



OHIO AUDITOR OF STATE  
**KEITH FABER**





CITY OF TALLMADGE  
SUMMIT COUNTY  
DECEMBER 31, 2023

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Attachment: Annual Comprehensive Financial Report

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# OHIO AUDITOR OF STATE KEITH FABER



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

City of Tallmadge  
Summit County  
46 North Avenue  
Tallmadge, OH 44278

To the City Council:

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 Tallmadge, Summit County, (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 26, 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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

***Response to Findings***

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

***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.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 26, 2024

CITY OF TALLMADGE  
SUMMIT COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2023

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

FINDING NUMBER 2023-001

**Financial Reporting - Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

Due to the omission of activity related to a Direct Financing Note for a future fire truck, noted the payment was made from the Safety Service Income Tax Fund which is reported in Other Governmental Funds and resulted in Other Governmental Funds understating Prepayments and Other Financing Sources - Direct Financing Note Transaction by \$889,838. In Governmental Activities, the City understated Prepayments by \$889,838, understated Long-term liabilities - due within one year by \$71,843, understated Long-term Liabilities - due in more than one year by \$709,656, and overstated Expenses for Security of Persons and Property: Fire by \$108,339.

The financial statements and footnote disclosures were adjusted to reflect correction of these errors. One additional immaterial adjustment was identified and communicated to management but did not result in adjustment to the financial statements.

To help ensure the financial statements are presented properly, the City should review the design, implementation and maintenance of internal control relevant to preparing and fairly presenting financial statements, and update and/or clarify the procedures and expected practices to help ensure all applicable transactions are appropriately captured and reported.

**Official's Response:** Management will review its procedures related to ensuring that all debt is properly recorded in the financial statements. This review will ensure that processes are added that include a review of the appropriation report for new debt payments that are not on the prior year debt schedule and having the prepared debt schedule reviewed and audited prior to its submission for inclusion in the financial statements.

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**CITY OF TALLMADGE, OHIO**  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2023

PREPARED BY THE OFFICE OF:

**MOLLIE GILBRIDE,  
DIRECTOR OF FINANCE**

*46 NORTH AVENUE  
TALLMADGE, OH 44278*



# **INTRODUCTORY SECTION**



**CITY OF TALLMADGE, OHIO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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June 26, 2024

The Honorable Mayor, Members of City Council and Citizens of the City of Tallmadge, Ohio

Ladies and Gentlemen:

The Annual Comprehensive Financial Report (Annual Report) of the City of Tallmadge, Ohio (the City) is hereby presented. This Annual Report represents the official report of the City of Tallmadge's operations and financial position for the year ended December 31, 2023 and has been developed to accurately detail the status of City finances to Tallmadge residents and elected officials, investment banks, underwriters and all other interested parties. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge, the data contained in this report is accurate in all material respects and is presented in a manner designed to set forth fairly the financial position and results of operations of the City. All disclosures necessary to provide the reader with a better understanding of the City's financial activities have been included.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. 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 the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

Ohio law requires independent audits to be performed on all financial operations of the City either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. The Auditor of State's office performed the audit for the year ending December 31, 2023. The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2023 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditor's Report.

#### THE REPORTING ENTITY

The City has reviewed its reporting entity definition to ensure compliance and conformance with the provisions of GASB Statement No. 14, "The Financial Reporting Entity." For financial reporting definition purposes, City management has considered all agencies, departments, and organizations comprising the City of Tallmadge, the primary government.

The Tallmadge City School District has not been included in the accompanying financial statements. The City and the School District are independent of each other in terms of governing bodies, financial resources, and management.

The City participates in the Akron Metropolitan Area Transportation Study (AMATS), the Brimfield Township-City of Tallmadge Joint Economic Development District, the Regional Income Tax Agency and the Summit Area Regional Council of Governments. These organizations are described in more detail in the notes to the Basic Financial Statements.

## **THE CITY OF TALLMADGE**

In August 1935 Tallmadge citizens voted to incorporate the township as a village effective January 1, 1936. Tallmadge was recognized by the State of Ohio as a city in 1951. The City received its name, like many towns in the Ohio Western Reserve, after important men in their day. Such has been the case with Colonel Benjamin Tallmadge who was the lieutenant colonel in the army of the Revolutionary War, and later a business promoter, churchman, and U.S. Congressman. Colonel Tallmadge originally purchased large lots of land in the Western Reserve. In 1806 a mission worker for the Congregational Church, Reverend David Bacon, purchased the land then known as Town 2 Range 10 to found a religious colony, which later became Tallmadge.

Tallmadge has preserved its historical heritage. An excellent example of Western Reserve design is the center of Tallmadge known for its circle or rotary, still the architectural focus of the community.

The City is located in Summit and Portage Counties, with over 97% of the property located in Summit County and the remainder in Portage County. The City is approximately 13.5 square miles in size, is located approximately 35 miles south of Cleveland, Ohio and is contiguous to Akron, Ohio. The City's 2023 population of 18,275 makes it the eighth largest City in Summit County.

## **CITY GOVERNMENT**

The City operates under and is governed by its Charter, first adopted in 1995, effective January 1, 1996. The City is a home-rule municipal corporation operating under the laws of the State of Ohio. The laws of the State of Ohio prevail when conflicts exist between the Charter and the state constitution and in matters where the charter is silent. The City's Charter can only be amended by a majority vote of the City's registered voters.

Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, all for four-year staggered terms.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters to that office for a four-year term. The other elected officials are the Director of Finance and Director of Law, both elected to a four-year term. The Mayor also appoints members to several boards and commissions.

## **ECONOMIC CONDITION AND OUTLOOK**

The City offers an attractive opportunity for business growth. Tallmadge has a diversified tax base with 450 plus business establishments, from its largest employer, Autosales, Inc., to small family businesses provide the opportunity and interests that keep Tallmadge a vital part of the marketplace.

The City operates a Community Reinvestment Area Tax Abatement Program. This program is available for commercial and industrial expansion and new construction. The abatement is for property taxes on the increased values of real estate attributable to the improvements or new construction. This program will abate real estate taxes on the building from four up to ten years and from 50% up to 100%. To date 116 companies have taken advantage of the tax abatement program. In addition, in 2006 the City instituted a New Jobs Grant Program, which was last amended in 2019. In 2019 the program was amended to primarily focus on attracting new businesses that have an annual payroll of \$500,000 per year or more. Incentives for existing businesses will be considered on a case-by-case basis.

Net employment because of these expansions and other developments has allowed the City's withholding tax to maintain modest growth year over year, averaging 3.14 percent growth per year since 2015. Most employment within the City occurs in businesses housed in 5,000 to 20,000 square foot buildings. Tallmadge's employment rate remains stable due to the large number of small businesses in the City. Unemployment rates tend to run at least one percent lower than the Akron Metropolitan Area.

In efforts to stabilize the largest source of general fund revenue, the citizens voted in 2004 to make the City 2% income tax permanent. In 2019, the citizens voted to increase the City's income tax rate in 2020 by .25 percent to provide additional funds for safety services. The income tax collections at the end of fiscal year 2022 experienced a slight decrease of .6 percent from the prior fiscal year. The main source of the decrease was a decrease in collections on our net profit filers.

The City is meeting the demands of a changing population with several residential and commercial developments. An additional 41 new lots were added in 2017 in Phase 2 of the Baker's Acres development with sixty percent being completed or under construction. A 208-lot housing development, Tallmadge Reserve, began selling lots in Phases I-IV of the development in early 2021 and permitted 57 new dwellings before year end. The developer added lots in Phase V of the six phase development in 2023. The final phase of this development will be platted and ready for sale in 2024. Additionally, Phase III of the Village at Town Centre development continued in 2019 with the construction of a two-story medical complex owned by Summa Health Systems. The second floor of the complex was built and occupied in 2019 with medical offices providing general medicine, orthopedics, sports medicine, and cardiology. The first-floor buildout was completed in 2021 and is operated as an urgent care center and imaging services. The final phase of this multi-use development will begin in 2024 with the construction of additional apartments in space that was previously slated for retail space due to changing market conditions and the construction of an additional three-story apartment complex at the back of the development.

The City created a Joint Economic Development District (JEDD) effective January 1, 2004 that encompasses 70% of the Township of Brimfield. The JEDD has resulted in additional income tax collections for the City and will continue in the future. This income tax is distributed to both the City and the Township. The City receives 50 percent of the income tax for general operations. The Township receives 50 percent of the annual collections, with 10 percent set aside for the JEDD Maintenance and Capital Improvement Fund. There are significant areas for development in the JEDD in addition to the already established industrial park land adjacent to the Interstate 76/Route 18 interchange. The shared collection rate increased in 2022 by a quarter percent to 1.75 percent. The tax rate has scheduled increases in quarter percent increments until it reaches 2.25 percent by 2028. Income tax revenue generated in the JEDD for 2023 exceeded \$3.2 million.

Future growth also depends on the ability of the City to provide adequately serviced areas for growth. In 1995, the City successfully annexed 257 acres of industrial zoned property. This property, located at an interstate interchange, is the City's prime industrial area and as such is experiencing increased pressure for development. This industrial property, and the JEDD area coupled with the demands for development in the City, indicates a promising future for economic development.

The JEDD also continues to be a major component of the economic growth in the City. In addition to the Cascades development which encompasses 114 acres consisting of 216 apartment units, commercial and retail stores, that include Walmart, Lowe's and Kohls, and the Insight Rubbermaid projects 815,000-square foot distribution facility built by Newell Rubbermaid, Inc., the 130 acre Maplecrest Golf Course Development began to take shape in 2019. Retail locations for Meijer and Menards opened in 2021. Several fast-food establishments that include Starbucks and Burger King opened in 2019 on the property. The back portion of the property was rezoned for light industrial. The developer of the Maplecrest property has also acquired additional property up the Tallmadge-Brimfield corporate boundaries for further commercial development planned. In June 2021, Hamrick Packaging Systems broke ground in the development for a 64,00 square foot building to employ 47 new full-time employees. The facility opened in 2022.

The City is in the processing to adapting to the ever-changing economic landscape that has been created by the COVID-19 pandemic. At this time, the City cannot predict the long-term economic impact of the pandemic. The City continues to closely monitor all revenue sources that were significantly impacted by the pandemic in 2023 and adjusts its operations accordingly.

## **LONG-TERM FINANCIAL PLANNING**

The City of Tallmadge has strong financial management and is aided by financial policies adopted by Council. The City established a minimum fund balance policy in 1998 with amendments and updates to the policy in 2005. The amendments in 2005 provided additional financial guidelines. The purpose of the policy is to be proactive in financial management and establish minimum levels to be maintained in the major operating funds, which include the general, fire/EMS levy, safety services income tax, street maintenance and repair, sewer and water funds. In 2012 our Investment Policy was updated to facilitate better returns on invested funds. Also, in 2015 the Debt Policy was updated to more closely follow the guidelines established by the Ohio Revised Code. As part of the Debt Policy a five-year Capital Plan was included to assist the City with planning for future financial needs.

In February of 2006 the City was assigned for the first time a bond rating of A1 from Moody's Investors Service of Chicago and New York. The City in May 2010, once again, went to Moody's for a review of the bond rating and was assigned a rating of Aa2 on the global rating scale. This is a very attractive rating for the City and should result in more investors being attracted to the City, thereby lowering the rates of interest on future debt issuances. The Aa2 rating reflects the City's moderately sized suburban tax base, solid financial operations supported by sound reserves, and low debt burden with manageable levels of expected future borrowings. Moody's reaffirmed this rating for the City in May 2015 and again in July 2021.

To direct plans that promote a sound pattern of development, the City utilizes a Comprehensive Plan adopted by the administration and Council. The document serves as a guide in defining community objectives, policies and goals. Further, to guide the direction of land development, this plan provides a thoroughfare map which was updated in 2012, a zoning district map and future land use map. The City completed an update of its Comprehensive Plan to meet the current needs of the City and in 2017. In 2021, the City completed the process of updating its zoning code to match the Comprehensive Plan.

## MAJOR INITIATIVES

Maintaining the City's infrastructure is an ongoing commitment. The City continues with the maintenance of sanitary sewers, water improvements, storm water improvements, road paving, concrete maintenance programs and general infrastructure improvements. In 2019, the City completed a review of its water and sewer rates to ensure that a system for evaluating future rate increases is in place which provides adequate funding for infrastructure maintenance. In 2024, the City will use the model that was developed during that study to evaluate the need for any utility rate increases.

The City will continue to place a major emphasis on economic development within the City as well as within the JEDD in Brimfield Township. There are numerous sites within the City for development including the Portage Boulevard Industrial Park and within the Circle Area. The West Avenue corridor continues to transform itself from being primarily a retail hub to one of mixed uses. The City purchased three pieces of property along its southwest border near the Tallmadge Circle in 2017 and continues to look for opportunities in that area for a possible historic redevelopment district. There are also significant areas for development in the JEDD District including the Karg Industrial Park, the Sunnybrook/Old Forge Road area and the land associated with the Interstate 76/Route 18 interchange.

In 2021, the City entered into the Summit Area Council of Governments for a county-wide dispatch center with Summit County and the cities of Stow, Cuyahoga Falls, and Fairlawn. The first step in this process was the joint purchase of an updated computer aided dispatch software with those communities and the City of Akron, which was completed in 2018 and is in the final phases of implementation. The facility for the Center, which is in Tallmadge, became fully operational in 2023. The City of Akron also co-located their dispatch operations into the Tallmadge center in 2023.

The City began the construction of an \$8 million fire station in 2021 to replace its aging Fire Station #2. The City issued \$8 million worth of bonds at a rate of 1.69 percent to finance the project. The additional .25 percent income tax approved by voters in 2019 will be used to make future debt payments for this project. The new Fire Station #2 opened for service in March 2023. In 2022, the city acquired the site of the Summit County Developmental Disabilities vacant building from Summit County. The City was awarded \$1 million of grant funds from the Ohio Department of Development through the Summit County Land Bank to demolish the old building. This will open up a significant amount of land on the north end of the City for redevelopment.

## AWARDS

### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tallmadge 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 government 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 Tallmadge has received a Certificate of Achievement for the last thirty-one consecutive years (1992 - 2022). We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting it to the GFOA.

## ACKNOWLEDGEMENTS

This Annual Comprehensive Financial Report was prepared by the Director of Finance office with the efficient and knowledgeable services of her staff. As Director of Finance, I would like to express my sincere appreciation to my staff, who assisted in this endeavor and whose dedication and commitment made the publication of this Annual Comprehensive Financial Report a successful accomplishment. Furthermore, I would like to thank the City Administration and the Members of Council for their continued support and commitment.

Respectfully Submitted,



Mollie Gilbride, Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Tallmadge  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

---

**CITY OF TALLMADGE, OHIO  
LISTING OF PRINCIPAL CITY OFFICIALS  
AS OF DECEMBER 31, 2023**

---

**ELECTED OFFICIALS**

Mayor  
Director of Finance  
Director of Law  
President of Council  
Council Member  
Council Member  
Council Member  
Council Member  
Council Member  
Council Member

David Kline  
Mollie Gilbride  
Megan Raber  
Dennis Loughry  
Rebecca Allman  
Jonathon Bollas  
Adam Bozic  
Mary Gutman  
Carol Kilway  
Craig Sisak

**APPOINTED OFFICIALS**

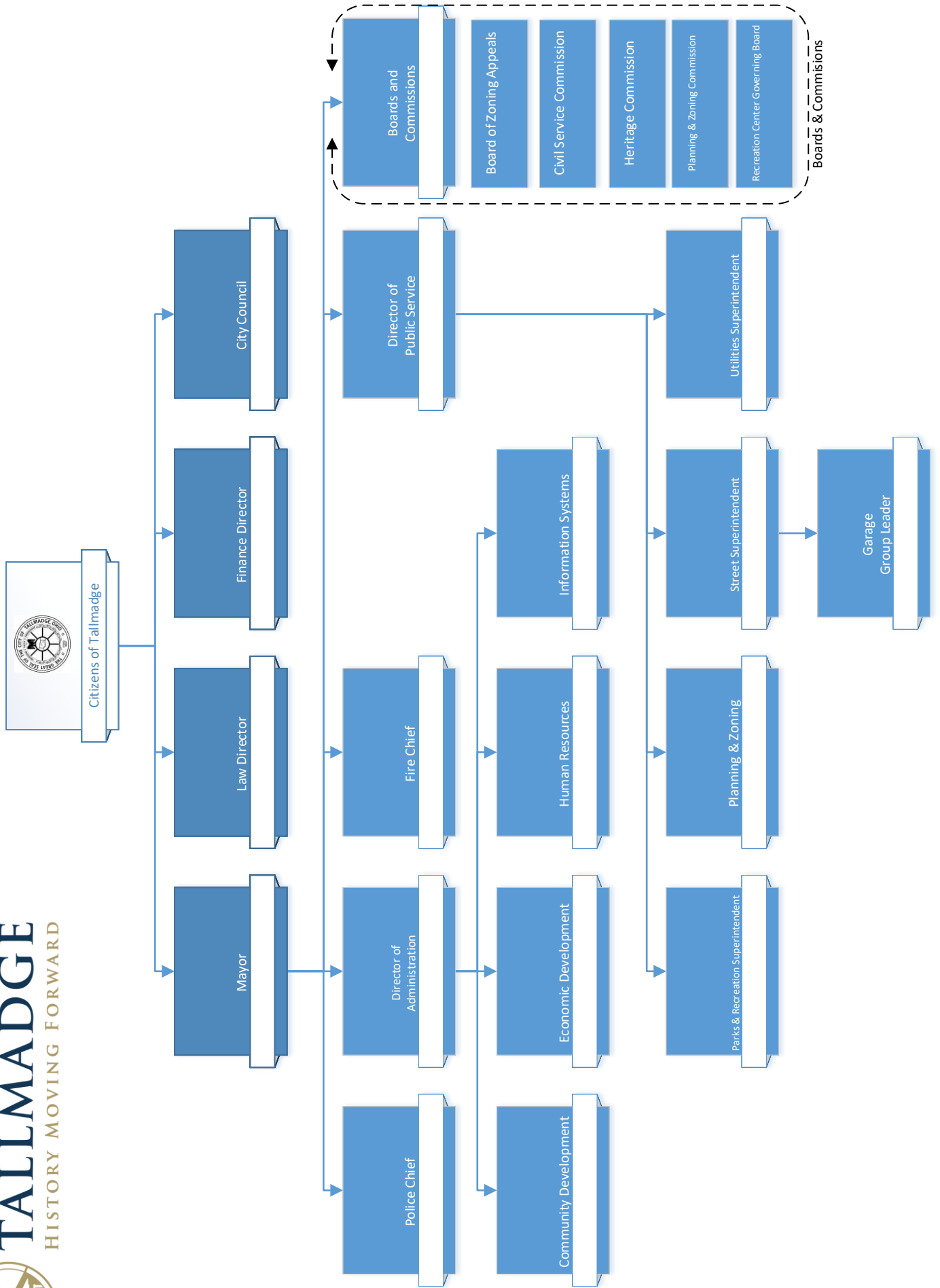
Director of Public Service  
Director of Administration  
Community Development Manager  
Economic Development Manager  
Assistant Director of Law  
Assistant Director of Finance  
Clerk of Council  
Deputy Clerk of Council

Michael Rorar  
Jill Stritch  
Andrea Kidder  
Vacant  
Melody Briand  
Kimberly Guseman  
Susan Burton  
Regina Conti

**DEPARTMENT OFFICIALS**

Police Chief  
Fire Chief  
Road Superintendent  
Utilities Superintendent  
Civil Service Chairman  
Manager of Parks and Recreation

Douglas Bohon  
John Underwood  
Michael Weigand  
Rob Neiheiser  
Jan Naso  
Jessica Simons



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# **FINANCIAL SECTION**



# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

City of Tallmadge  
Summit County  
46 North Avenue  
Tallmadge, OH 44278

To the City Council:

### Report on the Audit of the Financial Statements

#### **Opinions**

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

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

#### **Basis for Opinions**

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

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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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

***Supplementary information***

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

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

***Other Information***

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 26, 2024

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## CITY OF TALLMADGE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

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The management's discussion and analysis of the City of Tallmadge's (the "City") financial statements provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements.

#### **Financial Highlights**

Key financial highlights for 2023 are as follows:

- The total net position of the City increased \$2,485,393 or 4.84% from 2022's net position. Net position of governmental activities increased \$1,114,756 or 4.00% from 2022's net position and business-type activities increased \$1,370,637 or 5.87% from 2022.
- Total assets and deferred outflows of resources increased \$8,618,808 from 2022's net position.
- Total current liabilities and deferred inflows of resources decreased \$6,191,193 from 2022's net position.
- Total long-term liabilities increased \$12,324,608 during 2023.

#### **Using this Annual Comprehensive Financial Report (ACFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

#### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private sector business.

The statement of net position presents information about the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Tallmadge is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, security of persons and property, public health and welfare, transportation, community environment, leisure time activities, and interest and fiscal charges.

#### **Fund Financial Statements**

Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

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**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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***Governmental Funds***

All of the City's major activities (excluding the business-type activities) are reported in the governmental funds. This report shows how monies flow into and out of these governmental funds and the balance of spendable resources available at the end of the year. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can be converted into cash. Such information is useful in evaluating a government's near-term financing requirements. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and the governmental funds is reconciled in the financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, fire/EMS levy, street maintenance and repair, and American Rescue Plan Act funds which are all considered major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the combining statements elsewhere in this report.

***Proprietary Funds***

The City maintains three proprietary funds that are classified as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer, water, and storm water operations.

***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. A private purpose trust fund and custodial fund are the City's fiduciary fund types.

***Notes to the Basic Financial Statements***

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

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability/asset, pension contributions, net other postemployment benefits (OPEB) liability/asset, and OPEB contributions.

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**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**Government-Wide Financial Analysis**

The statement of net position serves as a useful indicator of a government's financial position. The table below provides a summary of the City's net position for 2023 and 2022.

	<b>Net Position</b>					
	Governmental	Business-type	Governmental	Business-type	Total	Total
	Activities	Activities	Activities	Activities	Total	Total
	2023	2023	2022	2022	2023	2022
<b>Assets</b>						
Current and other assets	\$ 29,191,398	\$ 10,945,125	\$ 28,236,577	\$ 9,788,076	\$ 40,136,523	\$ 38,024,653
Net OPEB asset	-	-	823,800	153,933	-	977,733
Net pension asset	15,493	3,032	67,862	12,680	18,525	80,542
Capital assets, net	<u>37,878,297</u>	<u>16,664,572</u>	<u>36,174,740</u>	<u>16,730,523</u>	<u>54,542,869</u>	<u>52,905,263</u>
Total assets	<u>67,085,188</u>	<u>27,612,729</u>	<u>65,302,979</u>	<u>26,685,212</u>	<u>94,697,917</u>	<u>91,988,191</u>
<b>Deferred outflows of resources</b>						
Unamortized deferred charges	73,951	-	84,039	-	73,951	84,039
Pension	9,225,554	680,838	4,334,102	250,851	9,906,392	4,584,953
OPEB	<u>1,466,714</u>	<u>95,944</u>	<u>957,686</u>	<u>7,241</u>	<u>1,562,658</u>	<u>964,927</u>
Total deferred outflows of resources	<u>10,766,219</u>	<u>776,782</u>	<u>5,375,827</u>	<u>258,092</u>	<u>11,543,001</u>	<u>5,633,919</u>
<b>Liabilities</b>						
Current and other liabilities	2,915,231	983,132	2,789,949	1,065,743	3,898,363	3,855,692
Long-term liabilities:						
Due within one year	1,597,279	374,993	1,459,111	355,724	1,972,272	1,814,835
Due in more than one year:						
Net pension liability	23,401,283	1,568,411	11,527,132	444,891	24,969,694	11,972,023
Net OPEB liability	1,314,370	31,536	1,604,669	-	1,345,906	1,604,669
Other long-term liabilities	<u>14,492,088</u>	<u>686,316</u>	<u>14,795,890</u>	<u>954,251</u>	<u>15,178,404</u>	<u>15,750,141</u>
Total liabilities	<u>43,720,251</u>	<u>3,644,388</u>	<u>32,176,751</u>	<u>2,820,609</u>	<u>47,364,639</u>	<u>34,997,360</u>
<b>Deferred inflows of resources</b>						
Property taxes	2,500,659	-	2,452,002	-	2,500,659	2,452,002
Pension	788,679	693	6,053,380	578,855	789,372	6,632,235
OPEB	1,242,064	11,306	1,471,985	181,353	1,253,370	1,653,338
Leases	<u>588,811</u>	<u>-</u>	<u>628,501</u>	<u>-</u>	<u>588,811</u>	<u>628,501</u>
Total deferred inflows of resources	<u>5,120,213</u>	<u>11,999</u>	<u>10,605,868</u>	<u>760,208</u>	<u>5,132,212</u>	<u>11,366,076</u>

- (Continued)

**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**Net Position - (Continued)**

	Governmental Activities 2023	Business-type Activities 2023	Governmental Activities 2022	Business-type Activities 2022	Total 2023	Total 2022
<b>Net Position</b>						
Net investment in capital						
assets						
Restricted	\$ 23,489,771	\$ 15,618,439	\$ 21,157,942	\$ 15,516,210	\$ 39,108,210	\$ 36,674,152
Unrestricted	3,276,530	3,032	3,729,695	-	3,279,562	3,729,695
	<u>2,244,642</u>	<u>9,111,653</u>	<u>3,008,550</u>	<u>7,846,277</u>	<u>11,356,295</u>	<u>10,854,827</u>
Total net position	<u>\$ 29,010,943</u>	<u>\$ 24,733,124</u>	<u>\$ 27,896,187</u>	<u>\$ 23,362,487</u>	<u>\$ 53,744,067</u>	<u>\$ 51,258,674</u>

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." 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 deferred outflows related to pension and OPEB, net pension asset and the net OPEB asset.

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/asset 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/asset and the net OPEB liability/asset to equal the City's proportionate share of each plan's collective:

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

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

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

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**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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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/asset and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources in 2023 by \$53,744,067, compared to \$51,258,674 in 2022, an increase of 4.84%. During 2023, the City's total assets and deferred outflows of resources increased/decreased by \$8,618,808, and total liabilities and deferred inflows of resources increased by \$5,351,916.

The net pension liability for governmental activities increased \$11,874,151 or 103.01%, deferred outflow of resources related to pension increased \$4,891,452 or 112.86% and deferred inflows of resources related to pension decreased \$5,264,701 or 86.97%. The net pension liability for business-type activities increased \$1,123,520 or 252.54%, deferred outflow of resources related to pension increased \$429,987 or 171.41% and deferred inflows of resources related to pension decreased \$578,162 or 99.88%. These changes were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund. Primarily, net investment income on investments at the pension systems were negative for the 2022 measurement date that are used for the 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous year's large positive investment returns.

The table on the following page shows the changes in net position for 2023 and 2022.

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**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**Change in Net Position**

	Governmental Activities 2023	Business-type Activities 2023	Governmental Activities 2022	Business-type Activities 2022	Total 2023	Total 2022
<b>Revenues</b>						
Program revenues:						
Charges for services and sales	\$ 2,877,930	\$ 8,773,522	\$ 3,007,175	\$ 7,475,501	\$ 11,651,452	\$ 10,482,676
Operating grants and contributions	3,224,937	7,328	1,793,297	-	3,232,265	1,793,297
Capital grants and contributions	<u>386,743</u>	<u>431,443</u>	<u>1,376,459</u>	<u>639,608</u>	<u>818,186</u>	<u>2,016,067</u>
Total program revenues	<u>6,489,610</u>	<u>9,212,293</u>	<u>6,176,931</u>	<u>8,115,109</u>	<u>15,701,903</u>	<u>14,292,040</u>
General revenues:						
Property and other local taxes	2,470,752	-	2,443,867	-	2,470,752	2,443,867
Municipal income taxes	14,641,430	-	14,708,305	-	14,641,430	14,708,305
Grants and entitlements	2,907,211	-	3,093,587	-	2,907,211	3,093,587
Investment earnings	1,067,077	-	280,091	18	1,067,077	280,109
Change in fair value of investments	125,796	-	(165,925)	-	125,796	(165,925)
Miscellaneous	<u>463,995</u>	<u>71,354</u>	<u>352,845</u>	<u>60,924</u>	<u>535,349</u>	<u>413,769</u>
Total general revenues	<u>21,676,261</u>	<u>71,354</u>	<u>20,712,770</u>	<u>60,942</u>	<u>21,747,615</u>	<u>20,773,712</u>
Total revenues	<u>28,165,871</u>	<u>9,283,647</u>	<u>26,889,701</u>	<u>8,176,051</u>	<u>37,449,518</u>	<u>35,065,752</u>
Program Expenses:						
General government	6,627,658	-	4,497,025	-	6,627,658	4,497,025
Security of persons and property						
Police	6,119,746	-	5,208,973	-	6,119,746	5,208,973
Street lighting	66,784	-	43,219	-	66,784	43,219
Fire	6,498,561	-	4,436,557	-	6,498,561	4,436,557
Public health and welfare	150,466	-	109,075	-	150,466	109,075
Transportation	3,461,510	-	3,972,641	-	3,461,510	3,972,641
Community environment	273,795	-	159,162	-	273,795	159,162
Leisure time activity	3,531,536	-	2,388,172	-	3,531,536	2,388,172
Interest and fiscal charges	321,059	-	364,477	-	321,059	364,477
Sewer operating	-	4,885,090	-	4,605,411	4,885,090	4,605,411
Water operating	-	2,471,007	-	2,225,352	2,471,007	2,225,352
Storm water operating	<u>-</u>	<u>556,913</u>	<u>-</u>	<u>482,724</u>	<u>556,913</u>	<u>482,724</u>
Total expenses	<u>27,051,115</u>	<u>7,913,010</u>	<u>21,179,301</u>	<u>7,313,487</u>	<u>34,964,125</u>	<u>28,492,788</u>
Increase in net position	1,114,756	1,370,637	5,710,400	862,564	2,485,393	6,572,964
Net position beginning of year	<u>27,896,187</u>	<u>23,362,487</u>	<u>22,185,787</u>	<u>22,499,923</u>	<u>51,258,674</u>	<u>44,685,710</u>
Net position end of year	<u>\$ 29,010,943</u>	<u>\$ 24,733,124</u>	<u>\$ 27,896,187</u>	<u>\$ 23,362,487</u>	<u>\$ 53,744,067</u>	<u>\$ 51,258,674</u>

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## CITY OF TALLMADGE, OHIO

### *MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023*

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#### **Governmental Activities**

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

Program revenues increased in total by 5.06% from 2022. Operating grants and contributions increased 79.83% from 2022 due to an increase in operating grants and contributions received from the American Rescue Plan Act and the Ohio Department of Development for various programs. Capital grants and contributions decreased 71.90% in 2023 due to the donation of three land parcels from Summit County received in 2022. General revenues increased from 2022 by 4.65%, which is attributed to an increase in investment earnings and a positive change in fair value of investments due to fluctuations in the market and higher interest rates in 2023.

