,096) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities (66,611)

An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities 12,119

Change in the net position of governmental activities on the Statement of Activities	<u>\$ 3,195,108</u>
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See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2023**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Electric	Wastewater	Water	Nonmajor Enterprise Funds	Total	
ASSETS						
CURRENT ASSETS:						
Equity in pooled cash and cash equivalents	\$ 6,659,653	\$ 8,015,876	\$ 10,671,761	\$ 4,659,852	\$ 30,007,142	\$ 3,216,291
Restricted cash	8,323	-	-	-	8,323	-
Accounts receivable	4,585,103	1,019,089	1,078,012	531,332	7,213,536	336,858
Interfund receivable	-	5,801,495	32,749	17,483	5,851,727	-
Allowance for uncollectible accounts	(977,585)	(224,477)	(201,361)	(122,944)	(1,526,367)	-
Inventories	1,248,663	-	342,501	29,026	1,620,190	-
Prepaid items and other assets	-	2,500	500	85,100	88,100	3,709
Total Current Assets	<u>11,524,157</u>	<u>14,614,483</u>	<u>11,924,162</u>	<u>5,199,849</u>	<u>43,262,651</u>	<u>3,556,858</u>
NONCURRENT ASSETS:						
Recoverable purchased power	1,108,984	-	-	-	1,108,984	-
Capital assets not being depreciated	687,615	557,418	1,565,502	605,114	3,415,649	227,957
Capital assets being depreciated	<u>27,283,689</u>	<u>54,562,951</u>	<u>55,298,974</u>	<u>4,595,119</u>	<u>141,740,733</u>	<u>351,192</u>
Total Noncurrent Assets	29,080,288	55,120,369	56,864,476	5,200,233	146,265,366	579,149
Total Assets	<u>40,604,445</u>	<u>69,734,852</u>	<u>68,788,638</u>	<u>10,400,082</u>	<u>189,528,017</u>	<u>4,136,007</u>
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred by pensions	1,949,825	891,302	905,696	643,549	4,390,372	146,141
Deferred by OPEB	<u>285,787</u>	<u>133,650</u>	<u>\$142,105</u>	<u>99,346</u>	<u>660,888</u>	<u>19,723</u>
Total Deferred Outflows of Resources	2,235,612	1,024,952	1,047,801	742,895	5,051,260	165,864
Total Assets and deferred outflows of resources	<u>\$ 42,840,057</u>	<u>\$ 70,759,804</u>	<u>\$ 69,836,439</u>	<u>\$ 11,142,977</u>	<u>\$ 194,579,277</u>	<u>\$ 4,301,871</u>

See accompanying notes to the basic financial statements

Continued

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2023**

	Business-type Activities					Governmental Activities - Internal Service Funds
	Electric	Wastewater	Water	Nonmajor Enterprise Funds	Total	
LIABILITIES						
CURRENT LIABILITIES:						
Accounts payable	\$ 2,024,259	\$ 44,422	\$ 198,216	\$ 71,630	\$ 2,338,527	\$ 17,466
Salaries and benefits	41,810	22,026	27,929	21,277	113,042	4,504
Accrued vacation, personal, and sick leave	225,539	85,182	79,654	65,461	455,836	6,168
Accruals and prepaid memberships	503,475	-	88,986	29,046	621,507	-
Current portion of long term debt	11,604	2,166,589	1,394,376	3,277	3,575,846	63,556
Total Current Liabilities	2,806,687	2,318,219	1,789,161	190,691	7,104,758	91,694
LONG-TERM LIABILITIES:						
Accrued vacation, personal, and sick leave	350,609	123,317	128,441	121,312	723,679	8,109
Net Pension Liability	4,766,026	2,199,309	2,327,827	1,520,576	10,813,738	337,850
Net OPEB Liability	96,383	45,075	47,926	33,506	222,890	6,652
Long term liabilities	1,143,112	44,382,919	42,585,185	80,294	88,191,510	76,105
Total Long-Term Liabilities	6,356,130	46,750,620	45,089,379	1,755,688	99,951,817	428,716
Total Liabilities	9,162,817	49,068,839	46,878,540	1,946,379	107,056,575	520,410
DEFERRED INFLOWS OF RESOURCES:						
Deferred by pensions	(6,071)	1,729	104,104	160,767	260,529	94,536
Deferred by OPEB	41,234	19,284	20,504	14,335	95,357	2,846
Total deferred inflows of resources	35,163	21,013	124,608	175,102	355,886	97,382
NET POSITION						
Net investment in capital assets	28,960,673	8,570,861	12,738,735	5,102,689	55,372,958	439,488
Restricted by other	8,323	-	-	-	8,323	-
Unrestricted	4,673,081	13,099,091	10,094,556	3,918,807	31,785,535	3,244,591
Total Net Position	33,642,077	21,669,952	22,833,291	9,021,496	87,166,816	3,684,079
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 42,840,057	\$ 70,759,804	\$ 69,836,439	\$ 11,142,977		\$ 4,301,871
Adjustment to consolidate the internal service fund activities					833,293	
Total net position per the government-wide Statement of Net Position					\$ 88,000,109	

See accompanying notes to the basic financial statements

Concluded

CITY OF PIQUA, OHIO

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Electric	Wastewater	Water	Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
OPERATING REVENUES:						
Customer services	\$ 30,135,289	\$ 6,565,549	\$ 6,997,566	\$ 4,406,160	\$ 48,104,564	\$ 1,681,200
Penalty charges	193,728	59,645	65,976	42,091	361,440	-
Total operating revenues	<u>30,329,017</u>	<u>6,625,194</u>	<u>7,063,542</u>	<u>4,448,251</u>	<u>48,466,004</u>	<u>1,681,200</u>
OPERATING EXPENSES:						
Fossil fuels used for production	77,997	-	-	-	77,997	-
Purchased power	21,929,585	-	-	-	21,929,585	-
Salaries and employee benefits	2,458,877	1,407,564	1,500,388	1,118,366	6,485,195	389,655
Depreciation and Amortization	1,799,898	3,156,555	1,693,780	498,446	7,148,679	120,696
Materials and supplies	795,958	224,530	441,226	689,947	2,151,661	33,360
Utilities	49,010	346,018	296,826	56,399	748,253	32,061
Outside services	1,643,319	412,744	763,937	1,512,521	4,332,521	509,678
Billing costs	637,476	359,602	359,602	277,874	1,634,554	-
Chemicals	-	44,826	387,746	40,165	472,737	-
Other	543,788	65,672	160,056	78,901	848,417	454,543
Total operating expenses	<u>29,935,908</u>	<u>6,017,511</u>	<u>5,603,561</u>	<u>4,272,619</u>	<u>45,829,599</u>	<u>1,539,993</u>
Operating income	393,109	607,683	1,459,981	175,632	2,636,405	141,207
NON-OPERATING REVENUES (EXPENSES):						
Interest on debt	(2,662)	(418,119)	(1,308,676)	(175)	(1,729,632)	(1,304)
Interest income	166,233	233,641	232,501	131,186	763,561	65,018
Gain or (loss) on sale of capital assets	608,116	7,100	6,400	5,438	627,054	(2,840)
Other, net	322,381	(890)	80,062	6,535	408,088	827
Intergovernmental grants	-	-	120,347	-	120,347	-
Net non-operating revenues (expenses)	<u>1,094,068</u>	<u>(178,268)</u>	<u>(869,366)</u>	<u>142,984</u>	<u>189,418</u>	<u>61,701</u>
Capital grants	-	-	199,399	115,270	314,669	-
Transfers, in	-	-	-	100,000	100,000	-
Change in net position	<u>1,487,177</u>	<u>429,415</u>	<u>790,014</u>	<u>533,886</u>	<u>3,240,492</u>	<u>202,908</u>
Total net position-beginning of year	<u>32,154,900</u>	<u>21,240,537</u>	<u>22,043,277</u>	<u>8,487,610</u>		<u>3,481,171</u>
Total net position-end of year	<u>\$ 33,642,077</u>	<u>\$ 21,669,952</u>	<u>\$ 22,833,291</u>	<u>\$ 9,021,496</u>		<u>\$ 3,684,079</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>190,789</u>	
Change in net position of business-type activities					<u>\$ 3,431,281</u>	

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities					Governmental Activities- Internal Service Funds
	Electric	Wastewater	Water	Nonmajor Enterprise	Total	
OPERATING ACTIVITIES:						
Receipts from customers	\$ 30,740,801	\$ 6,623,027	\$ 6,998,852	\$ 4,359,698	\$ 48,722,378	\$ -
Receipts from interfund charges	-	-	-	-	-	1,670,634
Payments to suppliers and service providers	(26,441,389)	(1,458,858)	(2,374,399)	(2,641,877)	(32,916,523)	(1,198,497)
Payments to employees for salaries and benefits	(2,433,444)	(1,434,985)	(1,497,341)	(1,114,472)	(6,480,242)	(336,022)
Net cash used in operating activities	<u>1,865,968</u>	<u>3,729,184</u>	<u>3,127,112</u>	<u>603,349</u>	<u>9,325,613</u>	<u>136,115</u>
NONCAPITAL FINANCING ACTIVITIES:						
Transfers, in	-	-	-	100,000	100,000	-
Operating Grants	-	-	120,347	-	120,347	-
Net cash (used in) noncapital financing activities	-	-	120,347	100,000	220,347	-
CAPITAL AND RELATED FINANCING ACTIVITIES:						
Principal paid on loans, leases, & SBITAs	(11,011)	(2,168,711)	(1,382,429)	(16,809)	(3,578,960)	(76,472)
Interest paid on loans, leases, & SBITAs	(2,662)	(418,119)	(1,308,676)	(175)	(1,729,632)	(1,304)
Acquisition and construction of capital	(1,211,811)	(483,335)	(834,232)	(284,964)	(2,814,342)	(209,506)
Capital Grants	-	-	199,399	115,270	314,669	-
Proceeds from the sale of capital assets	1,199,532	7,100	6,400	11,535	1,224,567	-
Net cash used in capital & related financing activities	<u>(25,952)</u>	<u>(3,063,065)</u>	<u>(3,319,538)</u>	<u>(175,143)</u>	<u>(6,583,698)</u>	<u>(287,282)</u>
INVESTING ACTIVITIES:						
Advance to Governmental Funds	-	(5,800,000)	-	-	(5,800,000)	-
Proceeds from sale or maturity of investment securities	-	490,014	-	119,781	609,795	1,023,580
Interest received	166,233	235,590	232,501	131,662	765,986	66,100
Net cash provided by (used in) investing activities	<u>166,233</u>	<u>(5,074,396)</u>	<u>232,501</u>	<u>251,443</u>	<u>(4,424,219)</u>	<u>1,089,680</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,006,249	(4,408,277)	160,422	779,649	(1,461,957)	938,513
CASH AND CASH EQUIVALENTS - Beginning of year	4,661,727	12,424,153	10,511,339	3,880,203	31,477,422	2,277,778
CASH AND CASH EQUIVALENTS - End of year	\$ 6,667,976	\$ 8,015,876	\$ 10,671,761	\$ 4,659,852	\$ 30,015,465	\$ 3,216,291
OPERATING INCOME (LOSS)	\$ 393,109	\$ 607,683	\$ 1,459,981	\$ 175,632	\$ 2,636,405	\$ 141,207
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation and amortization	1,799,898	3,156,555	1,693,780	498,446	7,148,679	120,696
Net (Increase)/Decrease in Other Operating Net Position	323,444	(890)	80,062	6,535	409,151	827
(Increase)/Decrease in Accounts Receivable	88,340	(1,277)	55,421	(104,334)	38,150	(11,393)
(Increase)/Decrease in Inventory	(158,547)	-	(177,997)	(3,732)	(340,276)	-
(Increase)/Decrease in Prepays	-	-	-	-	-	177,865
(Increase)/Decrease in Net OPEB Asset	493,888	224,747	253,703	218,705	1,191,043	66,719
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	(1,587,535)	(742,461)	(789,339)	(551,577)	(3,670,912)	(109,361)
Increase/(Decrease) in Accounts Payable and Accruals	(605,709)	(5,466)	12,818	17,662	(580,695)	(225,282)
Increase/(Decrease) in Accrued Wages and Benefits	99,655	6,935	40,415	32,359	179,364	(60,833)
Increase/(Decrease) in Unearned Revenues	-	-	-	9,246	9,246	-
Increase/(Decrease) in Net Pension & OPEB Liabilities	3,270,140	1,529,310	1,626,047	1,136,777	7,562,274	225,681
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	<u>(2,250,715)</u>	<u>(1,045,952)</u>	<u>(1,127,779)</u>	<u>(832,370)</u>	<u>(5,256,816)</u>	<u>(190,011)</u>
Net cash provided by (used in) operating activities	<u>\$ 1,865,968</u>	<u>\$ 3,729,184</u>	<u>\$ 3,127,112</u>	<u>\$ 603,349</u>	<u>\$ 9,325,613</u>	<u>\$ 136,115</u>
SUPPLEMENTAL INFORMATION - Noncash activities:						
Capital assets financed through payables	\$ 75,253	\$ -	\$ 146,180	\$ -	\$ 221,433	\$ -
Capital assets financed through subscription agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,409
Recoverable purchased power contract	\$ 59,587	\$ -	\$ -	\$ -	\$ 59,587	\$ -

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2023**

	Private Purpose Centennial Trust
ASSETS:	
Equity in pooled cash	\$ 489
Total Assets	<u>\$ 489</u>
LIABILITIES:	<u>\$0</u>
NET POSITION:	
Restricted for:	
Individuals, organization, or other government	\$ 489
Total Net Position	<u>\$ 489</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

ADDITIONS:	
Interest income	\$ 7
Total additions	<u>7</u>
Change in net position	7
Total net position-beginning of year	<u>482</u>
Total net position-end of year	<u>\$ 489</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity—The City of Piqua, Ohio, (the “City”) was incorporated in 1823 and operates under a Commission-Manager form of government. The following services are provided by the City: public safety (police and fire), highways and streets, electricity, water, wastewater, refuse, storm water, conference center, parks and recreation, public improvements, planning and zoning, and general governmental administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on this, no component units are included within the City’s financial statements.

BASIS OF PRESENTATION

Government-Wide Statements—The statement of net position and the statement of activities display information about the primary government. Eliminations have been made to minimize the double counting of internal activities. Inter-fund receivables and payables between governmental and business-type activities have been eliminated in the Government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets, deferred outflows of resources, liabilities, and deferred inflows of resources, within the governmental and business-type activities total column. Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities Statement of Activities. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported through taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide financial statements do not include the assets and liabilities of the City’s fiduciary funds.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements—The fund financial statements provide information about the City’s funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

The City reports the following major governmental funds:

General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, which are not required to be accounted for in another fund.

Street Maintenance Fund accounts for the portion of gasoline tax and motor vehicle license fees restricted for maintenance of streets.

Lock 9 Park Improvements Fund is a capital project fund established to account for the Lock 9 park project. The project is being financed through manuscript debt, federal grants, capital grants, and donations.

Enterprise Funds (Business-type funds) are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major enterprise funds: electric, water, and wastewater.

Other enterprise funds of the City are used to account for the operations of the City's golf course, refuse collection program, and storm water management. These funds are non-major funds whose activity has been aggregated and presented in a single column as non-major enterprise funds.

The City, in its business-type funds, accounts for all recurring type revenues, including all revenues, which the City controls through statutory pricing or regulatory authority, as operating revenue and all recurring type expenses as operating expense. Non-recurring revenues such as gains on sales of assets and revenues over which the City has minimal or no control, primarily interest earnings, are accounted for as nonoperating revenues. Interest expense and other non-recurring expenses over which the City has minimal or no control are reported as non-operating expense.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities and information technology functions. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Fiduciary Fund Types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. The City reports a private purpose centennial trust fund.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

Government-wide, proprietary type, and fiduciary fund financial statements measure and report all assets (both financial and capital), deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses using the economic resources measurements focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to use to pay liabilities of the current period which, for the City’s purposes, is considered to be 60 days after year end. Revenues considered susceptible to accrual are community development block grants, delinquent property taxes, income taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, and interest on investments. Property taxes levied before year end are not recognized as revenue until the next calendar year. The fiscal period for which property taxes are levied at year-end in the State of Ohio is the succeeding calendar year.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on unmatured general long-term debt which are recognized when payment is due. Inventory and prepaid items are recognized when used.

Cash and Cash Equivalents and Investments—City funds are pooled and invested to improve cash management. Each fund type’s portion of the pool is shown on the Statement of Net Position as “pooled cash and cash equivalents”. For purposes of the statement of cash flows, the proprietary type funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, as well as pooled investments, to be cash equivalents.

The City’s investment policy authorizes the City to invest in obligations of the United States Government or other investments where the principal and interest are collateralized by the full faith and credit of the United States Government, and bonds of other states, cities and political subdivisions.

Receivables—Receivables primarily consist of municipal income taxes, state shared revenue taxes, property taxes, kwh taxes, hotel/motel taxes, franchise fees, emergency service billings, leases and utility charges.

Inventory—Inventory is valued at average cost and are expensed when used.

Prepaid Items—Payments made to vendors for services that will benefit beyond year-end are recorded as prepaid items and are recorded as an expense/expenditure when used (consumption method).

Capital Assets—Capital assets are recorded based on historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The City defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	34 – 50 years
Land improvements other than buildings	25 – 75 years
Intangibles	34 years
Machinery and equipment	10 – 30 years
Furniture, fixtures and equipment	5 – 60 years
Vehicles	5 – 10 years
Computer equipment	5 years
Public domain infrastructure	45 years
Sewer and water lines and underground piping	34 – 50 years

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

Right-of-use lease assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right-of-use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-of-use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 4 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period is 2 years.

Fund Balance Classifications—Fund balance is reported as nonspendable when the amounts so included cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

Fund balance is reported as restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Commission enacts legislation requiring specific revenue to be used for a special purpose. The City Commission can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when a revenue source is not previously restricted or committed but the Finance Director determines, in the Director's professional opinion, that the assigning of the revenue is the desire of the City Commission and in the best interest of the City. This authority is given to the Finance Director through the City Charter.

The City applies restricted resources first when expenditures are incurred 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. The City has not adopted a formal fund balance policy.

Use of Estimates—The preparation of the basic 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 could differ from those estimates.

Deferred Outflows/Inflows of Resources— In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expenditure) until that time. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges for pension and OPEB and on the proprietary statements. The deferred outflows of resources related to pension are explained further in Note I and for OPEB in Note J.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources until that time. For the City, deferred inflows of resources include property taxes, leases, pension, subscription agreements, 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 balance sheet. Unavailable revenue is reported on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes property, income, and state shared taxes and other unavailable revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension, OPEB, leases are reported on the government-wide statement of net position and the proprietary statements which are further explained in Note I for pension and Note J for OPEB.

Grants and Other Intergovernmental Revenues—Federal grants, assistance awards made on the basis of entitlement periods, are recorded as intergovernmental receivables and revenues when entitlement occurs and other reimbursement-type grants are recorded as intergovernmental receivables and revenues when eligible expenditures/expenses are incurred.

Pensions and Other Postemployment Benefits (OPEB)—For purpose of measuring the net pension and the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the pension and OPEB plans and addition to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension and 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 and OPEB plans report investments at fair value.

Compensated Absences—City employees are granted vacation, personal and sick leave. These leave benefits are accrued as a liability using the vesting method. The liability is based on the leave accumulated at December 31 by those employees who are currently eligible to receive termination payments as well as leave accumulated by those employees expected to become eligible to receive termination benefits in the future. In the event of termination, an employee may be reimbursed for accumulated vacation, personal and sick leave at various rates based on years of service. Vested vacation, personal, and sick leave is recorded as an expense in the government-wide statements for the period in which the leave was earned. For governmental fund type employees, an expenditure is recorded in the governmental funds' statements for only the portion of vested vacation, personal and sick leave that is expected to be paid out due to retirements or resignations.

Vested vacation, personal, and sick leave is recorded as an expense in both the government wide statements and statements for all business-type funds. Payment of vacation, personal and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due.

Lease and Subscription Based Information Technology Agreements—Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by the City.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

Subscription liabilities represent the City's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by the City.

B. POOLED CASH DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool used by all funds except cash held by fiscal and escrow agents. Each fund type's portion of the pool is displayed on the balance sheet as "cash and investments." Earnings on cash and investments are allocated to the appropriate funds at the discretion of management as permitted by law. For the statement of cash flows, the proprietary fund types consider all highly liquid investments (maturities of three months or less when purchased) to be cash equivalents. In addition, all cash and investments in the pool are also considered to be cash equivalents because they are available to the proprietary funds on demand.

A reconciliation of cash and investments as shown in the basic financial statements as of December 31, 2023 is as follows:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 9,605,071
Carrying amount of all investments	58,523,342
Cash on hand	3,675
Total	<u>\$ 68,132,088</u>
 <u>Cash and investments per financial statements</u>	
Governmental activities	\$ 38,116,134
Business-type activities	30,015,465
Custodial funds	489
Total	<u>\$ 68,132,088</u>

Deposits—Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the City's financial institution participated in the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC. As of December 31, 2023, \$9,584,365 of the City's bank balance was exposed to custodial risk as discussed above, while \$250,000 was covered by Federal Deposit Insurance.

Investments—The City's investment policies are governed by state statutes and city ordinances which authorize the City to invest in: obligations of the U.S. Treasury or other agencies and instrumentalities of the United States; no-load money market funds; certificates of deposit; commercial paper; bankers' acceptances; repurchase agreements collateralized by United States obligations; medium term notes issued by domestic corporations with greater than \$500 million in

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

assets, or the State Treasury Asset Reserve of Ohio (STAR Ohio). Investment in collateralized mortgage obligations or any form of derivate is expressly prohibited. The City purchases investments only through member banks of the Federal Reserve System or broker-dealers registered with the U.S. Securities and Exchange Commission, STAR Ohio, or directly through the Federal Reserve Bank.

