



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF TALLMADGE
SUMMIT COUNTY
DECEMBER 31, 2024

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OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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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, Ohio (the City) as of and for the year ended December 31, 2024, 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 25, 2025. We also noted the City adopted new accounting guidance in *Governmental Accounting Standards Board Statement No. 101, Compensated Absences*.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

June 25, 2025



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2024**

Finding Number	Finding Summary	Status	Additional Information
2023-001	Financial Reporting – Financial statement errors resulting in material audit adjustments	Fully Corrected	None

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CITY OF TALLMADGE, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024

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, 2024

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June 25, 2025

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, 2024 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, 2024. 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, 2024 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 2024 population of 18,317 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.

The annual budget serves as the foundation for the City's financial planning and control. The City's budgeting process is prescribed by the Ohio Revised Code and the City's Charter. 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.

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 3.38 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 effective January 1, 2020 by .25 percent to provide additional funds for safety services. The income tax collections at the end of fiscal year 2024 experienced an increase of 5.27 percent from the prior fiscal year. The main source of the increase was an increase in employer withholding.

The City is meeting the demands of a changing population with several residential and commercial developments. 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 was platted and began being sold in 2024. The final phase of the Village at Town Centre multi-use development began 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 2024 exceeded \$3.3 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. Expansion in this area continues in 2024 as we saw construction for the expansion of Dermamed and the addition of Apollo Heating and Cooling and Parsons Concrete.

The JEDD also continues to be a major component of the economic growth in the City. In addition to the initial Cascades development which encompasses 114 acres consisting of 216 apartment units, commercial and retail stores, that include Walmart, Lowe's and Kohls, and the 815,000-square foot distributions 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. In June 2021, Hamrick Packaging Systems broke ground in the development of a 64,00 square foot building to employ 47 new full-time employees. The facility opened in 2022. The developer of the Maplecrest property has also acquired additional property at the Tallmadge-Brimfield corporate boundaries for further commercial development planned.

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 2025, the City will be finalizing 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

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. In 2024, the City amended its zoning map along its West Avenue Corridor with an overlay in an effort to provide expanded development opportunities for mixed uses in that area. 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.

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, 2023. 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-two consecutive years (1992 - 2023). 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, 2023

Christopher P. Morill

Executive Director/CEO

**CITY OF TALLMADGE, OHIO
LISTING OF PRINCIPAL CITY OFFICIALS
AS OF DECEMBER 31, 2024**

ELECTED OFFICIALS

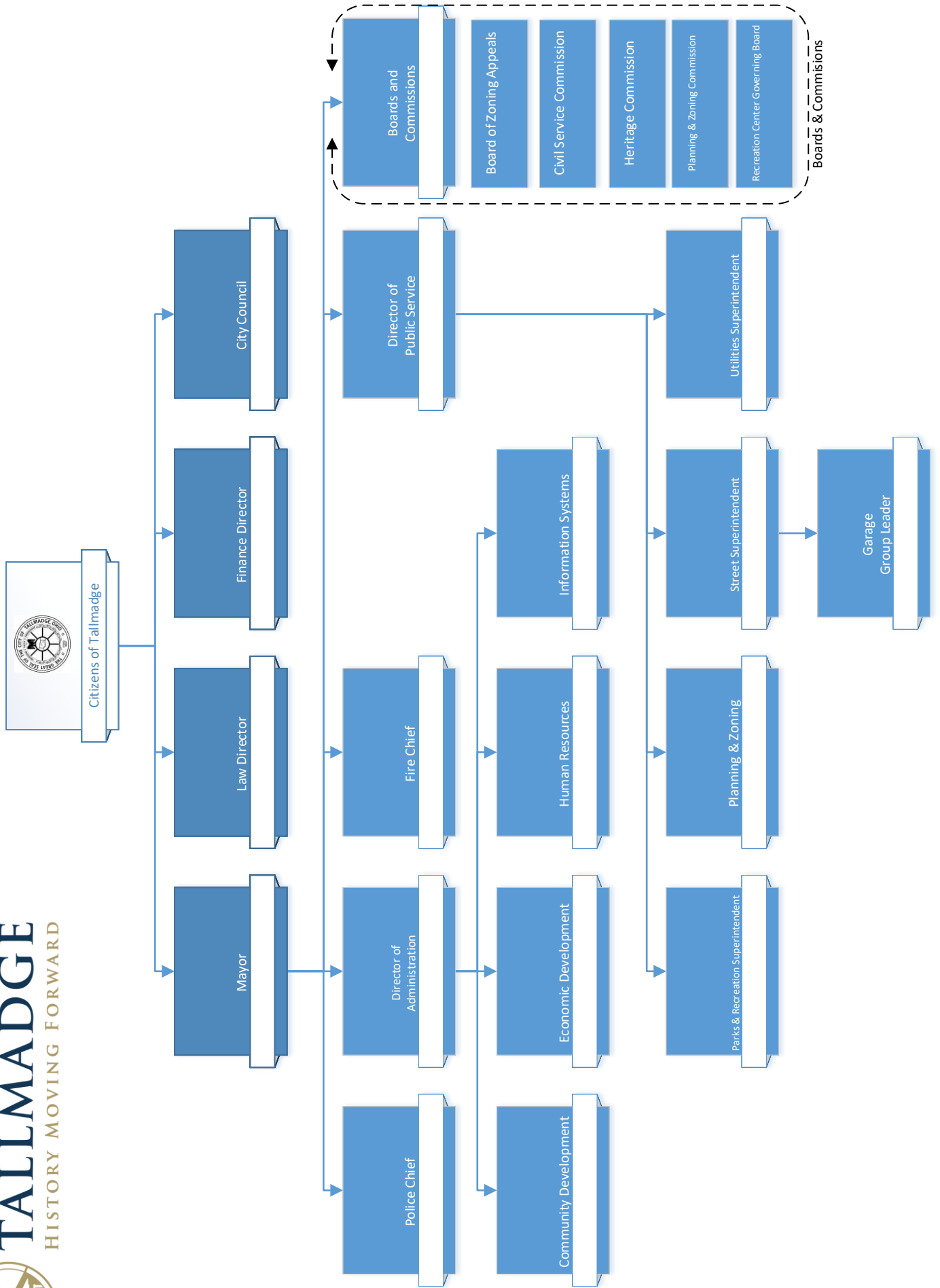
Mayor	Carol Siciliano-Kilway
Director of Finance	Mollie Gilbride
Director of Law	Megan Raber
President of Council	Vacant
Council Member	Jonathon Bollas
Council Member	Jessica Epstein
Council Member	Mary Gutman
Council Member	Donald Pavlik
Council Member	Ted Roy
Council Member	Nick Rubino