The City's municipal income tax was established by Ordinance 57 in 1967 at a rate of 1.25 percent to be renewed every 5 years. The municipal income tax experienced several small increases in following years. In 1975 the tax rate was increased to 1.5% and remained at that rate until 1985 when the rate increased to 2 percent. In February of 2004 the citizens voted to make the 2% tax rate permanent tax effective March 1, 2004. The City, by ordinance, designates the income tax for capital outlay and general governmental operations for programs within the general fund. The City also allows for a 100% credit of taxes paid to other municipalities. In November of 2019, the voters passed an additional .25% permanent tax to be used for the purpose of funding fire/EMS and police protections and related safety services effective January 1, 2020.

The operations of the City's fire department account for the largest security of persons and property expenses of governmental activities, representing 24.02% and 20.95% of the total governmental activities expenses during 2023 and 2022, respectively. The City has operated a fire department since 1945. During 2023, the fire department employed one full-time Chief, one full-time Deputy Chief, three full-time Battalion Chiefs, one full-time fire marshal, six lieutenants, nine full-time paramedics/firefighters, twenty-four part-time paramedics/firefighters, one full-time clerk and one part-time clerk. The Fire/EMS department is accounted for in a separate fund which receives tax proceeds from a 3.7 mill property tax levy.

The operations of the City's police department account for 22.62% and 24.59% of the total governmental activities expenses during 2023 and 2022, respectively. During 2023, the City's police department consisted of one Chief, two captains, five sergeants, nineteen patrol officers and four full-time office staff. The police department also employs on a part-time basis seven records clerks and sixteen auxiliary police. The police department provides a full range of services including patrol, detective services, bike patrol, juvenile diversionary program, school resource officer services, neighborhood crime watch, and residential and commercial security surveys. Security of persons and property expenses related to the police department increased during 2023 by 17.48%, which is primarily the result of increased personnel costs.

The Street Maintenance and Repair department employs 18 full-time and 2 part-time employees who provide the City and the citizens with road maintenance, road salting, ditching, leaf pickup program, cemetery maintenance, park maintenance and many other services. Transportation expenses accounted for 12.80% and 18.76% of the total governmental activities expenses during 2023 and 2022, respectively.

The City's community center, recreation center, Maca pool, and parks operations employs four full-time and 115 part-time employees. Leisure time activities accounted for 13.06% and 11.29% of the total governmental activities expenses during 2023 and 2022, respectively.

#### **Business-Type Activities**

Proprietary funds account for the business-type activities of the City of Tallmadge which consist of sewer, water and storm water operating activities. The City currently has 7,749 water customers, 8,519 sewer customers, and 6,486 storm water customers. The City owns and maintains all water lines within the City. The water rates were last increased in July 2012 by 8 percent. The majority of sewer lines within the City are owned and maintained by the City. The remaining sewer lines are owned and maintained by Summit County. In 2011 the City took over the billing for sewer customers being serviced by Summit County.

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## CITY OF TALLMADGE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

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In 2022, the City instituted a rate increase of 32% to be phased in over two years, 16% per year in 2022 and 2023. This was a pass through for increases received from the City of Akron and Summit County for sewage treatment costs. The storm water fee was decreased in 2008 from \$3 to \$2 per equivalent residential unit (ERU). The storm water fee was increased back to \$3 in 2023.

The revenues and expenses for the water, sewer and storm water activities are reported under the business-type activities. The revenues are primarily from charges for services. In 2023, charges for services in the amount of \$8,773,522 accounted for 94.51% of the total business-type revenues compared to 91.43% in 2022. The total expenses for the utilities were \$7,913,010, 8.20% more than 2022.

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

Governmental funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues and other financing sources of \$35,218,101 and expenditures and other financing uses of \$35,076,332.

The City's chief operating fund is the general fund. During 2023, the City's general fund had total revenues and other financing sources of \$20,440,538 and expenditures and other financing uses of \$19,751,784, resulting in an increase in fund balance of \$688,754. The increase in fund balance is primarily from an increase in investment income and positive change in fair value of investments, which is attributed to higher interest rates and fluctuations in the economy. Expenditures and other financing uses in 2023 were 12.45% greater than 2022.

A major special revenue fund, the fire/EMS levy fund had total combined revenues and other financing sources were \$4,558,963 and expenditures were \$4,464,938. Expenditures exceeded revenues before transfers of \$2,190,000 from income tax collections. Fund balance increased by \$94,025 during 2023 as a result of an increase in transfers in from the general fund.

A major special revenue fund, the street maintenance and repair fund had an increase in fund balance of \$77,455. Total combined revenues and other financing sources were \$4,302,235 and expenditures were \$4,224,780. Revenues and other financing sources with transfers of \$2,534,865 from income tax collections exceeded expenditures. The increase in fund balance was the result of transfers in from the general fund to support personnel, operating and capital street maintenance and repair programs and sale of capital assets.

A major special revenue fund, the American Rescue Plan Act (ARPA) fund had no change in fund balance during the year. The City received a total of \$1.8 million in ARPA federal funding in 2021 and 2022 to provide additional relief to address the continued impact of the COVID-19 pandemic. The City used \$669,440 in 2023 for the following projects: drone program; Lions park tennis and pickleball court; Howe Rd. dog park, restroom and pavilion; Southeast Avenue street lights project; and N. Munroe Rd. sidewalk installation. The unspent portion as of December 31, 2023, \$1,110,746, has been reported as unearned revenue.

Proprietary funds are accounted for on an accrual basis. All proprietary funds had operating revenues of \$8,844,876, which was more than operating expenses of \$7,863,637. The total depreciation/amortization expense for these business-type funds was \$806,064. The cash and cash equivalents at year end for the proprietary funds total \$8,443,084. Net position of the sewer operating fund increased \$1,150,823 or 14.41% from 2022. During 2023, net position of the water operating fund decreased 0.23% or \$20,817 to \$9,019,456. In the storm water fund, net position increased \$240,631 to \$6,578,661 at December 31, 2023. The overall increase in net position for all proprietary funds in 2023 was \$1,370,637, which is primarily the result of an increase in utility rate increases, as previously discussed under business-type activities, and an increase in the number of utility customers resulting in increase in charges for services revenue.

#### ***Budgeting Highlights***

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for transactions on a cash basis for receipts, expenditures, and encumbrances. The most significant budgeted fund is the general fund. The legal level of control at which expenditures cannot exceed appropriations is at the personnel and operating level by program within the general fund and at the personnel and operating level for all other funds of the City. Capital items are budgeted on a program or line item basis. Management may transfer appropriations in accordance with the legislation adopted by City Council. Any budgetary modifications may only be made by ordinance adopted by City Council.

**CITY OF TALLMADGE, OHIO**

*MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

City Council adjusted the level of appropriations in various funds several times in 2023. In total the adjustments in appropriations accounted for an increase of 7.42% over the total general fund budget. The total actual expenditures and other financing uses at year end were \$20,755,444, which was \$1,564,970 less than the total final budget. In addition, at year end the prior year encumbrances that are determined to be unnecessary are decertified to the County on the final amended certificate and that amount is returned to the fund balance and becomes available resources.

The City places strong emphasis on monitoring the budget. The Director of Finance produces monthly appropriation, revenue, and fund reports and other monthly financial reports on a cash basis. These reports are distributed to council, administration, and appropriate department heads.

The total budgetary variance for general fund expenditures and other financing uses was \$1,564,970 or 7.01%. Total variance in general fund revenues and other financing sources was a positive variance of \$1,776,390 or 9.64%.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of 2023, the City had \$54,542,869 (net of accumulated depreciation/amortization) invested in land, buildings and improvements, equipment, infrastructure, right of ways, easements, intangible right to use - leased equipment and software, and construction in progress. Of this total, \$37,878,297 was reported in governmental activities and \$16,664,572 was reported in business-type activities.

The following table shows 2023 balances compared to 2022:

**Capital Assets at December 31 (Net of Depreciation/Amortization)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 4,301,879	\$ 4,352,852	\$ 586,266	\$ 586,266	\$ 4,888,145	\$ 4,939,118
Right of ways/easements	80,218	80,218	285,260	285,260	365,478	365,478
Construction in progress	2,290,258	8,630,398	137,068	60,131	2,427,326	8,690,529
Buildings and improvements	16,069,155	8,363,621	521,959	542,748	16,591,114	8,906,369
Equipment	4,313,460	3,741,273	951,027	905,751	5,264,487	4,647,024
Infrastructure						
Street subsystem	10,391,461	10,694,829	-	-	10,391,461	10,694,829
Water lines	-	-	5,532,559	5,629,646	5,532,559	5,629,646
Sewer lines	-	-	2,873,174	3,037,896	2,873,174	3,037,896
Storm water subsystem	-	-	5,646,759	5,599,502	5,646,759	5,599,502
Intangible right to use:						
Leased equipment	212,110	311,549	130,500	83,323	342,610	394,872
Software	219,756	-	-	-	219,756	-
<b>Totals</b>	<b>\$ 37,878,297</b>	<b>\$ 36,174,740</b>	<b>\$ 16,664,572</b>	<b>\$ 16,730,523</b>	<b>\$ 54,542,869</b>	<b>\$ 52,905,263</b>

The overall increase of \$1,637,606 is a result of current year additions and capital contributions exceeding depreciation/amortization expense and disposals. See Note 8 in the notes to the financial statements for more information regarding the City's capital assets.

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## CITY OF TALLMADGE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

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#### Debt Administration

The City had the following long-term obligations outstanding at December 31, 2023 and 2022:

	Governmental Activities		Business-type Activities	
	2023	2022	2023	2022
General obligation bonds	\$ 9,945,000	\$ 10,480,000	\$ -	\$ -
Private placement general obligation bonds	2,595,000	2,950,000	-	-
OWDA loans	-	-	674,652	807,779
Direct financing notes payable	1,456,301	866,493	264,697	455,587
Leases payable	186,237	245,953	106,784	27,157
SBITA payable	146,586	-	-	-
Total long-term obligations	<u>\$ 14,329,124</u>	<u>\$ 14,542,446</u>	<u>\$ 1,046,133</u>	<u>\$ 1,290,523</u>

The long-term outstanding debt for the City of Tallmadge as of December 31, 2023, was \$15,375,257. This is a decrease in long-term debt of 2.89% from 2022. For more detailed information on long-term obligations refer to Note 9 of this report.

The Ohio Revised Code provides that the general obligation bonds less self-supporting debt (e.g., assessment debt) of the municipal corporation, whether voted or unvoted, shall not exceed 10.50% of the assessed valuation of the total property. In addition, the unvoted net debt cannot exceed 5.50% of total assessed value of property. The City's legal total debt limit at the 10.50% margin is \$39,551,777 and the total unvoted net debt limit at the 5.50% margin is \$27,644,216.

#### Economic Factors and Next Year's Budget and Rates

- The City prepared the annual budget using zero based budgeting for 2024. Most departments experienced slight growth in their departmental budgets.
- The City budgeted for a slight increase in its income tax receipts in the general fund in 2024. The city believes that it had seen the major effects of the COVID-19 pandemic on its taxes and that additional decreases for that were no longer warranted.
- The City included an average pay increase of 3% for employees in 2024. Employees will continue to participate in paying 15% of the health insurance premium.
- In November 2019, the voters approved a 0.25% increase to the City's income tax to be used for safety services. These funds continue to be budgeted for capital improvements for the police and fire departments.
- The City budgeted to expend a significant amount of its ARPA funds in 2024. The City appropriated the remaining funds in 2024 in anticipation of having all of the funds committed or expended by year end.
- The 2024 budget includes the addition of three new fulltime firefighter/paramedic positions as we work towards right sizing the staffing for the fire department as a result of increased call volume and the changing workforce environment.
- In 2024, an additional storm water fee increase was implemented, increasing the monthly fee to \$3.50 per ERU. This is the second increase in a planned three-year period to bring the rate to \$4 per ERU by January 1, 2025.

#### Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with interest in the government's finances. If you have questions about this report or need additional financial information contact the office of the Director of Finance, 46 North Avenue, Tallmadge, Ohio 44278 or at the e-mail address [mgilbride@tallmadge-ohio.org](mailto:mgilbride@tallmadge-ohio.org).



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**CITY OF TALLMADGE, OHIO**

*STATEMENT OF NET POSITION  
DECEMBER 31, 2023*

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . .	\$ 18,340,813	\$ 8,443,084	\$ 26,783,897
Receivables:			
Income taxes. . . . .	3,581,575	-	3,581,575
Real and other taxes . . . . .	2,587,395	-	2,587,395
Accounts. . . . .	125,377	2,316,274	2,441,651
Accrued interest . . . . .	167,379	-	167,379
Intergovernmental . . . . .	2,215,048	-	2,215,048
Leases . . . . .	609,597	-	609,597
Materials and supplies inventory. . . . .	358,445	148,426	506,871
Prepayments . . . . .	1,205,769	37,341	1,243,110
Net pension asset. . . . .	15,493	3,032	18,525
Capital assets:			
Nondepreciable/amortized capital assets . . .	6,672,355	1,008,594	7,680,949
Depreciable/amortized capital assets, net. . .	31,205,942	15,655,978	46,861,920
Total capital assets, net. . . . .	<u>37,878,297</u>	<u>16,664,572</u>	<u>54,542,869</u>
Total assets . . . . .	<u>67,085,188</u>	<u>27,612,729</u>	<u>94,697,917</u>
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding	73,951	-	73,951
Pension . . . . .	9,225,554	680,838	9,906,392
OPEB . . . . .	1,466,714	95,944	1,562,658
Total deferred outflows of resources . . . . .	<u>10,766,219</u>	<u>776,782</u>	<u>11,543,001</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	994,164	54,686	1,048,850
Contracts payable. . . . .	183,463	-	183,463
Accrued wages and benefits payable . . . . .	218,690	16,303	234,993
Intergovernmental payable . . . . .	382,711	899,341	1,282,052
Accrued interest payable . . . . .	25,457	12,802	38,259
Unearned revenue . . . . .	1,110,746	-	1,110,746
Long-term liabilities:			
Due within one year . . . . .	1,597,279	374,993	1,972,272
Due in more than one year:			
Net pension liability . . . . .	23,401,283	1,568,411	24,969,694
Net OPEB liability . . . . .	1,314,370	31,536	1,345,906
Other long-term liabilities . . . . .	14,492,088	686,316	15,178,404
Total liabilities . . . . .	<u>43,720,251</u>	<u>3,644,388</u>	<u>47,364,639</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . .	2,500,659	-	2,500,659
Leases . . . . .	588,811	-	588,811
Pension . . . . .	788,679	693	789,372
OPEB . . . . .	1,242,064	11,306	1,253,370
Total deferred inflows of resources . . . . .	<u>5,120,213</u>	<u>11,999</u>	<u>5,132,212</u>

- (Continued)

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF NET POSITION  
DECEMBER 31, 2023*

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Net Position:</b>			
Net investment in capital assets . . . . .	\$ 23,489,771	\$ 15,618,439	\$ 39,108,210
Restricted for:			
Capital projects . . . . .	14,223	-	14,223
General government . . . . .	700	-	700
Law enforcement . . . . .	31,813	-	31,813
Fire/EMS levy. . . . .	6,810	-	6,810
Street maintenance . . . . .	1,439,986	-	1,439,986
Safety services income tax levy . . . . .	1,587,746	-	1,587,746
State highway . . . . .	120,634	-	120,634
Community environment . . . . .	17,298	-	17,298
Fire repair and removal. . . . .	14,294	-	14,294
Public health . . . . .	27,533	-	27,533
Pension. . . . .	15,493	3,032	18,525
Unrestricted . . . . .	2,244,642	9,111,653	11,356,295
Total net position . . . . .	<u>\$ 29,010,943</u>	<u>\$ 24,733,124</u>	<u>\$ 53,744,067</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

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

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
General government. . . . .	\$ 6,627,658	\$ 411,132	\$ 591,228	\$ -
Security of persons and property:				
Police. . . . .	6,119,746	2,580	110,890	-
Street lights. . . . .	66,784	-	-	-
Fire . . . . .	6,498,561	592,119	300,109	26,915
Public health and welfare . . . . .	150,466	29,539	93,826	-
Transportation. . . . .	3,461,510	80,791	1,477,020	359,828
Community environment . . . . .	273,795	53,758	-	-
Leisure time activity. . . . .	3,531,536	1,708,011	651,864	-
Interest and fiscal charges. . . . .	321,059	-	-	-
Total governmental activities . . . . .	<u>27,051,115</u>	<u>2,877,930</u>	<u>3,224,937</u>	<u>386,743</u>
<b>Business-type activities:</b>				
Sewer operating . . . . .	4,885,090	6,023,227	-	-
Water operating . . . . .	2,471,007	2,249,330	7,328	153,100
Storm water . . . . .	556,913	500,965	-	278,343
Total business-type activities . . . . .	<u>7,913,010</u>	<u>8,773,522</u>	<u>7,328</u>	<u>431,443</u>
Total primary government . . . . .	<u>\$ 34,964,125</u>	<u>\$ 11,651,452</u>	<u>\$ 3,232,265</u>	<u>\$ 818,186</u>

**General revenues:**

Property taxes levied for:	
General purposes . . . . .	
Fire/EMS levy . . . . .	
Police pension . . . . .	
Municipal income taxes levied for:	
General purposes . . . . .	
Special revenue . . . . .	
Grants and entitlements not restricted	
to specific programs . . . . .	
Investment earnings. . . . .	
Change in fair value of investments. . . . .	
Miscellaneous . . . . .	

Total general revenues . . . . .

Change in net position . . . . .

**Net position at beginning of year . . . . .**

**Net position at end of year . . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (5,625,298)	\$ -	\$ (5,625,298)
(6,006,276)	-	(6,006,276)
(66,784)	-	(66,784)
(5,579,418)	-	(5,579,418)
(27,101)	-	(27,101)
(1,543,871)	-	(1,543,871)
(220,037)	-	(220,037)
(1,171,661)	-	(1,171,661)
(321,059)	-	(321,059)
<u>(20,561,505)</u>	<u>-</u>	<u>(20,561,505)</u>
-	1,138,137	1,138,137
-	(61,249)	(61,249)
-	222,395	222,395
<u>-</u>	<u>1,299,283</u>	<u>1,299,283</u>
<u>(20,561,505)</u>	<u>1,299,283</u>	<u>(19,262,222)</u>
943,367	-	943,367
1,393,018	-	1,393,018
134,367	-	134,367
13,014,577	-	13,014,577
1,626,853	-	1,626,853
2,907,211	-	2,907,211
1,067,077	-	1,067,077
125,796	-	125,796
463,995	71,354	535,349
<u>21,676,261</u>	<u>71,354</u>	<u>21,747,615</u>
1,114,756	1,370,637	2,485,393
<u>27,896,187</u>	<u>23,362,487</u>	<u>51,258,674</u>
<u>\$ 29,010,943</u>	<u>\$ 24,733,124</u>	<u>\$ 53,744,067</u>

**CITY OF TALLMADGE, OHIO**

*BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023*

	<u>General</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<u>American Rescue Plan Act</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . .	\$ 12,987,177	\$ 563,219	\$ 1,649,184	\$ 1,251,349
Receivables:				
Income taxes. . . . .	3,223,417	-	-	-
Real and other taxes . . . . .	1,006,226	1,437,423	-	-
Accounts. . . . .	47,131	78,246	-	-
Interfund loans. . . . .	737,863	-	-	-
Accrued interest . . . . .	167,379	-	-	-
Intergovernmental . . . . .	1,445,193	93,011	600,537	-
Leases . . . . .	609,597	-	-	-
Materials and supplies inventory. . . . .	109,203	-	249,242	-
Prepayments . . . . .	198,504	72,055	42,734	-
Total assets . . . . .	<u>\$ 20,531,690</u>	<u>\$ 2,243,954</u>	<u>\$ 2,541,697</u>	<u>\$ 1,251,349</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 769,022	\$ 25,449	\$ 56,770	\$ 77,603
Contracts payable. . . . .	-	-	-	63,000
Accrued wages and benefits payable . . . . .	111,726	85,667	20,059	-
Interfund loans payable. . . . .	-	-	-	-
Intergovernmental payable . . . . .	273,561	57,446	13,662	-
Unearned revenue . . . . .	-	-	-	1,110,746
Total liabilities . . . . .	<u>1,154,309</u>	<u>168,562</u>	<u>90,491</u>	<u>1,251,349</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . .	972,393	1,389,353	-	-
Delinquent property tax revenue not available. . .	33,833	48,070	-	-
Accrued interest not available . . . . .	123,361	-	-	-
Income tax revenue not available . . . . .	1,559,611	-	-	-
Intergovernmental nonexchange transactions . .	914,597	90,036	377,537	-
Leases. . . . .	588,811	-	-	-
Total deferred inflows of resources . . . . .	<u>4,192,606</u>	<u>1,527,459</u>	<u>377,537</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	875,652	72,055	291,976	-
Restricted. . . . .	-	475,878	1,781,693	-
Committed . . . . .	192,505	-	-	-
Assigned . . . . .	4,553,025	-	-	-
Unassigned (deficit) . . . . .	9,563,593	-	-	-
Total fund balances. . . . .	<u>15,184,775</u>	<u>547,933</u>	<u>2,073,669</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 20,531,690</u>	<u>\$ 2,243,954</u>	<u>\$ 2,541,697</u>	<u>\$ 1,251,349</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,889,884	\$ 18,340,813
358,158	3,581,575
143,746	2,587,395
-	125,377
-	737,863
-	167,379
76,307	2,215,048
-	609,597
-	358,445
892,476	1,205,769
<u>\$ 3,360,571</u>	<u>\$ 29,929,261</u>
\$ 65,320	\$ 994,164
120,463	183,463
1,238	218,690
737,863	737,863
38,042	382,711
-	1,110,746
<u>962,926</u>	<u>3,627,637</u>
138,913	2,500,659
4,833	86,736
-	123,361
173,291	1,732,902
59,305	1,441,475
-	588,811
<u>376,342</u>	<u>6,473,944</u>
892,476	2,132,159
777,454	3,035,025
505,062	697,567
47,845	4,600,870
(201,534)	9,362,059
<u>2,021,303</u>	<u>19,827,680</u>
<u>\$ 3,360,571</u>	<u>\$ 29,929,261</u>

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**CITY OF TALLMADGE, OHIO**

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2023*

<b>Total governmental fund balances</b>		\$ 19,827,680
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		37,878,297
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 1,732,902	
Delinquent property taxes receivable	86,736	
Intergovernmental receivable	1,441,475	
Accrued interest receivable	123,361	
<b>Total</b>	<b>3,384,474</b>	<b>3,384,474</b>
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(25,457)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		73,951
Unamortized premiums on bond issuances are not recognized in the funds.		(800,744)
Unamortized discounts on bond issuances are not recognized in the funds.		69,355
The net pension asset and net pension liability are not available to pay for current period expenditures and are not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	15,493	
Deferred outflows of resources	9,225,554	
Deferred inflows of resources	(788,679)	
Net pension liability	(23,401,283)	
<b>Total</b>	<b>(14,948,915)</b>	<b>(14,948,915)</b>
The net OPEB liability and net OPEB asset are not available to pay for current period expenditures and is not due and payable in the current period, respectively; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources	1,466,714	
Deferred inflows of resources	(1,242,064)	
Net OPEB liability	(1,314,370)	
<b>Total</b>	<b>(1,089,720)</b>	<b>(1,089,720)</b>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(1,028,854)	
General obligation bonds payable	(9,945,000)	
General obligation private placement bonds payable	(2,595,000)	
Direct financing notes payable	(1,456,301)	
Leases payable	(186,237)	
Subscription-based information technology arrangements payable	(146,586)	
<b>Total</b>	<b>(15,357,978)</b>	<b>(15,357,978)</b>
<b>Net position of governmental activities</b>		<b>\$ 29,010,943</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

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

	<u>General</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<u>American Rescue Plan Act</u>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 941,518	\$ 1,390,593	\$ -	\$ -
Municipal income taxes . . . . .	13,018,805	-	-	-
Intergovernmental . . . . .	2,747,640	195,957	1,420,717	669,440
Investment income . . . . .	989,620	-	3,241	-
Fines, licenses and permits . . . . .	261,795	-	-	-
Special assessments . . . . .	2,809	-	25,838	-
Charges for services . . . . .	1,882,775	592,119	87,500	-
Change in fair value of investments . . . . .	125,796	-	-	-
Miscellaneous . . . . .	463,995	181,608	108,352	-
Total revenues . . . . .	<u>20,434,753</u>	<u>2,360,277</u>	<u>1,645,648</u>	<u>669,440</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	5,797,807	-	-	38,446
Security of persons and property:				
Police . . . . .	4,532,773	-	-	8,000
Street lights . . . . .	66,784	-	-	-
Fire . . . . .	36,286	4,464,938	-	-
Public health and welfare . . . . .	-	-	143,399	-
Transportation . . . . .	383,299	-	1,649,216	236,721
Community environment . . . . .	255,534	-	-	-
Leisure time activity . . . . .	2,182,478	-	520,979	386,273
Capital outlay . . . . .	857,131	-	1,766,538	-
Debt service:				
Principal retirement . . . . .	44,735	-	124,524	-
Interest and fiscal charges . . . . .	5,202	-	20,124	-
Total expenditures . . . . .	<u>14,162,029</u>	<u>4,464,938</u>	<u>4,224,780</u>	<u>669,440</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>6,272,724</u>	<u>(2,104,661)</u>	<u>(2,579,132)</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	5,785	8,686	121,722	-
Direct financing note transaction . . . . .	-	-	-	-
Lease transaction . . . . .	-	-	-	-
Subscription-based information technology arrangement transaction . . . . .	-	-	-	-
Insurance recovery . . . . .	-	-	-	-
Transfers in . . . . .	-	2,190,000	2,534,865	-
Transfers (out) . . . . .	(5,589,755)	-	-	-
Total other financing sources (uses) . . . . .	<u>(5,583,970)</u>	<u>2,198,686</u>	<u>2,656,587</u>	<u>-</u>
Net change in fund balances . . . . .	688,754	94,025	77,455	-
<b>Fund balances at beginning of year . . . . .</b>	<u>14,496,021</u>	<u>453,908</u>	<u>1,996,214</u>	<u>-</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 15,184,775</u>	<u>\$ 547,933</u>	<u>\$ 2,073,669</u>	<u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 134,103	\$ 2,466,214
1,627,322	14,646,127
582,558	5,616,312
7,942	1,000,803
25,094	286,889
-	28,647
-	2,562,394
-	125,796
1,325	755,280
<u>2,378,344</u>	<u>27,488,462</u>
111,986	5,948,239
497,154	5,037,927
-	66,784
730,306	5,231,530
-	143,399
91,221	2,360,457
-	255,534
-	3,089,730
2,375,521	4,999,190
1,166,041	1,335,300
332,601	357,927
<u>5,304,830</u>	<u>28,826,017</u>
<u>(2,926,486)</u>	<u>(1,337,555)</u>
-	136,193
889,838	889,838
53,140	53,140
179,000	179,000
221,153	221,153
1,525,450	6,250,315
(660,560)	(6,250,315)
<u>2,208,021</u>	<u>1,479,324</u>
(718,465)	141,769
2,739,768	19,685,911
<u>\$ 2,021,303</u>	<u>\$ 19,827,680</u>

**CITY OF TALLMADGE, OHIO**

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

<b>Net change in fund balances - total governmental funds</b>	\$	141,769
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Capital asset additions	\$ 3,823,534	
Current year depreciation/amortization	<u>(1,999,041)</u>	
Total		1,824,493
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(120,936)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes	(4,697)	
Real and other taxes	4,538	
Intergovernmental revenues	600,111	
Investment income	<u>77,457</u>	
Total		677,409
The issuances of debt obligations are recorded as other financing sources in the governmental funds; however, in the statement of activities, they are not reported as revenues as they increase long-term liabilities on the statement of net position.		
Direct financing note transaction	(889,838)	
Lease transaction	(53,140)	
Subscription-based information technology arrangements transaction	<u>(179,000)</u>	
Total		(1,121,978)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		1,335,300
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expended when due.		
Accrued interest payable	1,394	
Amortization of deferred amounts on refunding	(10,088)	
Amortization of bond premium	49,469	
Amortization of bond discount	<u>(3,907)</u>	
Total		36,868
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts deferred outflows.		
Pension	1,657,341	
OPEB	<u>24,428</u>	
Total		1,681,769

- (Continued)

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**CITY OF TALLMADGE, OHIO**

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

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Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB asset/liability are reported as pension expense in the statement of activities.