STAR Ohio was created by state statute and allows governments within the state to pool their funds for investment purposes. The State Treasurer's office manages the investment of STAR Ohio assets subject to the general limitations of Section 135.143 of the Ohio Revised Code (ORC). STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*. Investments in STAR Ohio are valued on the basis of the amortized cost valuation technique. For the year ended December 31, 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, a 24 hour notice in advance of all deposits and withdrawals exceeding \$100 million is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Management of STAR Ohio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2023, is 46.4 days. STAR Ohio carries a rating of AAAM by Standard and Poor's.

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

Measurement/Investment Type	Measurement Amount	Less than one year	13 to 24 Months	Greater than 2 years
Fair value:				
Commerical paper	\$ 1,469,535	\$ 1,469,535	\$ -	\$ -
FAMC	1,619,455	-	811,335	808,120
FFCB	5,588,951	-	2,378,983	3,209,968
FHLB	9,030,714	-	1,717,074	7,313,640
Money Market	11,387,159	11,387,159	-	-
US Treasury notes	16,355,015	-	3,954,032	12,400,983
Totals	\$ 45,450,829	\$ 12,856,694	\$ 8,861,424	\$ 23,732,711

Not included in the fair value totals above is STAR Ohio, an external investment pool, which was recorded at amortized cost totaling \$13,072,513 at December 31, 2023.

The weighted average maturity of investments is 2.16 years. Callable securities are assumed to remain uncalled prior to maturity.

The City's investments in U.S. Government money market mutual funds are not valued using quoted market prices. The City's investments in commercial paper, federal agency securities, and corporate bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

Interest Rate Risk—As a means of limiting its exposure to fair value losses arising from fluctuating interest rates and in accordance with the ORC, the City limits investment portfolio maturities to five years or less. The investment policy also requires sufficient liquidity to be maintained in the portfolio, and that investments be scheduled to mature concurrently with ongoing cash requirements so that the City’s obligations can be met without selling securities.

Credit Risk—Ohio law requires that STAROhio maintain the highest rating provided by a least one nationally recognized standard rating service. The City’s investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or issued by United States Government sponsored enterprises. See the table below for the investment ratings:

Concentration of Credit Risk—The City’s investment policy places no maximum on the amount that may be invested with any one issuer. Investments held as a percentage of the total (excluding amounts invested in marketable certificates of deposit, the STAR Ohio pool and the Fidelity money market fund), by issuer, are as follows as of December 31, 2023:

Investment Type	Fair Value	% of Total	Ratings	
			S&P	Moody's
Fair value:				
Commerical paper	\$ 1,469,535	4.31%	A-1	P-1
FAMC	1,619,455	4.76%	N/A	N/A
FFCB	5,588,951	16.41%	AA	Aaa
FHLB	9,030,714	26.51%	AA	Aaa
US Treasury notes	16,355,015	48.01%	AA	Aaa
Totals	<u>\$ 34,063,670</u>	<u>100.01%</u>		

C. PROPERTY TAXES

Property tax revenues include amounts collected for all real, and public utility property located in the City. Property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor for real and public utility property at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. A revaluation was completed in 2019 and an update in 2022.

The property tax calendar is as follows:

Levy date	January 1, 2022
Lien date	January 1, 2023
Tax bill mailed	January 20, 2023
First installment payment due	February 14, 2023
Second installment payment due	July 20, 2023

The assessed value for real estate in the City at January 1, 2023 is \$ 402,705,180.

The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31,

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
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2023, nor are they intended to finance 2023 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City's share is currently \$3.70 (3.70 mills) of assessed value. In 2017, the City also received an additional 0.60 mills to fund safety pension costs and 0.20 mills for costs of the Miami Conservancy District.

D. INCOME TAXES

The City levies a 2.00% income tax on all income earned within the City. Income tax in excess of 1.00% is voter approved. During 2014, the citizens of Piqua passed an additional 0.25% income tax levy effective January 1, 2015 and is a continuous levy. The purpose of this levy was to help fund police and fire protection services. During 2020, the citizens of Piqua passed a levy of 0.25% for the purpose of construction, reconstruction, and surfacing of streets. The levy is effective for a ten-year period and will expire in 2029. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

Employers within the City withhold income tax on employee compensation and remit payments at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

E. RECEIVABLES

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent real estate second mortgages which are partially forgivable over five to fifteen year periods and netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$715,382 with an estimated allowance for forgiveness of \$708,236.

Governmental lease receivables at year end consisted of a lease between the City of Piqua and the Piqua Public Library to rent space at the Fort Piqua Plaza and a lease between the City of Piqua and NKTelco to rent part of the City's Fiber Ring.

The Piqua Public Library lease began in December of 2006 and is set to expire in December of 2025. During 2023, the City of Piqua received \$117,784 and \$7,862 in lease and interest revenue, respectively. The receivable balance for this lease is \$252,849.

The NKTelco Lease began in July of 2017 with an initial lease term to June 2022. This lease renewed automatically for another five years until June of 2027 based on the terms within the lease. During 2023, the City of Piqua received \$26,382 and \$2,887 in lease and interest revenue, respectively. The receivable balance for this lease is \$100,545.

Business-type receivables at year end consisted primarily of billed and unbilled utility revenues, grants receivable, reimbursement receivables and interest receivables on investments.

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F. CAPITAL ASSETS

A summary of changes in general capital assets is as follows:

	Balance at 12/31/2022	Increases	Decreases	Construction In Progress Placed in Service	Balance at 12/31/2023
Capital assets not being depreciated:					
Land and licenses	\$ 5,341,501	\$ 1,865,125	\$ -	\$ -	\$ 7,206,626
Infrastructure land	2,556,177	-	-	-	2,556,177
Construction in progress	2,094,534	2,254,522	-	(142,445)	4,206,611
Assets not depreciated	<u>9,992,212</u>	<u>4,119,647</u>	<u>-</u>	<u>(142,445)</u>	<u>13,969,414</u>
Capital assets being depreciated:					
Buildings and improvements	22,494,773	40,072	(134,860)	142,445	22,542,430
Furniture, fixtures and equipment	13,778,159	703,835	(373,150)	-	14,108,844
Right to Use Leased & SBITA assets:					
Equipment	150,152	-	-	-	150,152
Software	-	191,409	-	-	191,409
Infrastructure	42,537,810	-	-	-	42,537,810
Depreciated capital assets	78,960,894	935,316	(508,010)	142,445	79,530,645
Accumulated depreciation:					
Buildings and improvements	(7,346,717)	(496,222)	71,126	-	(7,771,813)
Furniture, fixtures and equipment	(10,651,943)	(853,814)	367,433	-	(11,138,324)
Right to Use Leased & SBITA assets:					
Equipment	(24,676)	(30,342)	-	-	(55,018)
Software	-	(63,803)	-	-	(63,803)
Infrastructure	(17,616,336)	(939,070)	-	-	(18,555,406)
Total accumulated depreciation	<u>(35,639,672)</u>	<u>(2,383,251)</u>	<u>438,559</u>	<u>-</u>	<u>(37,584,364)</u>
Net capital assets being depreciated	<u>\$ 43,321,222</u>	<u>\$ (1,447,935)</u>	<u>\$ (69,451)</u>	<u>\$ 142,445</u>	<u>\$ 41,946,281</u>
Net capital assets	<u>\$ 53,313,434</u>	<u>\$ 2,671,712</u>	<u>\$ (69,451)</u>	<u>\$ -</u>	<u>\$ 55,915,695</u>

* Depreciation expense was charged to governmental functions as follows:

General governmental	\$ 456,488
Public safety	399,072
Street repairs and maintenance	1,300,626
Parks	106,369
Governmental functions depreciation expense	2,262,555
Information technology (internal service fund)	120,696
Total depreciation expense	<u>\$ 2,383,251</u>

CITY OF PIQUA, OHIO
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A summary of changes in enterprise fund capital assets is as follows:

	Balance at 12/31/2022	Increases	Decreases	Construction In Progress Placed in Service	Balance at 12/31/2023
Capital assets not being depreciated:					
Land and licenses	\$ 2,205,963	\$ -	\$ -	\$ -	\$ 2,205,963
Construction in progress	1,226,703	2,217,263	-	(2,234,280)	1,209,686
Assets not depreciated	<u>3,432,666</u>	<u>2,217,263</u>	<u>-</u>	<u>(2,234,280)</u>	<u>3,415,649</u>
Capital assets being depreciated:					
Land improvements	1,100,954	-	-	-	1,100,954
Buildings and improvements	90,221,661	-	-	483,321	90,704,982
Underground piping	31,626,812	-	-	272,204	31,899,016
Furniture, fixtures and equipment	130,755,606	600,350	(3,708,523)	1,478,755	129,126,188
Right to use leased & SBITA assets:					
Buildings	126,230	-	(126,230)	-	-
Equipment	60,175	-	(1)	-	60,174
Intangible assets	2,559,922	-	-	-	2,559,922
Depreciated capital assets	256,451,360	600,350	(3,834,754)	2,234,280	255,451,236
Accumulated depreciation:					
Land improvements	(566,397)	(15,784)	-	-	(582,181)
Buildings and improvements	(26,302,767)	(2,113,968)	-	-	(28,416,735)
Underground piping	(19,465,227)	(571,089)	-	-	(20,036,316)
Furniture, fixtures and equipment	(61,513,998)	(4,297,395)	3,111,009	-	(62,700,384)
Right to use leased & SBITA assets:					
Buildings	(63,115)	(63,115)	126,230	-	-
Equipment	(3,882)	(12,035)	1	-	(15,916)
Intangible assets	(1,883,680)	(75,291)	-	-	(1,958,971)
Total accumulated depreciation	<u>(109,799,066)</u>	<u>(7,148,677) *</u>	<u>3,237,240</u>	<u>-</u>	<u>(113,710,503)</u>
Net capital assets being depreciated	<u>\$ 146,652,294</u>	<u>\$ (6,548,327)</u>	<u>\$ (597,514)</u>	<u>\$ 2,234,280</u>	<u>\$ 141,740,733</u>
Net capital assets	<u>\$ 150,084,960</u>	<u>\$ (4,331,064)</u>	<u>\$ (597,514)</u>	<u>\$ -</u>	<u>\$ 145,156,382</u>

* Depreciation expense was charged to enterprise functions as follows:

Electric	\$ 1,799,898
Water	1,693,780
Wastewater	3,156,555
Refuse	128,551
Storm Water	240,098
Golf	129,795
Total depreciation expense	<u>\$ 7,148,677</u>

CITY OF PIQUA, OHIO
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G. LEASES ACTIVITY

Lessor Activities— The City has accrued various receivables for rental and land leases. The remaining receivable for the leases was \$353,394. Deferred inflows related to the leases was \$367,300 as of December 31, 2023. Interest revenue recognized on the leases was \$10,749 for the year ended December 31, 2023. Principal receipts of \$155,230 were recognized during the fiscal year. The interest rate used to value the leases ranges between 2.53% and 4.71%. Final receipt is expected in fiscal year 2027 and the final lease is set to expire in 2047.

Lessee Activities— The City has entered into various lease agreements for vehicles and office equipment. The City is required to make principal and interest payments through December 2027. The lease agreements have interest rates between 2.65% and 5.27%. For lease agreements with no specified interest rate, the rate was determined based on the City's incremental borrowing rate at the inception of the leases.

The future principal and interest lease payments as of December 31, 2023, are as follows:

Years Ending December 31	Governmental Activities	
	Principal	Interest
2024	\$29,615	\$ 4,010
2025	31,112	2,513
2026	32,130	941
2027	5,118	179
	\$97,975	\$ 7,643

Years Ending December 31	Business Type Activities	
	Principal	Interest
2024	\$11,604	\$ 2,069
2025	12,230	1,443
2026	12,888	784
2027	9,010	141
	\$45,732	\$ 4,437

H. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

The City has entered into a SBITA contract for operating software. The City is required to make principal and interest payments through December 2025. The SBITA contract has an interest rate of 2.796% which was determined based on the City's incremental borrowing rate at the inception of the subscriptions.

CITY OF PIQUA, OHIO
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The future principal and interest payments as of December 31, 2023, are as follows:

<u>Years Ending</u> <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 57,871	\$ 3,367
2025	62,552	1,749
	<u>\$ 120,423</u>	<u>\$ 5,116</u>

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CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
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I. LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:						
2023 Nontaxble Revenue Bonds 6.18%	12/1/2043	\$ -	\$ 2,365,000	\$ -	\$ 2,365,000	\$ -
Compensated absences		1,993,361	60,195	120,855	1,932,701	792,875
Restricted deposits		33,954	17,653	1,136	50,471	50,471
Leases	Various	126,167	8,155	36,346	97,976	29,616
SBITAs	12/31/2025	-	249,281	128,858	120,423	57,871
Net Pension Liability						
OPERS		1,411,102	3,441,986	-	4,853,088	-
OP&F		14,265,579	6,272,783	-	20,538,362	-
Total Net Pension Liability		15,676,681	9,714,769	-	25,391,450	-
Net OPEB Liability						
OPERS		-	104,531	-	104,531	-
OP&F		2,502,851	-	963,461	1,539,390	-
Total Net OPEB Liability		2,502,851	104,531	963,461	1,643,921	-
Total governmental long-term liabilities		\$ 20,333,014	\$ 12,519,584	\$ 1,250,656	\$ 31,601,942	\$ 930,833
Business-Type Activities:						
Electric activities:						
AMP-Ohio stranded cost payable		\$ 1,049,397	\$ 59,587	\$ -	\$ 1,108,984	\$ -
Leases	Various	56,743	11,604	22,615	45,732	11,604
Compensated absences		479,850	96,298	-	576,148	225,539
Net pension		1,592,269	3,173,757	-	4,766,026	-
Net OPEB		-	96,383	-	96,383	-
Total electric activities		3,178,259	3,437,629	22,615	6,593,273	237,143
Wastewater activities:						
OWDA Loan-2009, 3.52%, Direct Borrowing	1/1/2030	1,867,872	-	239,734	1,628,138	248,247
OWDA Loan-2017, 0.80%, Direct Borrowing	7/1/2045	45,905,712	-	1,869,936	44,035,776	1,884,923
OPWC Loan-2019, 0.0%, Direct Borrowing	7/1/2049	919,013	-	33,419	885,594	33,419
Total loans		48,692,597	-	2,143,089	46,549,508	2,166,589
Leases	Various	25,622	-	25,622	-	-
Compensated absences		198,247	25,657	15,405	208,499	85,182
Net pension		715,074	1,484,235	-	2,199,309	-
Net OPEB		-	45,075	-	45,075	-
Total wastewater activities		\$ 49,631,540	\$ 1,554,967	\$ 2,184,116	\$ 49,002,391	\$ 2,251,771
Water activities:						
OWDA Loan-2014, 2.54%-3.54%, Direct Borrowing	7/1/2047	39,397,785	-	1,098,558	38,299,227	1,132,374
OWDA Loan-2015, 2.53%, Direct Borrowing	7/1/2047	3,346,848	-	100,079	3,246,769	102,627
OWDA Loan-2016, 0.76%, Direct Borrowing	7/1/2038	2,591,735	-	158,170	2,433,565	159,375
Total loans		45,336,368	-	1,356,807	43,979,561	1,394,376
Leases	Various	25,622	-	25,622	-	-
Compensated absences		165,787	43,683	1,375	208,095	79,654
Net pension		749,706	1,578,121	-	2,327,827	-
Net OPEB		-	47,926	-	47,926	-
Total water activities		\$ 46,277,483	\$ 1,669,730	\$ 1,383,804	\$ 46,563,409	\$ 1,474,030

CITY OF PIQUA, OHIO
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	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:						
Stormwater activities:						
OPWC Loan-2017, 0.0%, Direct Borrowing	7/1/2048	86,849	-	3,278	83,571	3,277
Leases		12,811	-	12,811	-	-
Compensated absences		29,029	9,714	-	38,743	15,716
Net pension		135,491	333,123	-	468,614	-
Net OPEB		-	10,117	-	10,117	-
Total stormwater activities		264,180	352,954	16,089	601,045	18,993
Golf course activities:						
Compensated absences		1,142	657	-	1,799	875
Net pension		93,475	6,745	-	100,220	-
Net OPEB		-	205	-	205	-
Total golf activities		94,617	7,607	-	102,224	875
Refuse collection activities:						
Compensated absences		125,800	20,431	-	146,231	48,870
Net pension		188,339	763,403	-	951,742	-
Net OPEB		-	23,184	-	23,184	-
Total refuse collection activities		314,139	807,018	-	1,121,157	48,870
Total Business-type long-term liabilities		99,760,218	7,829,905	\$3,606,624	\$103,983,499	4,031,682

The City's outstanding OPWC loans from direct borrowings contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate of 8% per annum until the date of payment, and outstanding amounts become immediately due. Also, the Lender may direct the county treasurer to pay the outstanding amount from portion of the local government fund that would otherwise be appropriated to the City.

The OWDA loans from direct borrowings contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

Ohio Water Development Authority ("OWDA 2009") Wastewater Sewer Project Note in the overall amount of \$4,329,876 was issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility's pledged future revenues.

Ohio Water Development Authority (OWDA 2014) Water Plant Construction note in the overall amount of \$44,879,845 was issued under a cooperative agreement to construct a 7 million gallon per day raw water treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues.

Ohio Water Development Authority (OWDA 2015) Water Plant Offsite Pipelines note in the overall amount of \$3,854,485 was issued under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines located at the existing water plant location. Payments to the OWDA will be made from the utility's pledged future revenues.

Ohio Water Development Authority (OWDA 2016) New Central Water Tower note in the overall amount of \$3,288,841 was issued under a cooperative agreement to construct a 1 million gallon elevated storage tank with approximately 5,300 linear feet of 12-inch water main and demolition of two – 250,000 gallon, legged storage tanks constructed in the 1950's. Payments to the OWDA will be made from the utility's pledged future revenues.

CITY OF PIQUA, OHIO
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Ohio Water Development Authority (OWDA 2017) Wastewater Plant Expansion note in the overall amount of \$53,224,030 was issued under a cooperative agreement to expand and upgrade the existing wastewater treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Payments to the OWDA will be made from the utility's pledged future revenues.

Ohio Public Works Commission (OPWC 2017) Shawnee Stormwater Diversion note in the amount of \$98,320 was issued under a cooperative agreement to assist in the cost for updating stormwater drainage in the Shawnee neighborhood area. Payments to the OPWC will be made from the utility's pledged future revenues. The OPWC 2019 note is 0% interest bearing.

Ohio Public Works Commission (OPWC 2019) Wastewater Lift Station note in the amount of \$1,002,560 was issued under a cooperative agreement to assist in the cost for updating five lift stations throughout the city. Payments to OPWC will be made from the utility's pledged future revenues. The OPWC 2019 note is 0% interest bearing.

Restricted deposits are confiscated funds held under court order until released by judicial authority.

During 2023, the City issued \$2,365,000 in non-tax revenue bonds in governmental activities for the purpose of acquiring land as part of the Scott Drive Economic Development project. The bonds were issued at a 10-year fixed interest rate of 6.18 percent and variable thereafter (reset annually) at the Federal Home Loan Bank | Des Moines one-year rate plus 150 basis points. The bond will mature in December 2043. The bonds are subject to prior redemption on any date by and at the option of the City. Non-tax revenues of the City were pledged for repayment of the bonds and the City covenants it will appropriate and maintain sufficient non-tax revenues each year to make required debt payments.

Compensated absences are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, and Information Technology Funds.

Pension and OPEB liabilities are repaid from the General Fund, Street Maintenance, Community Development, Electric, Water, Wastewater, Refuse, Stormwater, Golf, and Information Technology Funds.

AMP Ohio Stranded Cost – The City is a participant in both American Municipal Power (AMP) and the American Municipal Power Generating Station Project (AMPGS). This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The AMPGS Project required participants to sign “take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. The City's share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project. In November 2009, the participants in the project voted to terminate the AMPGS project due to projected escalating costs. These costs were therefore deemed impaired and the participants are obligated to pay contract costs already incurred.

As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City's estimated share at March 31, 2014 of the impaired costs is \$3,466,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City's liability. These amounts will be recorded as they become estimable. The City made payments in 2023 totaling \$59,587. The remaining stranded cost is \$1,108,984.

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This incurred cost has been previously capitalized and reported as a regulated asset, as allowed by GASB Codification Re10.

The annual requirements to pay principal and interest on long-term obligations at December 31, 2023 are listed as follows:

Year Ending December 31	Nontax Revenue Bonds		Leases & SBITAs Liabilities	
	Governmental Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2024	\$ -	\$ 146,157	\$ 87,487	\$ 7,377
2025	-	146,157	93,664	4,262
2026	75,000	146,157	32,130	941
2027	80,000	141,522	5,118	179
2028	85,000	136,578	-	-
2029-2033	510,000	597,606	-	-
2034-3038	685,000	419,622	-	-
2039-2043	930,000	179,220	-	-
	<u>\$ 2,365,000</u>	<u>\$ 1,913,019</u>	<u>\$ 218,399</u>	<u>\$ 12,759</u>

Year Ending December 31	Notes Payable-Direct Borrowings		Leases & SBITAs Liabilities	
	Business Type Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 3,564,242	\$ 1,666,279	\$ 11,604	\$ 2,068
2025	3,626,873	1,604,951	12,230	1,443
2026	3,691,109	1,542,064	12,889	784
2027	3,757,000	1,477,569	9,009	141
2028	3,824,599	1,411,417	-	-
2029-2033	18,909,420	6,069,201	-	-
2034-3038	20,200,658	4,386,943	-	-
2039-2043	21,281,937	2,506,609	-	-
2044-2048	11,705,033	535,095	-	-
2049	51,769	-	-	-
	<u>\$ 90,612,640</u>	<u>\$ 21,200,128</u>	<u>\$ 45,732</u>	<u>\$ 4,436</u>

Other Disclosures—The Ohio Revised Code provides that voted net general obligation debt of the City, exclusive of certain exempt debt, shall never exceed 10.5% of the total assessed valuation of the City. In addition, the unvoted net debt of the City cannot exceed 5.5% of the total assessed valuation. At December 31, 2023, the City had a legal debt margin for total debt of \$42,284,044 and a legal debt margin for unvoted debt of \$22,148,785.