APPOINTED OFFICIALS

Director of Public Service	Michael Rorar
Director of Administration	Joe Ignazzitto
Community Development Manager	Andrea Kidder
Economic Development Manager	Vacant
Assistant Director of Law	Melody Briand
Assistant Director of Finance	Kimberly Guseman
Clerk of Council	Susan Burton
Deputy Clerk of Council	Regina Conti
Civil Service Chairman	Jan Naso

DEPARTMENT OFFICIALS

Police Chief	Douglas Bohon
Fire Chief	John Underwood
Road Superintendent	Michael Weigand
Utilities Superintendent	Rob Neiheiser
Manager of Parks and Recreation	Jessica Simons



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FINANCIAL SECTION

OHIO AUDITOR OF STATE KEITH FABER



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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 (City), as of and for the year ended December 31, 2024, 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 as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 3D to the financial statements, during 2024, the City adopted new accounting guidance in *Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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, required budgetary comparison schedules, 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 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 25, 2025, 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 25, 2025

CITY OF TALLMADGE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2024

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, 2024. 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 2024 are as follows:

- The total net position of the City increased \$1,469,612 or 2.8% from 2023's restated net position. Net position was restated at January 1, 2024, as described in Note 3.D in the notes to the basic financial statements.
- Net position of governmental activities increased \$1,005,003 or 3.61% and business-type activities increased \$464,609 or 1.88% from 2023's restated net position.
- Total assets and deferred outflows of resources decreased \$540,341 from 2023.
- Total current liabilities and deferred inflows of resources decreased \$1,315,914 from 2023.
- Total long-term liabilities increased \$538,673 during 2024.

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.

CITY OF TALLMADGE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2024

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.

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, and street maintenance and repair 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 general fund and any major special revenue funds budgetary schedules, and net pension liability/asset, net OPEB liability/asset.

CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

Government-Wide Financial Analysis

The statement of net position serves as a useful indicator of a government's financial position. For the following table, amounts for 2024 have been presented in accordance with the provisions of GASB Statement No. 101 (see Note 3.D) while amounts for 2023 have been presented in accordance with previous guidance. The table below provides a summary of the City's net position for 2024 and 2023.

	Net Position					
	Governmental	Business-type	Governmental	Business-type	Total	Total
	Activities	Activities	Activities	Activities	2024	2023
	2024	2024	2023	2023	2024	2023
Assets						
Current and other assets	\$ 30,284,019	\$ 11,700,359	\$ 29,191,398	\$ 10,945,125	\$ 41,984,378	\$ 40,136,523
Net OPEB asset	230,835	41,465	-	-	272,300	-
Net pension asset	3,982	715	15,493	3,032	4,697	18,525
Capital assets, net	<u>37,619,167</u>	<u>16,175,979</u>	<u>37,878,297</u>	<u>16,664,572</u>	<u>53,795,146</u>	<u>54,542,869</u>
Total assets	<u>68,138,003</u>	<u>27,918,518</u>	<u>67,085,188</u>	<u>27,612,729</u>	<u>96,056,521</u>	<u>94,697,917</u>
Deferred outflows of resources						
Unamortized deferred charges	63,863	-	73,951	-	63,863	73,951
Pension	8,085,522	425,291	9,225,554	680,838	8,510,813	9,906,392
OPEB	<u>1,031,256</u>	<u>38,124</u>	<u>1,466,714</u>	<u>95,944</u>	<u>1,069,380</u>	<u>1,562,658</u>
Total deferred outflows of resources	<u>9,180,641</u>	<u>463,415</u>	<u>10,766,219</u>	<u>776,782</u>	<u>9,644,056</u>	<u>11,543,001</u>
Liabilities						
Current and other liabilities	1,517,039	1,036,289	2,915,231	983,132	2,553,328	3,898,363
Long-term liabilities:						
Due within one year	2,103,957	277,600	1,597,279	374,993	2,381,557	1,972,272
Due in more than one year:						
Net pension liability	23,579,942	1,278,884	23,401,283	1,568,411	24,858,826	24,969,694
Net OPEB liability	1,243,948	-	1,314,370	31,536	1,243,948	1,345,906
Other long-term liabilities	<u>14,987,072</u>	<u>533,546</u>	<u>14,492,088</u>	<u>686,316</u>	<u>15,520,618</u>	<u>15,178,404</u>
Total liabilities	<u>43,431,958</u>	<u>3,126,319</u>	<u>43,720,251</u>	<u>3,644,388</u>	<u>46,558,277</u>	<u>47,364,639</u>
Deferred inflows of resources						
Property taxes	2,815,070	-	2,500,659	-	2,815,070	2,500,659
Pension	549,122	-	788,679	693	549,122	789,372
OPEB	530,641	61,668	1,242,064	11,306	592,309	1,253,370
Leases	<u>1,179,863</u>	<u>24,969</u>	<u>588,811</u>	<u>-</u>	<u>1,204,832</u>	<u>588,811</u>
Total deferred inflows of resources	<u>5,074,696</u>	<u>86,637</u>	<u>5,120,213</u>	<u>11,999</u>	<u>5,161,333</u>	<u>5,132,212</u>

- (Continued)

CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

Net Position - (Continued)

	Governmental Activities 2024	Business-type Activities 2024	Governmental Activities 2023	Business-type Activities 2023	Total 2024	Total 2023
Net Position						
Net investment in capital assets	\$ 23,951,464	\$ 15,407,727	\$ 23,489,771	\$ 15,618,439	\$ 39,359,191	\$ 39,108,210
Restricted	3,824,596	42,180	3,276,530	3,032	3,866,776	3,279,562
Unrestricted	1,035,930	9,719,070	2,244,642	9,111,653	10,755,000	11,356,295
Total net position	<u>\$ 28,811,990</u>	<u>\$ 25,168,977</u>	<u>\$ 29,010,943</u>	<u>\$ 24,733,124</u>	<u>\$ 53,980,967</u>	<u>\$ 53,744,067</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.

CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 2024 by \$53,980,967, compared to \$52,511,355 in 2023 as restated, an increase of 2.80%. During 2024, the City's total assets and deferred outflows of resources decreased by \$540,341, and total liabilities and deferred inflows of resources decreased by \$777,241.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 56.00% of total assets. Capital assets include land, right of ways, construction in progress, buildings and improvements, equipment, infrastructure, and intangible right-to-use assets. Net investment in capital assets at December 31, 2024, were \$23,951,464 and \$15,407,727 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$3,866,776, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$10,755,000.

During 2024, the City implemented GASB Statement No. 101 (see Note 3.D). For the table on the following page, the implementation has been reported as a change in accounting principle. The following table provides a summary of the change in net position from 2023 to 2024.

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CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

	Change in Net Position					
	Governmental	Business-type	Governmental	Business-type	Total	Total
	Activities	Activities	Activities	Activities	2024	2023
	2024	2024	2023	2023		
Revenues						
Program revenues:						
Charges for services and sales	\$ 3,526,222	\$ 8,852,394	\$ 2,877,930	\$ 8,773,522	\$ 12,378,616	\$ 11,651,452
Operating grants and contributions	2,634,501	-	3,224,937	7,328	2,634,501	3,232,265
Capital grants and contributions	106,325	-	386,743	431,443	106,325	818,186
Total program revenues	6,267,048	8,852,394	6,489,610	9,212,293	15,119,442	15,701,903
General revenues:						
Property and other local taxes	2,919,973	-	2,470,752	-	2,919,973	2,470,752
Municipal income taxes	15,583,556	-	14,641,430	-	15,583,556	14,641,430
Grants and entitlements	2,871,341	-	2,907,211	-	2,871,341	2,907,211
Investment earnings	1,342,213	-	1,067,077	-	1,342,213	1,067,077
Change in fair value of investments	21,208	-	125,796	-	21,208	125,796
Miscellaneous	309,334	61,881	463,995	71,354	371,215	535,349
Total general revenues	23,047,625	61,881	21,676,261	71,354	23,109,506	21,747,615
Total revenues	29,314,673	8,914,275	28,165,871	9,283,647	38,228,948	37,449,518
Program Expenses:						
General government	6,029,560	-	6,627,658	-	6,029,560	6,627,658
Security of persons and property						
Police	7,000,274	-	6,119,746	-	7,000,274	6,119,746
Street lighting	60,983	-	66,784	-	60,983	66,784
Fire	6,321,013	-	6,498,561	-	6,321,013	6,498,561
Public health and welfare	158,221	-	150,466	-	158,221	150,466
Transportation	3,508,391	-	3,461,510	-	3,508,391	3,461,510
Community environment	330,563	-	273,795	-	330,563	273,795
Leisure time activity	4,547,326	-	3,531,536	-	4,547,326	3,531,536
Interest	353,339	-	321,059	-	353,339	321,059
Sewer operating	-	5,023,779	-	4,885,090	5,023,779	4,885,090
Water operating	-	2,794,365	-	2,471,007	2,794,365	2,471,007
Storm water operating	-	631,522	-	556,913	631,522	556,913
Total expenses	28,309,670	8,449,666	27,051,115	7,913,010	36,759,336	34,964,125
Increase in net position	1,005,003	464,609	1,114,756	1,370,637	1,469,612	2,485,393
Net position as previously reported	29,010,943	24,733,124	27,896,187	23,362,487	53,744,067	51,258,674
Restatement - change in accounting principle	(1,203,956)	(28,756)	-	-	(1,232,712)	-
Net position beginning of year (restated)	27,806,987	24,704,368	27,896,187	23,362,487	52,511,355	51,258,674
Net position end of year	\$ 28,811,990	\$ 25,168,977	\$ 29,010,943	\$ 24,733,124	\$ 53,980,967	\$ 53,744,067

CITY OF TALLMADGE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2024

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 decreased in total by 3.43% from 2023. Operating grants and contributions decreased 18.31% from 2023 due to a decrease 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 72.51% in 2024 due to less grant funding received for the East Avenue improvement project. General revenues increased from 2023 by 6.33%, which is attributed to an increase in property and other local taxes, municipal income taxes, and investment earnings.

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 police department account for 24.73% and 22.62% of the total governmental activities expenses during 2024 and 2023, respectively. During 2024, the City's police department consisted of one Chief, two captains, five sergeants, nineteen patrol officers and three 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 2024 by 14.39%, which is primarily the result of increased personnel costs.

The operations of the City's Fire department account for the second largest security of persons and property expenses of governmental activities, representing 22.33% and 24.02% of the total governmental activities expenses during 2024 and 2023, respectively. The City has operated a fire department since 1945. During 2024, 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-nine 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 Street Maintenance and Repair department employs 19 full-time and 1 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 12.39% and 12.80% of the total governmental activities expenses during 2024 and 2023, respectively.

The City's community center, recreation center, Maca pool, and parks operations employs five full-time and 94 part-time employees. Leisure time activities accounted for 16.06% and 13.06% of the total governmental activities expenses during 2024 and 2023, 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 7,789 water customers, 8,565 sewer customers, and 6,529 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.

CITY OF TALLMADGE, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2024

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 increased back to \$3 in 2023 and increased again in 2024 to \$3.50. One additional storm water fee increase is scheduled for 2025 bring the rate to \$4 per ERU.

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 2024, charges for services in the amount of \$8,852,394 accounted for 99.31% of the total business-type revenues compared to 94.51% in 2023. The total expenses for the utilities were \$536,656 more than 2023, or 6.78%.

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 \$38,581,013 and expenditures and other financing uses of \$36,066,702.