Pension	\$ (3,427,708)	
OPEB	<u>181,020</u>	
Total		\$ (3,246,688)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(93,250)

**Change in net position of governmental activities**

\$ 1,114,756

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 914,715	\$ 954,641	\$ 941,518	\$ (13,123)
Municipal income taxes . . . . .	11,371,641	11,868,000	13,070,593	1,202,593
Intergovernmental. . . . .	2,946,369	3,074,975	2,760,427	(314,548)
Investment income. . . . .	106,885	111,550	895,908	784,358
Fines, licenses and permits . . . . .	311,666	325,270	315,560	(9,710)
Special assessments . . . . .	-	-	2,809	2,809
Charges for services. . . . .	1,712,220	1,786,956	1,741,472	(45,484)
Miscellaneous. . . . .	262,540	274,000	463,995	189,995
Total revenues . . . . .	<u>17,626,036</u>	<u>18,395,392</u>	<u>20,192,282</u>	<u>1,796,890</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	5,729,983	6,790,208	6,240,105	550,103
Security of persons and property . . . . .	4,960,433	5,165,122	4,777,734	387,388
Transportation . . . . .	522,478	522,478	376,502	145,976
Community environment . . . . .	365,391	365,391	234,616	130,775
Leisure time activity . . . . .	2,408,736	2,455,336	2,187,224	268,112
Capital outlay . . . . .	1,312,580	1,262,206	1,179,590	82,616
Total expenditures . . . . .	<u>15,299,601</u>	<u>16,560,741</u>	<u>14,995,771</u>	<u>1,564,970</u>
Excess of revenues over expenditures . . . . .	<u>2,326,435</u>	<u>1,834,651</u>	<u>5,196,511</u>	<u>3,361,860</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets. . . . .	-	-	4,100	4,100
Advances in . . . . .	23,571	24,600	-	(24,600)
Advances (out) and not repaid . . . . .	(64,750)	(169,918)	(169,918)	-
Transfers (out). . . . .	(5,415,255)	(5,589,755)	(5,589,755)	-
Total other financing sources (uses) . . . . .	<u>(5,456,434)</u>	<u>(5,735,073)</u>	<u>(5,755,573)</u>	<u>(20,500)</u>
Net change in fund balances . . . . .	(3,129,999)	(3,900,422)	(559,062)	3,341,360
<b>Fund balance at beginning of year. . . . .</b>	10,815,781	10,815,781	10,815,781	-
<b>Prior year encumbrances appropriated . . . . .</b>	735,575	735,575	735,575	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,421,357</u>	<u>\$ 7,650,934</u>	<u>\$ 10,992,294</u>	<u>\$ 3,341,360</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FIRE/EMS LEVY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other taxes. . . . .	\$ 1,210,324	\$ 1,231,217	\$ 1,390,593	\$ 159,376
Intergovernmental. . . . .	167,965	170,865	192,982	22,117
Charges for services. . . . .	539,071	548,377	619,361	70,984
Miscellaneous. . . . .	165,538	168,395	190,193	21,798
<b>Total revenues</b> . . . . .	<u>2,082,898</u>	<u>2,118,854</u>	<u>2,393,129</u>	<u>274,275</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property . . . . .	4,415,862	4,557,716	4,525,301	32,415
<b>Total expenditures</b> . . . . .	<u>4,415,862</u>	<u>4,557,716</u>	<u>4,525,301</u>	<u>32,415</u>
Excess of expenditures over revenues . . . . .	<u>(2,332,964)</u>	<u>(2,438,862)</u>	<u>(2,132,172)</u>	<u>306,690</u>
<b>Other financing sources:</b>				
Sale of capital assets. . . . .	-	-	8,686	8,686
Transfers in . . . . .	2,100,000	2,190,000	2,190,000	-
<b>Total other financing sources</b> . . . . .	<u>2,100,000</u>	<u>2,190,000</u>	<u>2,198,686</u>	<u>8,686</u>
Net change in fund balances . . . . .	(232,964)	(248,862)	66,514	315,376
<b>Fund balance at beginning of year.</b> . . . .	423,753	423,753	423,753	-
<b>Prior year encumbrances appropriated.</b> . . .	10,641	10,641	10,641	-
<b>Fund balance at end of year</b> . . . . .	<u>\$ 201,430</u>	<u>\$ 185,532</u>	<u>\$ 500,908</u>	<u>\$ 315,376</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
STREET MAINTENANCE AND REPAIR FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,354,865	\$ 1,367,052	\$ 1,386,355	\$ 19,303
Investment income . . . . .	496	500	3,241	2,741
Special assessments . . . . .	19,822	20,000	25,838	5,838
Charges for services . . . . .	74,331	75,000	87,500	12,500
Miscellaneous . . . . .	96,135	97,000	108,352	11,352
<b>Total revenues . . . . .</b>	<u>1,545,649</u>	<u>1,559,552</u>	<u>1,611,286</u>	<u>51,734</u>
<b>Expenditures:</b>				
Current:				
Public health and welfare . . . . .	169,832	169,832	144,826	25,006
Transportation . . . . .	2,271,331	2,274,229	1,868,626	405,603
Leisure time activity . . . . .	599,454	599,454	533,529	65,925
Capital outlay . . . . .	2,121,052	2,157,552	1,847,366	310,186
<b>Total expenditures . . . . .</b>	<u>5,161,669</u>	<u>5,201,067</u>	<u>4,394,347</u>	<u>806,720</u>
Excess of expenditures over revenues . . . . .	<u>(3,616,020)</u>	<u>(3,641,515)</u>	<u>(2,783,061)</u>	<u>858,454</u>
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	-	-	121,722	121,722
Transfers in . . . . .	2,512,268	2,534,865	2,534,865	-
<b>Total other financing sources . . . . .</b>	<u>2,512,268</u>	<u>2,534,865</u>	<u>2,656,587</u>	<u>121,722</u>
Net change in fund balances . . . . .	(1,103,752)	(1,106,650)	(126,474)	980,176
<b>Fund balance at beginning of year . . . . .</b>	1,244,177	1,244,177	1,244,177	-
<b>Prior year encumbrances appropriated . . . . .</b>	275,024	275,024	275,024	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 415,449</u>	<u>\$ 412,551</u>	<u>\$ 1,392,727</u>	<u>\$ 980,176</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF TALLMADGE, OHIO**

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AMERICAN RESCUE PLAN ACT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
General government . . . . .	\$ 38,446	\$ 38,446	\$ 38,446	\$ -
Security of persons and property . . . . .	8,000	8,000	8,000	-
Transportation . . . . .	947,899	1,266,901	1,011,335	255,566
Leisure time activity . . . . .	304,886	304,886	282,960	21,926
Total expenditures . . . . .	<u>1,299,231</u>	<u>1,618,233</u>	<u>1,340,741</u>	<u>277,492</u>
Net change in fund balance. . . . .	(1,299,231)	(1,618,233)	(1,340,741)	277,492
<b>Fund balance at beginning of year . . . . .</b>	1,723,088	1,723,088	1,723,088	-
<b>Prior year encumbrances appropriated . .</b>	<u>57,098</u>	<u>57,098</u>	<u>57,098</u>	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 480,955</u>	<u>\$ 161,953</u>	<u>\$ 439,445</u>	<u>\$ 277,492</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2023*

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Sewer Operating</b>	<b>Water Operating</b>	<b>Storm Water</b>	<b>Total</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . . . .	\$ 5,131,191	\$ 3,082,615	\$ 229,278	\$ 8,443,084
Receivables:				
Accounts . . . . .	1,630,142	543,604	142,528	2,316,274
Materials and supplies inventory . . . . .	74,213	74,213	-	148,426
Prepayments . . . . .	14,970	14,970	7,401	37,341
Total current assets . . . . .	<u>6,850,516</u>	<u>3,715,402</u>	<u>379,207</u>	<u>10,945,125</u>
Noncurrent assets:				
Net pension asset . . . . .	1,228	1,243	561	3,032
Capital assets:				
Nondepreciable capital assets . . . . .	92,751	316,259	599,584	1,008,594
Depreciable/amortized capital assets, net . . . . .	3,535,776	6,310,413	5,809,789	15,655,978
Total capital assets, net . . . . .	<u>3,628,527</u>	<u>6,626,672</u>	<u>6,409,373</u>	<u>16,664,572</u>
Total noncurrent assets . . . . .	<u>3,629,755</u>	<u>6,627,915</u>	<u>6,409,934</u>	<u>16,667,604</u>
Total assets . . . . .	<u>10,480,271</u>	<u>10,343,317</u>	<u>6,789,141</u>	<u>27,612,729</u>
<b>Deferred outflows of resources:</b>				
Pension . . . . .	278,720	283,113	119,005	680,838
OPEB . . . . .	39,009	39,564	17,371	95,944
Total deferred outflows of resources . . . . .	<u>317,729</u>	<u>322,677</u>	<u>136,376</u>	<u>776,782</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	20,087	34,599	-	54,686
Accrued wages and benefits payable . . . . .	6,418	6,418	3,467	16,303
Intergovernmental payable . . . . .	766,265	130,715	2,361	899,341
Compensated absences payable . . . . .	7,588	7,588	-	15,176
Accrued interest payable . . . . .	-	12,802	-	12,802
Current portion of OWDA loans payable . . . . .	-	138,360	-	138,360
Current portion of direct financing notes payable . . . . .	97,938	52,855	42,750	193,543
Current portion of leases payable . . . . .	13,957	13,957	-	27,914
Total current liabilities . . . . .	<u>912,253</u>	<u>397,294</u>	<u>48,578</u>	<u>1,358,125</u>
Long-term liabilities:				
OWDA loans payable . . . . .	-	536,292	-	536,292
Direct financing notes payable . . . . .	58,332	12,822	-	71,154
Leases payable . . . . .	39,435	39,435	-	78,870
Net pension liability . . . . .	635,448	642,961	290,002	1,568,411
Net OPEB liability . . . . .	12,777	12,928	5,831	31,536
Total long-term liabilities . . . . .	<u>745,992</u>	<u>1,244,438</u>	<u>295,833</u>	<u>2,286,263</u>
Total liabilities . . . . .	<u>1,658,245</u>	<u>1,641,732</u>	<u>344,411</u>	<u>3,644,388</u>
<b>Deferred inflows of resources:</b>				
Pension . . . . .	175	177	341	693
OPEB . . . . .	4,573	4,629	2,104	11,306
Total deferred inflows of resources . . . . .	<u>4,748</u>	<u>4,806</u>	<u>2,445</u>	<u>11,999</u>
<b>Net position:</b>				
Net investment in capital assets . . . . .	3,418,865	5,832,951	6,366,623	15,618,439
Restricted for pension . . . . .	1,228	1,243	561	3,032
Unrestricted . . . . .	5,714,914	3,185,262	211,477	9,111,653
Total net position . . . . .	<u>\$ 9,135,007</u>	<u>\$ 9,019,456</u>	<u>\$ 6,578,661</u>	<u>\$ 24,733,124</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

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

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Sewer Operating</b>	<b>Water Operating</b>	<b>Storm Water</b>	<b>Total</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 6,023,227	\$ 2,249,330	\$ 500,965	\$ 8,773,522
Other operating revenues . . . . .	12,686	40,432	18,236	71,354
Total operating revenues. . . . .	<u>6,035,913</u>	<u>2,289,762</u>	<u>519,201</u>	<u>8,844,876</u>
<b>Operating expenses:</b>				
Personal services . . . . .	540,442	543,188	254,859	1,338,489
Contract services. . . . .	3,946,498	1,365,397	26,673	5,338,568
Materials and supplies. . . . .	96,746	116,977	28,233	241,956
Depreciation/amortization. . . . .	237,039	323,342	245,683	806,064
Other . . . . .	50,827	87,665	68	138,560
Total operating expenses. . . . .	<u>4,871,552</u>	<u>2,436,569</u>	<u>555,516</u>	<u>7,863,637</u>
Operating income (loss) . . . . .	<u>1,164,361</u>	<u>(146,807)</u>	<u>(36,315)</u>	<u>981,239</u>
<b>Nonoperating income (expenses):</b>				
Interest and fiscal charges. . . . .	(5,108)	(29,083)	(1,397)	(35,588)
Loss on disposal of capital assets . . . . .	(8,430)	(5,355)	-	(13,785)
Intergovernmental . . . . .	-	7,328	-	7,328
Total nonoperating income (expenses) . . . . .	<u>(13,538)</u>	<u>(27,110)</u>	<u>(1,397)</u>	<u>(42,045)</u>
Income (loss) before capital contributions . . . . .	<u>1,150,823</u>	<u>(173,917)</u>	<u>(37,712)</u>	<u>939,194</u>
Capital contributions . . . . .	<u>-</u>	<u>153,100</u>	<u>278,343</u>	<u>431,443</u>
Change in net position . . . . .	1,150,823	(20,817)	240,631	1,370,637
<b>Net position at beginning of year . . . . .</b>	<u>7,984,184</u>	<u>9,040,273</u>	<u>6,338,030</u>	<u>23,362,487</u>
<b>Net position at end of year . . . . .</b>	<u>\$ 9,135,007</u>	<u>\$ 9,019,456</u>	<u>\$ 6,578,661</u>	<u>\$ 24,733,124</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

*STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Sewer Operating</b>	<b>Water Operating</b>	<b>Storm Water</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers . . . . .	\$ 5,816,325	\$ 2,236,837	\$ 462,259	\$ 8,515,421
Cash received from other operations . . . . .	12,686	40,432	18,236	71,354
Cash payments for personal services . . . . .	(519,372)	(519,960)	(254,928)	(1,294,260)
Cash payments for contractual services . . . . .	(4,040,295)	(1,350,258)	(26,673)	(5,417,226)
Cash payments for materials and supplies . . . . .	(103,157)	(123,388)	(28,233)	(254,778)
Cash payments for other expenses . . . . .	(50,827)	(87,665)	(68)	(138,560)
Net cash provided by operating activities . . . . .	<u>1,115,360</u>	<u>195,998</u>	<u>170,593</u>	<u>1,481,951</u>
<b>Cash flows from capital and related financing activities:</b>				
<b>financing activities:</b>				
Sale of capital assets . . . . .	11,050	11,050	-	22,100
Acquisition of capital assets . . . . .	(78,661)	(164,758)	-	(243,419)
Intergovernmental . . . . .	-	7,328	-	7,328
Principal retirement on OWDA loans . . . . .	-	(133,127)	-	(133,127)
Principal retirement on direct financing notes payable . . . . .	(96,745)	(52,086)	(42,059)	(190,890)
Principal retirement on leases payable . . . . .	(10,754)	(10,755)	-	(21,509)
Interest and fiscal charges . . . . .	(5,108)	(32,937)	(1,397)	(39,442)
Net cash provided by (used in) capital and related financing activities . . . . .	<u>(180,218)</u>	<u>(375,285)</u>	<u>(43,456)</u>	<u>(598,959)</u>
Net increase (decrease) in cash and cash equivalents . . . . .	935,142	(179,287)	127,137	882,992
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>4,196,049</u>	<u>3,261,902</u>	<u>102,141</u>	<u>7,560,092</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 5,131,191</u>	<u>\$ 3,082,615</u>	<u>\$ 229,278</u>	<u>\$ 8,443,084</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss) . . . . .	\$ 1,164,361	\$ (146,807)	\$ (36,315)	\$ 981,239
Adjustments:				
Depreciation/amortization . . . . .	237,039	323,342	245,683	806,064
Changes in assets and liabilities:				
Change in accounts receivable . . . . .	(206,902)	(12,493)	(38,706)	(258,101)
Change in materials and supplies inventory . . . . .	(6,411)	(6,411)	-	(12,822)
Change in prepayments . . . . .	(1,308)	(1,308)	(518)	(3,134)
Change in net pension asset . . . . .	3,860	3,892	1,896	9,648
Change in net OPEB asset . . . . .	61,761	62,340	29,832	153,933
Change in deferred outflows - pension . . . . .	(174,729)	(176,032)	(79,226)	(429,987)
Change in deferred outflows - OPEB . . . . .	(35,678)	(35,923)	(17,102)	(88,703)
Change in accounts payable . . . . .	(89,926)	5,673	-	(84,253)
Change in accrued wages and benefits . . . . .	(694)	(694)	633	(755)
Change in intergovernmental payable . . . . .	(3,624)	9,408	467	6,251
Change in compensated absences payable . . . . .	(2,138)	(2,138)	-	(4,276)
Change in net pension liability . . . . .	456,950	462,787	203,783	1,123,520
Change in net OPEB liability . . . . .	12,777	12,928	5,831	31,536
Change in deferred inflows - pension . . . . .	(231,897)	(233,941)	(112,324)	(578,162)
Change in deferred inflows - OPEB . . . . .	(68,081)	(68,625)	(33,341)	(170,047)
Net cash provided by operating activities . . . . .	<u>\$ 1,115,360</u>	<u>\$ 195,998</u>	<u>\$ 170,593</u>	<u>\$ 1,481,951</u>

**Non-Cash Transactions:**

The Water Operating fund received \$153,100 in capital contributions from developers during 2023.  
The Storm Operating fund received \$278,343 in capital contributions from developers during 2023.  
The Sewer Operating fund and the Water Operating fund entered into a \$50,568 and \$50,568 lease transaction, respectively, during 2023.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF TALLMADGE, OHIO**

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

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	<u>Private-Purpose Trust</u>	<u>Custodial</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 31,969	\$ 656,819
Receivables:		
Income taxes . . . . .	-	395,750
Accrued interest . . . . .	202	2,819
Total assets. . . . .	<u>32,171</u>	<u>1,055,388</u>
<b>Liabilities:</b>		
Intergovernmental payable . . . . .	<u>-</u>	<u>656,242</u>
<b>Net position:</b>		
Held in trust. . . . .	32,171	-
Restricted for other governments . . . . .	-	399,146
Total net position . . . . .	<u>\$ 32,171</u>	<u>\$ 399,146</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF TALLMADGE, OHIO**

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

	<u>Private-Purpose Trust</u>	<u>Custodial</u>
<b>Additions:</b>		
Income taxes. . . . .	\$ -	\$ 1,486,083
Investment income. . . . .	1,288	17,913
Contributions and donations. . . . .	5,000	
Change in fair value of investments . . . . .	134	1,935
Total additions . . . . .	<u>6,422</u>	<u>1,505,931</u>
<b>Deductions:</b>		
Distributions per trust . . . . .	5,000	-
Distributions to other governments . . . . .	-	1,467,579
Total deductions. . . . .	<u>5,000</u>	<u>1,467,579</u>
Change in net position . . . . .	1,422	38,352
<b>Net position at beginning of year . . . . .</b>	<u>30,749</u>	<u>360,794</u>
<b>Net position at end of year . . . . .</b>	<u>\$ 32,171</u>	<u>\$ 399,146</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## CITY OF TALLMADGE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

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#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Tallmadge, Ohio (the “City”) was incorporated as a village in 1936 and became a city in 1951. The City is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a Mayor-Council form of government. The Mayor, Council, Finance Director and Law Director are elected.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City’s significant accounting policies are described below.

##### A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes police and fire protection, parks and recreation, water, sewer and storm water service, street maintenance and repairs and general administrative services.

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

The City participates in the Brimfield Township-City of Tallmadge Joint Economic Development District, the Regional Income Tax Agency, the Akron Metropolitan Area Transportation Study, and the Summit Area Regional Council of Governments. These jointly governed organizations are discussed in Note 15 of the basic financial statements.

##### B. Basis of Presentation - Fund Accounting

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to sewer, water and storm water operations. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**C. Fund Accounting**

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

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

***General fund*** - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Fire/EMS levy fund*** - The fire/emergency medical service levy fund accounts for property tax collections received through a permanent tax levy. An additional source of significant revenue is charges for services. Expenditures are for the operations of the fire and emergency medical service programs, staff and capital expenditures.

***Street maintenance and repair fund*** - The street maintenance and repair fund is required by Ohio Revised Code to account for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.



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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

American Rescue Plan Act fund - The American Rescue Plan Act fund accounts for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted or assigned to expenditures for principal and interest on debt.

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

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

Sewer operating fund - The sewer operating fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Water operating fund - The water operating fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the City.

Storm water fund - The storm water fund accounts for the provision of storm water drainage runoff service to the residents and commercial users located within the City.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only trust fund is a private-purpose trust fund established to account for monies to benefit indigent and needy citizens of Tallmadge. The portion representing the principal amount of the trust fund is non-expendable. The City's only custodial fund accounts for the administering and collection of income taxes related to the Joint Economic Development District.

**D. Measurement Focus**

**Government-Wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and all non-fiduciary liabilities associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Like the government-wide statements, the proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. In fiduciary funds, a liability to the beneficiaries of the fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from private purpose trust and custodial funds.

**E. Basis of Accounting**

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

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, interest, and grants.

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 11 and 12 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes 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 of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 11 and 12 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

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

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

**F. Budgetary Process**

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control at which expenditures cannot exceed appropriations is at the personnel and operating level by program within the general fund and at the personnel and operating level for all other funds of the City. Capital items such as capital equipment are budgeted on a program or line item basis as specified by City Council legislatively. Any budget modifications at these levels may only be made through an ordinance of Council. Budgetary statements presented beyond the legal level of control are for information purposes only.

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**G. Cash and Investments**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents".

During 2023, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), negotiable certificates of deposit (CDs), U.S. Government money market mutual fund, U.S. Treasury notes, municipal bonds, commercial paper, Federal Farm Credit Bank (FFCB) securities, Federal National Mortgage Association (FNMA) securities, Federal Home Loan Bank (FHLB) securities, and Federal Home Loan Mortgage Corporation (FHLMC) securities. Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices.

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

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2023 amounted to \$989,620, which includes \$470,225 assigned from other City funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents.

An analysis of the City's investment account at year end is provided in Note 4.

**H. Materials and Supplies Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended at the time of acquisition. Inventory consists of expendable supplies.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds.

**I. Capital Assets**

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Buildings and improvements	25 - 80 years
Equipment	3 - 25 years
Infrastructure	25 - 60 years
Intangible right to use:	
Leased equipment	3 - 5 years
Software	3 - 5 years

The City's infrastructure consists of a streets subsystem, storm water subsystem, and water and sewer lines.

The City is reporting intangible right to use assets related to leased equipment and software. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/subscription term or the useful life of the underlying asset.

**J. Compensated Absences**

Vacation and comp time benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation and comp time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees wage rates at year end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for non-bargaining employees at retirement age or employees with greater than twenty years of service or age fifty with ten years of service with the City. The City records a liability for accumulated unused sick leave for bargaining employees at retirement age or employees with ten years of service with the City.

**K. Prepaid Items**

Payments made to vendors for services that will benefit beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditures/expense in the year in which the services are consumed.

On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance in the governmental funds.

**L. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

In general, governmental fund payables and accrued liabilities that once incurred are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, direct financing notes, leases and subscription-based information technology arrangements are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**M. Unamortized Bond Premiums and Discounts/Accounting Gain or Loss**

Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, bond premiums, bond discounts, and deferred charges from refunding are recognized in the current period.

**N. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**O. Interfund Activity**

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

**P. Minimum Fund Balance Policy**

The City has implemented a minimum fund balance policy to take a proactive approach to financial management in the City. The minimum fund balance policy assists the City in maintaining the security of major operating funds and contributes to the financial stability of the City by maintaining adequate financial reserves. Also, the minimum fund balance policy allows administration and City Council to recognize and react to warning indicators of financial stress and set guidelines for proactive measures. City council approved the policy on April 28, 2005. The policy requires the general fund, safety services income tax nonmajor special revenue fund, sewer operating fund and water operating fund carry a minimum fund balance of 25 percent of operating appropriations. The policy also requires the Fire/EMS levy fund and street maintenance and repair fund carry a smaller minimum fund balance of 8.5 percent of operating appropriations.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for sewer, water, and storm water utility programs. Operating expenses are necessary costs incurred to provide the goods and services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. The City did not have any extraordinary or special items transactions during 2023.

**S. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by Council. In the general fund, assigned amounts represent intended uses established by City Council or ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**T. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction and from contributions from governmental funds. During 2023, the water operating fund and the storm water fund received contributions of capital in the amount of \$153,100 and \$278,343 respectively from developers.

**U. Net Position**

Net position represents the difference between assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on the use of resources either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

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

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

**W. Estimates**

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

**X. Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**Y. Restricted Assets**

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets include capital lease proceeds held by an escrow agent.



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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2023, the City has implemented GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", GASB Statement No. 96, "Subscription Based Information Technology Arrangements", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. These changes were incorporated in the City's 2023 financial statements and had no effect on beginning net position or fund balance.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the City.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the City.

**B. Deficit Fund Balances**

Fund balances at December 31, 2023 included the following individual fund deficit:

	<u>Deficit</u>
<u>Nonmajor Special Revenue Fund:</u>	
Tallmadge Reserve Incentive District TIF	\$ 201,534

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balance resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Inactive deposits are public deposits not required for use within the current five-year period of designation of depositories as defined by the City's investment policy. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

Interim monies may be deposited or invested in the following securities:

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

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds and other obligations guaranteed by the United States;
2. Discount notes of the Federal National Mortgage Association;

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Deposits with Financial Institutions**

At December 31, 2023, the carrying amount of all City deposits was \$13,514,872 and the bank balance of all City deposits was \$13,990,786. Of the bank balance, \$5,500,000 was covered by the FDIC and \$8,490,786 was covered by the Ohio Pooled Collateral System (OPCS) as discussed below.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (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 fair 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 was approved for a reduced collateral rate through 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.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

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

Measurement/ Investment type	Measurement Amount	Investment Maturity				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Amortized cost:</i>						
STAR Ohio	\$ 5,327,177	\$ 5,327,177	\$ -	\$ -	\$ -	\$ -
<i>Fair value:</i>						
U.S. Government money market	11,094	11,094	-	-	-	-
U.S. Treasury notes	790,203	-	390,156	-	-	400,047
Commercial paper	2,332,537	1,848,154	484,383	-	-	-
Negotiable CDs	975,626	490,764	242,567	242,295	-	-
Municipal bonds	720,168	-	-	-	570,933	149,235
FFCB	817,372	291,098	-	-	-	526,274
FHLB	1,407,430	599,536	242,161	-	111,547	454,186
FNMA	524,379	-	-	-	224,359	300,020
FHLMC	1,051,827	-	-	-	-	1,051,827
<b>Total</b>	<b>\$ 13,957,813</b>	<b>\$ 8,567,823</b>	<b>\$ 1,359,267</b>	<b>\$ 242,295</b>	<b>\$ 906,839</b>	<b>\$ 2,881,589</b>

The City's investments in the U.S. Government money market are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in commercial paper, negotiable CDs, FFCB, FHLB, FNMA and FHLMC securities 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).

*Interest Rate Risk:* The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The investment in commercial paper carries ratings of P-1 by Moodys and A-1+ and A-1 by Standard & Poor's. The investment in U.S. Treasury note, FFCB, FHLB, FNMA, and FHLMC securities carries ratings of Aaa by Moodys and AA+ by Standard & Poor's. The municipal bonds were rated Aa2 by Moodys and AA by Standard & Poor's. The U.S. government money market and negotiable CDs were not rated. The negotiable CDs are covered by FDIC. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State Statute.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of investment type held by the City at December 31, 2023:

<u>Investment type</u>	Measurement	
	<u>Value</u>	<u>% to total</u>
STAR Ohio	\$ 5,327,177	38.17
U.S. Government money market	11,094	0.08
U.S. Treasury notes	790,203	5.66
Commercial paper	2,332,537	16.71
Negotiable CDs	975,626	6.99
Municipal bonds	720,168	5.16
FFCB	817,372	5.86
FHLB	1,407,430	10.08
FNMA	524,379	3.76
FHLMC	1,051,827	7.53
Total	<u>\$ 13,957,813</u>	<u>100.00</u>

**C. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2023:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 13,514,872
Investments	<u>13,957,813</u>
Total	<u>\$ 27,472,685</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 18,340,813
Business type activities	8,443,084
Private-purpose trust fund	31,969
Custodial fund	<u>656,819</u>
Total	<u>\$ 27,472,685</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

**A. Transfers**

Routine general fund transfers consist of \$2,190,000 to the fire/EMS levy special revenue fund, \$2,534,865 to the street maintenance and repair special revenue fund, and \$864,890 to nonmajor governmental funds. The safety services income tax fund, a nonmajor special revenue fund, also transferred \$660,560 to the bond retirement, a nonmajor debt service fund, to provide income tax revenue raised for bond payments.

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

	<u>Transfer In</u>	<u>Transfer Out</u>
<u>Major Funds:</u>		
General	\$ -	\$ 5,589,755
Fire/EMS Levy	2,190,000	-
Street Maintenance and Repair	2,534,865	-
Total Major Funds	4,724,865	5,589,755
<u>Nonmajor Governmental Funds:</u>		
Safety Services Income Tax	-	660,560
Police Pension	300,000	-
Bond Retirement	1,147,450	-
General Infrastructure Reserve	78,000	-
Total Nonmajor Governmental Funds	1,525,450	660,560
Total	<u>\$ 6,250,315</u>	<u>\$ 6,250,315</u>

**B. Interfund Loans**

Interfund loans consisted of the following at December 31, 2023, as reported on the fund financial statements.

<u>Receivable Fund</u>	<u>Payable Funds</u>	<u>Amount</u>
General Fund	<i>Nonmajor Governmental Funds:</i>	
	Safety Services Income Tax	\$ 406,561
	Tallmadge Reserve Incentive District TIF	201,534
	OEMA ARPA First Responder Grant	105,168
	Fire Station Construction	24,600
Total Interfund Loans Receivable/Payable		<u>\$ 737,863</u>

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2023, consisted primarily of municipal income taxes, property and other taxes, leases, accounts and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are deemed collectible in full.

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

**A. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Fiscal Officer at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 6 - RECEIVABLES - (Continued)**

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Tallmadge. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, tangible personal property taxes and outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2023 was \$6.15 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2023 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural and commercial/industrial/mineral	\$ 493,487,890
<u>Public utility</u>	
Personal	<u>9,134,210</u>
Total assessed value	<u>\$ 502,622,100</u>

**B. Municipal Income Taxes**

The City levies a municipal income tax of 2.25 percent on all income earned within the City as well as on income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income earned outside of the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

Ohio law requires all City income tax rates above 1 percent to be voted by residents of the City. Additional increases in the income tax rate would require voter approval. The City, by ordinance, designates 2 percent of the income tax for capital outlay and general governmental operations for programs within the general fund. The City's income tax increased from 2 percent to 2.25 percent effective January 1, 2020. The additional .25 percent income tax was approved by voters in 2019 and is to be used for the purpose of funding fire/EMS, police protection and related safety services. The .25 percent income tax is reported in the safety services income tax levy nonmajor special revenue fund and the fire station construction fund.

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 6 - RECEIVABLES - (Continued)**

In addition, the City receives income tax monies as the result of its agreement with Brimfield Township for a Joint Economic Development District (JEDD). Businesses within the JEDD currently pay a 1.50 percent income tax on all income earned within the JEDD and are required to withhold income tax on employee earnings and remit the tax to the City. The City is responsible for collection and administration of the income tax for the JEDD. The City is entitled to 55 percent of all income taxes collected from the JEDD and is required to contribute 5 percent of all income taxes collected to the JEDD Maintenance and Capital Improvement Fund maintained by the Township. The Township is entitled to the remaining 45 percent of all income taxes collected from the JEDD.

**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental activities:</u>	<u>Amounts</u>
Local government	\$ 307,436
Homestead and rollback	162,546
JEDD income tax	483,696
Ohio Department of Development/ Summit County Land Bank grant	556,987
School resource officer	23,322
Recycle grant	17,275
Miscellaneous	34,124
Permissive tax	10,990
Auto license tax	101,205
Gas tax and municipal cents per gallon tax	<u>517,467</u>
Total	<u>\$ 2,215,048</u>

**D. Leases Receivable**

The City is reporting leases receivable of \$609,597 in the General Fund. For 2023, the City recognized lease revenue of \$39,690, which is reported in charges for services, and interest revenue of \$21,801.