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J. INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. During 2023, the Wastewater Fund loaned the Lock 9 Improvements Fund approximately \$5,800,000 to help fund the Lock 9 Park Improvement project. The note associated with this interfund loan carries a stated interest rate of 3.92% and matures on September 26, 2024. Interfund receivable and payable balances at December 31, 2023 are as follows:

	Due To Other Funds	Due From Other Funds
Lock 9 Improvements Fund	\$ 5,800,000	\$ -
Non-major Governmental Funds	84,987	33,260
Water Fund	-	32,749
Wastewater Fund	-	5,801,495
Non-major Enterprise Funds	-	17,483
	\$ 5,884,987	\$ 5,884,987

Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2023 consisted of the following:

	Transfers In	Transfers Out
Governmental		
General Fund	\$ -	\$ 1,202,000
Lock 9 Park Improvements Fund	277,000	-
Non-major Governmental Funds	825,000	-
Proprietary		
Non-major Enterprise Funds	100,000	-
	\$ 1,202,000	\$ 1,202,000

K. DEFINED BENEFIT PENSION PLANS

Net Pension Liability: The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred –payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pensions plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on

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investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually. Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually required pension contributions outstanding at year end is included within Salaries and Benefits Payable.

Ohio Public Employees Retirement System (OPERS)—City Employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost share, multiple-employer benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

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

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.00%
Employee	10.00%
 2023 Actual Contribution Rates	
Employer:	
Pension	14.00%
Post-employment Health Care Benefits	*
Total Employer	14.00%
Employee	10.00%

** This rate is determined by OPERS' Board and has no maximum rate established by ORC. For 2023, the rate was 0% for the Traditional Pension Plan, 2% for the Combined Plan, and 4% for the Member-Directed Plan.*

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required pension contribution was \$1,179,892 for 2023 and \$24,708 is reported as a salaries and benefits payable.

Ohio Police & Fire Pension Fund (OP&F)—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 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 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 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit.

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 and statutory survivors.

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

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

	Police	Firefighters
2023 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
 2023 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	0.50%	0.50%
Total Employer	19.50%	24.00%
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,279,373 for 2023 and \$25,846 is reported as salaries and benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022 to December 31, 2022. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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	<u>OPERS</u>	<u>OP&F</u>	<u>TOTAL</u>
Proportionate share of the net pension liability	\$ 15,666,826	\$ 20,538,362	\$ 36,205,188
Proportion of the net pension liability	0.05303589%	0.21621535%	
Change in proportionate share	0.00436191%	0.01212905%	
Pension expense	\$ 1,526,219	\$ 2,446,457	\$ 3,972,676

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

	<u>OPERS</u>	<u>OP&F</u>	<u>TOTAL</u>
<u>Deferred outflow of resources:</u>			
Differences between expected and actual experience	\$ 520,387	\$ 308,066	\$ 828,453
Net difference between projected and actual earnings on pension plan investments	4,465,537	2,990,133	7,455,670
Change in assumptions	165,509	1,852,490	2,017,999
Change in City's proportionate share and difference in employer contributions	-	109,388	109,388
Contributions subsequent to the measurement date	1,179,892	1,279,373	2,459,265
Total deferred outflows of resources	<u>\$ 6,331,325</u>	<u>\$ 6,539,450</u>	<u>\$ 12,870,775</u>
<u>Deferred inflows of resources:</u>			
Differences between expected and actual experience	\$ -	\$ (467,923)	\$ (467,923)
Change in assumptions	-	(400,491)	(400,491)
Change in City's proportionate share and difference in employer contributions	(559,923)	(900,327)	(1,460,250)
Total deferred inflows of resources	<u>\$ (559,923)</u>	<u>\$ (1,768,741)</u>	<u>\$ (2,328,664)</u>

City contributions subsequent to the measurement date of \$2,459,265 are reported as deferred outflows of resources related to pension and will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>TOTAL</u>
Fiscal Year Ending December 31:			
2024	\$ 195,038	\$ 263,214	\$ 458,252
2025	894,515	868,959	1,763,474
2026	1,314,425	988,152	2,302,577
2027	2,187,532	1,535,649	3,723,181
2028	-	(164,638)	(164,638)
	<u>\$ 4,591,510</u>	<u>\$ 3,491,336</u>	<u>\$ 8,082,846</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.

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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 in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Wage inflation	
Current measurement period	2.75%
Prior measurement period	2.75%
Future salary increases, including inflation	
Current measurement period	2.75% to 10.75%
Prior measurement period	2.75% to 10.75%
COLA or Ad Hoc COLA	
Pre - January 7, 2013 retirees	3.00% simple
Post - January 7, 2013 retirees	3.00% simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement period	6.90%
Prior measurement period	6.90%
Actuarial cost method	Individual Entry Age

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

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

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 of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of (12.1%) for 2022.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees 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

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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 weighing 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 Defined Benefit 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
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 was 6.90% for the Traditional pension plan. The projections of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The Following table represents the City's proportionate share of the net pension liability 6.90% discount rate, as well as the sensitivity to a 1.00% increase and 1.00% decrease in the current discount rate:

	1% Decrease 5.9% rate	Current Discount Rate 6.9% rate	1% Increase 7.9% rate
City's proportionate share of net pension liability	\$ 23,468,417	\$ 15,666,826	\$ 9,177,345

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 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 experiences and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2022 are presented below:

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Valuation date	January 1, 2022 with actuarial liabilities rolled forward to December 31, 2022
Actuarial cost method	Entry age normal
Investment rate of return	
Current measurement period	7.50%
Prior measurement period	7.50%
Projected salary increases	3.75% to 10.50%
Payroll increases	2.75% plus productivity increase rate of 0.5%
Inflation assumption	2.75%
Cost-of-living adjustments	2.20% simple per year

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% for males and 98.7% for females. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. 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% for males and 131% for females. 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.

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 determine using a building-block approach and assumes a time horizon, as defined in OP&F's Investment Policy and Guidelines Statement. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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Best estimates of the long-term expected 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash & Cash Equivalents	-%	-%
Domestic Equity	18.60%	4.80%
Non-U.S. 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	<u>2.00%</u>	3.60%
Total	<u>125.00%</u>	

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 and its overall asset allocation. Risk parity has a goal of reducing equity risk exposure, which reduces overall total portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: Net Pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.0% lower, 6.50%, or 1.0% higher, 8.50%, than the current rate.

	<u>1% Decrease 6.5% rate</u>	<u>Current Discount Rate 7.5% rate</u>	<u>1% Increase 8.5% rate</u>
City's proportionate share of net pension liability	\$ 27,094,062	\$ 20,538,362	\$ 15,088,608

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L. DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description—Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit plan; the Combined Plan, a hybrid defined benefit/defined contribution plan; and the Member-Directed Plan, a defined contribution plan. Effective January 1, 2022 the Combined Plan was no longer available for member selection.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' ACFR referenced below for additional information.

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The ORC 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 ORC.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting 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 statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

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% of earnable salary. This is the maximum employer contribution rate 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, the portion of Traditional Pension employer contributions allocated to health care was 0% and the Combined Plan contributions allocated to health care was 2.0%. 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 2023 was 4.0%.

The City's contractually required contribution to OPERS was \$763 for 2023.

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

The City contributes to the OP&F stipend funded via the Health Care Stabilization Fund. This benefit is available to eligible members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. The stipend model allows eligible members the option of choosing an appropriate health care plan on the exchange. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an OPEB as described in GASB Statement No. 75.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to 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% and 24.0% of covered payroll for police and fire

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employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2023, the portion of the employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$30,089 for 2023. Of this amount, \$597 is reported as an accrued salaries and benefits payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows and 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. The following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$ 327,421	\$ 1,539,390	\$ 1,866,811
Proportion of the net OPEB liability	0.051928840%	0.216215350%	
Change in proportion share	(0.00458586%)	(0.01212902)	
OPEB (Negative) Expense	\$ (602,935)	\$ 146,015	\$ (456,920)

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

	OPERS	OP&F	TOTAL
<u>Deferred outflows of resources:</u>			
Differences between expected and actual experience	\$ -	\$ 91,861	\$ 91,861
Net difference between projected and actual earnings on OPEB plan investments	650,269	132,034	782,303
Change in assumptions	319,800	767,147	1,086,947
Change in City's proportionate share and difference in employer contributions	-	249,216	249,216
Contributions subsequent to the measurement date	763	30,089	30,852
Total deferred outflows of resources	\$ 970,832	\$ 1,270,347	\$ 2,241,179
 <u>Deferred inflows of resources:</u>			
Differences between expected and actual experience	\$ (81,671)	\$ (303,536)	\$ (385,207)
Change in assumptions	(26,314)	(1,259,096)	(1,285,410)
Change in City's proportionate share and difference in employer contributions	(32,093)	(322,917)	(355,010)
Total deferred inflows resources	\$ (140,078)	\$ (1,885,549)	\$ (2,025,627)

\$30,852 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 the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	TOTAL
Fiscal Year Ending December 31:			
2024	\$ 79,711	\$ (10,094)	\$ 69,617
2025	233,371	(19,067)	214,304
2026	202,775	(88,424)	114,351
2027	314,134	(49,763)	264,371
2028	-	(140,354)	(140,354)
After	-	(337,589)	(337,589)
	\$ 829,991	\$ (645,291)	\$ 184,700

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 health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB asset 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 actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
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Wage inflation	
Current measurement period	2.75%
Prior measurement period	2.75%
Projected salary increases	
Current measurement period	2.75% to 10.75%, including wage inflation
Prior measurement period	2.75% to 10.75%, including wage inflation
Single discount rate	
Current measurement period	5.22%
Prior measurement period	6.00%
Investment rate of return	
Current measurement period	6.00%
Prior measurement period	6.00%
Municipal bond rate	
Current measurement period	4.05%
Prior measurement period	1.84%
Healthcare cost trend rate	
Current measurement period	5.50% initial, 3.50% ultimate in 2036
Prior measurement period	5.50% initial, 3.50% ultimate in 2034
Actuarial cost method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (male and females) for State and Local Government divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disables 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 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 of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 15.6% for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit 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

CITY OF PIQUA, OHIO
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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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation as of December 31, 2022	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00%	4.60%
REIT's	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% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the City's proportionate share of the net OPEB liability if it were calculated using a discount rate that is 1.0% point lower (4.22%) or 1.0% point higher (6.22%) than the current rate:

	1% Decrease 4.22% rate	Current Discount Rate 5.22% rate	1% Increase 6.22% rate
City's proportionate share of net OPEB liability (asset)	\$ 1,113,543	\$ 327,421	\$ (321,713)

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. The following table presents the net OPEB liability

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
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calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% 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%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% 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	\$ 306,665	\$ 327,421	\$ 350,252

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

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

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CITY OF PIQUA, OHIO
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December 31, 2023

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuations are presented below:

Actuarial valuation date	January 1, 2022, with actuarial liabilities rolled forward 1
Actuarial cost method	Entry age normal
Investment rate of return	
Current measurement period	7.50%
Prior measurement period	7.50%
Future salary increases	
Current measurement period	3.75% to 10.50%
Prior measurement period	3.75% to 10.50%
Wage inflation	
Current measurement period	3.25%
Prior measurement period	3.25%
Single discount rate	
Current measurement period	4.27%
Prior measurement period	2.84%
Municipal bond rate	
Current measurement period	3.65%
Prior measurement period	2.05%
Cost of living adjustments	2.5% simple per year

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% for males and 98.7% for females. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disables Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. 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% for males and 131% for females. 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.

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

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

CITY OF PIQUA, OHIO
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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash & cash equivalents	-%	-%
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%
US inflation linked bonds*	15.00%	2.00%
Midstream energy infrastructure	5.00%	5.90%
Real assets	8.00%	5.90%
Gold	5.00%	3.60%
Private real estate	12.00%	5.30%
Commodities	2.00%	3.60%
TOTAL	125.00%	

Note: Assumptions are geometric. *Levered 2.5x

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

Discount Rate: Total OPEB liability was calculated using the discount rate of 4.27%. The projection of cash flows used to determine the discount rate assumed the contributions 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%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.5% was applied to periods before December 31, 2035 and the municipal bond rate of 3.65% at December 31, 2022 was applied to periods on and after December 31, 2035, resulting in a blended discount rate of 4.27%.

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%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (3.27%) and 1% point higher (5.27%) than the current discount rate.

	1% Decrease 3.27% rate	Current Discount Rate 4.27% rate	1% Increase 5.27% rate
City's proportionate share of net OPEB liability	\$ 1,895,614	\$ 1,539,390	\$ 1,238,645

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Notes to the Basic Financial Statements
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M. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code ("IRC") Section 457. The plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

N. OHIO PROFESSIONAL FIRE FIGHTERS DEFERRED COMPENSATION PROGRAM

In addition to the Ohio Public Employees Deferred Compensation Program; the City offers its sworn fire officers an optional deferred compensation plan created in accordance with Internal Revenue Code ("IRC") Section 457. The plan, which is only available to sworn fire officers, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

O. CONTINGENCIES

The City is involved in lawsuits pertaining to matters, which are incidental to performing routine governmental and other functions. The City's management is of the opinion that the ultimate disposition of the claims and legal proceedings will not have a material effect on the financial condition of the City.

The City receives significant financial assistance from numerous 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 other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2023.

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CITY OF PIQUA, OHIO
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P. 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. In 2002, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA, a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The city's deductible per occurrence for all types of claims is \$2,500. During 2023, MVRMA's per occurrence retention limit for most property claims was \$500,000; exceptions include a retention of \$10,000-\$350,000 per occurrence for boiler and machinery. Liability had a per occurrence retention limit of \$500,000 with the exception of cyber and pollution liability, which had a retention limit of \$100,000. MVRMA purchases excess insurance and/or reinsurance to cover claims excess of MVRMA's self-insured retention (SIR) up to the limits stated below:

General Liability	\$12,000,000 per occurrence
Automobile Liability	\$12,000,000 per occurrence
Boiler and Machinery	\$100,000,000 per occurrence
Property	\$1,000,000,000 per occurrence
Flood	\$25,000,000 per occurrence
Earthquake Shock	\$25,000,000 per occurrence
Public Officials Liability	\$12,000,000 per occurrence
Cyber Liability	\$5,000,000 per occurrence
Pollution Liability	\$2,000,000 per occurrence

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant reduction in coverage from the prior year.

The City joined a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers' compensation rating purposes. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The City employee's health plan is provided through a fully insured plan with Medical Mutual.

Q. PURCHASED POWER

The City's Power System during 2023 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long-term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (19,904 kiloWatts) generation started during 2012, Fremont Natural Gas Energy Center (13,097 kiloWatts) generation started in 2012, the Ohio River Hydroelectric Project (7,980 kiloWatts) generation started in 2016 and the AMP Solar Project (6,410 kiloWatts) generation that started during Summer 2019. AMP provides the remaining power requirements with market-based purchases from various resources including New York Power Authority and other pooled market sources.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

R. FUND BALANCE COMPONENTS

Under the guidelines of GASB statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" the City's fund balance classifications are presented below:

Fund Balances	General	Street Maintenance	Lock 9 Improvement	Other Governmental	Total
Nonspendable:					
Prepaid Items	\$ 4,488	\$ -	\$ -	\$ -	\$ 4,488
Restricted:					
Community Outreach	1,231	-	-	-	1,231
Transportation	-	7,861,889	-	5,882,130	13,744,019
Debt Service	-	-	-	710,139	710,139
Community Development	-	-	-	1,412,116	1,412,116
Held in Trust	-	-	-	312,650	312,650
Conservation	-	-	-	60,243	60,243
Assigned:					
Subsequent Appropriations	1,133,375	-	-	-	1,133,375
Unpaid Obligations	1,326,308	-	-	-	1,326,308
Unassigned	13,340,143	-	(702,423)	-	12,637,720
Total Fund Balance	<u>\$ 15,805,545</u>	<u>\$ 7,861,889</u>	<u>\$ (702,423)</u>	<u>\$ 8,377,278</u>	<u>\$31,342,289</u>

At December 31, 2023, the City has one fund which reported a deficit ending equity position. The Lock 9 Park Improvements Capital Projects Fund had a deficit of (\$702,423) because of recording manuscript debt in the fund during the year. General Fund resources are utilized to eliminate deficits occurring on a cash basis, but not when liabilities are recorded.

S. TAX ABATEMENTS

In prior years, the City of Piqua has provided various tax incentives under Community Reinvestment Area (CRA) programs. The city authorized incentives through passage of public ordinance, based upon each businesses investment criteria and through a contractual application process with each entity, including proof that the improvement has been made and certification by the local housing officer. The tax abatement under this program is equal to 100% of the additional property tax resulting from the increase in the assessed value as a result of the improvements for fifteen years following the year of certification. The amount of the tax abatement is deducted from the annual tax bill of the entities. The establishment of the CRA provided the city the ability to maintain and expand business opportunities and create new or maintaining old jobs within each designated CRA.

As of December 31, 2023, the City of Piqua had 32 individual agreements under the CRA program, and all were within pre-1994 established CRA's. None of the agreements are individually significant and the total amount of taxes abated under all these agreements for calendar year 2023 was \$49,754.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2023

T. 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. The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a city classified as an "owner" or "operator," to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. The City maintains insurance related to any potential pollution remediation associated with the USTs. Any asset retirement obligation associated with the storage tanks is not reasonably estimable.

U. CHANGE IN ACCOUNTING PRINCIPLES

For the fiscal year ended December 31, 2023, the City implemented GASB Statement 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 No. 94 addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs), a type of information technology (IT) arrangement (i.e. software licensing). This Statement also defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability, provides capitalization criteria, and requires footnote disclosure. The standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. Any intangible asset recorded based on the implementation of GASB Statement No. 96 would have an offsetting liability, in the same amount, recorded therefore there is no effect on the beginning net position for the year.

GASB Statement No. 99 addresses a variety of topics to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The effects of the implementation of GASB Statement No. 99, if any, would be incorporated within the financial statements along with GASB Statement No. 96.

Required Supplemental Information

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's Proportion of the Net Pension Liability Traditional Plan	0.0530359%	0.0573978%	0.0601997%	0.060242%
City's Proportionate Share of the Net Pension Liability	\$ 15,666,826	\$ 4,885,401	\$ 8,834,252	\$ 11,850,524
City's Covered Payroll	\$ 7,241,686	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	216.34%	66.40%	116.30%	160.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Traditional Plan	75.74%	92.62%	86.88%	82.17%

Amounts presented as of the City's measurement date
which is the prior fiscal year end.

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's Proportion of the Net Pension Liability Firefighters	0.1214992%	0.1232542%	0.1232130%	0.1235368%
Police	0.0947162%	0.1050902%	0.1053224%	0.1027857%
City's Proportionate Share of the Net Pension Liability	\$ 20,538,362	\$ 14,265,634	\$ 15,579,458	\$ 15,246,288
City's Covered Payroll	5,819,186	5,814,022	5,589,848	5,357,951
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	352.94%	245.37%	278.71%	284.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

Amounts presented as of the City's measurement date
which is the prior fiscal year end.

2019	2018	2017	2016	2015	2014
0.061942%	0.064039%	0.059773%	0.059689%	0.059202%	0.059202%
\$ 16,932,784	\$ 10,009,518	\$ 13,573,432	\$ 10,338,908	\$ 7,130,365	\$ 6,976,403
\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
233.29%	132.27%	171.82%	135.39%	96.96%	98.02%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

2019	2018	2017	2016	2015	2014
0.1265045%	0.1356330%	0.1238110%	0.1271860%	0.1283141%	0.1283141%
0.1067957%	0.1108540%	0.1007810%	0.1073990%	0.1024977%	0.1024977%
\$ 19,043,458	\$ 15,128,021	\$ 14,225,431	\$ 15,091,006	\$ -	\$ -
5,265,668	5,365,034	4,810,878	4,746,216	4,524,201	4,342,850
361.65%	281.97%	295.69%	317.96%	0.00%	0.00%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 1,179,892	\$ 1,013,836	\$ 1,030,023	\$ 1,063,493	\$ 1,035,808
Contributions in Relation to the Contractually Required Contribution	<u>(1,179,892)</u>	<u>(1,013,836)</u>	<u>(1,030,023)</u>	<u>(1,063,493)</u>	<u>(1,035,808)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 8,427,800	\$ 7,241,686	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 1,279,373	\$ 1,246,123	\$ 1,230,740	\$ 1,192,134	\$ 1,139,853
Contributions in Relation to the Contractually Required Contribution	<u>(1,279,373)</u>	<u>(1,246,123)</u>	<u>(1,230,740)</u>	<u>(1,192,134)</u>	<u>(1,139,853)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,023,933	\$ 5,819,186	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951
Contributions as a Percentage of Covered Payroll	21.24%	21.41%	21.17%	21.33%	21.27%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,016,165	\$ 983,765	\$ 947,963	\$ 916,345	\$ 882,442
<u>(1,016,165)</u>	<u>(983,765)</u>	<u>(947,963)</u>	<u>(916,345)</u>	<u>(882,442)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683
14.00%	13.00%	12.00%	12.00%	12.00%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,119,829	\$ 1,099,915	\$ 960,782	\$ 1,004,709	\$ 966,087
<u>(1,119,829)</u>	<u>(1,099,915)</u>	<u>(960,782)</u>	<u>(1,004,709)</u>	<u>(966,087)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201
21.27%	20.50%	19.97%	21.17%	21.35%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN YEARS (1) (2)**

	<u>2023</u>	<u>2022</u>
City's Proportion of the Net OPEB Liability/(Asset)	0.0519288%	0.0565147%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ 327,421	\$ (1,770,126)
City's Covered Payroll	\$ 7,241,686	\$ 7,357,307
City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	4.52%	24.06%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%

(1) Information prior to 2017 is not available. The City will continue to present information for years available until a full ten-year is compiled.