The City's chief operating fund is the general fund. During 2024, the City's general fund had total revenues and other financing sources of \$22,586,724 and expenditures and other financing uses of \$21,572,962, resulting in an increase in fund balance of \$1,013,762. The increase in fund balance is primarily from an increase in property and other local taxes, municipal income taxes, intergovernmental, fines, licenses and permits, and charges for services. Expenditures in 2024 were 2.63% more than 2023.

A major special revenue fund, the fire/EMS levy fund had total combined revenues and other financing sources of \$5,590,529 and expenditures of \$4,881,853. Expenditures exceeded revenues before transfers of \$3,055,000 from income tax collections. Fund balance increased by \$708,676 during 2024 as a result of an increase in transfers from the general fund to support operations.

A major special revenue fund, the street maintenance and repair fund had an increase in fund balance of \$382,788. Total combined revenues and other financing sources were \$5,362,149 and expenditures were \$4,979,361. 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, sale of capital assets, direct financing note transaction, and subscription-based information technology arrangement transactions.

Proprietary funds are accounted for on an accrual basis. All proprietary funds had operating revenues of \$8,914,275, which was more than operating expenses of \$8,363,849. The total depreciation/amortization expense for these business-type funds was \$824,668. The cash and cash equivalents at year end for the proprietary funds total \$9,124,262. Net position of the sewer operating fund increased \$1,108,459 or 12.15% from 2023 as restated. During 2024, net position of the water operating fund decreased 6.54% or from \$9,005,078 as restated to \$8,415,822. In the storm water fund, net position decreased \$54,954 to \$6,524,067 at December 31, 2024. The overall increase in net position for all proprietary funds in 2024 was \$464,609, which is primarily the result of an increase in utility rates, 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 Council adjusted the level of appropriations in various funds several times in 2024. In total the adjustments in appropriations accounted for an increase of 1.13% over the total general fund budget. The total actual expenditures and other financing uses at year end were \$23,114,397, which was \$1,375,448 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.

CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 \$1,375,448 or 5.62%. Total general fund revenues and other financing sources were \$3,052,560 or 15.95% over final budgeted revenues. This is primarily attributed to municipal income taxes, intergovernmental, and investment income revenues coming in greater than anticipated.

Capital Assets and Debt Administration

Capital Assets

At the end of 2024, the City had \$53,795,146 (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, \$37,619,167 was reported in governmental activities and \$16,175,979 was reported in business-type activities.

The following table shows 2024 balances compared to 2023:

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

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 4,391,568	\$ 4,301,879	\$ 586,266	\$ 586,266	\$ 4,977,834	\$ 4,888,145
Right of ways/easements	80,218	80,218	285,260	285,260	365,478	365,478
Construction in progress	2,192,348	2,290,258	140,199	137,068	2,332,547	2,427,326
Buildings and improvements	16,239,580	16,069,155	501,170	521,959	16,740,750	16,591,114
Equipment	4,160,541	4,313,460	877,066	951,027	5,037,607	5,264,487
Infrastructure						
Conduit	219,418	-	-	-	219,418	-
Street subsystem	9,745,003	10,391,461	-	-	9,745,003	10,391,461
Water lines	-	-	5,281,249	5,532,559	5,281,249	5,532,559
Sewer lines	-	-	2,708,787	2,873,174	2,708,787	2,873,174
Storm water subsystem	-	-	5,621,253	5,646,759	5,621,253	5,646,759
Intangible right to use:						
Leased equipment	368,793	212,110	174,729	130,500	543,522	342,610
Software	221,698	219,756	-	-	221,698	219,756
Totals	\$ 37,619,167	\$ 37,878,297	\$ 16,175,979	\$ 16,664,572	\$ 53,795,146	\$ 54,542,869

The overall decrease of \$747,723 is a result of current year additions and capital contributions not 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.

CITY OF TALLMADGE, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024*

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2024 and 2023:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General obligation bonds	\$ 9,400,000	\$ 9,945,000	\$ -	\$ -
Private placement general obligation bonds	2,240,000	2,595,000	-	-
OWDA loans	-	-	536,292	674,652
Direct financing notes payable	1,881,537	1,456,301	71,154	264,697
Leases payable	356,359	186,237	160,806	106,784
SBITA payable	<u>166,869</u>	<u>146,586</u>	<u>-</u>	<u>-</u>
Total long-term obligations	<u>\$ 14,044,765</u>	<u>\$ 14,329,124</u>	<u>\$ 768,252</u>	<u>\$ 1,046,133</u>

The long-term outstanding debt for the City of Tallmadge as of December 31, 2024, was \$14,813,017. This is a decrease in long-term debt of 3.66% from 2023. 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 10.5% of the assessed valuation of the total property. In addition, the unvoted net debt cannot exceed 5.5% of total assessed value of property. The City's legal total debt limit at the 10.50% margin is \$54,635,197 and the total unvoted net debt limit at the 5.5% margin is \$35,049,320.

Economic Factors and Next Year's Budget and Rates

- The City prepared the annual budget using zero based budgeting for 2025. Most departments experienced slight growth in their departmental budgets.
- The City budgeted for an increase in its income tax receipts in the general fund in 2025. The City believes that its income tax has stabilized since the COVID-19 pandemic.
- The City included an average pay increase of 3% for employees in 2025. However, the City is still negotiating with two of its labor unions so the overall increase for employees for the 2025 budget has not been finalized. Employees will continue to participate in paying 17% 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.
- In 2025 the police department was authorized to add two additional patrol officers to its ranks increasing their personnel budget. The fire department was authorized to add three additional fulltime firefighters to its ranks, however these additional staff were budget neutral with the reduction of overtime costs.
- In 2025, the final phase of a three-year rate increase for storm water will be implemented bring the rate to \$4 per ERU.

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@tallmadgeoh.gov.