The City has entered into the following lease agreements as the lessor at varying years and terms as follows:

<u>Lease Type</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Summa Health System - recreation center building space	2020	15	2035	Monthly
Water Tower - cell tower	2014	30	2044	Monthly



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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 6 - RECEIVABLES - (Continued)**

The following is a schedule of future lease payments under the lease agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 29,922	\$ 20,860	\$ 50,782
2025	31,838	19,781	51,619
2026	32,971	18,649	51,620
2027	34,144	17,476	51,620
2028	35,358	16,262	51,620
2029 - 2033	200,776	61,239	262,015
2034 - 2038	127,015	29,167	156,182
2039 - 2043	97,568	12,499	110,067
2044	<u>20,005</u>	<u>351</u>	<u>20,356</u>
Total	<u>\$ 609,597</u>	<u>\$ 196,284</u>	<u>\$ 805,881</u>

**NOTE 7 - TAX ABATEMENTS**

The County provides tax abatements through the Tallmadge Community Reinvestment Area (CRA). This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The City has entered into agreements to abate property taxes through this CRA program. During 2023, the City's property tax revenues were reduced by \$44,160 as a result of these agreements.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 8 - CAPITAL ASSETS**

Governmental activities capital asset activity for the year ended December 31, 2023, was as follows:

<b><u>Governmental activities:</u></b>	<u>Balance</u>		<u>Balance</u>
	<u>12/31/22</u>	<u>Additions</u>	<u>12/31/23</u>
		<u>Deductions</u>	
<i>Capital assets, not being depreciated/amortized:</i>			
Land	\$ 4,352,852	\$ 15,421	\$ (66,394) \$ 4,301,879
Right of ways	80,218	-	80,218
Construction in progress	8,630,398	720,341	(7,060,481) 2,290,258
Total capital assets, not being depreciated/amortized	<u>13,063,468</u>	<u>735,762</u>	<u>(7,126,875) 6,672,355</u>
<i>Capital assets, being depreciated/amortized:</i>			
Buildings and improvements	18,942,960	8,271,529	(81,344) 27,133,145
Equipment	9,942,508	1,174,876	(739,140) 10,378,244
Infrastructure - streets subsystem	28,337,419	393,467	- 28,730,886
Intangible right to use:			
Leased equipment	587,881	53,140	(32,863) 608,158
Software	-	255,241	- 255,241
Total capital assets, being depreciated/amortized	<u>57,810,768</u>	<u>10,148,253</u>	<u>(853,347) 67,105,674</u>
<i>Less: accumulated depreciation/amortization</i>			
Buildings and improvements	(10,579,339)	(558,662)	74,011 (11,063,990)
Equipment	(6,201,235)	(578,484)	714,935 (6,064,784)
Infrastructure - streets subsystem	(17,642,590)	(696,835)	- (18,339,425)
Intangible right of use:			
Leased equipment	(276,332)	(129,575)	9,859 (396,048)
Software	-	(35,485)	- (35,485)
Total accumulated depreciation/amortization	<u>(34,699,496)</u>	<u>(1,999,041)</u>	<u>798,805 (35,899,732)</u>
Total capital assets, being depreciated/ amortized, net	<u>23,111,272</u>	<u>8,149,212</u>	<u>(54,542) 31,205,942</u>
Governmental activities capital assets, net	<u>\$ 36,174,740</u>	<u>\$ 8,884,974</u>	<u>\$ (7,181,417) \$ 37,878,297</u>

Depreciation/amortization expense was charged to governmental activities as follows:

General government	\$ 232,344
Security of persons and property - police	138,217
Security of persons and property - fire	281,142
Public health and welfare	3,610
Transportation	927,586
Community environment	3,691
Leisure time activity	412,451
Total depreciation/amortization expense	<u>\$ 1,999,041</u>

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 8 - CAPITAL ASSETS - (Continued)**

Business-type activities capital asset activity for the year ended December 31, 2023, was as follows:

<b><u>Business-type activities:</u></b>	<u>Balance</u> <u>12/31/22</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12/31/23</u>
<i>Capital assets, not being depreciated/amortized</i>				
Land	\$ 586,266	\$ -	\$ -	\$ 586,266
Right of ways/easements	285,260	-	-	285,260
Construction in progress	60,131	76,937	-	137,068
Total capital assets, not being depreciated/amortized	<u>931,657</u>	<u>76,937</u>	<u>-</u>	<u>1,008,594</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings and improvements	2,146,092	-	-	2,146,092
Equipment	2,302,234	157,384	(112,667)	2,346,951
Infrastructure				
Water lines	12,597,718	153,100	-	12,750,818
Sewer lines	9,497,967	-	-	9,497,967
Storm water subsystem	9,080,248	278,343	-	9,358,591
Intangible right to use:				
Leased equipment	137,723	110,234	(34,967)	212,990
Total capital assets, being depreciated/amortized	<u>35,761,982</u>	<u>699,061</u>	<u>(147,634)</u>	<u>36,313,409</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings and improvements	(1,603,344)	(20,789)	-	(1,624,133)
Equipment	(1,396,483)	(100,700)	101,259	(1,395,924)
Infrastructure				
Water lines	(6,968,072)	(250,187)	-	(7,218,259)
Sewer lines	(6,460,071)	(164,722)	-	(6,624,793)
Storm water subsystem	(3,480,746)	(231,086)	-	(3,711,832)
Intangible right to use:				
Leased equipment	(54,400)	(38,580)	10,490	(82,490)
Total accumulated depreciation/amortization	<u>(19,963,116)</u>	<u>(806,064)</u>	<u>111,749</u>	<u>(20,657,431)</u>
Total capital assets, being depreciated/ amortized, net	<u>15,798,866</u>	<u>(107,003)</u>	<u>(35,885)</u>	<u>15,655,978</u>
Business-type activities capital assets, net	<u>\$ 16,730,523</u>	<u>\$ (30,066)</u>	<u>\$ (35,885)</u>	<u>\$ 16,664,572</u>

Depreciation/amortization expense was charged to business-type activities as follows:

Sewer operating	\$ 237,039
Water operating	323,342
Storm water	245,683
Total depreciation/amortization expense	<u>\$ 806,064</u>

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 9 - LONG-TERM OBLIGATIONS**

The changes in long-term obligations for governmental activities during the year were as follows:

	Balance			Balance	Amounts
<b>Governmental activities:</b>	<u>12/31/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u>	<u>Due in</u>
					<u>One Year</u>
<u>General obligation bonds</u>					
2015 Recreation center refunding	\$ 1,795,000	\$ -	\$ (175,000)	\$ 1,620,000	\$ 180,000
2021 Various Purpose Fire Station	7,720,000	-	(320,000)	7,400,000	325,000
2021 Various Purpose East Ave.	965,000	-	(40,000)	925,000	40,000
Total general obligation bonds	<u>10,480,000</u>	<u>-</u>	<u>(535,000)</u>	<u>9,945,000</u>	<u>545,000</u>
<u>Private placement general obligation bonds</u>					
2020 Fire truck	1,080,000	-	(130,000)	950,000	130,000
2020 Various purpose recreation refunding	1,870,000	-	(225,000)	1,645,000	225,000
Total private placement G.O. bonds	<u>2,950,000</u>	<u>-</u>	<u>(355,000)</u>	<u>2,595,000</u>	<u>355,000</u>
<u>Other long-term obligations</u>					
Direct financing notes payable	866,493	889,838	(300,030)	1,456,301	268,158
Leases payable	245,953	53,140	(112,856)	186,237	68,529
SBITA payable	-	179,000	(32,414)	146,586	33,059
Net pension liability	11,527,132	11,874,151	-	23,401,283	-
Net OPEB liability	1,604,669	161,158	(451,457)	1,314,370	-
Compensated absences	935,604	366,633	(273,383)	1,028,854	327,533
Total governmental activities long-term obligations	28,609,851	<u>\$ 13,523,920</u>	<u>\$ (2,060,140)</u>	40,073,631	<u>\$ 1,597,279</u>
Add: Unamortized premium on bond issue	850,213			800,744	
Less: Unamortized discount on bond issue	<u>(73,262)</u>			<u>(69,355)</u>	
Total reported on statement of net position	<u>\$ 29,386,802</u>			<u>\$ 40,805,020</u>	

The changes in long-term obligations for business-type activities during the year were as follows:

	Balance			Balance	Amounts
<b>Business-type activities:</b>	<u>12/31/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u>	<u>Due in</u>
					<u>One Year</u>
<u>OWDA loans (direct borrowing)</u>					
Northeast water system	\$ 642,941	\$ -	\$ (79,680)	\$ 563,261	\$ 83,428
South Avenue waterline	164,838	-	(53,447)	111,391	54,932
Total OWDA loans	<u>807,779</u>	<u>-</u>	<u>(133,127)</u>	<u>674,652</u>	<u>138,360</u>
Direct financing note payable	455,587	-	(190,890)	264,697	193,543
Leases payable	27,157	101,136	(21,509)	106,784	27,914
Net pension liability	444,891	1,123,520	-	1,568,411	-
Net OPEB liability	-	31,536	-	31,536	-
Compensated absences	19,452	15,176	(19,452)	15,176	15,176
Total business-type activities long-term obligations	<u>\$ 1,754,866</u>	<u>\$ 1,271,368</u>	<u>\$ (364,978)</u>	<u>\$ 2,661,256</u>	<u>\$ 374,993</u>

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The interest rate, original issue amount and date of maturity of each of the City's bonds outstanding at December 31, 2023 are as follows:

<u>Bond Issue</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Maturity Date</u>
2015 Recreation center refunding	2.493%	\$ 2,925,000	12/1/2031
2020 Fire Truck	1.200%	1,335,000	12/1/2030
2020 Various Purpose Recreation Refunding Bonds	1.200%	2,550,000	12/1/2030
2021 Various Purpose Fire Station	2.00 - 5.00%	8,000,000	12/1/2041
2021 Various Purpose East Ave.	2.00 - 5.00%	1,000,000	12/1/2041

2015 Recreation Center Bonds Payable: On June 18, 2015, the City issued general obligation bonds in the amount of \$2,925,000 to advance refund \$2,875,000 of the 2006 recreation bonds payable. These bonds bear interest rates ranging from 2.00 percent to 4.00 percent and mature on December 1, 2031. These bonds are general obligations of the City, for which its full faith and credit is pledged for repayment.

Issuance proceeds, in the amount of \$2,943,456, were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt payments on the refunding debt. This refunded debt is considered defeased. At December 31, 2023 none of the defeased debt was outstanding.

The reacquisition price exceeded the net carrying amount of the old debt by \$68,456. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$286,050. The unamortized deferred charges are reported as a deferred outflow of resources on the statement of net position.

2020 Various Purpose Recreation Refunding Bonds - Private Placement: On April 21, 2020, the City issued general obligation bonds in the amount of \$2,550,000 to refund \$2,460,000 of the 2010 recreation various improvement bonds through a private placement with Baker Tilly Municipal Advisors, LLC. These bonds bear an interest rate of 1.20% and mature on December 1, 2030. These bonds are general obligations of the City, for which its full faith and credit is pledged for repayment.

The reacquisition price exceeded the net carrying amount of the old debt by \$62,763. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized deferred charges are reported as a deferred outflow of resources on the statement of net position. This refunding was undertaken to reduce total debt service payments over the next nine years and resulted in an economic gain of \$384,586.

The refunding bonds issued through JP Morgan Chase Bank is considered a private placement. Private placements occur when the City issues a debt security directly to an investor. Private placements have terms negotiated directly with the investor and are not offered for public sale.

2020 Fire Truck Bonds Payable - Private Placement: On April 21, 2020, the City issued \$1,335,000 in general obligation bonds payable for a fire truck vehicle through a private placement with Baker Tilly Municipal Advisors, LLC. These bonds bear an interest rate of 1.20% and mature on December 1, 2030. These bonds are general obligations of the City, for which its full faith and credit is pledged for repayment.

The bonds issued through JP Morgan Chase Bank is considered a private placement. Private placements occur when the City issues a debt security directly to an investor. Private placements have terms negotiated directly with the investor and are not offered for public sale.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

2021 Fire Station Bonds Payable: On October 7, 2021, the City issued \$8,000,000 in general obligation bonds payable for constructing, equipping, and furnishing a new fire station. These bonds bear interest rates ranging from 2.00% to 5.00% and mature on December 1, 2041. These bonds are general obligations of the City, for which its full faith and credit is pledged for repayment.

2021 East Avenue Bonds Payable: On October 7, 2021, the City issued \$1,000,000 in general obligation bonds payable for improvements to the intersection of East Avenue and Washburn Road. These bonds bear interest rates ranging from 2.00% to 5.00% and mature on December 1, 2041. These bonds are general obligations of the City, for which its full faith and credit is pledged for repayment.

Direct Financing Notes Payable: In prior years, the City entered into direct financing notes for ambulances, vehicles, hydrovac trucks, fire truck, street/service equipment and copier equipment. The notes will be paid out of the general fund, fire/EMS levy special revenue fund, the street maintenance and repair special revenue fund, the safety services income tax nonmajor special revenue fund, water operating fund, sewer operating fund and storm water fund. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as functional expenditures in the budgetary statements. The fire truck related to the note issued in 2023 has not been delivered to the City at year-end and has not been capitalized. The note payable balance for the fire truck was \$781,499 at December 31, 2023.

Leases Payable: The City has entered into lease agreements for the use for the right to use vehicles. The City has reported intangible - right to use capital assets and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid out of the general fund, the street maintenance and repair special revenue fund, the safety services income tax nonmajor special revenue fund, water operating fund, and sewer operating fund. Lease payments are reflected as debt service expenditures in the financial statements and as functional expenditures in the budgetary statements. Payments are due monthly and the leases mature in 2028.

Subscription-Based Information Technology Agreement (SBITA) Payable: During 2023, the City entered into an agreement for the right to use subscription-based information technology software for the police department. The City has reported an intangible capital asset and corresponding liability for the future scheduled payments under the agreement. SBITA payments have been reclassified and are reflected as debt service expenditures for the safety services income tax nonmajor special revenue fund in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis. Payments are due on an annual basis and the SBITA is scheduled to mature in 2028.

OWDA Loans: The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA). The City has pledged future water revenues to repay the OWDA loans. The loans are payable solely from water fund revenues and are payable through 2029. Annual principal and interest payments on the Northeast water system and South Avenue waterline loans are expected to require all of the available net revenues and 8.20 percent of total revenues. The total principal and interest remaining to be paid on the OWDA loans is \$754,827. Principal and interest paid for the current year was \$162,240, total net revenues were \$176,535 and total operating revenues were \$2,289,762.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

Net Pension Liability Net OPEB Liability: See Notes 11 and 12 to the basic financial statements for details on the net pension liability and net OPEB liability, respectively. The net pension and net OPEB liability will be paid from the general fund, fire/EMS levy fund, street maintenance and repair fund, police pension fund, sewer operating fund, water operating fund and storm water fund.

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

*Compensated Absences:* Compensated absences will be paid from the general fund, fire/EMS levy fund, street maintenance and repair fund, and sewer and water operating funds.

As of December 31, 2023, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$39,551,777 (net of unamortized debt) and the unvoted legal debt margin was \$27,644,216. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2023 are as follows:

Year Ended	Governmental Activities General Obligation Bonds			Governmental Activities General Obligation Bonds Private Placement		
	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 545,000	\$ 274,350	\$ 819,350	\$ 355,000	\$ 31,140
2025	555,000	261,650	816,650	365,000	26,880	391,880
2026	565,000	248,700	813,700	365,000	22,500	387,500
2027	590,000	234,550	824,550	370,000	18,120	388,120
2028	600,000	219,750	819,750	375,000	13,680	388,680
2029-2033	2,850,000	775,200	3,625,200	765,000	13,800	778,800
2034-2038	2,570,000	323,200	2,893,200	-	-	-
2039-2041	1,670,000	67,300	1,737,300	-	-	-
Total	<u>\$ 9,945,000</u>	<u>\$ 2,404,700</u>	<u>\$ 12,349,700</u>	<u>\$ 2,595,000</u>	<u>\$ 126,120</u>	<u>\$ 2,721,120</u>

Year Ended	Governmental Activities Direct Financing Notes Payable			Business-Type Activities Direct Financing Notes Payable		
	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 268,158	\$ 55,612	\$ 323,770	\$ 193,543	\$ 3,367
2025	276,281	47,487	323,768	71,154	676	71,830
2026	200,898	39,057	239,955	-	-	-
2027	184,756	31,326	216,082	-	-	-
2028	139,079	23,913	162,992	-	-	-
2029-2032	387,129	46,227	433,356	-	-	-
Total	<u>\$ 1,456,301</u>	<u>\$ 243,622</u>	<u>\$ 1,699,923</u>	<u>\$ 264,697</u>	<u>\$ 4,043</u>	<u>\$ 268,740</u>

Year Ended	Governmental Activities Leases Payable			Business-Type Activities Leases Payable		
	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 68,529	\$ 6,110	\$ 74,639	\$ 27,914	\$ 5,772
2025	57,746	3,307	61,053	25,038	3,618	28,656
2026	42,952	1,038	43,990	20,380	2,296	22,676
2027	15,230	105	15,335	21,354	1,322	22,676
2028	1,780	-	1,780	12,098	382	12,480
Total	<u>\$ 186,237</u>	<u>\$ 10,560</u>	<u>\$ 196,797</u>	<u>\$ 106,784</u>	<u>\$ 13,390</u>	<u>\$ 120,174</u>

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Year <u>Ended</u>	Governmental Activities SBITA Payable			Business-Type Activities OWDA Loans		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 33,059	\$ 10,129	\$ 43,188	\$ 138,360	\$ 24,404	\$ 162,764
2025	35,344	7,844	43,188	143,812	19,502	163,314
2026	37,786	5,402	43,188	91,463	14,796	106,259
2027	40,397	2,791	43,188	95,764	11,094	106,858
2028	-	-	-	100,268	7,218	107,486
2029	-	-	-	104,985	3,161	108,146
Total	<u>\$ 146,586</u>	<u>\$ 26,166</u>	<u>\$ 172,752</u>	<u>\$ 674,652</u>	<u>\$ 80,175</u>	<u>\$ 754,827</u>

**NOTE 10 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2023, the City contracted with Selective Insurance of Southeast for general liability, automobile, firefighters, errors and omissions, and law enforcement and public officials for the policy period covering January 1, 2023 through December 31, 2023. C.N.A. Insurance Company also covers buildings and contents and boiler and machinery. The City carries a \$2,000,000 general liability with \$1,000,000 occurrence, a \$1,000,000 automobile liability and a \$10,000,000 umbrella liability extending coverage on the general, automobile, police professional liability and public official's liability.

Travelers Insurance Company insures dishonesty bonds for all necessary officials and other employees. The City carries \$1,000,000 employee dishonesty limit with \$100,000 faithful performance of duty.

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

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

The City has elected to provide employee medical, prescription, dental and vision benefits through a health insurance consortium comprised of other public entities beginning on July 1, 2017. The Jefferson Health Plan is the consortium that administers the provision of medical, dental, vision, hospitalization, and prescription drug benefits for all claims incurred during membership in the Jefferson Health Plan. A third-party administrator contracted by the Jefferson Health Plan provides administrative services in connection with the processing and payment of claims. The City is responsible for the first \$75,000 in claims, the Jefferson Health Plan is responsible for cumulative claim payments up to a maximum reimbursement of \$1,425,000, and cumulative claim payments over \$1,500,000 are eligible for reimbursement from the Jefferson Health Plan's umbrella stop-loss policy, currently Sun Life. Fixed premiums for the calendar year are determined by the Jefferson Health Plan and paid to the third-party administrator.

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability/Asset and Net OPEB Liability***

The net pension liability/asset and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.



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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

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

The remainder of this note includes the pension disclosures. See Note 12 for the OPEB disclosures.

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

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

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

\*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan and the Combined Plan was \$746,440 for 2023. Of this amount, \$58,016 is reported as intergovernmental payable.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% 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 (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,033,059 for 2023. Of this amount, \$83,042 is reported as intergovernmental payable.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.032479%	0.020442%	0.146400%	
Proportion of the net pension liability/asset current measurement date	<u>0.032443%</u>	<u>0.007860%</u>	<u>0.161975%</u>	
Change in proportionate share	<u>-0.000036%</u>	<u>-0.012582%</u>	<u>0.015575%</u>	
Proportionate share of the net pension liability	\$ 9,583,677	\$ -	\$ 15,386,017	\$ 24,969,694
Proportionate share of the net pension asset	-	(18,525)	-	(18,525)
Pension expense	1,467,188	2,375	2,205,323	3,674,886

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	OPERS - Traditional	OPERS - Combined	OP&F	Total
<b>Deferred outflows of resources:</b>				
Differences between expected and actual experience	\$ 318,331	\$ 1,140	\$ 230,787	\$ 550,258
Net difference between projected and actual earnings on pension plan investments	2,731,649	6,754	2,240,019	4,978,422
Changes of assumptions	101,246	1,226	1,387,767	1,490,239
Changes in employer's proportionate percentage/difference between employer contributions	106,456	-	1,001,518	1,107,974
Contributions subsequent to the measurement date	745,597	843	1,033,059	1,779,499
Total deferred outflows of resources	<u>\$ 4,003,279</u>	<u>\$ 9,963</u>	<u>\$ 5,893,150</u>	<u>\$ 9,906,392</u>
<b>Deferred inflows of resources:</b>				
Differences between expected and actual experience	\$ -	\$ 2,644	\$ 350,537	\$ 353,181
Changes of assumptions	-	-	300,023	300,023
Changes in employer's proportionate percentage/difference between employer contributions	5,447	-	130,721	136,168
Total deferred inflows of resources	<u>\$ 5,447</u>	<u>\$ 2,644</u>	<u>\$ 781,281</u>	<u>\$ 789,372</u>

\$1,779,499 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2024.

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OP&F	Total
2024	\$ 465,785	\$ 279	\$ 547,904	\$ 1,013,968
2025	644,241	1,244	961,095	1,606,580
2026	804,057	1,728	1,016,784	1,822,569
2027	1,338,152	2,902	1,432,736	2,773,790
2028	-	(10)	120,291	120,281
Thereafter	-	333	-	333
Total	<u>\$ 3,252,235</u>	<u>\$ 6,476</u>	<u>\$ 4,078,810</u>	<u>\$ 7,337,521</u>

***Actuarial Assumptions - OPERS***

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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 as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected 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 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 (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00 %</u>	



**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 14,356,028	\$ 9,583,677	\$ 5,613,937
Combined Plan	(9,668)	(18,525)	(25,545)

**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 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. Experience study assumptions were performed by OP&F's prior actuary and completed as of December 31, 2016. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful lives of the participants which was 5.81 years at December 31, 2022.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, compared to December 31, 2021, are presented below.

Valuation date	1/1/22 with actuarial liabilities rolled forward to 12/31/22
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*Service Retiree and Vested Former Member Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

*Contingent Annuitant Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return **</u>
Domestic equity	18.60 %	4.80 %
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 20,297,125	\$ 15,386,017	\$ 11,303,412

**NOTE 12 - DEFINED BENEFIT OPEB PLANS**

**Net OPEB Liability**

See Note 11 for a description of the net OPEB liability.

**Plan Description - Ohio Public Employees Retirement System (OPERS)**

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

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

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

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

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

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

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

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

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

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

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$140 for 2023. Of this amount, \$11 is reported as intergovernmental payable.

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

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

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

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

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CITY OF TALLMADGE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$24,311 for 2023. Of this amount, \$1,954 is reported as intergovernmental payable.

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.031216%	0.146400%	
Proportion of the net OPEB liability current measurement date	<u>0.030561%</u>	<u>0.161975%</u>	
Change in proportionate share	<u>-0.000655%</u>	<u>0.015575%</u>	
Proportionate share of the net OPEB liability	\$ 192,694	\$ 1,153,212	\$ 1,345,906
OPEB expense	(403,199)	148,919	(254,280)

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources:</b>			
Differences between expected and actual experience	\$ -	\$ 68,817	\$ 68,817
Net difference between projected and actual earnings on OPEB plan investments	382,698	98,913	481,611
Changes of assumptions	188,207	574,694	762,901
Changes in employer's proportionate percentage/ difference between employer contributions	11,634	213,244	224,878
Contributions subsequent to the measurement date	<u>140</u>	<u>24,311</u>	<u>24,451</u>
Total deferred outflows of resources	<u>\$ 582,679</u>	<u>\$ 979,979</u>	<u>\$ 1,562,658</u>

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources:</b>			
Differences between expected and actual experience	\$ 48,065	\$ 227,390	\$ 275,455
Changes of assumptions	15,487	943,232	958,719
Changes in employer's proportionate percentage/difference between employer contributions	<u>6,052</u>	<u>13,144</u>	<u>19,196</u>
Total deferred inflows of resources	<u>\$ 69,604</u>	<u>\$ 1,183,766</u>	<u>\$ 1,253,370</u>

\$24,451 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/increase to the net OPEB liability in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2024	\$ 71,052	\$ 37,475	\$ 108,527
2025	137,670	42,679	180,349
2026	119,338	(28,079)	91,259
2027	184,875	(6,724)	178,151
2028	-	(77,601)	(77,601)
Thereafter	-	(195,848)	(195,848)
Total	<u>\$ 512,935</u>	<u>\$ (228,098)</u>	<u>\$ 284,837</u>

***Actuarial Assumptions - OPERS***

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.



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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
	including wage inflation
Prior Measurement date	2.75 to 10.75%
	including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6% for 2022.

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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 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's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	<u>100.00 %</u>	

**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 proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability/(asset)	\$ 655,839	\$ 192,694	\$ (189,478)

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***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 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 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that 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 the health care 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 Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 180,616	\$ 192,694	\$ 206,287

***Actuarial Assumptions - OP&F***

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

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

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

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.27%
Prior measurement date	2.84%
Cost of Living Adjustments	2.20% simple per year

*Service Retiree and Vested Former Member Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

*Contingent Annuitant Mortality* - 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. All rates are projected using the MP-2021 Improvement Scale.

*Pre-Retirement Mortality* - 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.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return **</u>
Domestic equity	18.60 %	4.80 %
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
<b>Total</b>	<b>125.00 %</b>	

Note: assumptions are geometric.

\* levered 2x

\*\* Numbers are net of expected inflation.

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

**Discount Rate** - For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. 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 7.50%. 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 7.50% was applied to periods before December 31, 2035 and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a 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 one percentage point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

	Current		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability	\$ 1,420,073	\$ 1,153,212	\$ 927,914

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

**NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS**

**A. Compensated Absences**

City employees are granted vacation, sick leave, and comp time in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, sick leave, and comp time at various rates.

Vacation leave is earned at rates which vary depending upon length of service. For bargaining unit employees, current policy credits vacation leave on January 1 of each year for all full time employees. Vacation accumulation may not exceed four weeks accrual at year end, two weeks of which may be designated for future use. Any unused excess is eliminated from the employee's leave balance. For non-bargaining employees, current policy provides for the accrual and credit of vacation as it is earned. Non-bargaining employees may carry an accumulated balance of 280 hours at any given time. Additional vacation will not be accrued once the balance has reached 280 hours. In case of death, termination, lay-off, or retirement, an employee (or his estate) is paid for his unused vacation balance.

Sick leave is earned at the rate of .0575 hours per hour of service. An employee may receive up to 50 percent of their accumulated sick leave, not to exceed a maximum of 150 days, upon retirement for all employees or upon termination for police and full-time firefighters with at least 10 years of service. Retirement and termination payments are calculated using the rate of pay at the date of separation.

Employees have the option to accrue comp time at time and a half the overtime hours worked in lieu of being paid overtime. Non-bargaining employees maximum balance is 24 hours. Full-time firefighters maximum balance is 240 hours. Police officers and sergeants maximum balance is 240 hours. Police and sergeants prior year carryover balances are reduced to 40 hours on April 15 of the succeeding year. Any excess of 40 hours is paid out to the employee. Teamsters union employees maximum is 160 hours. Balances for teamsters are zeroed out every year on December 1 and paid to the employee.

**B. Life Insurance**

The City provides life insurance to its employees through MetLife.

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING**

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund, fire/EMS levy fund, street maintenance and repair fund, and American Rescue Plan Act fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned, committed, or restricted fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

	<b>Net Change in Fund Balance</b>			
	<u>General fund</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<u>American Rescue Plan Act</u>
Budget basis	\$ (559,062)	\$ 66,514	\$ (126,474)	\$ (1,340,741)
Net adjustment for revenue accruals	86,431	(32,852)	34,362	649,440
Net adjustment for expenditure accruals	(678,849)	(1,948)	(86,890)	(120,603)
Net adjustment for other financing sources	171,603	-	-	-
Funds budgeted elsewhere	(93,929)	-	-	-
Adjustment for encumbrances	<u>1,762,560</u>	<u>62,311</u>	<u>256,457</u>	<u>811,904</u>
GAAP basis	<u>\$ 688,754</u>	<u>\$ 94,025</u>	<u>\$ 77,455</u>	<u>\$ -</u>

Certain funds that are legally classified in separate custodial funds are considered part of the general fund on a GAAP-basis. These include the payroll clearing fund and revolving fund.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

Brimfield Township - City of Tallmadge Joint Economic Development District (JEDD)

The City of Tallmadge entered into a contractual agreement effective January 1, 2004 with Brimfield Township to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio, the Counties of Summit and Portage, the City, the Township and the JEDD. The JEDD is administered by a five member Board of Directors consisting of one member representing the City and appointed by the Mayor, one member representing the Township and appointed by the Township Trustees, one member who is a business owner in the JEDD representing the business owners in the JEDD and appointed by the Township Trustees, one member who is a person employed within the JEDD and appointed by the Mayor with confirmation of City Council and one member selected by unanimous vote of all members appointed at the time. The City nor the Township have any fixed financial obligation set aside for administrative costs and expenses of the Board. The City is responsible for basic administrative costs of the Board. The Board of Directors has entered into an agreement to administer, collect and enforce the income tax on behalf of the JEDD with the City of Tallmadge. Upon termination of the contractual agreement, any property, assets and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party.

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)**

Regional Income Tax Agency (RITA)

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the cities and villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form RITA. Today RITA serves as the income tax collection agency for 324 municipalities throughout the State of Ohio. The City began using RITA for its income tax collection services in December 2009.

Each member municipality appoints its own delegate to the RCOG, including electing members to the RITA Board of Trustees. Regardless of the population or tax collections of member municipalities, each member of the RCOG has an equal say in the operations of RITA.

Akron Metropolitan Area Transportation Study (AMATS)

The City participates in the Akron Metropolitan Area Transportation Study. This organization is responsible for fulfilling the area's continuous, cooperative and comprehensive transportation planning process. The AMATS service area consists of Summit, Portage, and Chippewa Township of Wayne County. AMATS is led by the AMATS Transportation Policy Committee. The City is a member of the 43 member Policy Committee that is responsible for the preparation of regional transportation policies, plans and programs that meet the areas present and future needs. In 2023, the City contributed \$4,499 to AMATS, which represents the City's formula share.