(2) Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO POLICE AND FIRE PENSION FUND
LAST SEVEN YEARS (1) (2)**

	<u>2023</u>	<u>2022</u>
City's Proportion of the Net OPEB Liability		
Firefighters	0.1214992%	0.1232130%
Police	0.0947162%	0.1053224%
City's Proportionate Share of the Net OPEB Liability	\$ 1,539,390	\$ 2,502,851
City's Covered Payroll	\$ 5,819,186	\$ 5,814,022
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	26.45%	43.05%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.90%

(1) Information prior to 2017 is not available. The City will continue to present information for years available until a full ten-year is compiled.

(2) Amounts presented for each year were determined as of the City's measurement date, which is the prior year-end.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
0.0590307%	0.0587362%	0.0600989%	0.0621394%	0.0580901%
\$ (1,051,681)	\$ 8,112,992	\$ 7,835,480	\$ 6,747,883	\$ 5,867,294
\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692
13.84%	109.66%	107.95%	89.17%	74.27%
115.57%	47.80%	46.33%	54.14%	54.04%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
0.1232542%	0.1235368%	0.1265045%	0.1356330%	0.1238110%
0.1050902%	0.1027857%	0.1067957%	0.1108540%	0.1007810%
\$ 2,421,369	\$ 2,235,552	\$ 2,124,556	\$ 13,965,600	\$ 10,660,878
\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878
43.32%	41.72%	40.35%	260.31%	221.60%
45.42%	47.08%	46.57%	14.13%	15.96%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 763	\$ 873	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>(763)</u>	<u>(873)</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 8,427,800	\$ 7,241,686	\$ 7,357,307	\$ 7,596,378
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 30,089	\$ 28,578	\$ 28,340	\$ 27,473
Contributions in Relation to the Contractually Required Contribution	<u>(30,089)</u>	<u>(28,578)</u>	<u>(28,340)</u>	<u>(27,473)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,023,933	\$ 5,819,186	\$ 5,814,022	\$ 5,589,848
Contributions as a Percentage of Covered Payroll	0.50%	0.49%	0.49%	0.49%

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ -	\$ -	\$ 84,943	\$ 160,556	\$ 153,959	\$ 148,692
<u>-</u>	<u>-</u>	<u>(84,943)</u>	<u>(160,556)</u>	<u>(153,959)</u>	<u>(148,692)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683
0.00%	0.00%	1.12%	2.03%	2.02%	2.02%

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 26,232	\$ 25,789	\$ 25,300	\$ 24,068	\$ 23,731	\$ 22,711
<u>(26,232)</u>	<u>(25,789)</u>	<u>(25,300)</u>	<u>(24,068)</u>	<u>(23,731)</u>	<u>(22,711)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201
0.49%	0.49%	0.47%	0.50%	0.50%	0.50%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Municipal income tax	\$ 8,658,300	\$ 8,658,300	\$ 11,237,316	\$ 2,579,016
Property taxes	1,291,820	1,532,542	1,575,319	42,777
State shared revenues	781,000	829,939	818,307	(11,632)
Locally levied taxes	1,104,510	1,058,500	1,067,527	9,027
Licenses, permits, fees	1,388,223	1,183,992	1,266,410	82,418
Grants: capital	1,153,131	267,812	229,885	(37,927)
Grants: operating	-	97,709	139,591	41,882
Interest income	42,060	213,230	354,591	141,361
Donations: operating	-	-	4,500	4,500
Other fines, rents, reimbursements	1,138,400	755,752	562,051	(193,701)
Total revenues	15,557,444	14,597,776	17,255,497	2,657,721
EXPENDITURES:				
GENERAL GOVERNMENT ADMINISTRATION:				
City building:				
Operating expenditures	212,577	212,577	177,455	35,122
Capital	90,460	90,460	14,500	75,960
Allocated to Other Funds	(26,378)	(26,378)	(18,014)	(8,364)
Total city building	276,659	276,659	173,941	102,718
City commission:				
Personal services/administrative support	37,086	59,268	\$56,544	2,724
Operating expenditures	98,299	105,299	94,619	10,680
Total city commission	135,385	164,567	\$151,162	13,404
Office of city manager:				
Personal services/administrative support	286,796	286,796	271,731	15,065
Operating expenditures	32,605	58,105	49,257	8,848
Allocated to other funds	(233,706)	(250,901)	(234,940)	(15,961)
Total office of city manager	85,695	94,000	86,048	7,952
Purchasing department:				
Personal services/administrative support	244,312	244,312	244,015	297
Operating expenditures	19,604	19,604	17,524	2,080
Allocated to other funds	(252,249)	(252,249)	(249,977)	(2,272)
Total purchasing department	11,667	11,667	11,561	106
Law department:				
Personal services/administrative support	10,391	10,391	3,432	6,959
Operating expenditures	140,434	140,434	144,185	(3,751)
Allocated to Other Funds	(89,810)	(89,810)	(87,901)	(1,909)
Total law department	61,015	61,015	59,717	1,298
Finance department:				
Personal services/administrative support	679,601	707,113	619,869	87,245
Operating expenditures	50,404	119,404	104,451	14,953
Allocated to other funds	(505,018)	(571,785)	(501,029)	(70,756)
Total finance department	224,987	254,732	223,291	31,441
Human resources department:				
Personal services/administrative support	367,722	367,722	361,285	6,437
Operating expenditures	46,005	57,225	45,280	11,945
Allocated to Other Funds	(359,001)	(368,737)	(352,787)	(15,950)
Total human resources department	54,726	56,210	53,778	2,432

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
GENERAL FUND
FOR 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:				
Personal services/administrative support	403,477	373,477	266,368	107,109
Operating expenditures	69,588	99,588	\$70,667	28,921
Allocated to Other Funds	(384,933)	(384,933)	(274,193)	(110,740)
Total engineering department	88,132	88,132	62,843	25,289
Public Relations:				
Personal services/administrative support	110,786	110,786	110,505	281
Operating expenditures	19,129	19,129	12,748	6,381
Allocated to Other Funds	(76,832)	(76,832)	(72,892)	(3,940)
Total income tax department	53,083	53,083	50,361	2,722
Income tax department:				
Personal services/administrative support	91,582	91,582	66,713	24,869
Operating expenditures	575,959	590,959	613,301	(22,342)
Total income tax department	667,541	682,541	680,014	2,527
Planning and zoning:				
Personal services/administrative support	471,497	471,497	340,156	131,341
Operating expenditures	155,436	155,436	54,730	100,706
Total planning and zoning	626,933	626,933	394,886	232,047
General government:				
Operating expenditures	817,370	1,072,095	899,703	172,392
Capital	300,000	-	-	-
Total general government	1,117,370	1,072,095	899,703	172,392
Civil Service Commission:				
Operating expenditures	51,471	51,471	8,992	42,479
Total civil service commission	51,471	51,471	8,992	42,479
Pro Piqua:				
Operating expenditures	-	60,000	60,000	-
Total pro piqua	-	60,000	60,000	-
TOTAL GENERAL GOVERNMENT	3,454,664	3,553,105	2,916,298	636,807
PUBLIC SAFETY:				
Fire department:				
Personal services/administrative support	4,977,626	4,977,626	3,733,920	1,243,706
Operating expenditures	897,316	930,516	726,125	204,391
Capital	535,400	540,400	518,097	22,303
Total fire department	6,410,342	6,448,542	4,978,142	1,470,400
Police department:				
Personal services/administrative support	5,340,387	5,340,387	3,668,433	1,671,954
Operating expenditures	942,137	942,137	821,382	120,755
Capital	121,053	121,053	121,053	-
Total police department	6,403,577	6,403,577	4,610,868	1,792,709
TOTAL PUBLIC SAFETY	12,813,919	12,852,119	9,589,010	3,263,109

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
NEIGHBORHOOD IMPROVEMENT TEAM:				
Personal services/administrative support	10,414	10,414	-	10,414
Operating expenditures	78,650	78,650	30,473	48,178
Total neighborhood improvement team	<u>89,064</u>	<u>89,064</u>	<u>30,473</u>	<u>58,592</u>
PARKS AND RECREATION:				
Personal services/administrative support	712,501	712,501	633,167	79,334
Operating expenditures	680,368	720,368	623,640	96,728
Capital	2,197,731	64,690	32,913	31,777
Total parks and recreation	<u>3,590,600</u>	<u>1,497,559</u>	<u>1,289,720</u>	<u>207,839</u>
UTILITY BUSINESS OFFICE:				
Personal services/administrative support	532,301	540,301	523,738	16,563
Operating expenditures	1,205,517	1,197,517	1,111,505	86,012
Allocated to other funds	<u>(1,737,818)</u>	<u>(1,737,818)</u>	<u>(1,635,243)</u>	<u>(102,575)</u>
Total utility business office	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FORT PIQUA PLAZA:				
Personal services/administrative support	-	-	-	-
Operating expenditures	456,532	391,532	239,162	152,370
Capital	38,000	103,000	25,572	77,428
Total fort piqua plaza	<u>494,532</u>	<u>494,532</u>	<u>264,734</u>	<u>229,798</u>
Total expenditures	<u>20,442,779</u>	<u>18,486,379</u>	<u>14,090,234</u>	<u>4,396,145</u>
Excess of revenues over (under) expenditures	<u>(4,885,335)</u>	<u>(3,888,603)</u>	<u>3,165,263</u>	<u>7,053,866</u>
OTHER FINANCING SOURCES:				
Proceeds from sale of capital assets	-	-	40,585	40,585
Transfers in	-	-	591,200	591,200
Transfers out	<u>(1,475,000)</u>	<u>(1,452,000)</u>	<u>(1,793,200)</u>	<u>(341,200)</u>
Total other financing sources	<u>(1,475,000)</u>	<u>(1,452,000)</u>	<u>(1,161,415)</u>	<u>290,585</u>
Net change in fund balance	(6,360,335)	(5,340,603)	2,003,848	7,344,451
Fund balance- January 1, 2023	<u>13,801,697</u>	<u>13,801,697</u>	<u>13,801,697</u>	<u>-</u>
Fund balance December 31, 2023	<u>7,441,362</u>	<u>8,461,094</u>	<u>\$ 15,805,545</u>	<u>\$ 7,344,451</u>

See notes to required supplemental information

(Concluded)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
STREET MAINTENANCE FUND
FOR YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Municipal income tax	\$ 1,649,200	\$ 1,649,200	\$ 2,233,262	\$ 584,062
State shared revenues	1,554,000	1,554,000	1,591,761	37,761
Licenses and permits, fees	400	400	15,150	14,750
Interest income	18,000	18,000	192,921	174,921
Other fines, rents, and reimbursements	2,000	2,000	5,613	3,613
Total revenues	<u>3,223,600</u>	<u>3,223,600</u>	<u>4,038,708</u>	<u>815,108</u>
EXPENDITURES:				
Personal services/administrative support	1,409,337	1,409,337	1,265,605	143,732
Operating expenditures	1,641,887	1,641,887	1,118,940	522,947
Capital costs	814,000	814,000	344,045	469,955
Total expenditures	<u>3,865,224</u>	<u>3,865,224</u>	<u>2,728,589</u>	<u>1,136,635</u>
Net change in fund balance	(641,624)	(641,624)	1,310,119	1,951,743
Fund balance- January 1, 2023	<u>6,551,770</u>	<u>6,551,770</u>	<u>6,551,770</u>	<u>-</u>
Fund balance December 31, 2023	<u>\$ 5,910,146</u>	<u>\$ 5,910,146</u>	<u>\$ 7,861,889</u>	<u>\$ 1,951,743</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO
Notes to the Required Supplemental Information
December 31, 2023

A. BUDGETS AND BUDGETARY ACCOUNTING

The City follows procedures prescribed by State law in establishing the budgetary data shown in the financial statements, as follows:

The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.

The County Budget Commission certifies its actions by September 1, and issues a "Certificate of Resources" limiting the maximum amount the City may expend from a given fund during the year.

On approximately January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.

Before the first Commission meeting in January, a permanent appropriation measure must be passed for the period January 1 through December 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.

Unused appropriations lapse at year-end and are re-appropriated in the following year's budget.

All funds have annual budgets, which are prepared in accordance with generally accepted accounting principles and are legally adopted by the City Commission.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Commission on an annual basis. Public hearings are held to obtain taxpayer comments. The Commission enacts the budget through passage of an appropriations ordinance. The appropriations ordinance controls expenditures in each fund at the object levels of personal services/administrative support, operating expenditures, transfers, and capital outlay. Amendments to object totals of appropriations require Commission approval. The City Manager has the authority to allocate and amend appropriations at the account level, provided that fund totals appropriated by ordinance are not adjusted. Earnings of the Power, Water, Wastewater, Storm Water, Refuse, and Golf, Pool systems may not be appropriated for other City uses.

The budget process is controlled by both the State of Ohio Revised Code and the City Charter and is prepared based on anticipated revenues and appropriated expenditures.

The City's financial position, results of operations and changes in fund balances, as well as the budgetary basis as provided by law, are reported on the basis of GAAP.

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CITY OF PIQUA, OHIO
Notes to the Required Supplemental Information
December 31, 2023

B. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM:

Pension Information

Change in Benefit Terms:

There have been no changes in benefit terms.

Change of Assumptions:

In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

In 2022, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a reduction of the discount rate from 7.2% to 6.9%, a reduction in wage inflation from 3.25% to 2.75%, and transition from RP-2014 mortality tables to Pub-2010 mortality tables.

OPEB Information

Change in Benefit Terms:

There have been no changes in benefit terms.

Change of Assumptions:

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

In 2019, the single discount rate changed from 3.85% to 3.96%, the investment rate of return changed from 6.50% to 6.00%, and the health care cost trend rate changed from 7.5% initial to 10.0% initial.

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2028 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.5% initial, 3.50% ultimate in 2030 to 8.5% initial, 3.50% ultimate in 2035.

In 2022, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2020. Significant changes included a reduction in wage inflation from 3.25% to 2.75%, and transition from RP-2014 mortality tables to Pub-2010 mortality tables.

In 2023, the single discount rate changed from 6.00% to 5.22% and the health care cost trend rate changed from 5.5% initial, 3.50% ultimate in 2034 to 5.5% initial, 3.50% ultimate in 2036.

CITY OF PIQUA, OHIO
Notes to the Required Supplemental Information
December 31, 2023

C. OHIO POLICE AND FIRE PENSION FUND:

Pension Information

Change in Benefit Terms:

There have been no changes in benefit terms.

Change of Assumptions:

In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2016. Significant changes included a reduction of the discount rate from 8.25% to 8.0%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2022, the single discount rate changed from 8.0% to 7.5%.

In 2023, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2021. Significant changes included transition from RP-2014 mortality tables to the Pub-2010 Safety mortality tables projected using the MP-2021 Improvement Scale.

OPEB Information

Change in Benefit Terms:

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model, depositing stipends into individual health reimbursements accounts that retirees will use to be reimbursed for health care expenses.

Change of Assumptions:

In 2018, the single discount rate changed from 3.79% to 3.24%.

In 2019, the single discount rate changed from 3.24% to 4.66%.

In 2020, the single discount rate changed from 4.66% to 3.56%.

In 2021, the single discount rate changed from 3.56% to 2.96%.

In 2022, the single discount rate changed from 2.96% to 2.84%.

In 2023, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2021. Significant changes included a reduction of the single discount rate from 2.84% to 4.27% and transition from the RP-2014 mortality tables to the Pub-2010 Safety mortality tables projected using the MP-2021 Improvement Scale.

Supplemental Data

CITY OF PIQUA, OHIO

NON-MAJOR GOVERNMENTAL FUNDS

Street Levy Income Tax	To account for the 0.25% portion of income tax collections that is specifically for street maintenance and repairs
Revolving Loan/Federal Program Income	To account for micro-enterprise loans, USDA loans and home mortgages resulting from federal grant activities
Community Development	To account for activities for social, economic, and other special development of the community
Trust	To account for resources recovered or held through legislation or enforcement activities
Conservancy	To account for receipts and disbursements for the city's share of the district's operation and maintenance
Federal Grants	To account for federal funds available for CARES Act, FEMA, comprehensive housing, and block grants
Scott Drive Redevelopment	To account for the debt issuance and expenditures to redevelop Scott Drive

NON-MAJOR ENTERPRISE FUNDS

Golf Course	To account for the city's municipal golf course operations
Refuse	To account for the city's refuse operations
Stormwater	To account for the city's stormwater operations

CITY OF PIQUA, OHIO

NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

Internal Service Funds

Workers Compensation

To account for the City's worker's compensation program under the State's retrospective rating plan by pooling resources from various funds to pay for workers compensation premiums

Liability Insurance

To account for assets to pay for liabilities that are below third party insurance deductibles or not covered under certain policies and pool resources from various funds to pay for liability insurance premiums

Health Insurance

To account for an internally financed and self-insured health benefits program

Information Technology

To account for centralized communication, networking, and data processing services for all city departments

Fiduciary Funds

Private-Purpose Centennial Trust

To account for assets of a centennial escrow as established by legislation.

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET
NON-MAJOR FUNDS
DECEMBER 31, 2023**

	Street Levy Income Tax	Revolving Loan/Federal Program Income	Community Development	Trust
ASSETS:				
Equity in pooled cash and cash equivalents	\$ 5,515,830	\$ 401,611	\$ 999,993	\$ 312,504
Accounts receivable	517,987	1,981	214	279
Interfund receivable	33,260	-	-	-
Loans receivable, net of allowance	-	7,146	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$6,067,077</u></u>	<u><u>\$410,738</u></u>	<u><u>\$1,000,207</u></u>	<u><u>\$312,783</u></u>
LIABILITIES:				
Accounts payable	\$ 14,183	\$ -	\$ 469	\$ -
Interfund payable	-	-	84,987	-
Salaries and benefits	-	-	4,527	-
Other accruals	60	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	14,243	-	89,983	-
DEFERRED INFLOWS OF RESOURCES:				
Property taxes	-	-	-	-
State shared taxes	-	-	-	-
Income Taxes	144,000	-	-	-
Other unavailable revenue	26,704	913	-	133
Total deferred inflows of resources	<u>170,704</u>	<u>913</u>	<u>-</u>	<u>133</u>
FUND BALANCES:				
Restricted fund balance	<u>5,882,130</u>	<u>409,825</u>	<u>910,224</u>	<u>312,650</u>
Total fund balances	<u>5,882,130</u>	<u>409,825</u>	<u>910,224</u>	<u>312,650</u>
Total liabilities, deferred inflows of resources, and fund balance	<u><u>\$ 6,067,077</u></u>	<u><u>\$ 410,738</u></u>	<u><u>\$ 1,000,207</u></u>	<u><u>\$ 312,783</u></u>

Conservancy	Federal Grants	Scott Drive Redevelopment	Debt Service	Total Non major Funds
\$ 59,365	\$ -	\$ 132,134	\$ 707,962	\$ 8,129,399
51,738	242,377	1,340	11,540	827,456
-	-	-	-	33,260
-	-	-	-	7,146
<u>\$111,103</u>	<u>\$242,377</u>	<u>\$133,474</u>	<u>\$719,502</u>	<u>\$ 8,997,261</u>
\$ -	\$ 242,377	\$ 35,519	\$ -	\$ 292,548
-	-	-	-	84,987
-	-	-	-	4,527
-	-	5,248	-	5,308
-	242,377	40,767	-	387,370
44,375	-	-	7,374	51,749
2,939	-	-	-	2,939
-	-	-	-	144,000
3,546	-	640	1,989	33,925
50,860	-	640	9,363	232,613
60,243	-	92,067	710,139	8,377,278
60,243	-	92,067	710,139	8,377,278
<u>\$ 111,103</u>	<u>\$ 242,377</u>	<u>\$ 133,474</u>	<u>\$ 719,502</u>	<u>\$ 8,997,261</u>

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR YEAR ENDED DECEMBER 31, 2023**

	Street Levy Income Tax	Revolving Loan/Federal Program Income	Community Development	Trust
REVENUES:				
Municipal income tax	\$ 1,943,141	\$ -	\$ -	\$ -
Property taxes	-	-	40,449	-
State shared revenues	-	-	-	-
Licenses, permits, fees	-	980	-	-
Grants: capital	129,317	-	-	-
Grants: operating	-	-	-	2,046
Investment Income	167,757	23,109	17,677	1,801
Other	-	32,485	22,881	176,088
Total revenues	<u>2,240,215</u>	<u>56,574</u>	<u>81,006</u>	<u>179,935</u>
EXPENDITURES:				
Personal services/administrative support	-	-	-	-
Operation and maintenance	1,439,735	31,562	529,951	65,053
Capital	312,285	-	-	-
Total expenditures	<u>1,752,020</u>	<u>31,562</u>	<u>529,951</u>	<u>65,053</u>
Excess (deficiency) of revenues over expenditures	<u>488,195</u>	<u>25,012</u>	<u>(448,945)</u>	<u>114,882</u>
OTHER FINANCING SOURCES:				
Issuance of debt	-	-	-	-
Premium on issuance of debt	-	-	-	-
Transfers in	-	-	825,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>825,000</u>	<u>-</u>
Net change in fund balance	488,195	25,012	376,055	114,882
Fund balance January 1, 2023	<u>5,393,935</u>	<u>384,813</u>	<u>534,169</u>	<u>197,768</u>
Fund balance December 31, 2023	<u>\$ 5,882,130</u>	<u>\$ 409,825</u>	<u>\$ 910,224</u>	<u>\$ 312,650</u>

(Continued)

Conservancy	Federal Grants	Scott Drive Redevelopment	Debt Service	Total Non-Major Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,943,141
53,650	-	-	1,456	95,555
6,699	-	-	-	6,699
-	-	-	-	980
-	178,692	-	-	308,009
-	2,543,639	-	-	2,545,685
843	17,308	802	12,932	242,228
-	-	155,248	-	386,702
<u>61,192</u>	<u>2,739,639</u>	<u>156,050</u>	<u>14,388</u>	<u>5,528,999</u>
-	2,260,778	-	-	2,260,778
52,616	300,682	248,861	20,521	2,688,981
-	178,180	1,865,122	-	2,355,587
<u>52,616</u>	<u>2,739,640</u>	<u>2,113,983</u>	<u>20,521</u>	<u>7,305,346</u>
<u>8,576</u>	<u>(1)</u>	<u>(1,957,933)</u>	<u>(6,133)</u>	<u>(1,776,347)</u>
-	-	2,050,000	-	2,050,000
-	-	-	315,000	315,000
-	-	-	-	825,000
-	-	<u>2,050,000</u>	<u>315,000</u>	<u>3,190,000</u>
8,576	(1)	92,067	308,867	1,413,653
51,667	1	-	401,272	6,963,625
<u>\$ 60,243</u>	<u>\$ (0)</u>	<u>\$ 92,067</u>	<u>\$ 710,139</u>	<u>\$ 8,377,278</u>