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CITY OF TALLMADGE, OHIO

*STATEMENT OF NET POSITION
DECEMBER 31, 2024*

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents . . .	\$ 18,961,315	\$ 9,124,262	\$ 28,085,577
Receivables:			
Income taxes	3,677,212	-	3,677,212
Real and other taxes	2,953,573	-	2,953,573
Accounts	391,459	2,322,582	2,714,041
Accrued interest	153,734	-	153,734
Intergovernmental	1,741,911	579	1,742,490
Leases	579,675	-	579,675
Materials and supplies inventory	309,261	220,620	529,881
Prepayments	1,212,178	32,316	1,244,494
Net pension asset	3,982	715	4,697
Net OPEB asset	230,835	41,465	272,300
Restricted assets:			
Cash with fiscal and escrow agents	303,701	-	303,701
Capital assets:			
Nondepreciable/amortized capital assets . . .	6,664,134	1,011,725	7,675,859
Depreciable/amortized capital assets, net. . .	30,955,033	15,164,254	46,119,287
Total capital assets, net.	<u>37,619,167</u>	<u>16,175,979</u>	<u>53,795,146</u>
Total assets	<u>68,138,003</u>	<u>27,918,518</u>	<u>96,056,521</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	63,863	-	63,863
Pension	8,085,522	425,291	8,510,813
OPEB	1,031,256	38,124	1,069,380
Total deferred outflows of resources	<u>9,180,641</u>	<u>463,415</u>	<u>9,644,056</u>
Liabilities:			
Accounts payable	274,072	29,418	303,490
Accrued wages and benefits payable	295,416	24,368	319,784
Intergovernmental payable	470,746	972,127	1,442,873
Accrued interest payable	29,794	10,376	40,170
Unearned revenue	447,011	-	447,011
Long-term liabilities:			
Due within one year	2,103,957	277,600	2,381,557
Due in more than one year:			
Net pension liability	23,579,942	1,278,884	24,858,826
Net OPEB liability	1,243,948	-	1,243,948
Other long-term liabilities	14,987,072	533,546	15,520,618
Total liabilities	<u>43,431,958</u>	<u>3,126,319</u>	<u>46,558,277</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year . .	2,815,070	-	2,815,070
Leases	549,122	-	549,122
Pension	530,641	61,668	592,309
OPEB	1,179,863	24,969	1,204,832
Total deferred inflows of resources	<u>5,074,696</u>	<u>86,637</u>	<u>5,161,333</u>

- (Continued)

CITY OF TALLMADGE, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net Position:			
Net investment in capital assets	\$ 23,951,464	\$ 15,407,727	\$ 39,359,191
Restricted for:			
Capital projects	52,325	-	52,325
Law enforcement	32,581	-	32,581
Fire/EMS levy	34,060	-	34,060
Street maintenance	1,277,077	-	1,277,077
Safety services income tax levy	1,856,021	-	1,856,021
State highway	108,696	-	108,696
Community environment	3,830	-	3,830
Fire repair and removal	44,081	-	44,081
Public health	181,108	-	181,108
Pension and OPEB	234,817	42,180	276,997
Unrestricted	1,035,930	9,719,070	10,755,000
Total net position	<u>\$ 28,811,990</u>	<u>\$ 25,168,977</u>	<u>\$ 53,980,967</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF TALLMADGE, OHIO

*STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024*

	<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>
Governmental activities:				
General government.	\$ 6,029,560	\$ 408,688	\$ 147,457	\$ -
Security of persons and property:				
Police.	7,000,274	8,592	144,937	-
Street lights.	60,983	-	-	-
Fire	6,321,013	805,828	185,691	2,048
Public health and welfare	158,221	161,540	78,381	-
Transportation.	3,508,391	101,204	1,095,385	104,277
Community environment	330,563	54,610	-	-
Leisure time activity.	4,547,326	1,985,760	982,650	-
Interest	353,339	-	-	-
Total governmental activities	<u>28,309,670</u>	<u>3,526,222</u>	<u>2,634,501</u>	<u>106,325</u>
Business-type activities:				
Sewer operating	5,023,779	6,114,423	-	-
Water operating	2,794,365	2,173,968	-	-
Storm water	631,522	564,003	-	-
Total business-type activities	<u>8,449,666</u>	<u>8,852,394</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 36,759,336</u>	<u>\$ 12,378,616</u>	<u>\$ 2,634,501</u>	<u>\$ 106,325</u>

General revenues:

Property taxes levied for:
General purposes
Fire/EMS levy
Police pension
Permissive motor vehicle license tax
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 as previously reported.

Restatement - change in accounting principle

Net position at beginning of year (restated)

Net position at end of year.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (5,473,415)	\$ -	\$ (5,473,415)
(6,846,745)	-	(6,846,745)
(60,983)	-	(60,983)
(5,327,446)	-	(5,327,446)
81,700	-	81,700
(2,207,525)	-	(2,207,525)
(275,953)	-	(275,953)
(1,578,916)	-	(1,578,916)
(353,339)	-	(353,339)
<u>(22,042,622)</u>	<u>-</u>	<u>(22,042,622)</u>
-	1,090,644	1,090,644
-	(620,397)	(620,397)
-	(67,519)	(67,519)
<u>-</u>	<u>402,728</u>	<u>402,728</u>
<u>(22,042,622)</u>	<u>402,728</u>	<u>(21,639,894)</u>
1,209,447	-	1,209,447
1,432,669	-	1,432,669
172,386	-	172,386
105,471	-	105,471
13,853,991	-	13,853,991
1,729,565	-	1,729,565
2,871,341	-	2,871,341
1,342,213	-	1,342,213
21,208	-	21,208
309,334	61,881	371,215
<u>23,047,625</u>	<u>61,881</u>	<u>23,109,506</u>
1,005,003	464,609	1,469,612
29,010,943	24,733,124	53,744,067
<u>(1,203,956)</u>	<u>(28,756)</u>	<u>(1,232,712)</u>
<u>27,806,987</u>	<u>24,704,368</u>	<u>52,511,355</u>
<u>\$ 28,811,990</u>	<u>\$ 25,168,977</u>	<u>\$ 53,980,967</u>