Summit Area Regional Council of Governments (COG)

The City joined together with Summit County and the cities of Cuyahoga Falls, Fairlawn, and Stow to organize the Summit Area Regional Council of Governments (COG) pursuant to Chapter 167.01-08 of the Ohio Revised Code and an Intergovernmental Agreement to establish the COG dated February 17, 2022. The COG was organized as a voluntary organization of local political subdivisions in Summit County to foster a cooperative effort to plan for and implement a regional dispatch system for emergency services, including a regional dispatch center. The COG was also organized as a forum for the discussion and study of common emergency service problems of a multiple community nature, and for the development of policy, programs and implementation of such remedies as are appropriate. The COG is governed by a Board of Trustees. Each political subdivision which is a party to the Intergovernmental Agreement shall be a member of the COG and shall have one representative on the COG Board of Trustees. In 2023, the City made \$36,286 in contributions to the COG.

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The City received financial assistance from federal and State agencies in the form of grants. The expenditure 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 adverse effect on the overall financial position of the City at December 31, 2023.

**B. Litigation**

The City of Tallmadge is not a party to legal proceedings.



**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 17 - FUND BALANCE**

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

Fund balance	General	Fire/EMS Levy	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Materials and supplies inventory	\$ 109,203	\$ -	\$ 249,242	\$ -	\$ 358,445
Prepayments	198,504	72,055	42,734	892,476	1,205,769
Long-term loans	<u>567,945</u>	-	-	-	<u>567,945</u>
<b>Total nonspendable</b>	<u>875,652</u>	<u>72,055</u>	<u>291,976</u>	<u>892,476</u>	<u>2,132,159</u>
<b>Restricted:</b>					
General government					
Historical preservation	-	-	-	700	700
Fire repair and removal	-	-	-	14,294	14,294
Security of persons and property					
Police	-	-	-	35,159	35,159
Fire	-	475,878	-	6,810	482,688
Safety services income tax levy	-	-	-	524,617	524,617
Public health					
OneOhio opioid settlement	-	-	-	27,533	27,533
Transportation					
Street maintenance and repair	-	-	1,781,693	-	1,781,693
State highway	-	-	-	142,023	142,023
Community environment					
Community development	-	-	-	17,298	17,298
Capital outlay	-	-	-	9,020	9,020
<b>Total restricted</b>	<u>-</u>	<u>475,878</u>	<u>1,781,693</u>	<u>777,454</u>	<u>3,035,025</u>
<b>Committed:</b>					
General government					
Performance deposits	192,505	-	-	-	192,505
Capital outlay					
General infrastructure	-	-	-	105,917	105,917
Fire station construction	-	-	-	399,145	399,145
<b>Total committed</b>	<u>192,505</u>	<u>-</u>	<u>-</u>	<u>505,062</u>	<u>697,567</u>

- (Continued)

**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

**NOTE 17 - FUND BALANCE - (Continued)**

<i>- (Continued)</i>					
<u>Fund balance</u>	<u>General</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assigned:					
General government					
Mayor/administration	\$ 41,620	\$ -	\$ -	\$ -	\$ 41,620
Finance director	7,377	-	-	-	7,377
Law director	32,301	-	-	-	32,301
Service director	13,765	-	-	-	13,765
Manager of information service	173,093	-	-	-	173,093
Council	2,165	-	-	-	2,165
Custodian	28,561	-	-	-	28,561
General administration	252,575	-	-	-	252,575
Security of persons and property					
Police	36,583	-	-	-	36,583
Street lights	6,484	-	-	-	6,484
Dispatch services	82,829	-	-	-	82,829
Leisure time activities	49,189	-	-	-	49,189
Community environment	1,000	-	-	-	1,000
Transportation	3,316	-	-	-	3,316
Capital outlay	272,522	-	-	-	272,522
Debt service	-	-	-	47,845	47,845
Subsequent year appropriations	<u>3,549,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,549,645</u>
Total assigned	<u>4,553,025</u>	<u>-</u>	<u>-</u>	<u>47,845</u>	<u>4,600,870</u>
Unassigned	<u>9,563,593</u>	<u>-</u>	<u>-</u>	<u>(201,534)</u>	<u>9,362,059</u>
Total fund balances	<u>\$ 15,184,775</u>	<u>\$ 547,933</u>	<u>\$ 2,073,669</u>	<u>\$ 2,021,303</u>	<u>\$ 19,827,680</u>

**NOTE 18 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 1,032,651
Fire/EMS levy fund	56,686
Street maintenance and repair fund	220,923
American Rescue Plan Act fund	674,204
Other governmental	<u>625,986</u>
Total	<u>\$ 2,610,450</u>

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**CITY OF TALLMADGE, OHIO**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

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**NOTE 19 - TAX INCREMENT FINANCING DISTRICT**

The City passed an ordinance on December 11, 2020 to create the Tallmadge Reserve Tax Increment Financing (TIF) District to facilitate the development of a residential subdivision in order to increase housing options within the City. According to State law, TIF agreements with property owners under which the City has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make service payments in lieu of taxes to the City to help pay the costs of the infrastructure improvement. A portion of the service payments will be distributed to the Tallmadge City School District. The amount of those payments will reflect all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**NOTE 20 - SIGNIFICANT SUBSEQUENT EVENTS**

On February 8, 2024, the City entered into a lease purchase agreement in the amount of \$829,088 with Huntington Bank for two Mack trucks and an ambulance. The term is for seven years and bears an annual interest rate of 4.79%.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY/NET PENSION ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST TEN YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>					
City's proportion of the net pension liability	0.032443%	0.032479%	0.030167%	0.033131%	0.032832%
City's proportionate share of the net pension liability	\$ 9,583,677	\$ 2,825,804	\$ 4,467,075	\$ 6,548,568	\$ 8,992,019
City's covered payroll	\$ 5,050,936	\$ 4,714,929	\$ 4,249,271	\$ 4,662,314	\$ 4,434,486
City's proportionate share of the net pension liability as a percentage of its covered payroll	189.74%	59.93%	105.13%	140.46%	202.77%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	96.62%	86.88%	82.17%	74.70%
<i>Combined Plan:</i>					
City's proportion of the net pension liability	0.007860%	0.020442%	0.017388%	0.001872%	0.001512%
City's proportionate share of the net pension asset	\$ 18,525	\$ (80,542)	\$ 50,193	\$ 3,904	\$ 1,691
City's covered payroll	\$ 34,629	\$ 93,193	\$ 75,564	\$ 7,450	\$ 6,464
City's proportionate share of the net pension asset as a percentage of its covered payroll	53.50%	-86.42%	66.42%	52.40%	26.16%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%	126.64%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.032215%	0.032327%	0.031015%	0.031214%	0.031214%
\$ 5,053,909	\$ 7,340,912	\$ 5,372,189	\$ 3,764,757	\$ 3,679,724
\$ 4,259,954	\$ 4,047,733	\$ 3,888,100	\$ 3,841,117	\$ 3,806,762
118.64%	181.36%	138.17%	98.01%	96.66%
84.66%	77.25%	81.08%	86.45%	86.36%
0.002889%	0.010802%	0.019890%	0.018151%	0.018151%
\$ 3,932	\$ 6,013	\$ 9,679	\$ 6,989	\$ 1,905
\$ 11,838	\$ 42,050	\$ 63,500	\$ 66,350	\$ 49,831
33.22%	14.30%	15.24%	10.53%	3.82%
137.28%	116.55%	116.90%	114.83%	104.56%

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**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*LAST TEN YEARS*

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability	0.161975%	0.146400%	0.149301%	0.146671%	0.146207%
City's proportionate share of the net pension liability	\$ 15,386,017	\$ 9,146,219	\$ 10,177,956	\$ 9,880,555	\$ 11,934,355
City's covered payroll	\$ 4,502,419	\$ 3,765,380	\$ 3,711,104	\$ 3,533,294	\$ 3,363,739
City's proportionate share of the net pension liability as a percentage of its covered payroll	341.73%	242.90%	274.26%	279.64%	354.79%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%	63.07%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.144291%	0.140297%	0.133898%	0.136079%	0.136079%
\$ 8,855,767	\$ 8,886,247	\$ 8,613,720	\$ 7,049,465	\$ 6,627,479
\$ 3,202,777	\$ 2,962,276	\$ 2,775,815	\$ 2,780,230	\$ 2,627,275
276.50%	299.98%	310.31%	253.56%	252.26%
70.91%	68.36%	66.77%	72.20%	73.00%

**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST TEN YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Traditional Plan:</i>					
Contractually required contribution	\$ 745,597	\$ 707,131	\$ 660,090	\$ 594,898	\$ 652,724
Contributions in relation to the contractually required contribution	<u>(745,597)</u>	<u>(707,131)</u>	<u>(660,090)</u>	<u>(594,898)</u>	<u>(652,724)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,325,693	\$ 5,050,936	\$ 4,714,929	\$ 4,249,271	\$ 4,662,314
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>					
Contractually required contribution	\$ 843	\$ 4,848	\$ 13,047	\$ 10,579	\$ 1,043
Contributions in relation to the contractually required contribution	<u>(843)</u>	<u>(4,848)</u>	<u>(13,047)</u>	<u>(10,579)</u>	<u>(1,043)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 7,025	\$ 34,629	\$ 93,193	\$ 75,564	\$ 7,450
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 620,828	\$ 553,794	\$ 485,728	\$ 466,572	\$ 460,934
<u>(620,828)</u>	<u>(553,794)</u>	<u>(485,728)</u>	<u>(466,572)</u>	<u>(460,934)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,434,486	\$ 4,259,954	\$ 4,047,733	\$ 3,888,100	\$ 3,841,117
14.00%	13.00%	12.00%	12.00%	12.00%
\$ 905	\$ 1,539	\$ 5,046	\$ 7,620	\$ 7,962
<u>(905)</u>	<u>(1,539)</u>	<u>(5,046)</u>	<u>(7,620)</u>	<u>(7,962)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,464	\$ 11,838	\$ 42,050	\$ 63,500	\$ 66,350
14.00%	13.00%	12.00%	12.00%	12.00%

**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF CITY PENSION CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*LAST TEN YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>					
Contractually required contribution	\$ 462,668	\$ 439,354	\$ 400,956	\$ 415,806	\$ 395,605
Contributions in relation to the contractually required contribution	<u>(462,668)</u>	<u>(439,354)</u>	<u>(400,956)</u>	<u>(415,806)</u>	<u>(395,605)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,435,095	\$ 2,312,389	\$ 2,110,295	\$ 2,188,453	\$ 2,082,132
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>					
Contractually required contribution	\$ 570,391	\$ 514,657	\$ 388,945	\$ 357,823	\$ 341,023
Contributions in relation to the contractually required contribution	<u>(570,391)</u>	<u>(514,657)</u>	<u>(388,945)</u>	<u>(357,823)</u>	<u>(341,023)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,427,196	\$ 2,190,030	\$ 1,655,085	\$ 1,522,651	\$ 1,451,162
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 384,145	\$ 362,218	\$ 344,157	\$ 322,516	\$ 332,006
<u>(384,145)</u>	<u>(362,218)</u>	<u>(344,157)</u>	<u>(322,516)</u>	<u>(332,006)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,021,816	\$ 1,906,411	\$ 1,811,353	\$ 1,697,453	\$ 1,747,400
19.00%	19.00%	19.00%	19.00%	19.00%
\$ 315,352	\$ 304,646	\$ 270,467	\$ 253,415	\$ 242,715
<u>(315,352)</u>	<u>(304,646)</u>	<u>(270,467)</u>	<u>(253,415)</u>	<u>(242,715)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,341,923	\$ 1,296,366	\$ 1,150,923	\$ 1,078,362	\$ 1,032,830
23.50%	23.50%	23.50%	23.50%	23.50%

**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/NET OPEB ASSET  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST SEVEN YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability/asset	0.030561%	0.031216%	0.029006%	0.031547%	0.031529%
City's proportionate share of the net OPEB liability/(asset)	\$ 192,694	\$ (977,733)	\$ (516,764)	\$ 4,357,459	\$ 4,110,636
City's covered payroll	\$ 5,085,565	\$ 4,808,122	\$ 4,324,835	\$ 4,669,764	\$ 4,440,950
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	3.79%	20.34%	11.95%	93.31%	92.56%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%	46.33%

Note: Information prior to 2017 was unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Note: Covered payroll for 2021 and prior have been restated to exclude Member Directed Plan contributions.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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<u>2018</u>	<u>2017</u>
0.031110%	0.031440%
\$ 3,378,317	\$ 3,175,551
\$ 4,271,792	\$ 4,089,783
79.08%	77.65%
54.14%	54.05%

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**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*LAST SEVEN YEARS*

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net OPEB liability	0.161975%	0.146400%	0.149301%	0.146671%	0.146207%
City's proportionate share of the net OPEB liability	\$ 1,153,212	\$ 1,604,669	\$ 1,581,864	\$ 1,448,779	\$ 1,331,439
City's covered payroll	\$ 4,502,419	\$ 3,765,380	\$ 3,711,104	\$ 3,533,294	\$ 3,363,739
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	25.61%	42.62%	42.63%	41.00%	39.58%
Plan fiduciary net position as a percentage of the total OPEB liability	52.59%	46.86%	45.42%	47.08%	46.57%

Note: Information prior to 2017 was unavailable. The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



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<u>2018</u>	<u>2017</u>
0.144291%	0.140297%
\$ 8,175,303	\$ 6,659,584
\$ 3,202,777	\$ 2,962,276
255.26%	224.81%
14.13%	15.96%

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**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*LAST TEN YEARS*

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 140	\$ -	\$ 2,418	\$ 2,451	\$ 3,850
Contributions in relation to the contractually required contribution	<u>(140)</u>	<u>-</u>	<u>(2,418)</u>	<u>(2,451)</u>	<u>(3,850)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,332,718	\$ 5,085,565	\$ 4,808,122	\$ 4,324,835	\$ 4,669,764
Contributions as a percentage of covered payroll	0.00%	0.00%	0.05%	0.06%	0.08%

Note: Covered payroll for 2021 and prior have been restated to exclude Member Directed Plan contributions.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 5,290	\$ 48,188	\$ 88,066	\$ 79,032	\$ 77,837
<u>(5,290)</u>	<u>(48,188)</u>	<u>(88,066)</u>	<u>(79,032)</u>	<u>(77,837)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,440,950	\$ 4,271,792	\$ 4,089,783	\$ 3,951,600	\$ 3,907,467
0.12%	1.13%	2.15%	2.00%	1.99%

**CITY OF TALLMADGE, OHIO**

*SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION*

*SCHEDULE OF CITY OPEB CONTRIBUTIONS  
OHIO POLICE AND FIRE (OP&F) PENSION FUND*

*LAST TEN YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>Police:</i>					
Contractually required contribution	\$ 12,175	\$ 11,562	\$ 10,551	\$ 10,942	\$ 10,411
Contributions in relation to the contractually required contribution	<u>(12,175)</u>	<u>(11,562)</u>	<u>(10,551)</u>	<u>(10,942)</u>	<u>(10,411)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,435,095	\$ 2,312,389	\$ 2,110,295	\$ 2,188,453	\$ 2,082,132
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>					
Contractually required contribution	\$ 12,136	\$ 10,950	\$ 8,275	\$ 7,613	\$ 7,256
Contributions in relation to the contractually required contribution	<u>(12,136)</u>	<u>(10,950)</u>	<u>(8,275)</u>	<u>(7,613)</u>	<u>(7,256)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,427,196	\$ 2,190,030	\$ 1,655,085	\$ 1,522,651	\$ 1,451,162
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 10,110	\$ 9,532	\$ 9,057	\$ 8,717	\$ 8,653
<u>(10,110)</u>	<u>(9,532)</u>	<u>(9,057)</u>	<u>(8,717)</u>	<u>(8,653)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,021,816	\$ 1,906,411	\$ 1,811,353	\$ 1,697,453	\$ 1,747,400
0.50%	0.50%	0.50%	0.50%	0.50%
\$ 6,709	\$ 6,482	\$ 5,755	\$ 5,392	\$ 5,114
<u>(6,709)</u>	<u>(6,482)</u>	<u>(5,755)</u>	<u>(5,392)</u>	<u>(5,114)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,341,923	\$ 1,296,366	\$ 1,150,923	\$ 1,078,362	\$ 1,032,830
0.50%	0.50%	0.50%	0.50%	0.50%

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CITY OF TALLMADGE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

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OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

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CITY OF TALLMADGE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

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OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2014.
- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in assumptions for 2014.
- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

(Continued)

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CITY OF TALLMADGE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

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CITY OF TALLMADGE, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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OHIO POLICE AND FIRE (OP&F) PENSION FUND

*Changes in benefit terms :*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.

*Changes in assumptions :*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50% and (b) the discount rate was changed from 2.96% to 2.84%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

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COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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**CITY OF TALLMADGE, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

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**GENERAL FUND**

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter of the City and/or the general laws of Ohio.

**SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for all specific financial resources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following are the special revenue funds which the City operates:

**Major Special Revenue Funds**

***Fire/EMS Levy Fund***

The fire/emergency medical service levy fund accounts for property tax collections received through a permanent tax levy. An additional source of significant revenue is charges for services. Expenditures are for the operations of the fire and emergency medical service programs, staff, and for the purchase, repair and refurbishment of fire equipment.

***Street Maintenance and Repair Fund***

The street maintenance and repair fund is required by Ohio Revised Code to account for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

***American Rescue Plan Act Fund***

This fund accounts for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

**Nonmajor Special Revenue Funds**

***Safety Services Income Tax Fund***

To account for income tax monies received to fund fire/ EMS and police protection and related services.

***State Highway Fund***

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

***Community Development Fund***

To account for monies received from the Community Development Block Grant Project.

***Alcohol Enforcement and Education Fund***

Required by Ohio Revised Code Section 4511.99 to account for fines received from offenders. These funds are used in educating the public of laws governing the operation of a motor vehicle and the dangers of the operations of a motor vehicle while under the influence of alcohol.

***Law Enforcement Trust Fund***

To account for proceeds from the sale of contraband that are restricted to subsidizing law enforcement efforts.

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**CITY OF TALLMADGE, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)*

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**Nonmajor Special Revenue Funds (Continued)**

***Drug Law Enforcement Fund***

To account for monies from mandatory fines for trafficking offenses to be used for the investigation and prosecution of drug cases.

***Law Enforcement Assistance Fund***

To account for monies from a State grant to reimburse the City for training expenditures for law enforcement personnel.

***Emergency Medical Service Donation Fund***

To account for donations received for the City's emergency medical service and fire programs.

***K-9 Unit Donation Fund***

To account for donations received for the City's K-9 unit.

***Police Pension Fund***

To accumulate property taxes and subsidy from the General Fund for the payment of the current and accrued police disability and pension benefits.

***Fire Repair/Removal Fund***

To account for insurance proceeds for structures destroyed by fires restricted to ensure that the property is appropriately remediated. When remediated, the insurance proceeds are released to the property owner. Failure by the property owner to properly remediate the property, the proceeds will be used by the City to remediate the property.

***Historical Preservation Fund***

To account for donations from the Tallmadge Historical Society to be used for the preservation of historical structures that are owned by the City.

***Tallmadge Reserve Incentive District TIF Fund***

To account for tax increment financing incentives the Tallmadge City School District receives to support public improvements that benefit or serve parcels in the Incentive District.

***OneOhio Opioid Settlement Fund***

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

***Federal Equitable Sharing Fund***

To account for revenues received from Federal forfeitures to be used for expenditures related to law enforcement purposes.

***Ohio Emergency Management (OEMA) American Rescue Plan Act (ARPA) First Responder Grant Fund***

To account for grant funding received from OEMA to be used to support first responders confront pandemic-induced stress and other trauma by supporting the development of localized wellness programs and suicide prevention training that addressed mental health issues unique to first responders. Funding may also be used towards new recruitment and retention efforts to help restore pre-pandemic workforce levels.

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**CITY OF TALLMADGE, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)*

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**DEBT SERVICE FUND**

***Bond Retirement Fund***

The bond retirement fund is used to account for monies used for the purpose of retiring principal and interest on debt.

**CAPITAL PROJECTS FUNDS**

The capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary fund types. Following is a description of the capital project funds:

**Nonmajor Capital Projects Funds**

***General Infrastructure Fund***

To account for a percentage of revenue from the General Fund, in accordance with local ordinances, to maintain the general infrastructure of the City.

***Fire Station Construction Fund***

To account for transfers from the General Fund and municipal income taxes from the safety services income tax levy for the construction of a new fire station.

***East Avenue Improvement Fund***

To account for grants received from the Ohio Department of Transportation for the East Avenue improvements.

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes				
Real estate (public utility) . . . . .	\$ 914,715	\$ 954,641	\$ 941,518	\$ (13,123)
Municipal income taxes . . . . .	11,371,641	11,868,000	13,070,593	1,202,593
Intergovernmental				
Local government . . . . .	656,366	685,016	728,142	43,126
Rollback . . . . .	110,190	115,000	128,270	13,270
JEDD income taxes . . . . .	1,317,493	1,375,000	1,772,960	397,960
Miscellaneous . . . . .	862,320	899,959	131,055	(768,904)
Investment income . . . . .	106,885	111,550	895,908	784,358
Fines, licenses and permits . . . . .	311,666	325,270	315,560	(9,710)
Special assessments. . . . .	-	-	2,809	2,809
Charges for services . . . . .	1,712,220	1,786,956	1,741,472	(45,484)
Miscellaneous. . . . .	262,540	274,000	463,995	189,995
Total revenues. . . . .	<u>17,626,036</u>	<u>18,395,392</u>	<u>20,192,282</u>	<u>1,796,890</u>
<b>Expenditures:</b>				
Current:				
General government				
Mayor/administration				
Personnel . . . . .	834,679	774,679	548,569	226,110
Operating . . . . .	127,462	187,462	181,349	6,113
Total mayor/administration. . . . .	<u>962,141</u>	<u>962,141</u>	<u>729,918</u>	<u>232,223</u>
Finance director				
Personnel . . . . .	616,634	616,634	537,774	78,860
Operating . . . . .	270,941	270,941	263,160	7,781
Total finance director. . . . .	<u>887,575</u>	<u>887,575</u>	<u>800,934</u>	<u>86,641</u>
Law director				
Personnel . . . . .	371,711	371,711	335,321	36,390
Operating . . . . .	74,751	74,751	74,583	168
Total law director. . . . .	<u>446,462</u>	<u>446,462</u>	<u>409,904</u>	<u>36,558</u>
Service director				
Personnel . . . . .	230,662	230,662	207,690	22,972
Operating . . . . .	131,012	131,012	127,596	3,416
Total service director. . . . .	<u>361,674</u>	<u>361,674</u>	<u>335,286</u>	<u>26,388</u>
Manager of information service				
Personnel . . . . .	261,734	264,134	259,425	4,709
Operating . . . . .	919,069	969,893	885,506	84,387
Total manager of information service. . . . .	<u>1,180,803</u>	<u>1,234,027</u>	<u>1,144,931</u>	<u>89,096</u>
Council				
Personnel . . . . .	232,737	232,737	215,084	17,653
Operating . . . . .	41,775	46,775	30,773	16,002
Total council . . . . .	<u>274,512</u>	<u>279,512</u>	<u>245,857</u>	<u>33,655</u>
Civil service				
Personnel . . . . .	33,668	33,668	32,049	1,619
Operating . . . . .	4,650	4,650	1,784	2,866
Total civil service. . . . .	<u>38,318</u>	<u>38,318</u>	<u>33,833</u>	<u>4,485</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Custodian				
Personnel . . . . .	\$ 80,086	\$ 82,086	\$ 79,531	\$ 2,555
Operating . . . . .	347,107	347,107	323,062	24,045
Total custodian . . . . .	<u>427,193</u>	<u>429,193</u>	<u>402,593</u>	<u>26,600</u>
General administration				
Operating . . . . .	1,128,598	2,128,599	2,119,756	8,843
Total general administration . . . . .	<u>1,128,598</u>	<u>2,128,599</u>	<u>2,119,756</u>	<u>8,843</u>
Historical church				
Personnel . . . . .	15,912	15,912	12,716	3,196
Operating . . . . .	6,795	6,795	4,377	2,418
Total historical church . . . . .	<u>22,707</u>	<u>22,707</u>	<u>17,093</u>	<u>5,614</u>
Total general government. . . . .	<u>5,729,983</u>	<u>6,790,208</u>	<u>6,240,105</u>	<u>550,103</u>
Security of persons and property				
Police				
Personnel . . . . .	4,250,731	4,256,731	3,949,306	307,425
Operating . . . . .	654,702	654,702	575,161	79,541
Total police . . . . .	<u>4,905,433</u>	<u>4,911,433</u>	<u>4,524,467</u>	<u>386,966</u>
Street lighting				
Operating . . . . .	55,000	73,689	73,268	421
Total street lighting . . . . .	<u>55,000</u>	<u>73,689</u>	<u>73,268</u>	<u>421</u>
Dispatching Services				
Operating . . . . .	-	180,000	179,999	1
Total dispatching services . . . . .	<u>-</u>	<u>180,000</u>	<u>179,999</u>	<u>1</u>
Total security of persons and property . . . . .	<u>4,960,433</u>	<u>5,165,122</u>	<u>4,777,734</u>	<u>387,388</u>
Transportation				
Garage				
Personnel . . . . .	424,283	424,283	316,714	107,569
Operating . . . . .	98,195	98,195	59,788	38,407
Total transportation . . . . .	<u>522,478</u>	<u>522,478</u>	<u>376,502</u>	<u>145,976</u>
Community environment				
Zoning				
Personnel . . . . .	226,354	226,354	213,356	12,998
Operating . . . . .	139,037	139,037	21,260	117,777
Total community environment . . . . .	<u>365,391</u>	<u>365,391</u>	<u>234,616</u>	<u>130,775</u>
Leisure time activities				
Community center				
Personnel . . . . .	12,466	12,466	10,973	1,493
Operating . . . . .	61,853	61,853	54,746	7,107
Total community center. . . . .	<u>74,319</u>	<u>74,319</u>	<u>65,719</u>	<u>8,600</u>
Parks				
Personnel . . . . .	47,424	49,024	28,832	20,192
Operating . . . . .	111,729	111,729	90,141	21,588
Total recreation center . . . . .	<u>159,153</u>	<u>160,753</u>	<u>118,973</u>	<u>41,780</u>



**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL FUND (CONTINUED)**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Recreation center				
Personnel . . . . .	\$ 1,143,567	\$ 1,168,567	\$ 1,077,433	\$ 91,134
Operating . . . . .	666,205	666,205	564,214	101,991
Total recreation center . . . . .	<u>1,809,772</u>	<u>1,834,772</u>	<u>1,641,647</u>	<u>193,125</u>
Maca pool				
Personnel . . . . .	199,635	199,635	182,837	16,798
Operating . . . . .	165,857	185,857	178,048	7,809
Total Maca Pool . . . . .	<u>365,492</u>	<u>385,492</u>	<u>360,885</u>	<u>24,607</u>
Total leisure time activities . . . . .	<u>2,408,736</u>	<u>2,455,336</u>	<u>2,187,224</u>	<u>268,112</u>
Capital outlay				
Recreation - repairs, improvements, and fleet . . . . .	650,925	497,051	424,643	72,408
Zoning - software . . . . .	70,000	33,500	32,572	928
Garage - fleet . . . . .	7,750	7,750	7,704	46
Service director - fleet . . . . .	5,000	5,000	4,906	94
Manager of information service . . . . .	578,905	718,905	709,765	9,140
Total capital outlay . . . . .	<u>1,312,580</u>	<u>1,262,206</u>	<u>1,179,590</u>	<u>82,616</u>
Total expenditures . . . . .	<u>15,299,601</u>	<u>16,560,741</u>	<u>14,995,771</u>	<u>1,564,970</u>
Excess of revenues over expenditures . . . . .	<u>2,326,435</u>	<u>1,834,651</u>	<u>5,196,511</u>	<u>3,361,860</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	-	-	4,100	4,100
Advances in				
Safety services income tax . . . . .	23,571	24,600	-	(24,600)
Advances out				
OEMA ARPA first respnder grant . . . . .	-	(105,168)	(105,168)	-
Tallmadge Reserve Incentive District . . . . .	(64,750)	(64,750)	(64,750)	-
Transfers out				
Police pension . . . . .	(300,000)	(300,000)	(300,000)	-
Fire/EMS levy . . . . .	(2,100,000)	(2,190,000)	(2,190,000)	-
General infrastructure reserve . . . . .	(30,000)	(78,000)	(78,000)	-
Street maintenance and repair . . . . .	(2,498,365)	(2,534,865)	(2,534,865)	-
Bond retirement . . . . .	(486,890)	(486,890)	(486,890)	-
Total other financing sources (uses) . . . . .	<u>(5,456,434)</u>	<u>(5,735,073)</u>	<u>(5,755,573)</u>	<u>(20,500)</u>
Net change in fund balance . . . . .	(3,129,999)	(3,900,422)	(559,062)	3,341,360
<b>Fund balance at beginning of year . . . . .</b>	10,815,781	10,815,781	10,815,781	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>735,575</u>	<u>735,575</u>	<u>735,575</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,421,357</u>	<u>\$ 7,650,934</u>	<u>\$ 10,992,294</u>	<u>\$ 3,341,360</u>

**CITY OF TALLMADGE, OHIO**

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

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	1,145,951	\$ 47,845	\$ 696,088	\$ 1,889,884
Receivables:				
Income taxes . . . . .	358,158	-	-	358,158
Real and other taxes . . . . .	143,746	-	-	143,746
Intergovernmental . . . . .	55,509	-	20,798	76,307
Prepayments. . . . .	892,476	-	-	892,476
<b>Total assets . . . . .</b>	<b>\$ 2,595,840</b>	<b>\$ 47,845</b>	<b>\$ 716,886</b>	<b>\$ 3,360,571</b>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 27,209	\$ -	\$ 38,111	\$ 65,320
Contracts payable. . . . .	-	-	120,463	120,463
Accrued wages and benefits payable . . . . .	1,238	-	-	1,238
Interfund loan payable . . . . .	713,263	-	24,600	737,863
Intergovernmental payable . . . . .	38,042	-	-	38,042
<b>Total liabilities . . . . .</b>	<b>779,752</b>	<b>-</b>	<b>183,174</b>	<b>962,926</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	138,913	-	-	138,913
Delinquent property tax revenue not available. . . . .	4,833	-	-	4,833
Income tax revenue not available . . . . .	173,291	-	-	173,291
Intergovernmental nonexchange transactions . . . . .	39,675	-	19,630	59,305
<b>Total deferred inflows of resources. . . . .</b>	<b>356,712</b>	<b>-</b>	<b>19,630</b>	<b>376,342</b>
<b>Fund balances:</b>				
Nonspendable . . . . .	892,476	-	-	892,476
Restricted for:				
General government . . . . .	14,994	-	-	14,994
Security of persons and property:				
Police . . . . .	35,159	-	-	35,159
Fire . . . . .	6,810	-	-	6,810
Safety services income tax levy . . . . .	524,617	-	-	524,617
Public health . . . . .	27,533	-	-	27,533
Transportation. . . . .	142,023	-	-	142,023
Community environment . . . . .	17,298	-	-	17,298
Capital outlay . . . . .	-	-	9,020	9,020
Committed . . . . .	-	-	505,062	505,062
Assigned . . . . .	-	47,845	-	47,845
Unassigned (deficit) . . . . .	(201,534)	-	-	(201,534)
<b>Total fund balances . . . . .</b>	<b>1,459,376</b>	<b>47,845</b>	<b>514,082</b>	<b>2,021,303</b>
<b>Total liabilities, deferred inflows of resources and fund balances. . . . .</b>	<b>\$ 2,595,840</b>	<b>\$ 47,845</b>	<b>\$ 716,886</b>	<b>\$ 3,360,571</b>