(Concluded)

CITY OF PIQUA, OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR YEAR ENDED DECEMBER 31, 2023

	Street Levy Income Tax			Revolving Loan / Federal Program Income		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State shared revenues	-	-	-	-	-	-
Licenses, permits, fees	-	-	-	920	980	60
Grants: capital	252,000	129,317	-	-	-	-
Grants: operating	44,260	-	(44,260)	-	-	-
Investment Income	18,873	167,757	148,884	5,000	23,109	18,109
Income tax transfers/revenue	1,472,500	1,943,141	470,641	-	-	-
Other	15,722	-	(15,722)	23,580	32,485	8,905
Total revenues	<u>1,803,355</u>	<u>2,240,215</u>	<u>559,543</u>	<u>29,500</u>	<u>56,574</u>	<u>27,074</u>
EXPENDITURES:						
Personal services	-	-	-	500	-	500
Operation and maintenance	1,875,204	1,439,735	435,469	113,500	31,562	81,938
Capital	1,100,010	312,285	787,725	-	-	-
Total expenditures	<u>2,975,214</u>	<u>1,752,020</u>	<u>1,223,194</u>	<u>114,000</u>	<u>31,562</u>	<u>82,438</u>
Excess (deficiency) of revenues over expenditures	<u>(1,171,859)</u>	<u>488,195</u>	<u>1,660,054</u>	<u>(84,500)</u>	<u>25,012</u>	<u>109,512</u>
OTHER FINANCING SOURCES:						
Advances in	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,171,859)	488,195	1,660,054	(84,500)	25,012	109,512
Fund balance January 1, 2023	<u>5,393,935</u>	<u>5,393,935</u>	<u>(0)</u>	<u>384,813</u>	<u>384,813</u>	<u>-</u>
Fund balance December 31, 2023	<u>\$ 4,222,076</u>	<u>\$ 5,882,130</u>	<u>\$ 1,660,054</u>	<u>\$ 300,313</u>	<u>\$ 409,825</u>	<u>\$ 109,512</u>

(Continued)

Community Development			Trust		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 40,900	\$ 40,449	\$ (451)	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,500	2,046	(5,454)
-	17,676	17,676	-	1,801	1,801
-	-	-	-	-	-
-	22,881	22,881	60,000	176,088	116,088
<u>40,900</u>	<u>81,006</u>	<u>40,106</u>	<u>67,500</u>	<u>179,935</u>	<u>112,435</u>
-	-	-	-	-	-
926,057	529,951	396,106	139,400	65,053	74,347
-	-	-	-	-	-
<u>926,057</u>	<u>529,951</u>	<u>396,106</u>	<u>139,400</u>	<u>65,053</u>	<u>74,347</u>
<u>(885,157)</u>	<u>(448,945)</u>	<u>436,212</u>	<u>(71,900)</u>	<u>114,881</u>	<u>186,781</u>
-	-	-	-	-	-
-	-	-	-	-	-
825,000	825,000	-	-	-	-
(40,312)	-	40,312	-	-	-
<u>784,688</u>	<u>825,000</u>	<u>40,312</u>	<u>-</u>	<u>-</u>	<u>-</u>
(100,469)	376,055	476,524	(71,900)	114,881	186,781
534,169	534,169	-	197,768	197,768	-
<u>\$ 433,700</u>	<u>\$ 910,224</u>	<u>\$ 476,524</u>	<u>\$ 125,868</u>	<u>\$ 312,649</u>	<u>\$ 186,781</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NON-MAJOR GOVERNMENTAL FUNDS
FOR YEAR ENDED DECEMBER 31, 2023**

	Conservancy			Federal Grants		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ 48,905	\$ 53,650	\$ 4,745	\$ -	\$ -	\$ -
State shared revenues	5,805	6,699	894	-	-	-
Licenses, permits, fees	-	-	-	-	-	-
Grants: capital	-	-	-	684,100	178,692	(505,408)
Grants: operating	-	-	-	2,664,078	2,543,639	(120,439)
Investment Income	-	843	843	-	17,308	17,308
Income tax transfers/revenue	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>54,710</u>	<u>61,192</u>	<u>6,482</u>	<u>3,348,178</u>	<u>2,739,639</u>	<u>(608,539)</u>
EXPENDITURES:						
Personal services	-	-	-	20,000	2,260,778	(2,240,778)
Operation and maintenance	54,710	52,616	2,094	3,149,999	300,682	2,849,317
Capital	-	-	-	178,180	178,180	(0)
Total expenditures	<u>54,710</u>	<u>52,616</u>	<u>2,094</u>	<u>3,348,179</u>	<u>2,739,641</u>	<u>608,538</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>8,576</u>	<u>8,576</u>	<u>(1)</u>	<u>(1)</u>	<u>(0)</u>
OTHER FINANCING SOURCES:						
Disposal of capital assets	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	8,576	8,576	(1)	(1)	(0)
Fund balance January 1, 2023	<u>51,667</u>	<u>51,667</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund balance December 31, 2023	<u>\$ 51,667</u>	<u>\$ 60,243</u>	<u>\$ 8,576</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ (0)</u>

(Continued)

	Scott Drive Redevelopment			Lock 9 Park Improvements		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State shared revenues	-	-	-	-	-	-
Licenses, permits, fees	-	-	-	-	-	-
Grants: capital	-	-	-	-	214,160	214,160
Grants: operating	-	-	-	-	-	-
Investment Income	-	802	802	-	75,560	75,560
Income tax transfers/revenue	-	-	-	-	-	-
Other	-	155,248	155,248	-	-	-
Total revenues	<u>-</u>	<u>156,050</u>	<u>156,050</u>	<u>-</u>	<u>289,720</u>	<u>289,720</u>
EXPENDITURES:						
Personal services	-	-	-	-	-	-
Operation and maintenance	205,248	248,861	(43,613)	20,000	20,001	(1)
Capital	1,865,123	1,865,122	1	4,683,064	1,249,142	3,433,922
Total expenditures	<u>2,070,371</u>	<u>2,113,983</u>	<u>(43,612)</u>	<u>4,703,064</u>	<u>1,269,143</u>	<u>3,433,921</u>
Excess (deficiency) of revenues over expenditures	<u>(2,070,371)</u>	<u>(1,957,933)</u>	<u>112,438</u>	<u>(4,703,064)</u>	<u>(979,423)</u>	<u>3,723,641</u>
OTHER FINANCING SOURCES:						
Disposal of capital assets	-	-	-	6,077,000	-	(6,077,000)
Issuance of debt	2,205,248	2,050,000	(155,248)	-	-	-
Transfers in	-	-	-	-	277,000	277,000
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>2,205,248</u>	<u>2,050,000</u>	<u>(155,248)</u>	<u>6,077,000</u>	<u>277,000</u>	<u>(5,800,000)</u>
Net change in fund balance	134,877	92,067	(42,810)	1,373,936	(702,423)	(2,076,359)
Fund balance January 1, 2023	-	-	-	-	-	-
Fund balance December 31, 2023	<u>\$ 134,877</u>	<u>\$ 92,067</u>	<u>\$ (42,810)</u>	<u>\$ 1,373,936</u>	<u>\$ (702,423)</u>	<u>\$ (2,076,359)</u>

The Lock 9 Park Improvement Fund has a negative fund balance because \$5,800,000 in an advance was received but was converted to a liability on the balance sheet. The City budgets on a GAAP basis.

(Continued)

Debt Service Funds			
	Budget	Actual	Variance
REVENUES:			
Property taxes	\$ 2,000	\$ 1,456	\$ (544)
State shared revenues	-	-	-
Licenses, permits, fees	-	-	-
Grants: capital	-	-	-
Grants: operating	-	-	-
Investment Income	1,000	12,932	11,932
Income tax transfers/revenue	-	-	-
Other	-	-	-
Total revenues	<u>3,000</u>	<u>14,388</u>	<u>11,388</u>
EXPENDITURES:			
Personal services	-	-	-
Operation and maintenance	22,300	20,521	1,779
Capital	-	-	-
Total expenditures	<u>22,300</u>	<u>20,521</u>	<u>1,779</u>
Excess (deficiency) of revenues over expenditures	<u>(19,300)</u>	<u>(6,133)</u>	<u>13,167</u>
OTHER FINANCING SOURCES:			
Disposal of capital assets	-	-	-
Issuance of debt	-	315,000	315,000
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>315,000</u>	<u>315,000</u>
Net change in fund balance	(19,300)	308,867	328,167
Fund balance January 1, 2023	<u>401,272</u>	<u>401,272</u>	<u>-</u>
Fund balance December 31, 2023	<u>\$ 381,972</u>	<u>\$ 710,139</u>	<u>\$ 328,167</u>

(Concluded)

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET
NON-MAJOR ENTERPRISE FUNDS
DECEMBER 31, 2023**

ASSETS	Golf Course	Refuse	Stormwater	Total
CURRENT ASSETS:				
Equity in pooled cash and cash equivalents	\$ 139,933	\$ 2,531,987	\$ 1,987,932	\$ 4,659,852
Accounts receivable	439	362,639	168,254	531,332
Interfund receivable	-	-	17,483	17,483
Allowance for uncollectible accounts	-	(119,280)	(3,664)	(122,944)
Inventories	16,222	-	12,804	29,026
Prepaid items and other assets	-	78,000	7,100	85,100
Total Current Assets	156,594	2,853,346	2,189,909	5,199,849
NONCURRENT ASSETS:				
Capital assets not being depreciated	370,344	17,949	216,822	605,115
Capital assets being depreciated	477,769	\$953,656	\$3,163,693	4,595,118
Total Capital Assets	848,113	971,605	3,380,515	5,200,233
Total Assets	1,004,707	3,824,951	5,570,424	10,400,082
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred by pensions	34,281	426,717	182,551	643,549
Deferred by OPEB	607	68,742	29,997	99,346
Total Deferred outflows of resources	34,888	495,459	212,548	742,895
Total Assets and Deferred outflows of resources	\$ 1,039,595	\$ 4,320,410	\$ 5,782,972	\$ 11,142,977
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable	\$ 13,649	\$ 48,930	\$ 9,051	\$ 71,630
Salaries and benefits	-	17,726	3,551	21,277
Accrued vacation, personal and sick leave	875	48,870	15,716	65,461
Accruals and prepaid memberships	15,073	-	13,973	29,046
Current portion of long term debt	-	-	3,277	3,277
Total Current Liabilities	29,597	115,526	45,568	190,691
NONCURRENT LIABILITIES:				
Accrued vacation, personal and sick leave	924	97,361	23,027	121,312
Net Pension Liability	100,220	951,742	468,614	1,520,576
Net OPEB Liability	\$205	23,184	10,117	33,506
Long term liabilities	-	-	80,294	80,294
Total Noncurrent Liabilities	101,349	1,072,287	582,052	1,755,688
Total Liabilities	130,946	1,187,813	627,620	1,946,379
DEFERRED INFLOWS OF RESOURCES:				
Deferred by pensions	117,701	(19,820)	62,886	160,767
Deferred by OPEB	\$88	9,919	4,328	14,335
Total deferred inflows of resources	117,789	(9,901)	67,214	175,102
NET POSITION:				
Net investment in capital assets	848,113	971,605	3,282,971	5,102,689
Unrestricted	(57,253)	2,170,893	1,805,167	3,918,807
Total Net Position	790,860	3,142,498	5,088,138	9,021,496
Total Liabilities, Deferred inflows of resources, and Net Position	\$ 1,039,595	\$ 4,320,410	\$ 5,782,972	\$ 11,142,977

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENSE AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR YEAR ENDED DECEMBER 31, 2023**

	Golf Course	Refuse	Stormwater	Total
OPERATING REVENUES:				
Customer services	\$ 907,145	\$ 2,273,281	\$ 1,225,734	\$ 4,406,160
Penalty charges	-	24,215	17,876	42,091
Total operating revenues	<u>907,145</u>	<u>2,297,496</u>	<u>1,243,610</u>	<u>4,448,251</u>
OPERATING EXPENSES:				
Salaries and Employee benefits	-	835,000	283,366	1,118,366
Depreciation	129,797	128,551	240,098	498,446
Materials and supplies	345,343	270,385	74,219	689,947
Utilities	38,926	7,559	9,914	56,399
Outside Services	448,603	780,949	282,969	1,512,521
Billing Costs	-	212,492	65,382	277,874
Chemicals	40,165	-	-	40,165
Other	42,189	6,873	29,839	78,901
Total operating expenses	<u>1,045,023</u>	<u>2,241,809</u>	<u>985,787</u>	<u>4,272,619</u>
Operating income (loss)	(137,878)	55,687	257,823	175,632
NON-OPERATING REVENUES (EXPENSES):				
Interest on debt	-	-	(175)	(175)
Interest income	3,302	69,007	58,877	131,186
Gain on sale of capital assets	5,438	-	-	5,438
Other, net	5,760	622	153	6,535
Net non-operating revenues (expenses)	<u>14,500</u>	<u>69,629</u>	<u>58,855</u>	<u>142,984</u>
Capital Grant	-	-	115,270	115,270
Transfers, in	100,000	-	-	100,000
	<u>100,000</u>	<u>-</u>	<u>115,270</u>	<u>215,270</u>
Change in net position	<u>(23,378)</u>	<u>125,316</u>	<u>431,948</u>	<u>533,886</u>
Total net position-beginning of year	<u>814,238</u>	<u>3,017,182</u>	<u>4,656,190</u>	<u>8,487,610</u>
Total net position-end of year	<u>\$ 790,860</u>	<u>\$ 3,142,498</u>	<u>\$ 5,088,138</u>	<u>\$ 9,021,496</u>

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Golf Course	Refuse	Stormwater	Totals
OPERATING ACTIVITIES:				
Receipts from Customers	\$ 921,712	\$ 2,291,681	\$ 1,146,305	\$ 4,359,698
Payments to suppliers and service providers	(917,970)	(1,275,468)	(448,439)	(2,641,877)
Payments to employees for salaries and benefits	(2,179)	(828,533)	(283,760)	(1,114,472)
Net cash (used in) operating activities	1,563	187,680	414,106	603,349
NONCAPITAL FINANCING ACTIVITIES:				
Transfers, in	100,000	-	-	100,000
Net cash provided by noncapital financing activities	100,000	-	-	100,000
CAPITAL AND RELATED FINANCING ACTIVITIES:				
Principal paid on bonds and notes	-	-	(16,809)	(16,809)
Interest paid on bonds and notes	-	-	(175)	(175)
Acquisition and construction of capital	(51,200)	-	(233,764)	(284,964)
Capital Grants	-	-	115,270	115,270
Proceeds from sale of capital assets	11,535	-	-	11,535
Net cash (used in) capital & related financing activities	(39,665)	-	(135,478)	(175,143)
INVESTING ACTIVITIES:				
Proceeds from sale or maturity of investment securities	-	119,781	-	119,781
Interest received	3,302	69,483	58,877	131,662
Net cash provided by investing activities	3,302	189,264	58,877	251,443
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	65,200	376,944	337,505	779,649
CASH AND CASH EQUIVALENTS - Beginning of year	74,733	2,155,043	1,650,427	3,880,203
CASH AND CASH EQUIVALENTS - End of year	\$ 139,933	\$ 2,531,987	\$ 1,987,932	\$ 4,659,852
OPERATING INCOME (LOSS)	\$ (137,878)	\$ 55,687	\$ 257,823	\$ 175,632
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Depreciation	129,797	128,551	240,098	498,446
Net (Increase)/Decrease in Other Operating Net Position	5,760	622	153	6,535
(Increase)/Decrease in Accounts Receivable	(439)	(6,437)	(97,458)	(104,334)
(Increase)/Decrease in Inventory	(1)	-	(3,731)	(3,732)
(Increase)/Decrease in Net OPEB Asset	32,813	123,464	62,428	218,705
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	(3,180)	(381,831)	(166,566)	(551,577)
Increase/(Decrease) in Accounts Payable and Accruals	(2,743)	2,790	17,615	17,662
Increase/(Decrease) in Accrued Wages and Benefits	(222)	24,585	7,996	32,359
Increase/(Decrease) in Deferred Revenues	9,246	-	-	9,246
Increase/(Decrease) in Net Pension Liability	6,950	786,587	343,240	1,136,777
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	(38,540)	(546,338)	(247,492)	(832,370)
Net cash (used in) operating activities	\$ 1,563	\$ 187,680	\$ 414,106	\$ 603,349

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
DECEMBER 31, 2023**

ASSETS	<u>Workers Compensation</u>	<u>Liability Insurance</u>	<u>Health Insurance</u>	<u>Information Technology</u>	<u>Total</u>
CURRENT ASSETS:					
Equity in pooled cash and cash equivalents	\$ 1,431,905	\$ 191,596	\$ 1,388,955	\$ 203,835	\$ 3,216,291
Accounts receivable	-	333,800	3,058	-	336,858
Prepaid items and other assets	-	-	3,709	-	3,709
Total Current Assets	<u>1,431,905</u>	<u>525,396</u>	<u>1,395,722</u>	<u>203,835</u>	<u>3,556,858</u>
NONCURRENT ASSETS:					
Capital assets not being depreciated	-	-	-	227,957	227,957
Capital assets being depreciated	-	-	-	351,192	351,192
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>579,149</u>	<u>579,149</u>
Total Assets	<u>1,431,905</u>	<u>525,396</u>	<u>1,395,722</u>	<u>782,984</u>	<u>4,136,007</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred by pensions	-	-	-	146,141	146,141
Deferred by OPEB	-	-	-	19,723	19,723
Total Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,864</u>	<u>165,864</u>
Total Assets and Deferred outflows of resources	<u>\$ 1,431,905</u>	<u>\$ 525,396</u>	<u>\$ 1,395,722</u>	<u>\$ 948,848</u>	<u>\$ 4,301,871</u>
LIABILITIES					
CURRENT LIABILITIES:					
Accounts payable	\$ 10,259	\$ -	\$ -	\$ 7,207	\$ 17,466
Salaries and benefits	-	-	-	4,504	4,504
Accrued vacation, personal and sick leave	-	-	-	6,168	6,168
Current portion of long term debt	-	-	-	63,556	63,556
Total Current Liabilities	<u>10,259</u>	<u>-</u>	<u>-</u>	<u>81,435</u>	<u>91,694</u>
NONCURRENT LIABILITIES:					
Accrued vacation, personal and sick leave	-	-	-	8,109	8,109
Net Pension Liability	-	-	-	337,850	337,850
Net OPEB Liability	-	-	-	\$6,652	6,652
Long term liabilities	-	-	-	76,105	76,105
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>428,716</u>	<u>428,716</u>
Total Liabilities	<u>10,259</u>	<u>-</u>	<u>-</u>	<u>510,151</u>	<u>520,410</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred by pensions	-	-	-	94,536	94,536
Deferred by OPEB	-	-	-	2,846	2,846
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,382</u>	<u>97,382</u>
NET POSITION:					
Net investment in capital assets	-	-	-	439,488	439,488
Unrestricted	1,421,646	525,396	1,395,722	(98,173)	3,244,591
Total Net Position	<u>1,421,646</u>	<u>525,396</u>	<u>1,395,722</u>	<u>\$341,315</u>	<u>3,684,079</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,431,905</u>	<u>\$ 525,396</u>	<u>\$ 1,395,722</u>	<u>\$ 948,848</u>	<u>\$ 4,301,871</u>

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENSE AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
OPERATING REVENUES:					
Customer services	\$ -	\$ 381,200	\$ -	\$ 1,300,000	\$ 1,681,200
Total operating revenues	-	381,200	-	1,300,000	1,681,200
OPERATING EXPENSES:					
Salaries and Employee benefits	121,438	-	-	268,217	389,655
Depreciation and amortization	-	-	-	120,696	120,696
Materials and supplies	-	-	-	33,360	33,360
Utilities	-	-	-	32,061	32,061
Outside Services	-	-	-	509,678	509,678
Other	-	389,889	-	64,654	454,543
Total operating expenses	121,438	389,889	-	1,028,666	1,539,993
Operating income (loss)	(121,438)	(8,689)	-	271,334	141,207
NON-OPERATING REVENUES(EXPENSES):					
Interest on debt	-	-	-	(1,304)	(1,304)
Interest income	22,022	8,564	32,274	2,158	65,018
Loss on sale of capital assets	-	-	-	(2,840)	(2,840)
Other, net	-	-	-	827	827
Net non-operating revenues(expenses)	22,022	8,564	32,274	(1,159)	61,701
Change in net position	(99,416)	(125)	32,274	270,175	202,908
Total net position-beginning of year	1,521,062	525,521	1,363,448	71,140	3,481,171
Total net position-end of year	\$ 1,421,646	\$ 525,396	\$ 1,395,722	\$ 341,315	\$ 3,684,079

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
OPERATING ACTIVITIES:					
Receipts from interfund services	\$ -	\$ 367,268	\$ 2,234	\$ 1,301,132	\$ 1,670,634
Payments to suppliers and service providers	66,686	(389,889)	(2,093)	(873,201)	(1,198,497)
Payments to employees for salaries and benefits	-	-	-	(336,022)	(336,022)
Net cash used in operating activities	<u>66,686</u>	<u>(22,621)</u>	<u>141</u>	<u>91,909</u>	<u>136,115</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:					
Issuance of notes payable					
Principal paid on loans, leases, & SBITAs	-	-	-	(76,472)	(76,472)
Interest paid on loans, leases, & SBITAs	-	-	-	(1,304)	(1,304)
Acquisition and construction of capital	-	-	-	(209,506)	(209,506)
Proceeds from sale of capital assets	-	-	-	-	-
Net cash used in capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(287,282)</u>	<u>(287,282)</u>
INVESTING ACTIVITIES:					
Proceeds from sale or maturity of investment securities	272,230	-	751,350	-	1,023,580
Interest received	23,104	8,564	32,274	2,158	66,100
Net cash provided by (used in) investing activities	<u>295,334</u>	<u>8,564</u>	<u>783,624</u>	<u>2,158</u>	<u>1,089,680</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	362,020	(14,057)	783,765	(193,215)	938,513
CASH AND CASH EQUIVALENTS - Beginning of year	1,069,885	205,653	605,190	397,050	2,277,778
CASH AND CASH EQUIVALENTS - End of year	\$ 1,431,905	\$ 191,596	\$ 1,388,955	\$ 203,835	\$ 3,216,291
OPERATING INCOME (LOSS)	\$ (121,438)	\$ (8,689)	\$ -	\$ 271,334	\$ 141,207
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation and amortization	-	-	-	120,696	120,696
Net (Increase)/Decrease in Other Operating Net Position	-	-	-	827	827
(Increase)/Decrease in Accounts Receivable	-	(13,932)	2,234	305	(11,393)
(Increase)/Decrease in Inventory	-	-	-	-	-
(Increase)/Decrease in Prepaids	177,865	-	-	-	177,865
(Increase)/Decrease in Net OPEB Asset	-	-	-	66,719	66,719
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	-	-	-	(109,361)	(109,361)
Increase/(Decrease) in Accounts Payable and Accruals	10,259	-	(2,093)	(233,448)	(225,282)
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	(60,833)	(60,833)
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	-	-	-	225,681	225,681
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	-	-	-	(190,011)	(190,011)
Net cash provided by (used in) operating activities	<u>\$ 66,686</u>	<u>\$ (22,621)</u>	<u>\$ 141</u>	<u>\$ 91,909</u>	<u>\$ 136,115</u>
SUPPLEMENTAL INFORMATION - Noncash activities:					
Capital asset financed through payables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital asset financed through SBITA agreement	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,409</u>	<u>\$ 191,409</u>

Statistical Section

Statistical Section

This part of the City of Piqua, 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.