CITY OF TALLMADGE, OHIO

*BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024*

	<u>General</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<u>Other Governmental Funds</u>
Assets:				
Equity in pooled cash and cash equivalents . . .	\$ 13,399,966	\$ 1,240,094	\$ 1,791,437	\$ 2,529,818
Receivables:				
Income taxes.	3,309,491	-	-	367,721
Real and other taxes	1,278,326	1,485,177	7,448	182,622
Accounts.	127,330	134,770	22,302	107,057
Interfund loans.	696,645	-	-	-
Accrued interest	153,734	-	-	-
Intergovernmental	944,852	137,881	578,425	80,753
Leases.	579,675	-	-	-
Materials and supplies inventory.	119,418	-	189,843	-
Prepayments	194,143	81,521	43,962	892,552
Restricted assets:				
Cash with fiscal and escrow agents	-	-	303,701	-
Total assets	<u>\$ 20,803,580</u>	<u>\$ 3,079,443</u>	<u>\$ 2,937,118</u>	<u>\$ 4,160,523</u>
Liabilities:				
Accounts payable.	\$ 137,604	\$ 36,495	\$ 56,297	\$ 43,676
Accrued wages and benefits payable	158,229	105,133	30,190	1,864
Interfund loans payable.	-	-	-	696,645
Intergovernmental payable	353,486	61,149	14,370	41,741
Unearned revenue	-	-	-	447,011
Total liabilities	<u>649,319</u>	<u>202,777</u>	<u>100,857</u>	<u>1,230,937</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . . .	1,221,012	1,419,624	-	174,434
Delinquent property tax revenue not available. . . .	57,314	65,553	-	8,188
Accrued interest not available	104,032	-	-	-
Fines, licenses and permits not available	-	-	-	107,057
Income tax revenue not available	1,505,466	-	-	167,274
Intergovernmental nonexchange transactions	518,778	134,880	379,804	42,245
Leases.	549,122	-	-	-
Total deferred inflows of resources	<u>3,955,724</u>	<u>1,620,057</u>	<u>379,804</u>	<u>499,198</u>
Fund balances:				
Nonspendable	946,256	81,521	233,805	892,552
Restricted.	-	1,175,088	2,222,652	1,219,573
Committed	263,584	-	-	535,062
Assigned	4,109,183	-	-	48,685
Unassigned (deficit)	10,879,514	-	-	(265,484)
Total fund balances.	<u>16,198,537</u>	<u>1,256,609</u>	<u>2,456,457</u>	<u>2,430,388</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,803,580</u>	<u>\$ 3,079,443</u>	<u>\$ 2,937,118</u>	<u>\$ 4,160,523</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Total
Governmental
Funds**

\$ 18,961,315

3,677,212
2,953,573
391,459
696,645
153,734
1,741,911
579,675
309,261
1,212,178

303,701

\$ 30,980,664

\$ 274,072
295,416
696,645
470,746
447,011

2,183,890

2,815,070
131,055
104,032
107,057
1,672,740
1,075,707
549,122

6,454,783

2,154,134
4,617,313
798,646
4,157,868
10,614,030

22,341,991

\$ 30,980,664

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CITY OF TALLMADGE, OHIO

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024*

Total governmental fund balances		\$ 22,341,991
<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.		37,619,167
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Income taxes receivable	\$ 1,672,740	
Delinquent property taxes receivable	131,055	
Accounts receivable	107,057	
Intergovernmental receivable	1,075,707	
Accrued interest receivable	104,032	
Total	3,090,591	3,090,591
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(29,794)
Unamortized deferred amounts on refundings are not recognized in the governmental funds.		63,863
Unamortized premiums on bond issuances are not recognized in the funds.		(751,275)
Unamortized discounts on bond issuances are not recognized in the funds.		65,448
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	3,982	
Deferred outflows of resources	8,085,522	
Deferred inflows of resources	(530,641)	
Net pension liability	(23,579,942)	
Total	(16,021,079)	(16,021,079)
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.		
Net OPEB asset	230,835	
Deferred outflows of resources	1,031,256	
Deferred inflows of resources	(1,179,863)	
Net OPEB liability	(1,243,948)	
Total	(1,161,720)	(1,161,720)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(2,360,437)	
General obligation bonds payable	(9,400,000)	
General obligation private placement bonds payable	(2,240,000)	
Direct financing notes payable	(1,881,537)	
Leases payable	(356,359)	
Subscription-based information technology arrangements payable	(166,869)	
Total	(16,405,202)	(16,405,202)
Net position of governmental activities		\$ 28,811,990

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, 2024*

	<u>General</u>	<u>Fire/EMS Levy</u>	<u>Street Maintenance and Repair</u>	<i>(Formerly Major)</i> <u>American Rescue Plan Act</u>
Revenues:				
Property and other local taxes	\$ 1,185,966	\$ 1,415,186	\$ 105,471	
Municipal income taxes	13,908,136	-	-	
Intergovernmental	3,317,814	181,396	1,233,927	
Investment income	1,361,542	-	18,945	
Fines, licenses and permits	354,229	-	-	
Special assessments	2,743	-	23,226	
Charges for services	2,066,798	805,828	118,350	
Change in fair value of investments	21,208	-	-	
Miscellaneous	309,334	94,619	140,382	
Total revenues	<u>22,527,770</u>	<u>2,497,029</u>	<u>1,640,301</u>	
Expenditures:				
Current:				
General government	5,350,476	-	-	
Security of persons and property:				
Police	5,531,652	-	-	
Street lights	60,983	-	-	
Fire	-	4,881,853	-	
Public health and welfare	-	-	153,167	
Transportation	388,479	-	1,946,227	
Community environment	272,419	-	-	
Leisure time activity	2,564,604	-	623,201	
Capital outlay	296,846	-	1,993,767	
Debt service:				
Principal retirement	66,153	-	246,454	
Interest	3,110	-	16,545	
Total expenditures	<u>14,534,722</u>	<u>4,881,853</u>	<u>4,979,361</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>7,993,048</u>	<u>(2,384,824)</u>	<u>(3,339,060)</u>	
Other financing sources (uses):				
Sale of capital assets	11,265	38,500	9,557	
Direct financing note transaction	-	-	543,412	
Lease transaction	-	-	-	
Subscription-based information technology arrangement transaction	47,689	-	58,879	
Transfers in	-	3,055,000	3,110,000	
Transfers (out)	<u>(7,038,240)</u>	<u>-</u>	<u>-</u>	
Total other financing sources (uses)	<u>(6,979,286)</u>	<u>3,093,500</u>	<u>3,721,848</u>	
Fund balances as previously reported	15,184,775	547,933	2,073,669	-
Changes in major and nonmajor funds	-	-	-	-
Net change in fund balances	1,013,762	708,676	382,788	
Fund balances at beginning of year	<u>15,184,775</u>	<u>547,933</u>	<u>2,073,669</u>	
Fund balances at end of year	<u>\$ 16,198,537</u>	<u>\$ 1,256,609</u>	<u>\$ 2,456,457</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Other Governmental Funds	Total Governmental Funds
\$ 169,031	\$ 2,875,654
1,735,582	15,643,718
950,841	5,683,978
2,402	1,382,889
47,991	402,220
-	25,969
-	2,990,976
-	21,208
37,609	581,944
<u>2,943,456</u>	<u>29,608,556</u>
54,767	5,405,243
612,791	6,144,443
-	60,983
113,827	4,995,680
-	153,167
101,163	2,435,869
13,468	285,887
663,735	3,851,540
861,307	3,151,920
1,189,047	1,501,654
364,821	384,476
<u>3,974,926</u>	<u>28,370,862</u>
<u>(1,031,470)</u>	<u>1,237,694</u>
-	59,322
285,676	829,088
281,639	281,639
-	106,568
1,530,840	7,695,840
<u>(657,600)</u>	<u>(7,695,840)</u>
<u>1,440,555</u>	<u>1,276,617</u>
2,021,303	19,827,680
-	-
409,085	2,514,311
2,021,303	19,827,680
<u>\$ 2,430,388</u>	<u>\$ 22,341,991</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, 2024*