**CITY OF TALLMADGE, OHIO**

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

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 134,103	\$ -	\$ -	\$ 134,103
Municipal income taxes . . . . .	1,627,322	-	-	1,627,322
Intergovernmental . . . . .	223,124	-	359,434	582,558
Investment income . . . . .	263	-	7,679	7,942
Fines, licenses and permits . . . . .	25,094	-	-	25,094
Miscellaneous . . . . .	1,325	-	-	1,325
Total revenues . . . . .	<u>2,011,231</u>	<u>-</u>	<u>367,113</u>	<u>2,378,344</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	108,486	3,500	-	111,986
Security of persons and property:				
Police . . . . .	497,154	-	-	497,154
Fire . . . . .	730,306	-	-	730,306
Transportation . . . . .	91,221	-	-	91,221
Capital outlay . . . . .	429,480	-	1,946,041	2,375,521
Debt service:				
Principal retirement . . . . .	316,041	850,000	-	1,166,041
Interest and fiscal charges . . . . .	35,151	297,450	-	332,601
Total expenditures . . . . .	<u>2,207,839</u>	<u>1,150,950</u>	<u>1,946,041</u>	<u>5,304,830</u>
Excess of expenditures over revenues . . . . .	<u>(196,608)</u>	<u>(1,150,950)</u>	<u>(1,578,928)</u>	<u>(2,926,486)</u>
<b>Other financing sources (uses):</b>				
Direct financing note transaction . . . . .	889,838			889,838
Lease transaction . . . . .	53,140	-	-	53,140
Subscription-based information technology arrangement transaction . . . . .	179,000	-	-	179,000
Insurance recovery . . . . .	-	-	221,153	221,153
Transfers in . . . . .	300,000	1,147,450	78,000	1,525,450
Transfers (out) . . . . .	(660,560)	-	-	(660,560)
Total other financing sources (uses) . . . . .	<u>761,418</u>	<u>1,147,450</u>	<u>299,153</u>	<u>2,208,021</u>
Net change in fund balances . . . . .	564,810	(3,500)	(1,279,775)	(718,465)
<b>Fund balances at beginning of year . . . . .</b>	<u>894,566</u>	<u>51,345</u>	<u>1,793,857</u>	<u>2,739,768</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 1,459,376</u>	<u>\$ 47,845</u>	<u>\$ 514,082</u>	<u>\$ 2,021,303</u>

**CITY OF TALLMADGE, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2023*

	<b>Safety Services Income Tax</b>	<b>State Highway</b>	<b>Community Development</b>	<b>Alcohol Enforcement and Education</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 773,520	\$ 128,315	\$ 17,298	\$ 9,750
Receivables:				
Income taxes . . . . .	358,158	-	-	-
Real and other taxes . . . . .	-	-	-	-
Intergovernmental . . . . .	-	46,400	-	-
Prepayments. . . . .	889,838	2,638	-	-
Total assets . . . . .	<u>\$ 2,021,516</u>	<u>\$ 177,353</u>	<u>\$ 17,298</u>	<u>\$ 9,750</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 27,209	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	-	1,238	-	-
Interfund payable . . . . .	406,561	-	-	-
Intergovernmental payable . . . . .	-	843	-	-
Total liabilities. . . . .	<u>433,770</u>	<u>2,081</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	-	-	-	-
Delinquent property tax revenue not available. . . . .	-	-	-	-
Income tax revenue not available . . . . .	173,291	-	-	-
Intergovernmental nonexchange transactions . . . . .	-	30,611	-	-
Total deferred inflows of resources . . . . .	<u>173,291</u>	<u>30,611</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	889,838	2,638	-	-
Restricted for:				
General government . . . . .	-	-	-	-
Security of persons and property:				
Police . . . . .	-	-	-	9,750
Fire . . . . .	-	-	-	-
Safety services income tax levy . . . . .	524,617	-	-	-
Public health . . . . .	-	-	-	-
Transportation. . . . .	-	142,023	-	-
Community environment . . . . .	-	-	17,298	-
Unassigned (deficit) . . . . .	-	-	-	-
Total fund balances. . . . .	<u>1,414,455</u>	<u>144,661</u>	<u>17,298</u>	<u>9,750</u>
Total liabilities, deferred inflows of resources and fund balances. . . . .	<u>\$ 2,021,516</u>	<u>\$ 177,353</u>	<u>\$ 17,298</u>	<u>\$ 9,750</u>

<b>Law Enforcement Trust</b>	<b>Drug Law Enforcement</b>	<b>Law Enforcement Assistance</b>	<b>Emergency Medical Service Donation</b>	<b>K-9 Unit Donation</b>	<b>Police Pension</b>	<b>Fire Repair/Removal</b>
\$ 750	\$ 2,673	\$ 5,580	\$ 6,810	\$ 5,161	\$ 40,545	\$ 14,294
-	-	-	-	-	-	-
-	-	-	-	-	143,746	-
-	45	-	-	-	9,064	-
-	-	-	-	-	-	-
<u>\$ 750</u>	<u>\$ 2,718</u>	<u>\$ 5,580</u>	<u>\$ 6,810</u>	<u>\$ 5,161</u>	<u>\$ 193,355</u>	<u>\$ 14,294</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	37,199	-
-	-	-	-	-	37,199	-
-	-	-	-	-	-	-
-	-	-	-	-	138,913	-
-	-	-	-	-	4,833	-
-	-	-	-	-	-	-
-	-	-	-	-	9,064	-
-	-	-	-	-	152,810	-
-	-	-	-	-	-	-
-	-	-	-	-	-	14,294
750	2,718	5,580	-	5,161	3,346	-
-	-	-	6,810	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>750</u>	<u>2,718</u>	<u>5,580</u>	<u>6,810</u>	<u>5,161</u>	<u>3,346</u>	<u>14,294</u>
<u>\$ 750</u>	<u>\$ 2,718</u>	<u>\$ 5,580</u>	<u>\$ 6,810</u>	<u>\$ 5,161</u>	<u>\$ 193,355</u>	<u>\$ 14,294</u>

- (Continued)

**CITY OF TALLMADGE, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)  
DECEMBER 31, 2023*

	<u>Historical Preservation</u>	<u>Tallmadge Reserve Incentive District</u>	<u>OneOhio Opioid Settlement</u>	<u>Federal Equitable Sharing</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 700	\$ -	\$ 27,533	\$ 7,854
Receivables:				
Income taxes . . . . .	-	-	-	-
Real and other taxes . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Prepayments. . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ 27,533</u>	<u>\$ 7,854</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	-	-	-	-
Interfund payable . . . . .	-	201,534	-	-
Intergovernmental payable . . . . .	-	-	-	-
Total liabilities. . . . .	<u>-</u>	<u>201,534</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	-	-	-	-
Delinquent property tax revenue not available. . . . .	-	-	-	-
Income tax revenue not available . . . . .	-	-	-	-
Intergovernmental nonexchange transactions . . . . .	-	-	-	-
Total deferred inflows of resources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	-	-	-	-
Restricted for:				
General government . . . . .	700	-	-	-
Security of persons and property:				
Police . . . . .	-	-	-	7,854
Fire . . . . .	-	-	-	-
Safety services income tax levy . . . . .	-	-	-	-
Public health . . . . .	-	-	27,533	-
Transportation. . . . .	-	-	-	-
Community environment . . . . .	-	-	-	-
Unassigned (deficit) . . . . .	-	(201,534)	-	-
Total fund balances. . . . .	<u>700</u>	<u>(201,534)</u>	<u>27,533</u>	<u>7,854</u>
Total liabilities, deferred inflows of resources and fund balances. . . . .	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ 27,533</u>	<u>\$ 7,854</u>

<b>OEMA ARPA First Responder Grant</b>	<b>Totals</b>
\$ 105,168	\$ 1,145,951
-	358,158
-	143,746
-	55,509
-	892,476
<u>\$ 105,168</u>	<u>\$ 2,595,840</u>
\$ -	27,209
-	1,238
105,168	713,263
-	38,042
<u>105,168</u>	<u>779,752</u>
-	138,913
-	4,833
-	173,291
-	39,675
-	356,712
-	892,476
-	14,994
-	35,159
-	6,810
-	524,617
-	27,533
-	142,023
-	17,298
-	(201,534)
-	1,459,376
<u>\$ 105,168</u>	<u>\$ 2,595,840</u>

**CITY OF TALLMADGE, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<b>Safety Services Income Tax</b>	<b>State Highway</b>	<b>Community Development</b>	<b>Alcohol Enforcement and Education</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Municipal income taxes . . . . .	1,627,322	-	-	-
Intergovernmental . . . . .	-	99,218	-	-
Investment income. . . . .	-	263	-	-
Fines, licenses and permits. . . . .	-	-	-	381
Miscellaneous . . . . .	-	294	-	-
<b>Total revenues.</b> . . . .	<u>1,627,322</u>	<u>99,775</u>	<u>-</u>	<u>381</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	43,181	-	-	-
Security of persons and property:				
Police . . . . .	-	-	-	-
Fire . . . . .	622,843	-	-	-
Transportation . . . . .	-	91,221	-	-
Capital outlay. . . . .	429,480	-	-	-
Debt service:				
Principal retirement . . . . .	276,041	-	-	-
Interest and fiscal charges . . . . .	10,401	-	-	-
<b>Total expenditures.</b> . . . .	<u>1,381,946</u>	<u>91,221</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>245,376</u>	<u>8,554</u>	<u>-</u>	<u>381</u>
<b>Other financing sources (uses):</b>				
Direct financing note transaction. . . . .	889,838	-	-	-
Lease transaction . . . . .	53,140	-	-	-
Subscription-based information technology arrangement transaction . . . . .	179,000	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers (out). . . . .	<u>(660,560)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b> . . . . .	<u>461,418</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	706,794	8,554	-	381
<b>Fund balances (deficits) at beginning of year . . .</b>	<u>707,661</u>	<u>136,107</u>	<u>17,298</u>	<u>9,369</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 1,414,455</u>	<u>\$ 144,661</u>	<u>\$ 17,298</u>	<u>\$ 9,750</u>



<b>Law Enforcement Trust</b>	<b>Drug Law Enforcement</b>	<b>Law Enforcement Assistance</b>	<b>Emergency Medical Service Donation</b>	<b>K-9 Unit Donation</b>	<b>Police Pension</b>	<b>Fire Repair/Removal</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,103	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	18,321	-
-	-	-	-	-	-	-
-	2,199	-	-	-	-	-
-	-	-	500	531	-	-
-	2,199	-	500	531	152,424	-
-	-	-	-	-	-	65,305
500	11,086	5,000	-	3,500	477,068	-
-	-	-	1,878	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
500	11,086	5,000	1,878	3,500	477,068	65,305
(500)	(8,887)	(5,000)	(1,378)	(2,969)	(324,644)	(65,305)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	300,000	-
-	-	-	-	-	-	-
-	-	-	-	-	300,000	-
(500)	(8,887)	(5,000)	(1,378)	(2,969)	(24,644)	(65,305)
1,250	11,605	10,580	8,188	8,130	27,990	79,599
\$ 750	\$ 2,718	\$ 5,580	\$ 6,810	\$ 5,161	\$ 3,346	\$ 14,294

- (Continued)

**CITY OF TALLMADGE, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<b>Historical Preservation</b>	<b>Tallmadge Reserve Incentive District</b>	<b>OneOhio Opioid Settlement</b>	<b>Federal Equitable Sharing</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Municipal income taxes . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Investment income. . . . .	-	-	-	-
Fines, licenses and permits. . . . .	-	-	22,514	-
Miscellaneous . . . . .	-	-	-	-
<b>Total revenues.</b> . . . .	<b>-</b>	<b>-</b>	<b>22,514</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government. . . . .	-	-	-	-
Security of persons and property:				
Police . . . . .	-	-	-	-
Fire . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Capital outlay. . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	40,000	-	-
Interest and fiscal charges . . . . .	-	24,750	-	-
<b>Total expenditures.</b> . . . .	<b>-</b>	<b>64,750</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	(64,750)	22,514	-
<b>Other financing sources (uses):</b>				
Direct financing note transaction. . . . .	-	-	-	-
Lease transaction . . . . .	-	-	-	-
Subscription-based information technology arrangement transaction . . . . .	-	-	-	-
Transfers in . . . . .	-	-	-	-
Transfers (out). . . . .	-	-	-	-
<b>Total other financing sources (uses)</b> . . . . .	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b> . . . . .	<b>-</b>	<b>(64,750)</b>	<b>22,514</b>	<b>-</b>
<b>Fund balances (deficits) at beginning of year</b> . . . .	<b>700</b>	<b>(136,784)</b>	<b>5,019</b>	<b>7,854</b>
<b>Fund balances (deficit) at end of year</b> . . . . .	<b>\$ 700</b>	<b>\$ (201,534)</b>	<b>\$ 27,533</b>	<b>\$ 7,854</b>

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<b>OEMA ARPA First Responder Grant</b>	<b>Totals</b>
\$ -	\$ 134,103
-	1,627,322
105,585	223,124
-	263
-	25,094
-	1,325
105,585	2,011,231
-	108,486
-	497,154
105,585	730,306
-	91,221
-	429,480
-	316,041
-	35,151
105,585	2,207,839
-	(196,608)
-	889,838
-	53,140
-	179,000
-	300,000
-	(660,560)
-	761,418
-	564,810
-	894,566
\$ -	\$ 1,459,376

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE/EMS LEVY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,210,324	\$ 1,231,217	\$ 1,390,593	\$ 159,376
Intergovernmental . . . . .	167,965	170,865	192,982	22,117
Charges for services . . . . .	539,071	548,377	619,361	70,984
Miscellaneous. . . . .	165,538	168,395	190,193	21,798
<b>Total revenues . . . . .</b>	<u>2,082,898</u>	<u>2,118,854</u>	<u>2,393,129</u>	<u>274,275</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Fire				
Personnel . . . . .	3,973,721	3,996,721	3,971,688	25,033
Operating . . . . .	442,141	560,995	553,613	7,382
<b>Total fire . . . . .</b>	<u>4,415,862</u>	<u>4,557,716</u>	<u>4,525,301</u>	<u>32,415</u>
<b>Total expenditures . . . . .</b>	<u>4,415,862</u>	<u>4,557,716</u>	<u>4,525,301</u>	<u>32,415</u>
Excess of expenditures over revenues . . . . .	<u>(2,332,964)</u>	<u>(2,438,862)</u>	<u>(2,132,172)</u>	<u>306,690</u>
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	-	-	8,686	8,686
Transfers in. . . . .	2,100,000	2,190,000	2,190,000	-
<b>Total other financing sources . . . . .</b>	<u>2,100,000</u>	<u>2,190,000</u>	<u>2,198,686</u>	<u>8,686</u>
Net change in fund balance. . . . .	(232,964)	(248,862)	66,514	315,376
<b>Fund balance at beginning of year . . . . .</b>	423,753	423,753	423,753	-
<b>Prior year encumbrances appropriated . . . . .</b>	10,641	10,641	10,641	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 201,430</u>	<u>\$ 185,532</u>	<u>\$ 500,908</u>	<u>\$ 315,376</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STREET MAINTENANCE AND REPAIR FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 1,354,865	\$ 1,367,052	\$ 1,386,355	\$ 19,303
Investment income . . . . .	496	500	3,241	2,741
Special assessments. . . . .	19,822	20,000	25,838	5,838
Charges for services. . . . .	74,331	75,000	87,500	12,500
Miscellaneous. . . . .	96,135	97,000	108,352	11,352
Total revenues. . . . .	<u>1,545,649</u>	<u>1,559,552</u>	<u>1,611,286</u>	<u>51,734</u>
<b>Expenditures:</b>				
Current:				
Public health and welfare				
Personnel . . . . .	108,707	108,707	91,025	17,682
Operating . . . . .	<u>61,125</u>	<u>61,125</u>	<u>53,801</u>	<u>7,324</u>
Total public health and welfare . . . . .	<u>169,832</u>	<u>169,832</u>	<u>144,826</u>	<u>25,006</u>
Transportation				
Personnel . . . . .	1,172,736	1,172,737	1,034,463	138,274
Operating . . . . .	<u>1,098,595</u>	<u>1,101,492</u>	<u>834,163</u>	<u>267,329</u>
Total transportation . . . . .	<u>2,271,331</u>	<u>2,274,229</u>	<u>1,868,626</u>	<u>405,603</u>
Leisure time activities				
Personnel . . . . .	417,760	417,760	364,100	53,660
Operating . . . . .	<u>181,694</u>	<u>181,694</u>	<u>169,429</u>	<u>12,265</u>
Total leisure time activities. . . . .	<u>599,454</u>	<u>599,454</u>	<u>533,529</u>	<u>65,925</u>
Capital outlay				
Road program. . . . .	1,894,852	1,931,352	1,697,600	233,752
Fleet program . . . . .	<u>226,200</u>	<u>226,200</u>	<u>149,766</u>	<u>76,434</u>
Total capital outlay . . . . .	<u>2,121,052</u>	<u>2,157,552</u>	<u>1,847,366</u>	<u>310,186</u>
Total expenditures. . . . .	<u>5,161,669</u>	<u>5,201,067</u>	<u>4,394,347</u>	<u>806,720</u>
Excess of expenditures over revenues. . . . .	<u>(3,616,020)</u>	<u>(3,641,515)</u>	<u>(2,783,061)</u>	<u>858,454</u>
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	-	-	121,722	121,722
Transfers in. . . . .	<u>2,512,268</u>	<u>2,534,865</u>	<u>2,534,865</u>	<u>-</u>
Total other financing sources. . . . .	<u>2,512,268</u>	<u>2,534,865</u>	<u>2,656,587</u>	<u>121,722</u>
Net change in fund balance. . . . .	(1,103,752)	(1,106,650)	(126,474)	980,176
Fund balance at beginning of year . . . . .	1,244,177	1,244,177	1,244,177	-
Prior year encumbrances appropriated . . . . .	<u>275,024</u>	<u>275,024</u>	<u>275,024</u>	<u>-</u>
Fund balance at end of year. . . . .	<u>\$ 415,449</u>	<u>\$ 412,551</u>	<u>\$ 1,392,727</u>	<u>\$ 980,176</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AMERICAN RESCUE PLAN ACT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	\$ 38,446	\$ 38,446	\$ 38,446	\$ -
Security of persons and property				
Operating . . . . .	8,000	8,000	8,000	-
Leisure time activities				
Operating . . . . .	947,899	1,266,901	1,011,335	255,566
Transportation				
Operating . . . . .	304,886	304,886	282,960	21,926
Total expenditures. . . . .	<u>1,299,231</u>	<u>1,618,233</u>	<u>1,340,741</u>	<u>277,492</u>
Net change in fund balance. . . . .	(1,299,231)	(1,618,233)	(1,340,741)	277,492
<b>Fund balance at beginning of year . . . . .</b>	1,723,088	1,723,088	1,723,088	-
<b>Prior year encumbrances appropriated . .</b>	<u>57,098</u>	<u>57,098</u>	<u>57,098</u>	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 480,955</u>	<u>\$ 161,953</u>	<u>\$ 439,445</u>	<u>\$ 277,492</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SAFETY SERVICES INCOME TAX FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 1,483,500	\$ 1,483,500	\$ 1,633,077	\$ 149,577
<b>Expenditures:</b>				
Current:				
General government				
General administration				
Operating . . . . .	46,000	46,000	43,181	2,819
Security of persons and property				
Police				
Operating . . . . .	656,549	656,549	613,421	43,128
Fire				
Operating . . . . .	86,959	86,959	83,201	3,758
Total security of persons and property. . . .	743,508	743,508	696,622	46,886
Capital outlay				
Police. . . . .	314,289	314,289	295,573	18,716
Fire. . . . .	255,000	345,000	249,272	95,728
Total capital outlay . . . . .	569,289	659,289	544,845	114,444
Total expenditures . . . . .	1,358,797	1,448,797	1,284,648	164,149
Excess of revenues over expenditures. . . . .	124,703	34,703	348,429	313,726
<b>Other financing (uses):</b>				
Transfers (out). . . . .	(660,560)	(660,560)	(660,560)	-
Total other financing (uses). . . . .	(660,560)	(660,560)	(660,560)	-
Net change in fund balance . . . . .	(535,857)	(625,857)	(312,131)	313,726
<b>Fund balance at beginning of year. . . . .</b>	741,660	741,660	741,660	-
<b>Prior year encumbrances appropriated . . . .</b>	191,097	191,097	191,097	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 396,900</u>	<u>\$ 306,900</u>	<u>\$ 620,626</u>	<u>\$ 313,726</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STATE HIGHWAY FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 91,000	\$ 91,000	\$ 96,364	\$ 5,364
Investment income . . . . .	30	30	263	233
Miscellaneous. . . . .	500	500	294	(206)
<b>Total revenues. . . . .</b>	<u>91,530</u>	<u>91,530</u>	<u>96,921</u>	<u>5,391</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personnel . . . . .	<u>108,707</u>	<u>108,707</u>	<u>90,710</u>	<u>17,997</u>
<b>Net change in fund balance . . . . .</b>	<u>(17,177)</u>	<u>(17,177)</u>	<u>6,211</u>	<u>23,388</u>
<b>Fund balance at beginning of year. . . . .</b>	<u>122,104</u>	<u>122,104</u>	<u>122,104</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 104,927</u>	<u>\$ 104,927</u>	<u>\$ 128,315</u>	<u>\$ 23,388</u>



**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**COMMUNITY DEVELOPMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
Total revenues . . . . .	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Operating . . . . .	-	32,298	-	32,298
Total expenditures . . . . .	<u>-</u>	<u>32,298</u>	<u>-</u>	<u>32,298</u>
Net change in fund balance . . . . .	15,000	(17,298)	-	17,298
<b>Fund balance at beginning of year. . . . .</b>	<u>17,298</u>	<u>17,298</u>	<u>17,298</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 32,298</u>	<u>\$ -</u>	<u>\$ 17,298</u>	<u>\$ 17,298</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ALCOHOL ENFORCEMENT AND EDUCATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines, licenses and permits . . . . .	\$ 450	\$ 450	\$ 381	\$ (69)
Net change in fund balance. . . . .	450	450	381	(69)
<b>Fund balance at beginning of year . . . . .</b>	<u>9,369</u>	<u>9,369</u>	<u>9,369</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 9,819</u>	<u>\$ 9,819</u>	<u>\$ 9,750</u>	<u>\$ (69)</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAW ENFORCEMENT TRUST FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	\$ 1,000	\$ 1,000	\$ 500	\$ 500
Net change in fund balance. . . . .	(1,000)	(1,000)	(500)	500
<b>Fund balance at beginning of year . . . . .</b>	750	750	750	-
<b>Prior year encumbrances appropriated . . . . .</b>	500	500	500	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 750</u>	<u>\$ 500</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**DRUG LAW ENFORCEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines, licenses and permits . . . . .	\$ 3,500	\$ 3,500	\$ 2,154	\$ (1,346)
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	12,380	12,380	11,086	1,294
Net change in fund balance. . . . .	(8,880)	(8,880)	(8,932)	(52)
<b>Fund balance at beginning of year . . . . .</b>	6,605	6,605	6,605	-
<b>Prior year encumbrances appropriated . . . . .</b>	5,000	5,000	5,000	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,725</u>	<u>\$ 2,725</u>	<u>\$ 2,673</u>	<u>\$ (52)</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**LAW ENFORCEMENT ASSISTANCE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	\$ 10,000	\$ 10,000	\$ 5,000	\$ 5,000
Net change in fund balance. . . . .	(10,000)	(10,000)	(5,000)	5,000
<b>Fund balance at beginning of year . . . . .</b>	5,580	5,580	5,580	-
<b>Prior year encumbrances appropriated . .</b>	5,000	5,000	5,000	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 580</u>	<u>\$ 580</u>	<u>\$ 5,580</u>	<u>\$ 5,000</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**EMERGENCY MEDICAL SERVICE DONATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Miscellaneous . . . . .	\$ 500	\$ 500	\$ 500	\$ -
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	4,365	4,365	1,878	2,487
Net change in fund balance. . . . .	(3,865)	(3,865)	(1,378)	2,487
<b>Fund balance at beginning of year . . . . .</b>	6,823	6,823	6,823	-
<b>Prior year encumbrances appropriated . .</b>	1,365	1,365	1,365	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 4,323</u>	<u>\$ 4,323</u>	<u>\$ 6,810</u>	<u>\$ 2,487</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**K-9 UNIT DONATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Miscellaneous . . . . .	\$ 500	\$ 500	\$ 531	\$ 31
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	6,500	6,500	3,500	3,000
Net change in fund balance. . . . .	(6,000)	(6,000)	(2,969)	3,031
<b>Fund balance at beginning of year . . . . .</b>	4,630	4,630	4,630	-
<b>Prior year encumbrances appropriated . . . . .</b>	3,500	3,500	3,500	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,130</u>	<u>\$ 2,130</u>	<u>\$ 5,161</u>	<u>\$ 3,031</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**POLICE PENSION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes . . . . .	\$ 134,009	\$ 132,407	\$ 134,103	\$ 1,696
Intergovernmental . . . . .	20,242	20,000	18,321	(1,679)
<b>Total revenues . . . . .</b>	<u>154,251</u>	<u>152,407</u>	<u>152,424</u>	<u>17</u>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	<u>513,257</u>	<u>513,257</u>	<u>474,442</u>	<u>38,815</u>
<b>Excess of expenditures over revenues . . . . .</b>	<u>(359,006)</u>	<u>(360,850)</u>	<u>(322,018)</u>	<u>38,832</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>300,000</u>	<u>305,000</u>	<u>300,000</u>	<u>(5,000)</u>
<b>Net change in fund balance. . . . .</b>	<u>(59,006)</u>	<u>(55,850)</u>	<u>(22,018)</u>	<u>33,832</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>62,563</u>	<u>62,563</u>	<u>62,563</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 3,557</u>	<u>\$ 6,713</u>	<u>\$ 40,545</u>	<u>\$ 33,832</u>



**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE REPAIR/REMOVAL FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
General government				
Operating . . . . .	\$ -	\$ -	\$ 65,305	\$ (65,305)
Net change in fund balance . . . . .	-	-	(65,305)	(65,305)
<b>Fund balance at beginning of year . . . . .</b>	<u>79,599</u>	<u>79,599</u>	<u>79,599</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 79,599</u>	<u>\$ 79,599</u>	<u>\$ 14,294</u>	<u>\$ (65,305)</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**HISTORICAL PRESERVATION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Miscellaneous. . . . .	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Total revenues. . . . .	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Net change in fund balance . . . . .	20,000	20,000	-	(20,000)
<b>Fund balance at beginning of year . . . . .</b>	<u>700</u>	<u>700</u>	<u>700</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 20,700</u>	<u>\$ 20,700</u>	<u>\$ 700</u>	<u>\$ (20,000)</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**TALLMADGE RESERVE INCENTIVE DISTRICT TIF FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Interest and fiscal charges. . . . .	24,750	24,750	24,750	-
Total expenditures . . . . .	<u>64,750</u>	<u>64,750</u>	<u>64,750</u>	<u>-</u>
Excess of expenditures over revenues . . . . .	<u>(64,750)</u>	<u>(64,750)</u>	<u>(64,750)</u>	<u>-</u>
<b>Other financing sources:</b>				
Advances in . . . . .	<u>64,750</u>	<u>64,750</u>	<u>64,750</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**ONEOHIO OPIOID SETTLEMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines, licenses and permits . . . . .	\$ 5,019	\$ 5,019	\$ 22,514	\$ 17,495
Net change in fund balance . . . . .	5,019	5,019	22,514	17,495
<b>Fund balance at beginning of year. . . . .</b>	<u>5,019</u>	<u>5,019</u>	<u>5,019</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 10,038</u>	<u>\$ 10,038</u>	<u>\$ 27,533</u>	<u>\$ 17,495</u>

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CITY OF TALLMADGE, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FEDERAL EQUITABLE SHARING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023

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	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year. . . . .	\$ 7,854	\$ 7,854	\$ 7,854	\$ -
Fund balance at end of year. . . . .	<u>\$ 7,854</u>	<u>\$ 7,854</u>	<u>\$ 7,854</u>	<u>\$ -</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**OEMA ARPA FIRST RESPONDER GRANT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 210,769	\$ 210,769	\$ 105,585	\$ (105,184)
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Operating . . . . .	210,769	210,769	105,585	105,184
Excess of revenues over expenditures . . . . .	-	-	-	-
<b>Other financing sources:</b>				
Advances in . . . . .	105,168	105,168	105,168	-
Net change in fund balance . . . . .	105,168	105,168	105,168	-
<b>Fund balance at beginning of year. . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 105,168</b>	<b>\$ 105,168</b>	<b>\$ 105,168</b>	<b>\$ -</b>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**BOND RETIREMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
General government . . . . .	\$ 5,000	\$ 5,000	\$ 3,500	\$ 1,500
Debt service:				
Principal retirement. . . . .	850,000	850,000	850,000	-
Interest and fiscal charges. . . . .	297,450	297,450	297,450	-
Total expenditures. . . . .	<u>1,152,450</u>	<u>1,152,450</u>	<u>1,150,950</u>	<u>1,500</u>
Excess of expenditures over revenues . . . . .	<u>(1,152,450)</u>	<u>(1,152,450)</u>	<u>(1,150,950)</u>	<u>1,500</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	<u>1,147,450</u>	<u>1,147,450</u>	<u>1,147,450</u>	<u>-</u>
Net change in fund balance. . . . .	(5,000)	(5,000)	(3,500)	1,500
<b>Fund balance at beginning of year . . . . .</b>	<u>51,345</u>	<u>51,345</u>	<u>51,345</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 46,345</u>	<u>\$ 46,345</u>	<u>\$ 47,845</u>	<u>\$ 1,500</u>