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These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity

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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.

Debt Capacity

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These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Economic and Demographic Information

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These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information

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These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

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

CITY OF PIQUA, OHIO

NET POSITION BY COMPONENT LAST TEN YEARS (accrual basis of accounting)

	2023	2022	2021	2020
Government Activities				
Net investment in capital assets	\$ 52,657,050	\$ 53,187,268	\$ 53,118,986	\$ 54,805,038
Restricted for other purposes	13,034,839	11,602,185	9,489,348	6,865,980
Restricted for debt service	710,139	401,272	397,939	396,496
Unrestricted	1,318,576	(665,229)	(2,698,489)	(5,357,755)
Total governmental activities net position	<u>67,720,604</u>	<u>64,525,496</u>	<u>60,307,784</u>	<u>56,709,759</u>
Business-Type Activities				
Net investment in capital assets	55,372,958	55,848,348	56,418,638	55,875,007
Restricted for other purposes	8,323	-	-	-
Restricted for debt service	-	-	-	-
Unrestricted	32,618,828	28,720,480	25,741,945	18,496,005
Total business-type activities net position	<u>88,000,109</u>	<u>84,568,828</u>	<u>82,160,583</u>	<u>74,371,012</u>
Primary government				
Net investment in capital assets	108,030,008	109,035,616	109,537,624	110,680,045
Restricted for other purposes	13,043,162	11,602,185	9,489,348	6,865,980
Restricted for debt service	710,139	401,272	397,939	396,496
Unrestricted	33,937,404	28,055,251	23,043,456	13,138,250
Total primary government activities net position	<u>\$ 155,720,713</u>	<u>\$ 149,094,324</u>	<u>\$ 142,468,367</u>	<u>\$ 131,080,771</u>

Source: City of Piqua Finance Department

2017 Unrestricted balances restated to reflect accounting changes of GASB 75

2014 Unrestricted balances restated to reflect accounting changes of GASB 68

Table 1

	2019	2018	2017	2016	2015	2014
\$	54,781,343	\$ 55,284,485	\$ 55,432,764	\$ 55,161,266	\$ 56,129,075	\$ 54,540,426
	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282
	392,522	385,547	435,308	426,756	411,558	375,519
	(6,333,621)	(14,653,657)	(12,163,651)	1,552,082	2,766,474	1,454,046
	<u>54,033,034</u>	<u>45,729,226</u>	<u>50,244,009</u>	<u>64,334,812</u>	<u>65,078,499</u>	<u>62,753,273</u>
	58,077,820	58,312,483	59,776,209	60,204,879	60,462,159	55,861,423
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>13,729,177</u>	<u>11,789,760</u>	<u>12,093,795</u>	<u>16,262,269</u>	<u>14,275,160</u>	<u>15,458,228</u>
	<u>71,806,997</u>	<u>70,102,243</u>	<u>71,870,004</u>	<u>76,467,148</u>	<u>74,737,319</u>	<u>71,319,651</u>
	112,859,163	113,596,968	115,208,973	115,366,145	116,591,234	110,401,849
	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282
	392,522	385,547	435,308	426,756	411,558	375,519
	7,395,556	(2,863,897)	(69,856)	17,814,351	17,041,634	16,912,274
\$	<u>125,840,031</u>	<u>115,831,469</u>	<u>122,114,013</u>	<u>140,801,960</u>	<u>139,815,818</u>	<u>134,072,924</u>

CITY OF PIQUA, OHIO

**CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)**

	2023	2022	2021	2020
Expenses				
Government activities				
General government	\$ 3,601,425	\$ 3,121,168	\$ 2,163,147	\$ 2,683,524
Public safety	10,433,721	10,573,889	10,207,050	10,866,935
Streets and maintenance	5,221,743	3,975,528	3,501,045	4,370,557
Parks and recreation	1,382,098	874,325	549,329	647,360
Community development	3,478,506	57,202	180,811	202,377
Public health and welfare	N/A	N/A	119,081	532,993
Interest on long term debt	24,980	800	-	-
Total governmental activities expenses	<u>24,142,473</u>	<u>18,602,912</u>	<u>16,720,463</u>	<u>19,303,746</u>
Business-type Activities				
Electric	29,880,052	32,059,982	28,461,846	29,201,513
Wastewater	6,408,468	5,467,008	2,820,704	4,218,936
Refuse	2,223,401	1,810,117	1,427,657	1,887,641
Water	6,881,060	5,953,190	5,438,144	7,067,226
Stormwater	975,645	795,213	699,301	1,139,818
Golf	1,044,020	736,359	628,514	730,064
Fort Piqua Plaza	N/A	N/A	N/A	N/A
Municipal Pool	N/A	65,680	(21,337)	49,585
Total business-type activities expenses	<u>47,412,646</u>	<u>46,887,549</u>	<u>39,454,829</u>	<u>44,294,783</u>
Total Primary Government activities expenses	<u>\$ 71,555,119</u>	<u>\$ 65,490,461</u>	<u>\$ 56,175,292</u>	<u>\$ 63,598,529</u>
Program revenues				
Government activities				
Charges for Services:				
General government	\$ 629,621	\$ 858,358	\$ 556,381	\$ 626,139
Public safety	1,338,748	1,563,071	777,228	1,349,774
Streets and maintenance	20,763	17,851	27,667	48,684
Parks and recreation	31,097	15,441	9,976	19,786
Community development	211,594	84,485	41,648	42,246
Public health and welfare	N/A	N/A	75,684	92,109
Operating grants and contributions	2,689,776	410,862	302,635	2,178,563
Capital grants and contributions	1,052,341	67,727	121,094	1,333,209
Total governmental activities program revenues	<u>5,973,940</u>	<u>3,017,795</u>	<u>1,912,313</u>	<u>5,690,510</u>
Business-type Activities				
Charges for Services:				
Electric	30,651,398	30,502,526	28,437,946	27,724,732
Wastewater	6,624,304	6,602,952	6,685,564	6,807,175
Refuse	2,298,118	2,266,684	2,260,814	2,169,647
Water	7,143,604	7,281,220	7,290,268	7,476,242
Stormwater	1,243,763	1,193,219	1,185,408	1,206,943
Golf	912,905	618,269	597,073	567,248
Fort Piqua Plaza	N/A	N/A	N/A	N/A
Municipal Pool	N/A	49,623	6	12
Operating grants and contributions	120,347	27,574	46,992	6,878
Capital grants and contributions	314,669	380,166	540,786	192,666
Total business-type activities program revenues	<u>49,309,108</u>	<u>48,922,233</u>	<u>47,044,857</u>	<u>46,151,543</u>
Total primary government program revenues	<u>\$ 55,283,048</u>	<u>\$ 51,940,028</u>	<u>\$ 48,957,170</u>	<u>\$ 51,842,053</u>
Net revenue (expense)				
Governmental activities	\$ (18,168,533)	\$ (15,585,117)	\$ (14,808,150)	\$ (13,613,236)
Business-type activities	1,896,462	2,034,684	7,590,028	1,856,760
Total primary government net revenue(expense)	<u>\$ (16,272,071)</u>	<u>\$ (13,550,433)</u>	<u>\$ (7,218,122)</u>	<u>\$ (11,756,476)</u>

Table 2

2019	2018	2017	2016	2015	2014
\$ 2,850,355	\$ 3,239,389	\$ 3,584,949	\$ 3,029,350	\$ 2,488,630	\$ 1,895,842
725,613	11,678,570	9,756,089	9,983,842	8,855,194	8,599,246
4,986,536	5,576,482	4,967,109	4,131,246	4,696,334	5,238,564
1,026,207	685,856	826,659	676,708	488,175	509,403
448,170	669,541	762,985	626,789	552,143	272,904
460,049	N/A	N/A	N/A	N/A	N/A
-	2,926	8,858	16,043	26,495	49,855
<u>10,496,930</u>	<u>21,852,764</u>	<u>19,906,649</u>	<u>18,463,978</u>	<u>17,106,971</u>	<u>16,565,814</u>
29,045,304	31,745,544	31,446,393	31,427,181	28,506,759	28,187,077
4,214,338	3,955,381	4,285,812	3,386,384	3,170,850	3,479,419
2,201,254	2,054,295	1,658,954	1,512,589	1,924,274	1,701,599
7,240,937	7,129,642	5,516,474	3,841,168	4,191,855	3,444,314
1,644,155	944,602	907,098	662,925	846,714	814,109
756,483	732,006	710,706	735,870	662,334	589,459
N/A	N/A	N/A	N/A	N/A	294,781
137,540	144,502	163,766	196,543	154,212	174,256
<u>45,240,011</u>	<u>46,705,972</u>	<u>44,689,203</u>	<u>41,762,660</u>	<u>39,456,998</u>	<u>38,685,014</u>
<u>\$ 55,736,941</u>	<u>\$ 68,558,736</u>	<u>\$ 64,595,852</u>	<u>\$ 60,226,638</u>	<u>\$ 56,563,969</u>	<u>\$ 55,250,828</u>
\$ 567,366	\$ 639,955	\$ 692,044	\$ 638,172	\$ 711,281	\$ 368,510
1,063,989	995,929	967,297	1,119,504	1,167,432	984,214
36,873	51,736	88,584	90,606	111,846	80,021
23,675	19,680	17,633	17,939	18,350	24,057
29,486	78,188	46,384	70,411	40,711	38,434
87,321	N/A	N/A	N/A	N/A	N/A
368,907	522,293	1,302,597	684,174	1,254,648	1,960,446
586,256	393,230	241,228	9,400	1,585,172	554,878
<u>2,763,873</u>	<u>2,701,011</u>	<u>3,355,767</u>	<u>2,630,206</u>	<u>4,889,440</u>	<u>4,010,560</u>
29,076,278	29,233,193	28,969,039	30,422,385	29,091,216	27,671,169
5,924,292	4,997,522	4,164,356	3,464,204	3,455,931	3,521,249
2,029,645	1,900,885	1,813,626	1,804,528	1,793,541	1,783,288
6,956,699	6,124,671	5,854,472	5,428,757	5,083,835	4,899,259
1,165,046	1,160,589	1,158,115	1,152,575	1,075,651	989,377
439,271	523,535	497,363	511,042	495,842	466,160
N/A	N/A	N/A	N/A	N/A	159,099
48,898	49,937	58,187	68,411	43,763	51,811
210,811	21,201	6,669	5,509	358,200	503,454
402,608	590,867	1,105,412	191,400	990,230	49,844
<u>46,253,548</u>	<u>44,602,400</u>	<u>43,627,239</u>	<u>43,048,811</u>	<u>42,388,209</u>	<u>40,094,710</u>
<u>\$ 49,017,421</u>	<u>\$ 47,303,411</u>	<u>\$ 46,983,006</u>	<u>\$ 45,679,017</u>	<u>\$ 47,277,649</u>	<u>\$ 44,105,270</u>
\$ (7,733,057)	\$ (19,151,753)	\$ (16,550,882)	\$ (15,833,772)	\$ (12,217,531)	\$ (12,555,254)
1,013,537	(2,103,572)	(1,061,964)	1,286,151	2,931,211	1,409,696
<u>\$ (6,719,520)</u>	<u>\$ (21,255,325)</u>	<u>\$ (17,612,846)</u>	<u>\$ (14,547,621)</u>	<u>\$ (9,286,320)</u>	<u>\$ (11,145,558)</u>

(Continued)

CITY OF PIQUA, OHIO

**CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)**

	2023	2022	2021	2020
General revenues and other changes in net position				
Governmental activities				
Property taxes	\$ 1,615,018	\$ 1,526,422	\$ 1,314,466	\$ 1,295,579
State Shared taxes	2,434,792	2,470,231	2,516,732	2,171,950
Income tax	15,313,720	14,773,823	13,072,163	11,755,500
Locally levied taxes	1,067,527	1,112,678	1,136,626	1,085,668
Investment earnings	1,032,584	111,778	106,554	277,750
Miscellaneous		43,038	316,634	9,199
Transfers	(100,000)	(235,141)	(57,000)	(305,685)
Total governmental activities general revenues and other changes in net position	21,363,641	19,802,829	18,406,175	16,289,961
Business-type Activities				
Investment earnings	807,765	138,420	142,543	401,570
Gain on sale of capital assets	627,054			-
Transfers	100,000	235,141	57,000	305,685
Total business-type activities general revenues and other changes in net position	1,534,819	373,561	199,543	707,255
Total primary government general revenues and other changes in net position	22,898,460	20,176,390	18,605,718	16,997,216
Change in net position				
Governmental activities	3,195,108	4,217,712	3,598,025	2,676,725
Business-type activities	3,431,281	2,408,245	7,789,571	2,564,015
Total primary government activities	<u>\$ 6,626,389</u>	<u>\$ 6,625,957</u>	<u>\$ 11,387,596</u>	<u>\$ 5,240,740</u>

Source: City of Piqua Finance Department

(Continued)

2017 Expenses restated to reflect accounting changes of GASB 75

Fort Piqua Plaza enterprise began in October 2008 and reclassified to governmental fund for 2015

2014 Expenses restated to reflect accounting changes of GASB 68

Table 2

2019	2018	2017	2016	2015	2014
\$ 1,193,452	\$ 1,040,325	\$ 1,364,162	\$ 1,162,485	\$ 1,182,995	\$ 1,169,263
2,330,911	1,899,626	1,868,113	1,804,731	1,918,725	1,856,432
11,214,549	10,619,123	10,759,830	11,264,355	10,661,411	8,285,580
1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000
273,094	96,378	68,597	41,225	15,342	71,303
7,209	73,459	48,587	7,388	9,451	23,812
(160,000)	(280,000)	(330,000)	(395,656)	(450,524)	(505,544)
16,036,865	14,636,970	14,952,842	15,090,085	14,542,757	12,112,846
531,217	55,811	59,986	48,022	35,933	48,158
-	-	-	-	-	(2,587,176)
160,000	280,000	330,000	395,656	450,524	505,544
691,217	335,811	389,986	443,678	486,457	(2,033,474)
16,728,082	14,972,781	15,342,828	15,533,763	15,029,214	10,079,372
16,036,865	(4,514,783)	(1,598,040)	(743,687)	2,325,226	(442,408)
691,217	(1,767,761)	(671,978)	1,729,829	3,417,668	(623,778)
<u>\$ 16,728,082</u>	<u>\$ (6,282,544)</u>	<u>\$ (2,270,018)</u>	<u>\$ 986,142</u>	<u>\$ 5,742,894</u>	<u>\$ (1,066,186)</u>

(Concluded)

CITY OF PIQUA, OHIO

GOVERNMENTAL FUND BALANCES LAST TEN YEARS (modified accrual basis of accounting)

	2023	2022	2021	2020
General Fund				
Nonspendable	\$ 4,488	\$ 2,596	\$ 8,991	\$ 5,667
Restricted	1,231	11,132	10,560	9,816
Assigned	2,459,683	7,875,113	5,661,202	4,166,562
Unassigned	13,340,143	5,912,856	7,817,022	8,183,367
Total General Fund	<u>15,805,545</u>	<u>13,801,697</u>	<u>13,497,775</u>	<u>12,365,412</u>
Street Maintenance Fund				
Restricted	7,861,889	6,551,770	5,081,790	3,817,743
Total Street Maintenance Fund	<u>7,861,889</u>	<u>6,551,770</u>	<u>5,081,790</u>	<u>3,817,743</u>
Lock 9 Park Improvements				
Unassigned	(702,423)	N/A	N/A	N/A
Total Lock 9 Park Improvements Fund	<u>(702,423)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Other Governmental Funds				
Nonspendable				-
Restricted	8,377,278	1,694,154	873,589	769,811
Assigned				-
Unassigned reported in:				
Community Development	-	(124,464)	(164,778)	(164,778)
Total Other Governmental Funds	<u>8,377,278</u>	<u>1,569,690</u>	<u>708,811</u>	<u>605,033</u>
Governmental Funds				
Nonspendable	4,488	2,596	8,991	5,667
Restricted	16,240,398	13,650,991	11,534,821	9,721,425
Assigned	2,459,683	7,875,113	5,661,202	4,166,562
Unassigned	12,637,720	5,788,392	7,652,244	8,018,589
Total Governmental Funds	<u>\$ 31,342,289</u>	<u>\$ 27,317,092</u>	<u>\$ 24,857,258</u>	<u>\$ 21,912,243</u>

Source: City of Piqua Finance Department

(1) Fund balance categories were reclassified to be consistent with current year financial statement presentation

In 2014 the decrease in Nonspendable fund balance is related to the acquisition of the Historic Fort Piqua Plaza in satisfaction of an Economic Development loan.

In 2023, there is a change in major funds to add Lock 9 Park Improvements

Table 3

2019	2018	2017	2016	2015	2014
\$ 5,824	\$ 3,160	\$ 2,757	\$ 10,201	\$ 7,520	\$ 5,107
9,251	8,606	7,781	30,064	78,261	5,632
4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,348,931
5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,401,836
<u>10,186,248</u>	<u>10,642,106</u>	<u>11,058,521</u>	<u>12,078,847</u>	<u>11,288,219</u>	<u>10,761,506</u>
2,752,437	2,824,751	4,256,646	4,388,455	4,236,738	4,258,402
<u>2,752,437</u>	<u>2,824,751</u>	<u>4,256,646</u>	<u>4,388,455</u>	<u>4,236,738</u>	<u>4,258,402</u>
N/A	1 N/A	N/A	N/A	N/A	N/A
<u>N/A</u>	<u>1 N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
-	-	-	7,149	5,611	7,149
751,030	702,159	714,110	257,387	214,127	185,519
-	-	-	-	-	3,450
-	-	-	-	-	(1,448)
<u>751,030</u>	<u>702,159</u>	<u>714,110</u>	<u>264,536</u>	<u>219,738</u>	<u>194,670</u>
5,824	3,160	2,757	17,350	13,131	12,256
7,787,576	6,962,675	8,173,655	7,639,089	6,745,304	6,758,190
4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,352,381
5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,400,388
<u>\$ 17,964,573</u>	<u>\$ 17,596,175</u>	<u>\$ 19,224,395</u>	<u>\$ 19,695,021</u>	<u>\$ 17,960,873</u>	<u>\$ 17,523,215</u>

CITY OF PIQUA, OHIO

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS LAST TEN YEARS (modified accrual basis of accounting)

	2023	2022	2021	2020
REVENUES				
Municipal income tax	\$ 15,413,720	\$ 14,287,823	\$ 12,920,163	\$ 11,583,500
Property taxes	1,670,874	1,421,215	1,314,466	1,295,579
State shared revenues	2,416,767	2,383,551	2,359,723	2,230,462
Locally levied taxes	1,067,527	1,112,678	1,136,626	1,085,668
Licenses and permits, fees	1,282,540	1,498,449	1,031,886	1,353,556
Grants: capital	752,054	33,433	114,848	1,056,209
Grants: operating	2,685,276	385,220	281,002	2,163,362
Investment income	865,300	103,283	12,910	56,005
Increase (decrease) in fair market value of investments	-	-	-	-
Donations: capital		34,294	6,246	277,000
Donations: operating	4,500	25,642	21,633	15,201
Other fines, rents, and reimbursements	954,366	1,022,501	464,403	825,442
Total revenues	<u>27,112,924</u>	<u>22,308,089</u>	<u>19,663,906</u>	<u>21,941,984</u>
EXPENDITURES				
General government administration	2,841,799	2,662,215	1,850,395	1,680,917
Public safety	11,183,252	10,321,251	9,700,634	9,577,850
Public health	65,053	23,918	361,196	518,328
Street repairs and maintenance	3,824,280	3,097,316	2,948,852	2,743,313
Parks and recreation	1,256,807	892,961	585,233	492,402
Fort Piqua Plaza	239,162	237,785	248,768	196,686
Community planning and development	1,221,529	166,601	247,240	185,208
Other	52,837	52,580	52,257	52,511
Capital costs	4,660,908	2,340,269	1,057,427	2,274,157
Debt service:				
Principal	22,705	2,918	-	-
Interest	24,980	800	-	-
Total expenditures	<u>25,393,312</u>	<u>19,798,614</u>	<u>17,052,002</u>	<u>17,721,372</u>
Excess (deficiency) of revenues over expenditures	1,719,612	2,509,475	2,611,904	4,220,612
OTHER FINANCING SOURCES (USES):				
Issuance of debt	2,365,000	104,360		-
Disposal of capital assets	40,585	81,140	390,111	32,743
Transfers in	1,102,000	675,000	126,829	204,984
Transfers out	(1,202,000)	(910,141)	(183,829)	(510,669)
Total other financing sources (uses)	<u>2,305,585</u>	<u>(49,641)</u>	<u>333,111</u>	<u>(272,942)</u>
Special Item				-
Net change in fund balances	<u>\$ 4,025,197</u>	<u>\$ 2,459,834</u>	<u>\$ 2,945,015</u>	<u>\$ 3,947,670</u>
Debt service as a percentage of Noncapital expenditures	0.2%	0.0%	0.0%	0.0%

Source: City of Piqua Finance Department

The Special Item listed in 2014 is the acquisition of the historic Fort Piqua Plaza as satisfaction of an economic development loan. This is a non-cash capital item.