Net change in fund balances - total governmental funds	\$	2,514,311
<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	\$	1,929,593
Current year depreciation/amortization		<u>(2,162,408)</u>
Total		(232,815)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(26,315)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes		(60,162)
Real and other taxes		44,319
Intergovernmental revenues		(365,768)
Fines, licenses and permits		107,057
Investment income		<u>(19,329)</u>
Total		(293,883)
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		(829,088)
Lease transaction		(281,639)
Subscription-based information technology arrangements transaction		<u>(106,568)</u>
Total		(1,217,295)
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.		
		1,501,654
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expended when due.		
Accrued interest payable		(4,337)
Amortization of deferred amounts on refunding		(10,088)
Amortization of bond premium		49,469
Amortization of bond discount		<u>(3,907)</u>
Total		31,137
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts deferred outflows.		
Pension		1,786,018
OPEB		<u>25,944</u>
Total		1,811,962

- (Continued)

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, 2024*

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	\$ (2,858,181)	
OPEB	<u>(97,945)</u>	
Total		\$ (2,956,126)

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.

(127,627)

Change in net position of governmental activities

\$ 1,005,003

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF TALLMADGE, OHIO

*STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024*

	Business-type Activities - Enterprise Funds			
	Sewer Operating	Water Operating	Storm Water	Total
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 6,362,155	\$ 2,608,429	\$ 153,678	\$ 9,124,262
Receivables:				
Accounts	1,623,019	540,716	158,847	2,322,582
Intergovernmental	235	235	109	579
Materials and supplies inventory	110,310	110,310	-	220,620
Prepayments	12,359	12,359	7,598	32,316
Total current assets	<u>8,108,078</u>	<u>3,272,049</u>	<u>320,232</u>	<u>11,700,359</u>
Noncurrent assets:				
Net pension asset	277	277	161	715
Net OPEB asset	16,062	16,062	9,341	41,465
Capital assets:				
Nondepreciable capital assets	92,751	319,390	599,584	1,011,725
Depreciable/amortized capital assets, net	3,342,770	6,037,679	5,783,805	15,164,254
Total capital assets, net	<u>3,435,521</u>	<u>6,357,069</u>	<u>6,383,389</u>	<u>16,175,979</u>
Total noncurrent assets	<u>3,451,860</u>	<u>6,373,408</u>	<u>6,392,891</u>	<u>16,218,159</u>
Total assets	<u>11,559,938</u>	<u>9,645,457</u>	<u>6,713,123</u>	<u>27,918,518</u>
Deferred outflows of resources:				
Pension	159,978	160,187	105,126	425,291
OPEB	14,976	15,126	8,022	38,124
Total deferred outflows of resources	<u>174,954</u>	<u>175,313</u>	<u>113,148</u>	<u>463,415</u>
Liabilities:				
Current liabilities:				
Accounts payable	4,202	25,216	-	29,418
Accrued wages and benefits payable	9,575	9,575	5,218	24,368
Intergovernmental payable	797,817	171,827	2,483	972,127
Compensated absences payable	9,365	9,365	-	18,730
Accrued interest payable	-	10,376	-	10,376
Current portion of OWDA loans payable	-	143,812	-	143,812
Current portion of direct financing notes payable	58,332	12,822	-	71,154
Current portion of leases payable	21,952	21,952	-	43,904
Total current liabilities	<u>901,243</u>	<u>404,945</u>	<u>7,701</u>	<u>1,313,889</u>
Long-term liabilities:				
Compensated absences payable	12,082	12,082	-	24,164
OWDA loans payable	-	392,480	-	392,480
Leases payable	58,451	58,451	-	116,902
Net pension liability	495,397	495,397	288,090	1,278,884
Total long-term liabilities	<u>565,930</u>	<u>958,410</u>	<u>288,090</u>	<u>1,812,430</u>
Total liabilities	<u>1,467,173</u>	<u>1,363,355</u>	<u>295,791</u>	<u>3,126,319</u>
Deferred inflows of resources:				
Pension	29,304	32,264	100	61,668
OPEB	9,327	9,329	6,313	24,969
Total deferred inflows of resources	<u>38,631</u>	<u>41,593</u>	<u>6,413</u>	<u>86,637</u>
Net position:				
Net investment in capital assets	3,296,786	5,727,552	6,383,389	15,407,727
Restricted for pension and OPEB	16,339	16,339	9,502	42,180
Unrestricted	6,915,963	2,671,931	131,176	9,719,070
Total net position	<u>\$ 10,229,088</u>	<u>\$ 8,415,822</u>	<u>\$ 6,524,067</u>	<u>\$ 25,168,977</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, 2024*