**CITY OF TALLMADGE, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2023*

	<b>General Infrastructure</b>	<b>Fire Station Construction</b>	<b>East Avenue Improvement</b>	<b>Totals</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	144,028	\$ 537,837	14,223	\$ 696,088
Receivables:				
Intergovernmental. . . . .	-	14,427	6,371	20,798
Total assets. . . . .	<u>\$ 144,028</u>	<u>\$ 552,264</u>	<u>\$ 20,594</u>	<u>\$ 716,886</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 38,111	\$ -	\$ -	\$ 38,111
Contracts payable. . . . .	-	114,092	6,371	120,463
Interfund loan payable . . . . .	-	24,600	-	24,600
Total liabilities . . . . .	<u>38,111</u>	<u>138,692</u>	<u>6,371</u>	<u>183,174</u>
<b>Deferred inflows of resources:</b>				
Intergovernmental nonexchange transactions . . . . .	-	14,427	5,203	19,630
<b>Fund balances:</b>				
Restricted for:				
Capital outlay. . . . .	-		9,020	9,020
Committed . . . . .	105,917	399,145	-	505,062
Total fund balances. . . . .	<u>105,917</u>	<u>399,145</u>	<u>9,020</u>	<u>514,082</u>
Total liabilities and fund balances . . . . .	<u>\$ 144,028</u>	<u>\$ 552,264</u>	<u>\$ 20,594</u>	<u>\$ 716,886</u>



**CITY OF TALLMADGE, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<b>General Infrastructure</b>	<b>Fire Station Construction</b>	<b>East Avenue Improvement</b>	<b>Totals</b>
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 4,809	\$ 354,625	\$ 359,434
Investment income. . . . .	-	7,679	-	7,679
Total revenues . . . . .	<u>-</u>	<u>12,488</u>	<u>354,625</u>	<u>367,113</u>
<b>Expenditures:</b>				
Capital outlay. . . . .	<u>287,879</u>	<u>1,298,334</u>	<u>359,828</u>	<u>1,946,041</u>
Excess of expenditures over revenues . . .	<u>(287,879)</u>	<u>(1,285,846)</u>	<u>(5,203)</u>	<u>(1,578,928)</u>
<b>Other financing sources:</b>				
Insurance recovery. . . . .	221,153	-	-	221,153
Transfers in . . . . .	<u>78,000</u>	<u>-</u>	<u>-</u>	<u>78,000</u>
Total other financing sources. . . . .	<u>299,153</u>	<u>-</u>	<u>-</u>	<u>299,153</u>
Net change in fund balances. . . . .	11,274	(1,285,846)	(5,203)	(1,279,775)
<b>Fund balances at beginning of year . . . .</b>	<u>94,643</u>	<u>1,684,991</u>	<u>14,223</u>	<u>1,793,857</u>
<b>Fund balances at end of year. . . . .</b>	<u>\$ 105,917</u>	<u>\$ 399,145</u>	<u>\$ 9,020</u>	<u>\$ 514,082</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**GENERAL INFRASTRUCTURE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Capital outlay . . . . .	\$ 30,000	\$ 297,319	\$ 288,972	\$ 8,347
Excess of expenditures over revenues . . . . .	(30,000)	(297,319)	(288,972)	8,347
<b>Other financing sources:</b>				
Transfers in . . . . .	30,000	78,000	78,000	-
Insurance recovery. . . . .	-	219,319	221,153	1,834
Total other financing sources . . . . .	30,000	297,319	299,153	1,834
Net change in fund balance . . . . .	-	-	10,181	10,181
<b>Fund balance at beginning of year . . . . .</b>	<u>94,643</u>	<u>94,643</u>	<u>94,643</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 94,643</u>	<u>\$ 94,643</u>	<u>\$ 104,824</u>	<u>\$ 10,181</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**FIRE STATION CONSTRUCTION FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ -	\$ 4,809	\$ 4,809
Investment income . . . . .	-	-	7,679	7,679
Total revenues. . . . .	-	-	12,488	12,488
<b>Expenditures:</b>				
Capital outlay . . . . .	1,812,326	1,812,326	1,801,316	11,010
Net change in fund balance . . . . .	(1,812,326)	(1,812,326)	(1,788,828)	23,498
<b>Fund balance at beginning of year . . . . .</b>	87,996	87,996	87,996	-
<b>Prior year encumbrances appropriated. . .</b>	1,812,326	1,812,326	1,812,326	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 87,996</u>	<u>\$ 87,996</u>	<u>\$ 111,494</u>	<u>\$ 23,498</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EAST AVENUE IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 584,397	\$ 558,619	\$ 365,209	\$ (193,410)
<b>Expenditures:</b>				
Capital outlay . . . . .	558,619	558,619	558,619	-
Net change in fund balance . . . . .	25,778	-	(193,410)	(193,410)
<b>Fund balance (deficit) at beginning of year . . . . .</b>	(544,396)	(544,396)	(544,396)	-
<b>Prior year encumbrances appropriated. . . . .</b>	558,619	558,619	558,619	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ 40,001</u>	<u>\$ 14,223</u>	<u>\$ (179,187)</u>	<u>\$ (193,410)</u>

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**CITY OF TALLMADGE, OHIO**

*INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

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**MAJOR ENTERPRISE FUNDS**

The enterprise funds are used to account for the City's sewer, water, and storm water operations. These operations are financed and operated in a manner similar to that of a private business enterprise. The intent of the City is that the costs (expenses including depreciation) of providing goods and services on a continuing basis be recovered primarily through user charges. Following is a description of the City's major enterprise funds:

***Sewer Operating Fund***

The sewer operating fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

***Water Operating Fund***

The water operating fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the City.

***Storm Water Fund***

The storm water fund accounts for the provision of storm water drainage runoff service to the residents and commercial users located within the City.

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**SEWER OPERATING FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 4,962,500	\$ 4,962,500	\$ 5,816,325	\$ 853,825
Sale of assets . . . . .	-	-	11,050	11,050
Miscellaneous . . . . .	12,000	12,000	12,686	686
<b>Total revenues . . . . .</b>	<u>4,974,500</u>	<u>4,974,500</u>	<u>5,840,061</u>	<u>865,561</u>
<b>Expenses:</b>				
Personal services . . . . .	612,579	612,579	519,372	93,207
Materials and supplies . . . . .	133,818	133,818	109,596	24,222
Contractual services . . . . .	4,092,402	4,092,402	3,742,283	350,119
Other . . . . .	44,423	44,423	53,613	(9,190)
Capital outlay				
Meter reading system upgrade . . . . .	125,000	125,000	-	125,000
Software purchase . . . . .	20,000	20,000	-	20,000
Fleet management . . . . .	42,500	42,500	30,838	11,662
Meter replacement . . . . .	35,000	35,000	36,324	(1,324)
Sewer rehabilitation . . . . .	330,701	330,701	319,289	11,412
Debt service:				
Principal retirement . . . . .	96,745	96,745	96,745	-
Interest and fiscal charges . . . . .	3,255	3,255	2,953	302
<b>Total expenses . . . . .</b>	<u>5,536,423</u>	<u>5,536,423</u>	<u>4,911,013</u>	<u>625,410</u>
Net change in fund equity . . . . .	(561,923)	(561,923)	929,048	1,490,971
<b>Fund equity at beginning of year . . . . .</b>	3,849,130	3,849,130	3,849,130	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>283,394</u>	<u>283,394</u>	<u>283,394</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 3,570,601</u>	<u>\$ 3,570,601</u>	<u>\$ 5,061,572</u>	<u>\$ 1,490,971</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WATER OPERATING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,059,000	\$ 2,059,000	\$ 2,236,837	\$ 177,837
Intergovernmental . . . . .	-	-	7,328	7,328
Sale of assets . . . . .	-	-	11,050	11,050
Loans . . . . .	2,315,000	-	-	-
Miscellaneous . . . . .	19,500	19,500	40,432	20,932
<b>Total revenues.</b> . . . .	<u>4,393,500</u>	<u>2,078,500</u>	<u>2,295,647</u>	<u>217,147</u>
<b>Expenses:</b>				
Personal services . . . . .	612,579	612,579	519,960	92,619
Materials and supplies . . . . .	131,218	140,379	129,827	10,552
Contractual services . . . . .	1,339,997	1,339,997	1,304,838	35,159
Other . . . . .	99,945	99,945	90,451	9,494
Capital outlay				
Water tower maintenance . . . . .	52,000	52,000	27,445	24,555
Knollwood waterline . . . . .	600,000	-	6,900	(6,900)
Southwest waterline . . . . .	1,005,615	5,615	22,415	(16,800)
East Ave. waterline . . . . .	725,702	10,702	10,702	-
Software purchases . . . . .	132,569	132,569	99,823	32,746
Fleet management . . . . .	42,500	42,500	30,837	11,663
Hydrant & valve replacement . . . . .	30,000	30,000	25,290	4,710
Meter replacement . . . . .	45,000	45,000	36,324	8,676
Meter reading system upgrade . . . . .	125,000	125,000	-	125,000
Debt service:				
Principal retirement . . . . .	185,213	185,213	185,213	-
Interest and fiscal charges . . . . .	31,787	31,787	30,782	1,005
<b>Total expenses</b> . . . . .	<u>5,159,125</u>	<u>2,853,286</u>	<u>2,520,807</u>	<u>332,479</u>
<b>Net change in fund equity</b> . . . . .	(765,625)	(774,786)	(225,160)	549,626
<b>Fund equity at beginning of year.</b> . . . .	2,991,581	2,991,581	2,991,581	-
<b>Prior year encumbrances appropriated</b> . . .	206,796	206,796	206,796	-
<b>Fund equity at end of year</b> . . . . .	<u>\$ 2,432,752</u>	<u>\$ 2,423,591</u>	<u>\$ 2,973,217</u>	<u>\$ 549,626</u>

**CITY OF TALLMADGE, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
**STORM WATER FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 505,000	\$ 505,000	\$ 462,259	\$ (42,741)
Miscellaneous . . . . .	1,000	1,000	18,236	17,236
<b>Total revenues.</b> . . . . .	<u>506,000</u>	<u>506,000</u>	<u>480,495</u>	<u>(25,505)</u>
<b>Expenses:</b>				
Personal services. . . . .	294,139	294,139	254,928	39,211
Materials and supplies . . . . .	40,262	40,262	28,233	12,029
Contractual services . . . . .	55,200	55,200	40,095	15,105
Other . . . . .	-	-	68	(68)
Capital outlay				
Storm water . . . . .	45,000	45,000	5,000	40,000
Debt service:				
Principal retirement . . . . .	42,059	42,059	42,059	-
Interest and fiscal charges. . . . .	1,941	1,941	1,397	544
<b>Total expenses</b> . . . . .	<u>478,601</u>	<u>478,601</u>	<u>371,780</u>	<u>106,821</u>
Net change in fund equity . . . . .	27,399	27,399	108,715	81,316
<b>Fund equity at beginning of year.</b> . . . . .	99,679	99,679	99,679	-
<b>Prior year encumbrances appropriated</b> . . . . .	<u>2,462</u>	<u>2,462</u>	<u>2,462</u>	<u>-</u>
<b>Fund equity at end of year</b> . . . . .	<u>\$ 129,540</u>	<u>\$ 129,540</u>	<u>\$ 210,856</u>	<u>\$ 81,316</u>



# **STATISTICAL SECTION**



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CITY OF TALLMADGE, OHIO

STATISTICAL SECTION

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This part of the City of Tallmadge's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>160</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	<b>171</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>178</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>182</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>184</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

TABLE 1

## CITY OF TALLMADGE, OHIO

NET POSITION BY COMPONENT  
 LAST TEN YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017
<b>Governmental activities</b>				
Net investment in capital assets	\$ 17,400,202	\$ 17,237,094	\$ 21,380,493	\$ 19,123,730
Restricted	938,818	1,089,332	1,021,205	806,140
Unrestricted	(13,710)	(453,009)	1,361,578	(9,351,088)
Total governmental activities net position	<u>\$ 18,325,310</u>	<u>\$ 17,873,417</u>	<u>\$ 23,763,276</u>	<u>\$ 10,578,782</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 12,480,844	\$ 12,275,784	\$ 12,827,739	\$ 14,454,902
Restricted	-	-	-	-
Unrestricted	5,058,591	5,521,861	5,143,660	5,630,339
Total business-type activities net position	<u>\$ 17,539,435</u>	<u>\$ 17,797,645</u>	<u>\$ 17,971,399</u>	<u>\$ 20,085,241</u>
<b>Primary government</b>				
Net investment in capital assets	\$ 29,881,046	\$ 29,025,245	\$ 33,875,568	\$ 33,578,632
Restricted	938,818	1,089,332	1,021,205	806,140
Unrestricted	5,044,881	5,556,485	6,837,902	(3,720,749)
Total primary government net position	<u>\$ 35,864,745</u>	<u>\$ 35,671,062</u>	<u>\$ 41,734,675</u>	<u>\$ 30,664,023</u>

## Notes:

Net position for 2014 has been restated in accordance with the implementation of GASB Statement No. 68.

Net position for 2017 has been restated in accordance with the implementation of GASB Statement No. 75.

Net position for 2018 has been restated in accordance with the implementation of GASB Statement No. 84.

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 19,498,663	\$ 18,867,627	\$ 18,829,238	\$ 18,127,401	\$ 21,157,942	\$ 23,489,771
274,037	186,000	981,141	2,649,980	3,729,695	3,276,530
(11,179,353)	(5,773,072)	(5,419,099)	1,408,406	3,008,550	2,244,642
<u>\$ 8,593,347</u>	<u>\$ 13,280,555</u>	<u>\$ 14,391,280</u>	<u>\$ 22,185,787</u>	<u>\$ 27,896,187</u>	<u>\$ 29,010,943</u>
\$ 14,757,523	\$ 14,223,000	\$ 14,255,462	\$ 15,006,026	\$ 15,516,210	\$ 15,618,439
-	-	-	-	-	3,032
7,308,183	7,531,052	7,012,551	7,493,897	7,846,277	9,111,653
<u>\$ 22,065,706</u>	<u>\$ 21,754,052</u>	<u>\$ 21,268,013</u>	<u>\$ 22,499,923</u>	<u>\$ 23,362,487</u>	<u>\$ 24,733,124</u>
\$ 34,256,186	\$ 33,090,627	\$ 33,084,700	\$ 33,133,427	\$ 36,674,152	\$ 39,108,210
274,037	186,000	981,141	2,649,980	3,729,695	3,279,562
(3,871,170)	1,757,980	1,593,452	8,902,303	10,854,827	11,356,295
<u>\$ 30,659,053</u>	<u>\$ 35,034,607</u>	<u>\$ 35,659,293</u>	<u>\$ 44,685,710</u>	<u>\$ 51,258,674</u>	<u>\$ 53,744,067</u>

TABLE 2

## CITY OF TALLMADGE, OHIO

CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities:				
General government	\$ 3,796,832	\$ 4,013,860	\$ 4,189,505	\$ 4,590,950
Security of persons and property				
Police	3,834,635	4,100,747	4,470,737	4,538,862
Street lights	27,287	35,335	34,663	35,445
Fire	2,934,683	3,181,762	3,278,321	3,580,450
Public health and welfare	73,335	72,192	78,701	73,275
Transportation	4,172,815	3,862,300	3,303,595	4,450,856
Community environment	147,887	126,520	247,564	346,400
Leisure time activity	2,174,630	2,315,093	2,474,982	2,660,058
Utility services	-	-	-	-
Interest and fiscal charges	390,861	331,527	306,671	322,376
Total governmental activities expenses	<u>17,552,965</u>	<u>18,039,336</u>	<u>18,384,739</u>	<u>20,598,672</u>
Business-type activities:				
Sewer operating	3,884,775	4,007,772	4,461,756	4,107,890
Water operating	2,409,488	1,927,721	2,173,956	2,039,430
Storm water	378,463	406,712	487,373	458,769
Total business-type activities expenses	<u>6,672,726</u>	<u>6,342,205</u>	<u>7,123,085</u>	<u>6,606,089</u>
Total primary government expenses	<u>\$ 24,225,691</u>	<u>\$ 24,381,541</u>	<u>\$ 25,507,824</u>	<u>\$ 27,204,761</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 380,786	\$ 356,067	\$ 324,132	\$ 292,870
Security of persons and property				
Police	25,948	4,272	25,856	7,441
Fire	405,140	458,369	404,113	378,181
Public health and welfare	2,163	2,942	2,565	2,564
Transportation	45,612	57,514	59,880	61,247
Community environment	39,824	38,520	44,575	56,980
Leisure time activity	1,655,897	1,675,577	1,793,613	1,854,305
Operating grants and contributions	1,456,971	1,269,128	1,191,375	1,467,132
Capital grants and contributions	18,673	232,040	4,682,170	428,835
Total governmental program revenues	<u>4,031,014</u>	<u>4,094,429</u>	<u>8,528,279</u>	<u>4,549,555</u>
Business-type activities:				
Charges for services:				
Sewer operating	3,742,246	3,806,251	3,923,707	4,514,010
Water operating	1,972,805	2,192,281	2,008,569	2,156,467
Storm water	327,676	323,013	305,252	318,523
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	1,031,476	-
Total business-type activities program revenues	<u>6,042,727</u>	<u>6,321,545</u>	<u>7,269,004</u>	<u>6,989,000</u>
Total primary government program revenue	<u>\$ 10,073,741</u>	<u>\$ 10,415,974</u>	<u>\$ 15,797,283</u>	<u>\$ 11,538,555</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (13,521,951)	\$ (13,944,907)	\$ (9,856,460)	\$ (16,049,117)
Business-type activities	(629,999)	(20,660)	145,919	382,911
Total primary government net expense	<u>\$ (14,151,950)</u>	<u>\$ (13,965,567)</u>	<u>\$ (9,710,541)</u>	<u>\$ (15,666,206)</u>

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	4,885,634	\$ 5,203,616	\$ 4,747,031	\$ 3,664,086	\$ 4,497,025	\$ 6,627,658
	5,095,099	1,809,260	5,352,730	4,714,491	5,208,973	6,119,746
	37,309	35,126	36,182	28,439	43,219	66,784
	3,956,386	1,065,306	4,110,228	4,123,991	4,436,557	6,498,561
	87,955	94,931	131,468	136,525	109,075	150,466
	4,089,726	4,352,004	3,933,604	2,693,858	3,972,641	3,461,510
	389,036	324,278	262,442	237,615	159,162	273,795
	2,680,260	3,115,698	2,456,690	1,860,081	2,388,172	3,531,536
	-	-	47,353	89,909	-	-
	273,292	264,713	218,601	322,680	364,477	321,059
	<u>21,494,697</u>	<u>16,264,932</u>	<u>21,296,329</u>	<u>17,871,675</u>	<u>21,179,301</u>	<u>27,051,115</u>
	3,715,964	4,737,178	4,365,118	4,303,032	4,605,411	4,885,090
	2,090,577	2,192,291	2,288,670	2,093,789	2,225,352	2,471,007
	454,543	591,588	652,502	460,603	482,724	556,913
	<u>6,261,084</u>	<u>7,521,057</u>	<u>7,306,290</u>	<u>6,857,424</u>	<u>7,313,487</u>	<u>7,913,010</u>
\$	<u>27,755,781</u>	<u>23,785,989</u>	<u>28,602,619</u>	<u>24,729,099</u>	<u>28,492,788</u>	<u>34,964,125</u>
\$	688,715	\$ 413,674	\$ 342,864	\$ 391,896	\$ 405,723	\$ 411,132
	10,358	7,416	5,154	4,583	5,155	2,580
	432,560	424,920	422,745	431,212	574,172	592,119
	5,198	4,087	3,681	7,233	17,178	29,539
	106,650	79,963	48,192	287,592	170,556	80,791
	44,758	39,852	39,502	77,366	58,987	53,758
	1,874,238	1,958,915	760,536	1,197,342	1,775,404	1,708,011
	1,528,418	1,961,633	3,814,475	2,104,155	1,793,297	3,224,937
	44,240	2,523	78,762	905,398	1,376,459	386,743
	<u>4,735,135</u>	<u>4,892,983</u>	<u>5,515,911</u>	<u>5,406,777</u>	<u>6,176,931</u>	<u>6,489,610</u>
	4,743,445	4,665,336	4,000,161	4,473,801	5,005,702	6,023,227
	2,182,363	2,073,246	1,909,613	2,154,825	2,123,041	2,249,330
	349,661	339,528	296,198	332,176	346,758	500,965
	-	-	-	-	-	7,328
	934,330	87,451	522,192	1,051,002	639,608	431,443
	<u>8,209,799</u>	<u>7,165,561</u>	<u>6,728,164</u>	<u>8,011,804</u>	<u>8,115,109</u>	<u>9,212,293</u>
\$	<u>12,944,934</u>	<u>12,058,544</u>	<u>12,244,075</u>	<u>13,418,581</u>	<u>14,292,040</u>	<u>15,701,903</u>
\$	(16,759,562)	\$ (11,371,949)	\$ (15,780,418)	\$ (12,464,898)	\$ (15,002,370)	\$ (20,561,505)
	1,948,715	(355,496)	(578,126)	1,154,380	801,622	1,299,283
\$	<u>(14,810,847)</u>	<u>(11,727,445)</u>	<u>(16,358,544)</u>	<u>(11,310,518)</u>	<u>(14,200,748)</u>	<u>(19,262,222)</u>

- Continued

TABLE 2

## CITY OF TALLMADGE, OHIO

CHANGES IN NET POSITION (CONTINUED)  
 LAST TEN YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 2,051,246	\$ 2,036,907	\$ 2,046,484	\$ 2,071,912
Income taxes	9,166,550	9,836,002	10,873,754	10,242,096
Unrestricted grants and contributions	1,426,170	1,684,506	2,636,593	1,605,087
Investment earnings	34,733	43,929	64,428	119,726
Change in fair value of investments	-	-	(36,756)	30,106
Miscellaneous	166,274	152,030	161,816	265,074
Transfers	-	(260,360)	-	(2,113,760)
Total governmental activities	<u>12,844,973</u>	<u>13,493,014</u>	<u>15,746,319</u>	<u>12,220,241</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	28,492	18,510	27,835	32,485
Transfers	-	260,360	-	2,113,760
Total business-type activities	<u>28,492</u>	<u>278,870</u>	<u>27,835</u>	<u>2,146,245</u>
Total primary government	<u>\$ 12,873,465</u>	<u>\$ 13,771,884</u>	<u>\$ 15,774,154</u>	<u>\$ 14,366,486</u>
<b>Change in Net Position</b>				
Governmental activities	\$ (676,978)	\$ (451,893)	\$ 5,889,859	\$ (3,828,876)
Business-type activities	(601,507)	258,210	173,754	2,529,156
Total primary government	<u>\$ (1,278,485)</u>	<u>\$ (193,683)</u>	<u>\$ 6,063,613</u>	<u>\$ (1,299,720)</u>

Note: 2018 has been restated in accordance with the implementation of GASB Statement No. 84.



<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 2,167,776	\$ 2,232,791	\$ 2,282,011	\$ 2,401,946	\$ 2,443,867	\$ 2,470,752
10,110,310	11,161,240	11,709,492	14,848,907	14,708,305	14,641,430
1,719,143	1,930,092	2,004,132	2,697,890	3,093,587	2,907,211
270,484	333,463	195,287	71,281	280,091	1,067,077
(30,230)	52,485	40,959	(62,344)	(165,925)	125,796
391,938	349,086	659,262	301,725	352,845	463,995
-	-	-	-	-	-
<u>14,629,421</u>	<u>16,059,157</u>	<u>16,891,143</u>	<u>20,259,405</u>	<u>20,712,770</u>	<u>21,676,261</u>
-	-	-	12	18	-
31,750	43,842	92,087	77,518	60,924	71,354
-	-	-	-	-	-
<u>31,750</u>	<u>43,842</u>	<u>92,087</u>	<u>77,530</u>	<u>60,942</u>	<u>71,354</u>
<u>\$ 14,661,171</u>	<u>\$ 16,102,999</u>	<u>\$ 16,983,230</u>	<u>\$ 20,336,935</u>	<u>\$ 20,773,712</u>	<u>\$ 21,747,615</u>
\$ (2,130,141)	\$ 4,687,208	\$ 1,110,725	\$ 7,794,507	\$ 5,710,400	\$ 1,114,756
1,980,465	(311,654)	(486,039)	1,231,910	862,564	1,370,637
<u>\$ (149,676)</u>	<u>\$ 4,375,554</u>	<u>\$ 624,686</u>	<u>\$ 9,026,417</u>	<u>\$ 6,572,964</u>	<u>\$ 2,485,393</u>

TABLE 3

## CITY OF TALLMADGE, OHIO

*FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 111,300	\$ 71,993	\$ 224,368	\$ 175,328
Committed	-	-	-	-
Assigned	1,605,527	332,881	721,654	1,082,057
Unassigned	5,297,977	6,436,553	8,224,427	7,894,320
Total general fund	<u>\$ 7,014,804</u>	<u>\$ 6,841,427</u>	<u>\$ 9,170,449</u>	<u>\$ 9,151,705</u>
All Other Governmental Funds				
Nonspendable	\$ 54,022	\$ 69,664	\$ 164,524	\$ 158,072
Restricted	1,899,015	1,997,588	1,748,212	1,598,522
Committed	407,000	288,398	170,300	90,160
Assigned	76,219	99,839	87,463	66,332
Unassigned (deficit)	-	-	(272,519)	(52,548)
Total all other governmental funds	<u>\$ 2,436,256</u>	<u>\$ 2,455,489</u>	<u>\$ 1,897,980</u>	<u>\$ 1,860,538</u>

## Note:

Fund balance for 2018 has been restated in accordance with the implementation of GASB Statement No. 84.

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 169,188	\$ 276,241	\$ 295,112	\$ 292,206	\$ 814,829	\$ 875,652
335,127	298,024	337,498	302,818	286,434	192,505
1,005,745	1,143,432	836,804	2,442,188	3,065,631	4,553,025
6,849,232	7,523,668	8,711,289	9,574,586	10,329,127	9,563,593
<u>\$ 8,359,292</u>	<u>\$ 9,241,365</u>	<u>\$ 10,180,703</u>	<u>\$ 12,611,798</u>	<u>\$ 14,496,021</u>	<u>\$ 15,184,775</u>
\$ 277,737	\$ 266,074	\$ 378,472	\$ 232,194	\$ 227,849	\$ 1,256,507
1,667,710	1,762,478	3,608,498	9,263,958	4,435,157	3,035,025
106,741	99,293	505,346	636,623	612,323	505,062
24,851	16,171	43,085	668,674	51,345	47,845
(16,540)	(5,101)	-	(84,563)	(136,784)	(201,534)
<u>\$ 2,060,499</u>	<u>\$ 2,138,915</u>	<u>\$ 4,535,401</u>	<u>\$ 10,716,886</u>	<u>\$ 5,189,890</u>	<u>\$ 4,642,905</u>

TABLE 4

## CITY OF TALLMADGE, OHIO

GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION (1)  
LAST TEN YEARS

	2014	2015	2016	2017
<b>Revenues</b>				
Property and other taxes	\$ 2,059,317	\$ 2,059,080	\$ 2,052,791	\$ 2,057,730
Municipal income taxes	9,560,660	9,844,999	10,628,415	10,156,843
Intergovernmental	2,729,999	3,086,741	7,022,306	3,630,150
Investment income	33,822	42,885	59,239	118,964
Fines, licenses, and permits	391,916	356,831	366,002	336,532
Special assessments	110,603	107,432	99,975	94,423
Charges for services	2,123,555	2,165,699	2,270,401	2,309,777
Change in fair value of investments	-	-	(36,756)	30,106
Miscellaneous	333,527	271,263	334,532	429,893
Total revenues	<u>17,343,399</u>	<u>17,934,930</u>	<u>22,796,905</u>	<u>19,164,418</u>
<b>Expenditures</b>				
Current:				
General government	3,632,420	3,682,315	3,895,399	3,988,120
Security of persons and property				
Police	3,737,673	3,941,589	3,950,057	4,106,240
Street lighting	27,287	35,335	34,663	35,445
Fire	2,746,929	2,921,254	2,879,469	3,204,066
Public health and welfare	71,619	69,876	76,385	70,959
Transportation	1,812,826	1,964,913	1,892,975	2,039,398
Community environment	145,941	126,047	242,047	321,885
Leisure time activity	1,865,931	1,978,136	2,074,446	2,100,515
Utility services	-	-	-	-
Capital outlay	2,500,947	2,382,717	6,040,590	2,717,795
Debt service				
Principal retirement	749,212	819,943	845,564	1,684,750
Interest and fiscal charges	400,572	346,052	300,618	299,707
Bond issue costs	-	110,335	-	25,000
Total expenditures	<u>17,691,357</u>	<u>18,378,512</u>	<u>22,232,213</u>	<u>20,593,880</u>
Excess of revenues over (under) expenditures	<u>(347,958)</u>	<u>(443,582)</u>	<u>564,692</u>	<u>(1,429,462)</u>
<b>Other financing sources (uses)</b>				
Sale of capital assets	-	-	-	-
Capital lease transaction	-	179,104	406,821	448,276
Direct financing note transaction	-	-	-	-
Lease transaction	-	-	-	-
Subscription-based information technology arrangement transaction	-	-	-	-
Insurance recovery	-	-	-	-
Sale of bonds	-	2,925,000	-	825,000
Sale of notes	-	-	800,000	-
Premium on bond/note issuances	-	128,790	-	-
Discount on bond issuance	-	-	-	-
Payment to refunded bond escrow agent	-	(2,943,456)	-	-
Transfers in	5,588,777	4,819,200	4,027,250	4,279,750
Transfers (out)	(5,588,777)	(4,819,200)	(4,027,250)	(4,179,750)
Total other financing sources (uses)	<u>-</u>	<u>289,438</u>	<u>1,206,821</u>	<u>1,373,276</u>
Net change in fund balances	<u>\$ (347,958)</u>	<u>\$ (154,144)</u>	<u>\$ 1,771,513</u>	<u>\$ (56,186)</u>
Capital expenditures	928,737	1,048,247	6,515,158	1,428,972
Debt service as a percentage of noncapital expenditures (2)	6.86%	6.73%	7.29%	10.35%

(1) Includes General, Special Revenue, Debt Service and Capital Projects funds.

(2) The calculation of debt service as a percentage of noncapital expenditures excludes bond issuance costs.

Note: 2018 has been restated in accordance with the implementation of GASB Statement No. 84.