In 2023, Non-Tax Revenue Bonds were issued to fund the Scott Dr Redevelopment Project

Table 4

	2019	2018	2017	2016	2015	2014
\$	11,214,549	\$ 10,791,675	\$ 10,590,978	\$ 11,251,855	\$ 10,582,711	\$ 8,551,480
	1,193,452	1,040,325	1,364,162	1,162,485	1,182,995	1,169,263
	2,111,566	1,854,309	1,809,665	1,811,265	1,853,031	1,858,968
	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000
	1,296,854	1,327,660	1,286,542	1,373,768	1,453,671	1,301,751
	570,803	379,030	211,429	-	1,581,327	506,853
	353,314	517,120	1,275,995	662,542	1,171,623	1,934,290
	142,262	101,309	62,516	35,397	11,256	64,231
	-	-	-	-	-	(828)
	15,453	14,200	29,799	9,400	3,845	48,025
	15,593	5,173	26,602	21,632	83,025	26,156
	498,170	468,557	537,257	505,668	596,378	241,036
	<u>18,589,666</u>	<u>17,687,417</u>	<u>18,368,498</u>	<u>18,039,569</u>	<u>19,725,219</u>	<u>16,913,225</u>
	1,707,525	1,754,242	2,147,495	1,739,069	1,359,621	1,283,002
	9,485,939	9,241,719	8,807,186	8,427,986	8,710,369	8,011,087
	388,808	395,332	378,023	348,398	456,785	416,363
	3,377,574	4,296,138	3,654,565	2,935,709	3,658,698	4,181,086
	649,815	543,766	669,698	548,060	459,446	451,705
	259,908	321,173	232,502	279,131	266,357	N/A
	422,540	647,537	750,413	614,939	432,922	324,512
	52,602	52,601	53,162	53,313	58,618	74,565
	1,749,307	1,939,377	2,068,619	743,793	3,191,637	1,276,685
	-	130,593	212,410	207,499	362,731	504,209
	-	3,309	10,394	17,218	27,614	51,524
	<u>18,094,018</u>	<u>19,325,787</u>	<u>18,984,467</u>	<u>15,915,115</u>	<u>18,984,798</u>	<u>16,574,738</u>
	495,648	(1,638,370)	(615,969)	2,124,454	740,421	338,487
	-	-	-	-	165,000	-
	32,750	290,150	48,587	20,548	18,800	61,575
	279,553	160,348	222,804	224,717	221,316	458,288
	(439,553)	(440,348)	(552,804)	(620,373)	(671,840)	(963,832)
	<u>(127,250)</u>	<u>10,150</u>	<u>(281,413)</u>	<u>(375,108)</u>	<u>(266,724)</u>	<u>(443,969)</u>
	-	-	-	-	-	(9,793,197)
\$	<u><u>368,398</u></u>	<u><u>\$ (1,628,220)</u></u>	<u><u>\$ (897,382)</u></u>	<u><u>\$ 1,749,346</u></u>	<u><u>\$ 473,697</u></u>	<u><u>\$ (9,898,679)</u></u>
	0.0%	0.8%	1.3%	1.5%	2.5%	3.6%

CITY OF PIQUA, OHIO

Table 5

**INCOME TAX REVENUE COLLECTIONS BY TYPE
LAST TEN YEARS
(cash basis)**

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2023	2.00%	\$ 15,079,138	\$ 10,391,327	69%	\$ 3,455,481	23%	\$ 1,232,330	8%
2022	2.00%	\$ 13,090,850	\$ 9,456,081	72%	\$ 2,697,344	21%	\$ 937,425	7%
2021	2.00%	\$ 12,911,360	\$ 9,444,117	73%	\$ 2,414,147	19%	\$ 1,053,096	8%
2020	2.00%	\$ 11,405,570	\$ 8,726,601	77%	\$ 1,728,852	15%	\$ 950,117	8%
2019	2.00%	\$ 11,178,134	\$ 8,659,488	77%	\$ 1,559,603	14%	\$ 959,043	9%
2018	2.00%	\$ 10,939,008	\$ 8,635,130	79%	\$ 1,404,473	13%	\$ 899,405	8%
2017	2.00%	\$ 10,641,381	\$ 8,394,119	79%	\$ 1,332,243	12%	\$ 915,019	9%
2016	2.00%	\$ 11,369,695	\$ 8,459,869	74%	\$ 1,851,795	16%	\$ 1,058,031	9%
2015	2.00%	\$ 10,320,670	\$ 8,153,149	79%	\$ 1,447,122	14%	\$ 720,399	7%
2014	1.75%	\$ 8,520,480	\$ 6,933,846	81%	\$ 945,168	11%	\$ 641,466	8%

Source: City of Piqua Income Tax Department

**INCOME TAX COLLECTIONS BY INCOME RANGE
LAST EIGHT YEARS**

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2022	0-20,000	953	25.86%	8,539,561	4.63%
2022	20,001-40,000	751	20.38%	23,566,751	12.79%
2022	40,001-60,000	844	22.90%	41,642,767	22.60%
2022	60,001-80,000	500	13.57%	34,487,500	18.71%
2022	80,001-100,000	270	7.33%	24,076,347	13.06%
2022	over 100,000	367	9.96%	51,969,763	28.20%
	Total	<u>3,685</u>		<u>184,282,689</u>	
2021	0-20,000	4,426	120.11%	17,132,134	9.30%
2021	20,001-40,000	1,501	40.73%	45,594,018	24.74%
2021	40,001-60,000	1,206	32.73%	59,059,609	32.05%
2021	60,001-80,000	663	17.99%	45,945,810	24.93%
2021	80,001-100,000	369	10.01%	32,849,618	17.83%
2021	over 100,000	665	18.05%	189,824,335	103.01%
	Total	<u>8,830</u>		<u>390,405,523</u>	
2020	0-20,000	4,971	46.60%	25,950,623	5.88%
2020	20,001-40,000	2,123	19.90%	63,685,300	14.42%
2020	40,001-60,000	1,521	14.26%	74,883,478	16.96%
2020	60,001-80,000	830	7.78%	57,237,037	12.96%
2020	80,001-100,000	449	4.21%	39,960,109	9.05%
2020	over 100,000	774	7.26%	179,875,279	40.73%
	Total	<u>10,668</u>		<u>441,591,825</u>	
2019	0-20,000	3,918	36.73%	20,742,976	4.70%
2019	20,001-40,000	1,840	17.25%	55,526,862	12.57%
2019	40,001-60,000	1,239	11.61%	60,785,798	13.77%
2019	60,001-80,000	705	6.61%	48,789,251	11.05%
2019	80,001-100,000	432	4.05%	38,418,671	8.70%
2019	over 100,000	738	6.92%	180,631,409	40.90%
	Total	<u>8,872</u>		<u>404,894,967</u>	
2018	0-20,000	4,960	47.65%	26,510,188	6.33%
2018	20,001-40,000	2,151	20.66%	64,543,865	15.40%
2018	40,001-60,000	1,373	13.19%	67,386,815	16.08%
2018	60,001-80,000	752	7.22%	52,172,189	12.45%
2018	80,001-100,000	448	4.30%	39,981,717	9.54%
2018	over 100,000	726	6.97%	168,514,248	40.21%
	Total	<u>10,410</u>		<u>419,109,022</u>	
2017	0-20,000	5,253	48.27%	30,724,638	7.48%
2017	20,001-40,000	2,323	21.35%	69,746,970	16.99%
2017	40,001-60,000	1,465	13.46%	71,479,632	17.41%
2017	60,001-80,000	717	6.59%	49,754,539	12.12%
2017	80,001-100,000	455	4.18%	40,694,553	9.91%
2017	over 100,000	670	6.16%	148,098,840	36.08%
	Total	<u>10,883</u>		<u>410,499,172</u>	
2016	0-20,000	4,935	47.67%	28,221,917	6.97%
2016	20,001-40,000	2,251	21.74%	66,841,193	16.50%
2016	40,001-60,000	1,372	13.25%	66,767,207	16.48%
2016	60,001-80,000	693	6.69%	48,192,133	11.90%
2016	80,001-100,000	451	4.36%	40,272,375	9.94%
2016	over 100,000	650	6.28%	154,815,727	38.22%
	Total	<u>10,352</u>		<u>405,110,552</u>	
2015	0-20,000	5,332	48.97%	31,670,500	7.61%
2015	20,001-40,000	2,402	22.06%	71,150,640	17.09%
2015	40,001-60,000	1,380	12.67%	67,292,620	16.17%
2015	60,001-80,000	717	6.58%	49,506,161	11.89%
2015	80,001-100,000	436	4.00%	38,737,203	9.31%
2015	over 100,000	622	5.71%	157,853,167	37.93%
	Total	<u>10,889</u>		<u>416,210,291</u>	

Source: City of Piqua, Ohio Income Tax Department-certain amounts may be estimates-years are tax years.

**AD VALOREM-- PROPERTY TAX LEVIES,
COLLECTIONS, REAL AND UTILITY ASSESSED VALUES
LAST TEN YEARS**

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy ¹	Delinquent Collections ²	Total Collections	Total Collection as Percent of Total Levy	Total Assessed Value	Esitmated Total Property Value of City
2022/2023	4.45	1,912,715	1,862,779	97.39	89,581	1,952,360	102.07	402,705,180	1,150,586,229
2021/2022	4.46	1,588,635	1,542,688	97.11	41,613	1,584,301	99.73	397,710,020	1,136,314,343
2020/2021	4.47	1,551,390	1,504,834	97.00	38,280	1,543,114	99.47	331,718,740	947,767,829
2019/2020	4.47	1,528,027	1,476,091	96.60	42,877	1,518,968	99.41	324,710,950	927,745,571
2018/2019	4.48	1,374,777	1,080,289	78.58	43,694	1,123,983	81.76	320,745,110	916,414,600
2017/2018	4.50	1,372,763	1,336,908	97.39	45,345	1,382,253	100.69	293,842,590	839,550,257
2016/2017	4.56	1,383,708	1,347,620	97.39	47,731	1,395,351	100.84	292,034,170	834,383,343
2015/2016	4.56	1,317,553	1,274,395	96.72	54,421	1,328,816	100.85	290,202,680	829,150,514
2014/2015	4.49	1,317,904	1,271,879	96.51	52,815	1,324,694	100.52	289,330,550	826,658,714
2013/2014	4.47	1,307,640	1,263,375	96.61	48,720	1,312,095	100.34	285,104,680	814,584,800

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

CITY OF PIQUA, OHIO

RATIO OF OUTSTANDING DEBT BY TYPE AND RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN YEARS

	2023	2022	2021	2020
Governmental activities				
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Special assessment bonds	-	-	-	-
Pension refunding bonds	-	-	-	-
Nontax revenue bonds	2,365,000	-	-	-
Promissory Notes	-	-	-	-
Total gross governmental activities indebtedness	<u>2,365,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business type activities				
General obligation bonds	-	-	-	-
Promissory Notes	<u>90,612,640</u>	<u>94,115,814</u>	<u>97,277,618</u>	<u>99,714,507</u>
Total gross business-type activities indebtedness	<u>90,612,640</u>	<u>94,115,814</u>	<u>97,277,618</u>	<u>99,714,507</u>
Total gross primary government indebtedness	92,977,640	94,115,814	97,277,618	99,714,507
Percent of personal income	15.80%	17.42%	19.73%	20.90%
Per capita	\$ 4,481	\$ 4,624	\$ 4,779	\$ 4,852
Less debt outside limitations:				
Less debt service fund balance	-	-	-	-
Exempt self-supporting obligation debt:				
Pension refunding bonds	-	-	-	-
Exempt self-supporting non-tax revenue bonds	2,365,000	-	-	-
Special assesment bonds	-	-	-	-
Exempt self-supporting notes	<u>90,612,640</u>	<u>94,115,814</u>	<u>97,277,618</u>	<u>99,714,507</u>
Net debt within limitation for both				
Voted and Unvoted debt	-	-	-	-
Percent of estimated actual property value	0.00%	0.00%	0.00%	0.00%
Per capita	\$ -	\$ -	\$ -	\$ -
Debt limitation for both voted and unvoted debt				
10.5% of assessed valuaion	<u>42,284,044</u>	<u>41,759,552</u>	<u>34,830,468</u>	<u>34,094,650</u>
Legal debt margin for voted and unvoted debt	<u>42,284,044</u>	<u>41,759,552</u>	<u>34,830,468</u>	<u>34,094,650</u>
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%
Net debt within limitation for both voted and unvoted limitation	-	-	-	-
Less voted debt	-	-	-	-
Net debt with limitation for unvoted debt	-	-	-	-
Debt limitation for Unvoted debt				
5.5% of assessed valuation	<u>22,148,785</u>	<u>21,874,051</u>	<u>18,244,531</u>	<u>17,859,102</u>
Legal debt margin for unvoted debt	<u>22,148,785</u>	<u>21,874,051</u>	<u>18,244,531</u>	<u>17,859,102</u>
Net debt within limitation for unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Source: City of Piqua Finance Department

Table 8

2019	2018	2017	2016	2015	2014
\$ -	\$ -	\$ 45,000	\$ 90,000	\$ 135,000	\$ 175,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	85,593	253,003	415,502	573,233
-	-	130,593	343,003	550,502	748,233
-	-	170,000	335,000	490,000	640,000
95,636,685	75,762,027	59,820,420	48,036,282	17,696,918	6,342,747
95,636,685	75,762,027	59,990,420	48,371,282	18,186,918	6,982,747
95,636,685	75,762,027	60,121,013	48,714,285	18,737,420	7,730,980
20.92%	17.02%	14.14%	12.08%	4.64%	1.94%
\$ 4,653	\$ 3,686	\$ 2,898	\$ 2,370	\$ 912	\$ 376
-	-	28,935	54,493	54,080	54,023
-	-	170,000	335,000	490,000	640,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
95,636,685	75,762,027	59,906,013	48,289,285	18,112,420	6,915,980
-	-	16,065	35,507	80,920	120,977
0.00%	0.00%	0.01%	0.01%	0.03%	0.04%
\$ -	\$ -	\$ 1	\$ 2	\$ 4	\$ 6
33,678,237	30,853,472	30,663,588	30,471,281	30,379,708	29,935,991
33,678,237	30,853,472	30,647,523	30,435,774	30,298,788	29,815,014
0.00%	0.00%	0.05%	0.12%	0.27%	0.40%
-	-	16,065	35,507	80,920	120,977
-	-	-	-	-	-
-	-	16,065	35,507	80,920	120,977
17,640,981	16,161,342	16,061,879	15,961,147	15,913,180	15,680,757
17,640,981	16,161,342	16,045,814	15,925,640	15,832,260	15,559,780
0.00%	0.00%	0.10%	0.22%	0.51%	0.77%

CITY OF PIQUA, OHIO

Table 9

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2023**

	Total Debt Outstanding	Percent Applicable to City (1)	Amount Applicable To City of Piqua
Direct*			
City of Piqua			
Nontax Revenue Bonds '23	\$2,365,000	100.00%	\$ 2,365,000
Leases	97,976	100.00	97,976
Subscription Based Information Technology Agreements	120,423	100.00	120,423
Total Direct Debt	<u>2,462,976</u>	100.00	<u>2,462,976</u>
Overlapping**			
Piqua School District	28,371,050	77.32	21,936,496
Upper Valley Joint Vocational School	480,000	12.08	57,984
Miami County	15,455,220	10.60	1,638,253
Total Overlapping Debt	<u>44,306,270</u>		<u>23,632,733</u>
 Total Direct and Overlapping Debt	 <u>\$ 46,769,246</u>		 <u>\$ 26,095,709</u>

Source:

Direct* City of Piqua Finance Department

Overlapping** Piqua School District Treasurer

Upper Valley JVS Treasurer

Miami County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2023 collection year.

CITY OF PIQUA, OHIO

Table 10

**DEBT COVERAGE
BUSINESS TYPE ACTIVITIES
LAST TEN YEARS**

	2023	2022	2021	2020
Power				
Gross revenues	\$ 30,817,631	\$ 30,139,981	\$ 28,344,938	\$ 27,466,239
Direct operating expenses	27,738,629	30,878,192	28,679,012	26,576,086
Net revenue available for debt service	3,079,002	(738,211)	(334,074)	890,153
General obligation debt service requirements	-	-	-	-
Debt service coverage				
Wastewater				
Gross revenues	\$ 6,858,835	\$ 6,649,257	\$ 6,665,622	\$ 6,761,662
Direct operating expenses	2,889,102	2,611,492	2,575,125	2,668,110
Net revenue available for debt service	3,969,733	4,037,765	4,090,497	4,093,552
Revenue obligation debt service requirements	\$ 2,527,437	\$ 2,312,774	\$ 2,667,348	\$ 1,478,342
Debt service coverage	157	175	153	277
Water				
Gross revenues	\$ 7,496,452	\$ 7,218,733	\$ 7,203,570	\$ 7,344,123
Direct operating expenses	3,740,340	3,444,467	3,552,876	3,557,997
Net revenue available for debt service	3,756,112	3,774,266	3,650,694	3,786,126
Revenue obligation debt service requirements	\$ 184,125	\$ 184,125	\$ 184,125	\$ 184,125
Debt service coverage	141	142	137	142
Golf				
Gross revenues	\$ 916,207	\$ 583,986	\$ 595,733	\$ 548,616
Direct operating expenses	905,985	650,766	644,335	557,084
Net revenue available for debt service	10,222	(66,780)	(48,602)	(8,468)
General obligation debt service requirements	\$ -	\$ -	\$ -	\$ -
Debt service coverage	-	-	-	-
Pool				
Gross revenues	\$ -	\$ -	\$ -	\$ -
Direct operating expenses	-	34,964	21,885	42,504
Net revenue available for debt service	-	(34,964)	(21,885)	(42,504)
General obligation debt service requirements	\$ -	\$ -	\$ -	\$ -
Debt service coverage	-	-	-	-

Gross revenues include operating revenue, interest income, and non operating income

Direct operating expenses exclude depreciation

Annual debt service requirement includes principal and interest

2020 revenue for debt service requirement restated to reflect actual payment made

Source: City of Piqua Finance Department

2019	2018	2017	2016	2015	2014
\$ 28,806,878	\$ 29,180,996	\$ 28,752,216	\$ 29,802,701	\$ 28,895,667	\$ 27,517,575
26,796,539	29,823,761	29,226,575	28,770,053	26,046,726	25,651,134
<u>2,010,339</u>	<u>(642,765)</u>	<u>(474,359)</u>	<u>1,032,648</u>	<u>2,848,941</u>	<u>1,866,441</u>
-	-	-	-	-	-
\$ 5,965,561	\$ 5,009,247	\$ 4,173,950	\$ 3,467,072	\$ 3,456,311	\$ 3,523,315
3,155,915	3,156,659	3,375,483	2,550,375	2,314,015	2,368,548
<u>2,809,646</u>	<u>1,852,588</u>	<u>798,467</u>	<u>916,697</u>	<u>1,142,296</u>	<u>1,154,767</u>
\$ 289,374	\$ 288,318	\$ 851,114	\$ 277,414	\$ 303,392	\$ 816,705
971	643	94	330	377	141
\$ 6,874,489	\$ 6,313,513	\$ 5,808,941	\$ 5,370,861	\$ 5,005,088	\$ 4,816,137
3,966,090	4,197,775	4,172,547	3,260,811	3,633,537	2,960,630
<u>2,908,399</u>	<u>2,115,738</u>	<u>1,636,394</u>	<u>2,110,050</u>	<u>1,371,551</u>	<u>1,855,507</u>
\$ 184,125	\$ 184,125	\$ 92,062	\$ 72,329	\$ 142,230	\$ 142,397
109	84	131	2,917	964	940
\$ 452,151	\$ 478,493	\$ 490,834	\$ 510,338	\$ 500,323	\$ 461,682
644,259	611,495	581,867	589,105	525,745	461,547
<u>(192,108)</u>	<u>(133,002)</u>	<u>(91,033)</u>	<u>(78,767)</u>	<u>(25,422)</u>	<u>135</u>
\$ 167,647	\$ 169,213	\$ 165,643	\$ 167,190	\$ 179,039	\$ 179,249
(115)	(79)	(55)	(47)	(14)	-
\$ 48,879	\$ 49,934	\$ 58,103	\$ 67,441	\$ 43,144	\$ 51,661
129,087	137,522	144,981	155,764	116,130	124,512
<u>(80,208)</u>	<u>(87,588)</u>	<u>(86,878)</u>	<u>(88,323)</u>	<u>(72,986)</u>	<u>(72,851)</u>
\$ -	\$ 8,453	\$ 8,532	\$ 8,352	\$ 8,430	\$ 9,028
-	(1,036)	(1,018)	(1,058)	(866)	(807)

CITY OF PIQUA, OHIO

Table 11

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2023**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Piqua City Schools	Public school district	545	4.6%
Hartzell Propeller Inc	Manufacturer of aircraft propellers	462	3.9%
Walmart Stores Inc.	Retail store	438	3.7%
Edison Community College	State community college	355	3.0%
Evenflo Company Inc.	Manufacturer of juvenile furniture	311	2.6%
Crane Pumps Systems PFT	Manufacturer of industrial water pumps	292	2.5%
Onesource Employee Mgmt LLC.	Professional Employer Organization	287	2.4%
Industry Products	Manufacturer of die cutting equipment	271	2.3%
Hartzell Fan Inc.	Manufacturer of fans and blowers	257	2.2%
United Parcel Service	Parcel delivery servicer	243	2.0%
	Total available employment	11,883	

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2014**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Industry Products	Manufacturer of die cutting equipment	351	3.0%
Walmart Stores Inc.	Retail store	345	2.9%
Piqua City Schools	Public school district	318	2.7%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.4%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.3%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	260	2.2%
City of Piqua	Municipal government	227	1.9%
Westcon Industries	General Contractor	225	1.9%
Upper Valley JVS	Regional joint vocational school	213	1.8%
Nitto Denko Automotive Ohio	Manufacturer of automotive gaskets	208	1.8%
	Total available employment	10,432	

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CITY OF PIQUA, OHIO

PRINCIPAL PROPERTY TAXPAYERS DECEMBER 31, 2023 LAST EIGHT YEARS

Name of Taxpayer	Nature of Business	2023 Assessed Valuation	Percent of Total Assessed Valuation	2022 Assessed Valuation	2021 Assessed Valuation	2020 Assessed Valuation
Vectren Energy Delivery	Utility of natural gas	\$ 5,920,400	1.47%	\$ 5,517,210	\$ 5,080,710	\$ 4,550,590
HCF Inc.	Nursing home	\$ 4,841,290	1.20%	\$ 4,841,290	\$ 4,308,760	\$ 3,769,590
Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,572,850	0.89%	\$ 3,572,850	\$ 3,572,850	\$ 3,572,850
Polysource LLC	Plastic Fabrication Company	\$ 3,271,430	0.81%	\$ 3,271,430	\$ 1,795,800	\$ 1,795,800
Harvey Co LLC	Shopping mall	\$ 2,960,450	0.74%	\$ 2,960,450	\$ 2,960,450	\$ 2,960,450
Walmart Stores Inc.	Retailer of consumer goods	\$ 2,537,500	0.63%	\$ 2,537,500	\$ 2,537,500	\$ 2,537,500
Miami Valley Realty LLC	Manufacturer of split rolled steel	\$ 2,227,800	0.55%	\$ 2,227,800	\$ 2,227,800	\$ 2,227,800
Hartzell Propeller Inc	Manufacturer of aircraft propellers	\$ 1,961,250	0.49%	\$ 1,961,250	\$ 2,026,210	\$ 2,026,210
Upper Valley Medical Center	Medical Clinics and Offices	\$ 1,926,830	0.48%	\$ 1,969,010	\$ 1,969,010	\$ 1,878,190
MDV Piqua LLC	Manufacturer and Assembly	\$ 1,918,460	0.48%	\$ 1,969,010	\$ 1,969,010	\$ 1,878,190
TOTAL		\$ 31,138,260	7.74%	\$ 31,799,000	\$ 29,419,300	\$ 25,318,980
TOTAL ASSESSED VALUATION		\$ 402,705,180		\$ 397,710,020	\$ 331,718,740	\$ 324,710,950

Source: Miami County Auditor's Office

Table 12

<u>2019 Assessed Valuation</u>	<u>2018 Assessed Valuation</u>	<u>2017 Assessed Valuation</u>	<u>2016 Assessed Valuation</u>
\$ 4,086,000	\$ 3,564,020	\$ 2,857,850	\$ 2,511,360
\$ 2,814,890	\$ 2,767,230	\$ 2,747,130	\$ 2,644,620
\$ 3,572,850	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650
\$ 1,795,800	\$ 1,795,800	\$ 1,795,800	\$ 1,795,800
\$ 2,960,450	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520
\$ 2,537,500	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200
\$ 2,227,800	\$ 2,258,410	\$ 2,258,410	\$ 2,259,160
\$ 2,026,210	\$ 2,026,210	\$ 2,026,210	\$ 2,026,210
\$ 1,878,190	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190
\$ 1,878,190	\$ 1,878,190	\$ 1,878,190	\$ 1,878,190
<u>\$ 23,899,690</u>	<u>\$ 24,224,230</u>	<u>\$ 23,497,960</u>	<u>\$ 23,049,710</u>
<u>\$ 320,745,110</u>	<u>\$ 293,842,590</u>	<u>\$ 292,034,170</u>	<u>\$ 290,202,680</u>

**DEMOGRAPHIC AND
ECONOMIC STATISTICS
LAST TEN YEARS**

Year	Population ¹	Estimated Total Personal Income of City ²	Per capita Personal Income ²	Miami County Unemployment rate ³	Household Median Income ²	Avg Sale Price for a Single Family Home ⁴
2023	20,747	\$ 588,550,896	\$ 28,368	3.2%	\$ 55,379	\$ 164,694
2022	20,354	\$ 540,195,160	\$ 26,540	3.4%	\$ 49,967	\$ 115,508
2021	20,354	\$ 493,157,066	\$ 24,229	4.3%	\$ 45,926	\$ 133,283
2020	20,552	\$ 477,114,680	\$ 23,215	4.3%	\$ 43,061	\$ 117,475
2019	20,552	\$ 457,220,344	\$ 22,247	3.4%	\$ 43,468	\$ 88,700
2018	20,552	\$ 441,025,368	\$ 21,459	4.2%	\$ 43,849	\$ 84,935
2017	20,552	\$ 425,272,986	\$ 20,502	4.2%	\$ 40,101	\$ 88,829
2016	20,552	\$ 403,415,208	\$ 19,629	5.0%	\$ 36,873	\$ 101,083
2015	20,552	\$ 403,805,696	\$ 19,648	4.2%	\$ 37,699	\$ 102,260
2014	20,552	\$ 399,099,288	\$ 19,419	4.2%	\$ 36,260	\$ 101,841

Source:

(1) 2011-2021 United State Census Bureau

(2) American Community Survey

(3) Ohio Department of Jobs and Family Services LMI

(4) Miami County Ohio, Auditors office

**FULL TIME EMPLOYEES BY PROGRAM/DEPARTMENT
LAST TEN YEARS**

<u>PROGRAM</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
GOVERNMENTAL ACTIVITIES										
General Government:										
City Building	-	-	-	-	-	-	-	-	-	-
City Manager	1.50	1.50	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Law Department	-	-	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Planning and Zoning	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Public Relations	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Human Resources	2.50	1.50	1.50	2.00	2.50	2.50	2.00	2.00	2.00	2.00
Finance	13.00	15.00	16.50	18.00	18.50	18.50	20.50	20.50	20.00	20.00
Purchasing	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	3.00	2.50	5.00	5.00	4.50	4.00	4.50	4.00	4.00	4.00
Health	-	-	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Public Safety:										
Police	34.00	36.00	39.00	39.00	39.00	38.00	38.00	39.00	39.00	33.00
Fire	29.00	31.00	33.00	33.00	32.00	34.00	33.00	33.00	34.00	33.00
Streets:	13.00	14.00	14.00	14.00	17.00	16.00	16.00	16.00	16.00	15.00
Parks:	7.00	8.00	4.00	4.00	7.00	7.00	7.00	7.00	7.00	6.50
Community Development:	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00
Total governmental activities	111.00	117.50	126.00	128.50	134.00	133.50	135.50	135.00	134.50	126.00
BUSINESS-TYPE ACTIVITIES										
Power:	21.00	20.50	20.50	20.50	20.50	22.50	25.00	25.00	25.00	26.50
Wastewater:	13.80	12.60	13.90	13.90	15.90	16.90	17.90	17.20	17.20	15.20
Water:	14.30	16.60	18.40	18.40	20.40	19.40	20.40	20.20	20.20	16.70
Stormwater	1.90	3.80	3.70	3.70	4.50	4.20	4.20	4.60	4.60	4.10
Refuse:	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.40
Golf:	-	9.00	6.00	6.00	6.00	8.50	9.50	9.50	9.50	10.00
Pool:	-	-	-	-	12.50	15.50	18.00	18.00	18.00	18.00
Total business-type activities	59.00	70.50	69.50	69.50	86.80	94.00	102.00	101.50	101.50	97.90
Internal Service:										
Information Technology	2.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	172.00	192.00	198.50	201.00	223.80	230.50	240.50	239.50	239.00	226.90

Source: City of Piqua 2023-2014 annual budgets

Method: Using 1.0 for each full-time employee and increments of 0.5 for each part-time employee.
Count taken at December 31.

CITY OF PIQUA , OHIO

**OPERATING INDICATORS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2023	2022	2021	2020
<u>Health Department</u>				
Restaurant inspections	0	0	184	234
Swimming pool inspections	0	0	12	15
<u>Public Works</u>				
Right of way opening permits	124	99	69	51
Subdivision construction plan approvals	0	1	0	0
Area of City (in square miles)	12.40	12.80	11.72	11.87
<u>Street Maintenance</u>				
Miles of streets	111.720	111.160	108.04	108.44
Miles of streets repaved	111.72	0	6.3	9.14
Cubic yards of leaves disposed of	1,038	942	750	515
Tons of salt used	140	900	1,100	300
<u>Parks District</u>				
Number of parks	18	19	19	19
Acreage in parks	215.2	441.8	441.8	441.8
Building rentals Mote Park	0	28	38	4
Building rentals all other parks	45	35	14	0
<u>Fort Piqua Plaza</u>				
Large room rentals	35	67	32	14
Small room rentals	107	135	121	23
<u>Fire Department</u>				
Fire calls	750	630	564	527
Ems Response calls	3,728	3,733	3,834	3,979
Number of Sworn officers	28	32	33	33
Number of Fire houses	1	1	1	1
Number of ambulances and fire response vehicles	15	17	18	18
<u>Police Department</u>				
Calls for service	18,505	19,854	19,721	20,201
Traffic citations	1141	954	858	1,120
Number of sworn officers	32	31	33	35
Number of police response vehicles	29	30	34	34
<u>Planning & Zoning Department</u>				
Zoning Permit applications	129	216	202	336
Commercial construction permits	11	158	14	138
Commercial construction value in (,000)	\$ 3,700	\$ 48,801	\$ 7,567	\$ 27,839
Residential construction permits	123	58	78	90
Residential construction value in (,000)	\$ 2,260	\$ 2,384	\$ 3,899	\$ 3,282
Nuisance consultations	146	117	927	602
Housing/Property maintenance enforcements	219	224	144	100
<u>Power utility</u>				
Residential KWH billed (,000)	84,252	88,346	89,816	87,654
Residential billed revenue (,000)	\$ 10,833	\$ 10,864	\$ 10,354	\$ 10,057
Commercial KWH billed (,000)	84,640	87,167	87,068	81,596
Commercial billed revenue (,000)	\$ 9,160	\$ 8,897	\$ 8,298	\$ 7,928
Industrial KWH billed (,000)	109,396	115,096	116,325	115,392
Industrial billed revenue (,000)	\$ 11,509	\$ 10,100	\$ 9,289	\$ 9,240
Customer base	10,842	10,860	10,915	10,818
Construction line vehicles	23	24	29	28

Table 15

2019	2018	2017	2016	2015	2014
355	411	422	432	465	439
31	30	33	32	38	37
75	58	21	38	43	51
0	1	0	0	0	0
11.87	11.87	11.87	11.8	11.8	11.8
104,216	104,216	104,216	104	104	103
4.3	10.07	6.2	4.7	2.1	5.5
502	1,319	1,265	1,042	876	822
900	1,530	800	1,200	1,500	2,000
19	19	19	19	19	19
441.8	441.8	441.8	441.8	441.8	441.8
100	110	84	178	184	149
107	118	120	115	142	137
56	65	72	71	72	73
51	60	63	78	110	74
633	569	647	583	569	547
4,080	3,838	4,134	3,883	3,945	3,775
33	31	32	32	31	32
1	1	1	1	1	1
18	17	16	16	16	16
21,210	18,156	16,866	16,334	16,386	15,210
986	876	804	781	980	1,309
32	32	35	35	35	31
34	37	35	33	33	31
141	137	170	169	142	152
70	76	89	109	78	84
\$ 28,093	\$ 900	\$ 6,845	\$ 8,281	\$ 6,440	\$ 37,040
71	61	81	60	64	68
\$ 2,206	\$ 1,184	\$ 4,117	\$ 6,646	\$ 3,224	\$ 3,135
531	452	468	388	390	815
159	59	321	439	148	203
88,151	91,249	83,713	87,345	86,239	89,289
\$ 10,135	\$ 10,435	\$ 9,717	\$ 10,061	\$ 9,702	\$ 9,182
89,447	96,303	95,540	94,343	96,455	94,594
\$ 8,544	\$ 9,134	\$ 9,097	\$ 8,998	\$ 8,990	\$ 8,323
122,778	119,397	118,524	128,139	129,607	128,828
\$ 9,814	\$ 9,448	\$ 9,554	\$ 10,339	\$ 10,060	\$ 9,461
10,744	10,756	10,732	10,752	10,752	10,729
28	27	26	28	28	28

(Continued)

CITY OF PIQUA , OHIO

**OPERATING INDICATORS
BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2023	2022	2021	2020
<u>Water utility</u>				
Residential gallons billed (,000)	326,712	304,330	308,758	325,157
Residential billed revenue (,000)	\$ 4,956	\$ 5,017	\$ 5,091	\$ 5,249
Commercial gallons billed (,000)	120,238	115,935	108,760	110,266
Commercial billed revenue (,000)	\$ 1,497	\$ 1,526	\$ 1,480	\$ 1,476
Industrial gallons billed (,000)	44,164	47,089	47,455	47,420
Industrial gallons revenue (,000)	\$ 420	\$ 444	\$ 436	\$ 439
Customer base	8,872	8,824	8,864	8,819
Vehicles in repair fleet	11	11	14	14
<u>Wastewater utility</u>				
Residential gallons billed (,000)	315,217	321,330	328,472	340,141
Residential billed revenue (,000)	\$ 4,964	\$ 5,062	\$ 5,134	\$ 5,218
Commercial gallons billed (,000)	110,705	103,266	99,565	98,146
Commercial billed revenue (,000)	\$ 1,098	\$ 1,030	\$ 1,014	\$ 1,003
Industrial gallons billed (,000)	40,888	44,681	43,047	47,642
Industrial billed revenue (,000)	\$ 439	\$ 464	\$ 452	\$ 487
Customer base	8,603	8,591	8,647	8,603
Vehicles in repair fleet	10	11	11	11
<u>Refuse utility</u>				
Residential customers billed	8,249	8,251	8,129	8,084
Commercial customers billed	153	153	170	163
Residential and commercial revenue billed (,000)	\$ 2,270	\$ 2,230	\$ 2,229	\$ 2,107
Tons of refuse collected	7,598	7,491	8,112	7,969
Tons of recycled refuse collected	1,150	1,181	1,272	1,347
Vehicles in service	10	10	8	8
<u>Stormwater utility</u>				
Residential ERUS billed	7,488	7,512	7,465	7,461
Commercial ERUS billed	5,696	5,726	5,741	5,641
Industrial ERUS billed	1,410	1,410	1,384	1,381
Revenue billed (,000)	\$ 1,225	\$ 1,177	\$ 1,173	\$ 1,164
Vehicles in service	2	2	4	4
<u>Golf Course</u>				
Annual memberships	115	92	227	206
Rounds of golf played	28,491	18,652	18,615	18,618
Revenue collected (,000)	\$ 937	\$ 565	\$ 599	\$ 564
<u>Municipal swimming pool</u>				
Annual memberships	-	-	-	0
Annual attendance	-	-	-	0
Revenue collected (,000)	\$ -	\$ -	\$ -	\$ -
<u>General government information</u>				
Number of street lights	2,961	2,891	2,891	2,957
Number of public libraries	1	1	1	1
Volumes of books in public libraries	93,640	108,816	154,636	157,778
High school enrollment	3,207	3,274	3,367	3,404

Source: City of Piqua

*Health Department Manged by Miami County Beginning 2022

Table 15

	2019	2018	2017	2016	2015	2014
	322,120	329,342	334,650	348,651	344,105	357,623
\$	4,731	\$ 4,362	\$ 3,985	\$ 3,141	\$ 3,490	\$ 3,376
	121,166	120,485	115,273	118,740	117,098	114,766
\$	1,406	\$ 1,306	\$ 1,153	\$ 901	\$ 1,007	\$ 948
	51,942	55,825	62,633	66,655	66,735	63,584
\$	427	\$ 411	\$ 405	\$ 329	\$ 370	\$ 336
	8,747	8,764	8,738	8,785	8,777	8,751
	14	17	17	16	15	15
	348,437	319,743	325,523	338,150	334,474	348,629
\$	4,411	\$ 3,660	\$ 3,018	\$ 2,168	\$ 2,588	\$ 2,636
	106,848	140,616	145,261	142,197	144,337	142,512
\$	896	\$ 797	\$ 659	\$ 468	\$ 560	\$ 567
	58,320	59,884	53,354	56,570	58,723	57,344
\$	462	\$ 393	\$ 302	\$ 225	\$ 271	\$ 267
	8,538	8,554	8,527	8,566	8,553	8,552
	11	11	11	11	11	11
	8,026	8,026	7,988	7,946	7,913	7,898
	162	143	126	130	120	111
\$	1,991	\$ 1,870	\$ 1,784	\$ 1,774	\$ 1,766	\$ 1,757
	7294	7757	7709	7623	7735	7684
	1271	1327	1464	1462	1403	1328
	8	8	8	8	7	7
	7,462	7,458	7,454	7,437	7,462	7,424.00
	5,494	5,488	5,489	5,477	4,599	5,528.00
	1,382	1,381	1,382	1,380	1,419	1,423.00
\$	1,155	\$ 1,152	\$ 1,151	\$ 1,146	\$ 1,068	983.00
	4	4	4	4.00	4.00	4.00
	220	235	225	236	245	242
	14,612	17,216	16,529	17,931	18,057	15,866
\$	452	\$ 478	\$ 497	\$ 511	\$ 500	\$ 461
	253	267	258	285	213	406
	6,717	9,567	7,337	9,195	7,644	7,541
\$	49	\$ 50	\$ 58	\$ 67	\$ 43	\$ 52
	2,957	2,945	2,998	2,993	2,947	2,926
	1	1	1	1	1	1
	160,439	161,016	158,344	156,679	132,787	151,457
	3,385	3,436	3,492	3,507	3,526	3,572

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CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

**CITY OF PIQUA
MIAMI COUNTY, OHIO**

SINGLE AUDIT

FOR YEAR ENDED DECEMBER 31, 2023

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**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 Commission
City of Piqua, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, 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 July 29, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
July 29, 2024

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

City Commission
City of Piqua, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Piqua, Ohio's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated July 29, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
July 29, 2024

CITY OF PIQUA
MIAMI COUNTY, OHIO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed through the Ohio Department of Development</i>			
CDBG - Entitlement Grants Cluster:			
Community Development Block Grants/Special Purpose Grants/Insular Areas	14.225	A-D-21-2DF-4	242,889
Total CDBG - Entitlement Grants Cluster			<u>242,889</u>
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii (CDBG)	14.228	B-C-20-1BY-1 A-F-21-2DF-1	72,200 129,404
Total CDBG			<u>201,604</u>
Home Investment Partnerships Program	14.239	B-C-20-1BY-2	94,116
Total U.S. Department of Housing and Urban Development			<u>538,609</u>
U.S. DEPARTMENT OF THE INTERIOR			
<i>Passed Through Ohio Department of Natural Resources</i>			
Outdoor Recreation Acquisition, Development and Planning	15.916	P-21-AP-12186	206,743
Total U.S. Department of the Interior			<u>206,743</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Direct</i>			
Bulletproof Vest Partnership Program	16.607	N/A	2,761
Total U.S. Department of Justice			<u>2,761</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Natural Resources</i>			
Recreational Trails Program	20.219	693JJ22230000Y940OHRT21399	74,881
Total U.S. Department of Transportation			<u>74,881</u>
U.S. DEPARTMENT OF THE TREASURY			
<i>Passed through Miami County, Ohio</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	N/A	2,243,470
	21.027	N/A	92,750
Total U.S. Department of the Treasury			<u>2,336,220</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Direct</i>			
Assistance to Firefighters Grant	97.044	N/A	267,401
<i>Passed Through Ohio Emergency Management Agency</i>			
Hazard Mitigation Grant	97.039	HMGP-DR-447.04	46,035
<i>Passed Through Ohio Department of Natural Resources</i>			
National Dam Safety Program	97.041	EMW-2019-GR-00024	120,347
Total U.S. Department of Homeland Security			<u>433,783</u>
TOTAL FEDERAL AWARD EXPENDITURES			<u>\$ 3,592,997</u>

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF PIQUA
MIAMI COUNTY, OHIO**

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP PROGRAM (HOME), AND RURAL BUSINESS ENTERPRISE GRANT PROGRAMS WITH REVOLVING LOAN CASH BALANCE

The balance of loans outstanding at December 31, 2023 consists of:

Assistance Listing Number	Program/Cluster Name	Outstanding Balance at December 31, 2023
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	\$520,988
14.239	Home Investment Partnerships Program	16,275
	Less Allowance for Uncollectible Accounts	(530,117)
	Net Loans Outstanding	\$7,146

The City records initial loan amounts as disbursements on the Schedule in the year of issuance. The loans are reported on the City's financial statements within the other governmental funds. The current cash balance on the City's local program income account as of December 31, 2023 is \$401,611.

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the City. These loans are collateralized by mortgages on the property.

NOTE D – MATCHING REQUIREMENTS

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

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
ALN 21.027 – COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None noted

Section III – Federal Awards Findings and Questioned Costs

None noted



OHIO AUDITOR OF STATE KEITH FABER



CITY OF PIQUA

MIAMI 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 11/14/2024

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