	2018	2019	2020	2021	2022	2023
\$	2,179,146	\$ 2,233,402	\$ 2,293,689	\$ 2,391,118	\$ 2,430,977	\$ 2,466,214
	10,011,817	10,938,609	12,118,753	14,040,922	14,504,283	14,646,127
	3,034,077	3,464,347	5,537,127	5,181,842	5,322,631	5,616,312
	254,232	340,392	197,521	99,895	256,095	1,000,803
	305,805	338,179	332,191	416,550	338,475	286,889
	107,177	102,016	78,978	36,637	40,279	28,647
	2,824,347	2,523,187	1,301,641	1,805,288	2,628,421	2,562,394
	(30,230)	52,485	40,959	(62,344)	(165,925)	125,796
	626,448	607,786	1,178,415	734,477	564,567	755,280
	<u>19,312,819</u>	<u>20,600,403</u>	<u>23,079,274</u>	<u>24,644,385</u>	<u>25,919,803</u>	<u>27,488,462</u>
	4,494,620	4,092,829	4,245,734	4,615,992	5,008,105	5,948,239
	4,315,465	4,531,301	4,784,136	4,863,305	5,313,803	5,037,927
	37,309	35,126	36,182	28,439	43,219	66,784
	3,323,493	3,491,241	3,637,839	3,874,893	4,327,303	5,231,530
	85,639	92,615	128,831	133,241	129,375	143,399
	2,215,675	2,228,357	2,123,807	2,299,024	2,342,500	2,360,457
	366,329	280,273	232,641	351,396	221,287	255,534
	2,154,495	2,391,224	1,965,045	2,142,863	2,475,581	3,089,730
	-	-	47,353	89,909	-	-
	2,139,193	1,279,535	2,655,099	6,434,236	8,759,549	4,999,190
	1,211,662	1,059,936	1,150,804	1,204,699	1,192,895	1,335,300
	276,194	269,574	179,141	172,130	406,874	357,927
	-	-	45,500	135,000	-	-
	<u>20,620,074</u>	<u>19,752,011</u>	<u>21,232,112</u>	<u>26,345,127</u>	<u>30,220,491</u>	<u>28,826,017</u>
	<u>(1,307,255)</u>	<u>848,392</u>	<u>1,847,162</u>	<u>(1,700,742)</u>	<u>(4,300,688)</u>	<u>(1,337,555)</u>
	-	-	-	-	51,832	136,193
	570,097	112,097	111,832	559,380	-	-
	-	-	-	-	495,381	889,838
	-	-	-	-	110,602	53,140
	-	-	-	-	-	179,000
	-	-	-	-	-	221,153
	-	-	3,885,000	9,000,000	-	-
	-	-	-	-	-	-
	-	-	-	832,088	-	-
	-	-	-	(78,146)	-	-
	-	-	(2,508,170)	-	-	-
	4,905,544	4,406,905	4,649,728	4,483,864	4,988,674	6,250,315
	<u>(4,905,544)</u>	<u>(4,406,905)</u>	<u>(4,649,728)</u>	<u>(4,483,864)</u>	<u>(4,988,674)</u>	<u>(6,250,315)</u>
	<u>570,097</u>	<u>112,097</u>	<u>1,488,662</u>	<u>10,313,322</u>	<u>657,815</u>	<u>1,479,324</u>
\$	<u>(737,158)</u>	<u>\$ 960,489</u>	<u>\$ 3,335,824</u>	<u>\$ 8,612,580</u>	<u>\$ (3,642,873)</u>	<u>\$ 141,769</u>
	1,459,411	567,499	2,015,192	5,933,172	8,455,350	3,823,534
	7.77%	6.93%	6.92%	6.75%	7.35%	6.77%

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**TABLE 5****CITY OF TALLMADGE, OHIO***REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS*

<b>Year</b>	<b>Net Tax Levy (Current Billed Portion)</b>	<b>Current Collections</b>	<b>Percent of Current Collections to Net Levy</b>	<b>Delinquent Collections</b>	<b>Total Collections</b>	<b>Percent of Total Collections to Levy</b>	<b>Current Delinquent Amount</b>
2014	\$ 2,314,571	\$ 2,246,437	97.06%	\$ 75,229	\$ 2,321,666	100.31%	\$ 68,135
2015	2,292,469	2,239,447	97.69%	74,475	2,313,922	100.94%	53,022
2016	2,298,861	2,252,662	97.99%	38,860	2,291,522	99.68%	46,199
2017	2,312,158	2,264,620	97.94%	48,077	2,312,697	100.02%	47,539
2018	2,418,192	2,380,621	98.45%	67,291	2,447,912	101.23%	37,571
2019	2,473,255	2,428,405	98.19%	41,555	2,469,960	99.87%	44,820
2020	2,513,500	2,444,030	97.24%	36,469	2,480,499	98.69%	69,469
2021	2,659,634	2,603,133	97.88%	38,107	2,641,240	99.31%	56,501
2022	2,669,290	2,601,390	97.46%	53,405	2,654,795	99.46%	67,899
2023	2,713,393	2,655,074	97.85%	55,946	2,711,020	99.91%	48,104

Source: Summit County, Ohio; County Fiscal Officer

**TABLE 6****CITY OF TALLMADGE, OHIO***ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS*

<b>Year</b>	<b>Real Property</b>		<b>Public Utility Property</b>	
	<b>Estimated Actual Value (A)</b>	<b>Assessed Value</b>	<b>Estimated Actual Value (B)</b>	<b>Assessed Value</b>
2014	\$ 1,068,253,993	\$ 371,766,430	\$ 6,064,193	\$ 5,336,490
2015	1,061,273,964	369,219,410	6,361,364	5,598,000
2016	1,064,701,144	370,364,200	6,517,716	5,735,590
2017	1,070,985,951	372,360,560	7,098,636	6,246,800
2018	1,168,370,457	408,929,660	7,369,216	6,484,910
2019	1,195,192,400	418,317,340	7,817,261	6,879,190
2020	1,220,158,971	427,055,640	8,387,443	7,380,950
2021	1,380,610,171	483,213,560	9,038,045	7,953,480
2022	1,385,452,943	484,908,530	9,559,591	8,412,440
2023	1,409,965,400	493,487,890	10,379,784	9,134,210

## Notes:

(A) Real property is assessed at 35% of actual value.

(B) Public utility is assessed at 88% of actual value.

Summit County valuations only - Portage County not included.

Source: Summit County, Ohio; County Fiscal Officer



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<b>Total</b>		<b>Total Direct Tax Rate</b>	<b>Assessed Value as a Percentage of Actual Value</b>
<b>Estimated Actual Value</b>	<b>Assessed Value</b>		
\$ 1,074,318,186	\$ 377,102,920	\$ 6.15	35.10%
1,067,635,328	374,817,410	6.15	35.11%
1,071,218,860	376,099,790	6.15	35.11%
1,078,084,587	378,607,360	6.15	35.12%
1,175,739,673	415,414,570	6.15	35.33%
1,203,009,661	425,196,530	6.15	35.34%
1,228,546,414	434,436,590	6.15	35.36%
1,389,648,216	491,167,040	6.15	35.34%
1,395,012,534	493,320,970	6.15	35.36%
1,420,345,184	502,622,100	6.15	35.39%

TABLE 7

## CITY OF TALLMADGE, OHIO

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)  
LAST TEN YEARS

Collection Year	County Levy	School Levy	Akron/Summit Library	Tallmadge City	Total Levy	Debt Service
1 2014	\$ 14.16	\$ 72.41	\$ 2.10	\$ 6.15	\$ 94.82	\$ 6.23
2 2014	14.16	53.66	2.00	6.15	75.97	0.59
1 2015	14.16	72.27	2.62	6.15	95.20	6.23
2 2015	14.16	53.58	2.00	6.15	75.89	0.68
1 2016	14.16	77.03	2.60	6.15	99.94	11.02
2 2016	14.16	55.34	2.00	6.15	77.65	0.68
1 2017	14.16	75.35	2.56	6.15	98.22	9.99
2 2017	14.16	54.10	2.00	6.15	76.41	0.74
1 2018	14.16	75.09	2.56	6.15	97.96	9.91
2 2018	14.16	53.87	2.00	6.15	76.18	0.74
1 2019	14.16	75.09	2.56	6.15	97.96	9.91
2 2019	14.16	53.87	2.00	6.15	76.18	0.74
1 2020	15.16	82.23	2.52	6.15	106.06	9.67
2 2020	15.16	53.84	2.00	6.15	77.15	0.66
1 2021	15.16	80.46	1.90	6.15	103.67	8.04
2 2021	15.16	51.47	2.00	6.15	74.78	0.66
1 2022	16.10	80.03	1.90	6.15	104.18	7.56
2 2022	16.10	51.49	2.00	6.15	75.74	0.57
1 2023	16.10	79.90	1.90	6.15	104.05	7.60
2 2023	16.10	58.19	2.00	6.15	82.44	0.63

Source: Summit County, Ohio; County Fiscal Officer

Note: Taxes are levied at the same rate in both the 1st and 2nd half; however, there are two sets of rates because both Tallmadge CSD (1) and Stow/Munroe Falls CSD (2) overlap Tallmadge City.

TABLE 8

## CITY OF TALLMADGE, OHIO

CITY - WIDE PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)  
LAST TEN YEARS

Collection Year	Inside Operating	Outside Operating	Police Pension	Fire/Ambulance	Total Tax Rate
2014	\$ 2.10	N/A	\$ 0.30	\$ 3.75	\$ 6.15
2015	2.10	N/A	0.30	3.75	6.15
2016	2.10	N/A	0.30	3.75	6.15
2017	2.10	N/A	0.30	3.75	6.15
2018	2.10	N/A	0.30	3.75	6.15
2019	2.10	N/A	0.30	3.75	6.15
2020	2.10	N/A	0.30	3.75	6.15
2021	2.10	N/A	0.30	3.75	6.15
2022	2.10	N/A	0.30	3.75	6.15
2023	2.10	N/A	0.30	3.75	6.15

Source: Summit County, Ohio; County Fiscal Officer

TABLE 9

## CITY OF TALLMADGE, OHIO

REAL PROPERTY PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

		<u>December 31, 2023</u>	
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Valuation</u>	<u>Percent of Total</u>
Ohio Edison Co/First Energy	Public Utility	\$ 5,193,370	1.05%
OI Tallmadge Funding Company LLC	Industrial Warehouses Light	4,763,750	0.97%
Big Zilla Development LLC	Commercial Warehouses	3,949,770	0.80%
Eastwood Square Associates I LLC	Community Shopping Center	2,992,610	0.61%
American Transmission Systems Inc.	Public Utility	2,406,860	0.49%
Saxon Village Limited	Apartments 40 or more	2,363,840	0.48%
Tallmadge Associates	Apartments 40 or more	2,065,990	0.42%
Heather Knoll Rental Properties LLC	Nursing Home & Private Hospital	2,050,050	0.42%
Tallmadge Oaks LTD	Apartments 40 or more	2,038,620	0.41%
Premier Developments LLC	Apartments 20-39 Rental Units (2 Parcels)	1,776,000	0.36%
Total		<u>\$ 29,600,860</u>	<u>6.01%</u>
Total Assessed Valuation - Real Property		<u>\$ 493,487,890</u>	
		<u>December 31, 2014</u>	
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Valuation</u>	<u>Percent of Total</u>
Big Zilla Development LLC	Retail Property Management	\$ 3,290,270	0.89%
Eastwood Square Associates LTD	Retail Property Management	2,221,900	0.60%
Tallmadge Oaks LTD	Apartment Complex	1,900,740	0.51%
Saxon Village Limited	Apartment Complex	1,632,060	0.44%
Tallmadge Shopping Center LLC	Retail Property Management	1,547,020	0.42%
Mindale Farms Co.	Agriculture	1,511,850	0.41%
Tallmadge Associates	Retail Property Management	1,447,080	0.39%
Heather Knoll Rental Properties LLC	Apartment Complex	1,339,160	0.36%
Colonial Gardens LLC	Nursing Home	1,250,740	0.34%
Myers Family Limited Partnership	Light Manufacturing	1,222,130	0.33%
Total		<u>\$ 17,362,950</u>	<u>4.69%</u>
Total Assessed Valuation - Real Property		<u>\$ 371,766,430</u>	

Source: Summit County, Ohio; County Fiscal Officer

**TABLE 10****CITY OF TALLMADGE, OHIO***INCOME TAX REVENUE BASE AND COLLECTIONS  
LAST TEN YEARS*

<b>Year</b>	<b>Tax Rate</b>	<b>Total Tax Collected</b>	<b>Taxes from Withholding</b>	<b>Percentage of Taxes from Withholding</b>	<b>Taxes From Net Profits</b>	<b>Percentage of Taxes from Net Profits</b>
2014	2.00%	\$ 9,493,963	\$ 6,679,215	70.35%	\$ 1,636,547	17.24%
2015	2.00%	10,527,612	7,599,180	72.18%	1,768,558	16.80%
2016	2.00%	10,973,929	7,996,704	72.87%	1,623,956	14.80%
2017	2.00%	11,178,777	8,200,825	73.36%	1,593,715	14.26%
2018	2.00%	9,993,800	7,650,696	76.55%	1,045,953	10.47%
2019	2.00%	10,872,868	7,954,279	73.16%	1,360,601	12.51%
2020	2.25%	11,513,129	8,606,006	74.75%	1,561,394	13.56%
2021	2.25%	13,955,943	9,658,805	69.21%	2,475,033	17.73%
2022	2.25%	14,792,130	9,844,159	66.55%	2,980,667	20.15%
2023	2.25%	14,703,670	10,139,955	68.96%	2,529,091	17.20%

Sources: Regional Income Tax Agency (RITA)

Note: State law prohibits disclosure of income tax information by individual taxpayer.

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<b>Taxes from Individuals</b>	<b>Percentage of Taxes from Individuals</b>	<b>Tax from Utilities</b>	<b>Percentage of Tax from Utilities</b>
\$ 1,168,799	12.31%	\$ 9,402	0.10%
1,156,523	10.99%	3,351	0.03%
1,329,950	12.12%	23,319	0.21%
1,381,598	12.36%	2,639	0.02%
1,266,459	12.67%	30,692	0.31%
1,526,300	14.04%	31,687	0.29%
1,330,983	11.56%	14,746	0.13%
1,803,607	12.92%	18,498	0.13%
1,964,548	13.28%	2,756	0.02%
2,034,330	13.84%	294	0.00%

TABLE 11

## CITY OF TALLMADGE, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

Year	Governmental Activities							Business-Type Activities
	General Obligation Bonds	Special Assessment Bonds	Notes	Direct Financing Notes	Leases	SBITA	Capital Leases (c)	Special Assessment Bonds
2014	\$ 8,066,529	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ 108,056	\$ 70,000
2015	7,565,124	400,000	-	-	-	-	192,217	35,000
2016	6,951,648	330,000	800,000	-	-	-	428,474	-
2017	7,143,162	255,000	-	-	-	-	692,000	-
2018	6,285,719	180,000	-	-	-	-	975,435	-
2019	5,584,132	100,000	-	-	-	-	802,596	-
2020	6,240,860	-	-	-	-	-	638,324	-
2021	15,097,513	-	-	622,917	250,388	-	-	-
2022	14,206,951	-	-	866,493	245,953	-	-	-
2023	13,271,389	-	-	1,456,301	186,237	146,586	-	-

## Notes/Sources:

- (a) See notes to the financial statements regarding the City's debt information.
- (b) See Table 17 Demographic and Economic Statistics - Last Ten Years for personal income and population.
- (c) See the notes to the financial statements regarding the City's debt information. Obligations reported as capital leases in 2021 were restated as leases payable and direct financing notes in accordance with the implementation of GASB Statement No. 87 in 2022.

**Business-Type Activities - (Continued)**

<b>OWDA Loans</b>	<b>Direct Financing Notes</b>	<b>Leases</b>	<b>Capital Leases (c)</b>	<b>(a) Total Primary Government</b>	<b>(b) Total Personal Income</b>	<b>Percentage of Personal Income</b>	<b>(b) Population</b>	<b>Per Capita</b>
\$ 1,164,147	\$ -	\$ -	\$ 23,600	\$ 9,897,332	\$ 492,270,592	2.01%	17,536	\$ 564
1,592,091	-	-	9,818	9,794,250	486,128,872	2.01%	17,527	559
1,507,731	-	-	-	10,017,853	491,001,456	2.04%	17,512	572
1,401,915	-	-	-	9,492,077	528,635,328	1.80%	17,537	541
1,291,995	-	-	-	8,733,149	567,830,523	1.54%	17,537	498
1,177,801	-	-	25,602	7,690,131	591,880,448	1.30%	17,582	437
1,059,158	-	-	527,552	8,465,894	597,450,457	1.42%	17,519	483
935,881	643,862	37,828	-	17,588,389	625,530,762	2.81%	18,114	971
807,779	455,587	27,157	-	16,609,920	663,849,130	2.50%	18,305	907
674,652	264,697	106,784	-	16,106,646	724,896,150	2.22%	18,275	881

TABLE 12

## CITY OF TALLMADGE, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

Year	General Obligation Bonds	(a) Estimated Actual Property Value	Percentage of Actual Taxable Value of Property	(b) Population	Per Capita
2014	\$ 8,066,529	\$ 1,074,318,186	0.75%	17,536	\$ 460
2015	7,565,124	1,067,635,328	0.71%	17,527	432
2016	6,951,648	1,071,218,860	0.65%	17,512	397
2017	7,143,162	1,078,084,587	0.66%	17,537	407
2018	6,285,719	1,175,739,673	0.53%	17,537	358
2019	5,584,132	1,203,009,661	0.46%	17,582	318
2020	6,240,860	1,228,546,414	0.51%	17,519	356
2021	15,097,513	1,389,648,216	1.09%	18,114	833
2022	14,206,951	1,395,012,534	1.02%	18,305	776
2023	13,271,389	1,420,345,184	0.93%	18,275	726

Sources:

(a) Summit County, Ohio; County Fiscal Officer

(b) See Table 17 Demographic and Economic Statistics - Last Ten Years for population.

TABLE 13

## CITY OF TALLMADGE, OHIO

SPECIAL ASSESSMENT TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

Year	Current Billed	Delinquent Billed*	Current % Collected	Total Collected	Total % Collected	Current Delinquent**
2014	\$ 227,105	n/a	n/a	\$ 213,595	94.05%	\$ 13,510
2015	220,719	n/a	n/a	223,919	101.45%	-
2016	211,265	n/a	n/a	204,649	96.87%	6,617
2017	167,012	n/a	n/a	158,622	94.98%	2,640
2018	160,424	n/a	n/a	147,140	91.72%	13,284
2019	159,402	n/a	n/a	158,573	99.48%	829
2020	145,066	n/a	n/a	136,775	94.28%	8,290
2021	50,843	n/a	n/a	61,621	121.20%	(10,778)
2022	48,163	n/a	n/a	60,392	125.39%	(12,229)
2023	55,747	n/a	n/a	53,554	96.07%	2,193

Source: Summit County, Ohio; County Fiscal Officer

\* The delinquent billed amount was not available for 2014 - 2023.

\*\*Negative current delinquents reflect an overpayment of Special Assessments.



**TABLE 14**

**CITY OF TALLMADGE, OHIO**

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

<b>Jurisdiction</b>	<b>Governmental Activities Debt</b>	<b>Percentage Overlapping</b>	<b>Applicable to the City</b>
Direct:			
City of Tallmadge	\$ 15,060,513	100.00%	\$ 15,060,513
Overlapping Debt:			
Summit County	70,305,000	3.46%	2,432,553
Portage County	10,225,209	0.46%	47,036
Brimfield Township	7,736,136	5.57%	430,903
Stow/Munroe Falls City School District	1,835,000	0.01%	184
Tallmadge City School District	46,556,613	99.85%	46,486,778
Field Local School District	13,970,000	2.34%	326,898
Total Overlapping Debt	<u>150,627,958</u>		<u>49,724,351</u>
Total Direct and Overlapping Debt	<u>\$ 165,688,471</u>		<u>\$ 64,784,864</u>

Source: Debt outstanding for overlapping government - Ohio Municipal Advisory Council (OMAC), as of January 1, 2023.

Note: The percentage of debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation within the City by the jurisdiction's total assessed valuation.

**TABLE 15**

**CITY OF TALLMADGE, OHIO**

*COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS*

<b>Year</b>	<b>Debt Limit - Voted</b>	<b>Debt Limit - Unvoted</b>	<b>Net Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Legal Debt Margin - Voted*</b>	<b>Legal Debt Margin - Unvoted*</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2014	\$ 39,595,807	\$ 20,740,661	\$ 8,066,529	\$ 76,219	\$ 31,605,497	\$ 20,740,661	20.37%
2015	39,355,828	20,614,958	7,565,124	99,839	31,890,543	20,614,958	19.22%
2016	40,982,825	21,467,194	6,951,648	87,463	34,118,640	21,467,194	16.96%
2017	39,753,773	20,823,405	7,143,162	66,332	32,676,943	20,823,405	17.97%
2018	43,303,530	22,682,801	6,285,719	24,851	37,042,662	22,682,801	14.52%
2019	44,645,636	23,385,809	5,584,132	16,171	39,077,675	23,385,809	12.51%
2020	45,615,842	23,894,012	6,240,860	43,085	39,418,067	23,894,012	13.68%
2021	51,572,539	27,014,187	15,097,513	668,674	37,143,700	27,014,187	29.27%
2022	51,798,702	27,132,653	14,206,951	51,345	37,643,096	27,132,653	27.43%
2023	52,775,321	27,644,216	13,271,389	47,844	39,551,776	27,644,216	25.15%

Source: Summit County, Ohio; County Fiscal Officer

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

\* Legal debt margin includes unamortized debt.

**TABLE 16**

**CITY OF TALLMADGE, OHIO**

*DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS*

<b>Year</b>	<b>Population (a)</b>	<b>Personal Income (c)</b>	<b>Per Capita Personal Income (a)</b>	<b>Unemployment Rates (b)</b>		
				<b>Summit County</b>	<b>Ohio</b>	<b>United States</b>
2014	17,536	\$ 492,270,592	\$ 28,072	5.7%	5.6%	5.8%
2015	17,527	486,128,872	27,736	5.6%	5.4%	5.1%
2016	17,512	491,001,456	28,038	5.0%	4.9%	4.7%
2017	17,537	528,635,328	30,144	4.6%	4.7%	4.1%
2018	17,537	567,830,523	32,379	4.7%	4.6%	3.9%
2019	17,582	591,880,448	33,664	4.3%	4.1%	3.7%
2020	17,519	597,450,457	34,103	5.2%	5.3%	6.5%
2021	18,114	625,530,762	34,533	3.7%	4.5%	3.9%
2022	18,305	663,849,130	36,266	3.9%	3.6%	3.3%
2023	18,275	724,896,150	39,666	3.7%	3.5%	3.6%

Sources:

- (a) Information obtained from the U.S. Census Bureau
- (b) Information obtained from the Ohio Department of Job and Family Services
- (c) Population times per capita personal income

**TABLE 17**

**CITY OF TALLMADGE, OHIO**

*NEW HOUSING STARTS  
LAST TEN YEARS*

<b>Year</b>	<b>New Housing Starts</b>	
	<b>Single Family</b>	<b>Condominium</b>
2014	12	-
2015	20	-
2016	50	12
2017	61	-
2018	35	-
2019	15	-
2020	8	-
2021	76	-
2022	48	31
2023	49	-

Sources: City of Tallmadge Zoning Department (2017-2023)  
Summit County Department of Building Standards (2014-2016)

Note: Summit County Department of Building Standards webpage under construction 4/23/18

**TABLE 18**

**CITY OF TALLMADGE, OHIO**

*PRINCIPAL EMPLOYERS  
BY TOTAL INCOME TAX WITHHOLDING  
CURRENT YEAR AND NINE YEARS AGO*

<b>Employer</b>	<b>Description</b>	<b>2023</b>	<b>2014</b>
		<b>Rank</b>	<b>Rank</b>
Autosales Inc.	Retail	1	1
Summit County	Government	-	2
Tallmadge Public Schools	Education	2	3
Steere Enterprises Inc	Plastic Fabrication	3	4
Summit Racing Management	Retail	4	-
City of Tallmadge	Government	5	6
S.D. Myers Inc.	Transformer Maintenance & Testing	6	5
WaltoCo Lift Corp	Manufacturing	-	7
Dayton Freight	Transportation	7	-
Kent Displays	Technology	-	8
M&B Tallmadge LLC	Auto Dealer	8	-
Owens Corning Foam Insulation	Manufacturing	9	10
Derma Med Coatings LLC	Manufacturing	10	-
East End Welding	Welding & Fabrication	-	9

Source: Regional Income Tax Agency

**TABLE 19**

**CITY OF TALLMADGE, OHIO**

*MISCELLANEOUS STATISTICS  
DECEMBER 31, 2023*

Founded	1806
Incorporated as Village	1936
Incorporated as City	1951
Town Hall erected	1859
Form of government	Charter
Population	18,275
Area	13.5 Square miles 8,915 Acres
Education:	
Elementary schools	1 K-5
Middle school	1 6-8
High school	1 9-12
Libraries	1 (30,000 volumes)
Churches	28

Source: Various Departments of the City of Tallmadge

**TABLE 20**

**CITY OF TALLMADGE, OHIO**

*FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS*

<b>Function/Program</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>General Government</b>										
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Mayor	4.5	4.5	5.0	6.0	7.5	7.5	7.5	7.5	5.0	5.0
Finance	6.0	6.0	6.0	7.0	7.0	7.0	7.0	6.5	6.0	6.5
Law	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5	3.0
Service	3.0	3.0	3.5	4.5	3.0	2.0	2.0	3.0	3.0	2.0
Information Systems	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	3.0
Civil Service	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Maintenance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Boards and Commissions	0.5	0.5	0.5	0.5	-	-	-	-	-	-
<b>Security of Persons and Property</b>										
Police	37.5	34.5	40.5	40.0	39.0	39.5	44.0	39.0	38.0	41.0
Fire	41.5	40.5	39.5	42.5	40.5	40.5	46.5	39.0	32.5	35.5
<b>Leisure Time Activities</b>										
Maca Pool*	16.5	16.0	15.5	18.0	17.5	23.5	-	22.0	17.5	17.0
Recreation Center	65.0	64.5	60.0	70.5	50.0	45.5	35.5	37.0	44.0	36.5
<b>Community Environment</b>										
Building & Zoning	2.0	2.0	2.5	3.0	2.5	3.0	3.0	3.0	3.0	3.0
<b>Transportation</b>										
Garage	4.5	4.5	4.5	7.0	4.5	4.5	4.0	5.0	4.0	4.0
Street	20.0	18.5	19.0	19.0	19.5	21.5	20.5	17.5	19.0	20.0
<b>Utilities</b>										
Utilities Services	6.5	6.5	7.0	6.0	7.0	8.0	8.0	6.5	9.0	9.0
<b>Total</b>	<b>220.0</b>	<b>214.0</b>	<b>216.5</b>	<b>237.0</b>	<b>211.0</b>	<b>215.5</b>	<b>191.0</b>	<b>199.5</b>	<b>195.0</b>	<b>193.5</b>

\*Due to the COVID-19 Pandemic, the swimming pool was closed in 2020.

Source: City of Tallmadge Finance Department

TABLE 21

## CITY OF TALLMADGE, OHIO

OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Security of Persons and Property</b>										
<b>Police****</b>										
Physical Arrests	582	556	795	773	966	847	332	753	714	557
Parking Violations	17	20	22	6	15	12	9	16	10	-
Traffic Violations	859	733	673	471	472	423	233	259	327	384
<b>Fire</b>										
Emergency Response Calls	2,456	2,680	2,889	2,938	3,125	3,275	2,930	3,500	3,807	3,806
Fires Extinguished	22	27	28	34	20	22	35	45	16	25
Inspections Conducted ***	881	658	570	788	768	669	381	409	442	645
<b>Transportation</b>										
Street resurfacing miles	5.60	6.70	3.00	3.00	2.43	1.85	0.91	2.91	3.37	2.94
<b>Leisure Time Activities</b>										
Trees Planted	-	-	-	-	-	-	27	19	11	5
Recreation Center Memberships*										
Annual	4,285	4,844	5,323	5,839	5,581	6,311	5,721	6,852	6,992	7,422
Monthly	1,402	1,545	1,231	1,273	1,383	1,349	1,231	1,105	1,355	1,235
Swimming Pool Memberships**	1,772	1,793	1,754	1,999	1,901	1,739	-	1,870	2,601	2,023
<b>Water</b>										
Customers Served	7,302	7,208	7,330	7,409	7,463	7,479	7,525	7,589	7,725	7,749
New Connections	29	130	62	97	58	20	28	53	16	7
Water Main Breaks	14	13	28	13	24	22	20	11	19	17
Avg. Daily Consumption (gpd) million gallons per day	1.10	1.10	1.20	1.20	1.20	1.10	1.20	1.20	1.20	1.30
Peak Daily Consumption (gpd) million gallons per day	2.00	1.70	1.50	1.40	1.50	1.70	1.60	1.50	1.60	2.30
<b>Sewer</b>										
Customers Served	7,981	7,888	8,001	8,163	8,210	8,340	8,380	8,456	8,576	8,519
<b>Storm Water</b>										
Customers Served	6,059	6,095	6,143	6,212	6,252	6,262	6,279	6,333	6,467	6,486

\*The City began participating in the Silver Sneakers Program in 2011 resulting in a significant increase in annual membership in 2012.

\*\*Due to the COVID-19 Pandemic, the swimming pool was closed in 2020. Limited swimming passes sold to 2,000 in 2023.

\*\*\* Due to the COVID-19 Pandemic, inspections were not conducted for approximately 4 months.

\*\*\*\* Due to the COVID-19 Pandemic, officers were restricted from self-initiated activity for most of 2020.

Source: Various City of Tallmadge Department Records

TABLE 22

## CITY OF TALLMADGE, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN YEARS

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Security of Persons and Property</b>										
Police:										
Stations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Patrol Units	21.0	20.0	19.0	19.0	19.0	18.0	20.0	18.0	18.0	17.0
School Resource Units	-	-	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Fire Stations	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Public Health and Welfare</b>										
Cemeteries	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Leisure Time Activities</b>										
Park Acreage	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	180.0
Parks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Swimming Pools	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Tennis Courts	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Baseball/Softball Fields	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	10.0
Soccer Fields	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Recreation Center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Transportation</b>										
Streets (paved miles)	96.1	96.1	99.1	99.1	100.0	100.0	100.0	100.9	101.2	101.5
Traffic Signals	187.0	187.0	186.0	189.0	189.0	189.0	189.0	189.0	190.0	190.0
<b>Water</b>										
Water Mains (miles)	87.0	87.0	88.1	88.1	88.5	88.5	88.9	90.0	90.3	90.6
<b>Sewer</b>										
Sanitary Sewers (miles)	60.7	60.7	61.1	61.1	61.5	61.5	62.3	62.3	62.3	62.3

Source: City of Tallmadge Records

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF TALLMADGE**

**SUMMIT COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/25/2024**

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

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