	Business-type Activities - Enterprise Funds			
	Sewer Operating	Water Operating	Storm Water	Total
Operating revenues:				
Charges for services	\$ 6,114,423	\$ 2,173,968	\$ 564,003	\$ 8,852,394
Other operating revenues	17,815	31,141	12,925	61,881
Total operating revenues.	<u>6,132,238</u>	<u>2,205,109</u>	<u>576,928</u>	<u>8,914,275</u>
Operating expenses:				
Personal services	513,356	513,207	293,854	1,320,417
Contract services.	4,153,958	1,747,008	51,067	5,952,033
Materials and supplies.	44,726	58,459	35,348	138,533
Depreciation/amortization.	242,346	331,830	250,492	824,668
Other	37,444	90,699	55	128,198
Total operating expenses.	<u>4,991,830</u>	<u>2,741,203</u>	<u>630,816</u>	<u>8,363,849</u>
Operating income (loss)	<u>1,140,408</u>	<u>(536,094)</u>	<u>(53,888)</u>	<u>550,426</u>
Nonoperating (expenses):				
Interest expense	<u>(31,949)</u>	<u>(53,162)</u>	<u>(706)</u>	<u>(85,817)</u>
Change in net position	1,108,459	(589,256)	(54,594)	464,609
Net position as previously reported	9,135,007	9,019,456	6,578,661	24,733,124
Restatement - change in accounting principle	<u>(14,378)</u>	<u>(14,378)</u>	<u>-</u>	<u>(28,756)</u>
Net position at beginning of year (restated)	<u>9,120,629</u>	<u>9,005,078</u>	<u>6,578,661</u>	<u>24,704,368</u>
Net position at end of year	<u>\$ 10,229,088</u>	<u>\$ 8,415,822</u>	<u>\$ 6,524,067</u>	<u>\$ 25,168,977</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, 2024*

	Business-type Activities - Enterprise Funds			
	Sewer Operating	Water Operating	Storm Water	Total
Cash flows from operating activities:				
Cash received from customers.	\$ 6,121,546	\$ 2,176,856	\$ 547,684	\$ 8,846,086
Cash received from other operations.	17,580	30,906	12,816	61,302
Cash payments for personal services	(499,934)	(499,941)	(281,666)	(1,281,541)
Cash payments for contractual services	(4,137,745)	(1,714,733)	(51,067)	(5,903,545)
Cash payments for materials and supplies.	(80,823)	(94,556)	(35,348)	(210,727)
Cash payments for other expenses.	(37,444)	(90,699)	(55)	(128,198)
Net cash provided by (used in) operating activities.	<u>1,383,180</u>	<u>(192,167)</u>	<u>192,364</u>	<u>1,383,377</u>
Cash flows from capital and related financing activities:				
financing activities:				
Acquisition of capital assets.	(1)	(12,888)	(224,508)	(237,397)
Principal retirement on OWDA loans	-	(138,360)	-	(138,360)
Principal retirement on direct financing notes payable	(97,938)	(52,855)	(42,750)	(193,543)
Principal retirement on leases payable	(22,328)	(22,328)	(706)	(45,362)
Interest and fiscal charges	(31,949)	(55,588)		(87,537)
Net cash (used in) capital and related financing activities.	<u>(152,216)</u>	<u>(282,019)</u>	<u>(267,964)</u>	<u>(702,199)</u>
Net increase (decrease) in cash and cash equivalents	1,230,964	(474,186)	(75,600)	681,178
Cash and cash equivalents at beginning of year	<u>5,131,191</u>	<u>3,082,615</u>	<u>229,278</u>	<u>8,443,084</u>
Cash and cash equivalents at end of year	<u>\$ 6,362,155</u>	<u>\$ 2,608,429</u>	<u>\$ 153,678</u>	<u>\$ 9,124,262</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,140,408	\$ (536,094)	\$ (53,888)	\$ 550,426
Adjustments:				
Depreciation/amortization	242,346	331,830	250,492	824,668
Changes in assets and liabilities:				
Change in accounts receivable.	7,123	2,888	(16,319)	(6,308)
Change in intergovernmental receivable.	(235)	(235)	(109)	(579)
Change in materials and supplies inventory	(36,097)	(36,097)	-	(72,194)
Change in prepayments	2,611	2,611	(197)	5,025
Change in net pension asset.	951	966	400	2,317
Change in net OPEB asset.	(16,062)	(16,062)	(9,341)	(41,465)
Change in deferred outflows - pension	118,742	122,926	13,879	255,547
Change in deferred outflows - OPEB.	24,033	24,438	9,349	57,820
Change in accounts payable	(15,885)	(9,383)	-	(25,268)
Change in accrued wages and benefits	3,157	3,157	1,751	8,065
Change in intergovernmental payable.	31,552	41,112	122	72,786
Change in compensated absences payable	(519)	(519)	-	(1,038)
Change in net pension liability.	(140,051)	(147,564)	(1,912)	(289,527)
Change in net OPEB liability	(12,777)	(12,928)	(5,831)	(31,536)
Change in deferred inflows - pension.	29,129	32,087	(241)	60,975
Change in deferred inflows - OPEB	4,754	4,700	4,209	13,663
Net cash provided by (used in) operating activities	<u>\$ 1,383,180</u>	<u>\$ (192,167)</u>	<u>\$ 192,364</u>	<u>\$ 1,383,377</u>

Non-Cash Transactions:

The Sewer Operating fund and the Water Operating fund entered into a \$49,339 and \$49,339 lease transaction, respectively, during 2024.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF TALLMADGE, OHIO

*STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024*

	<u>Private-Purpose Trust</u>	<u>Custodial</u>
Assets:		
Equity in pooled cash and cash equivalents	\$ 32,104	\$ 606,105
Receivables:		
Income taxes	-	344,090
Accrued interest	172	2,901
Total assets.	<u>32,276</u>	<u>953,096</u>
Liabilities:		
Intergovernmental payable	<u>-</u>	<u>739,367</u>
Net position:		
Held in trust.	32,276	-
Restricted for other governments	-	213,729
Total net position	<u>\$ 32,276</u>	<u>\$ 213,729</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, 2024*

	Private-Purpose Trust	Custodial
Additions:		
Income taxes.	\$ -	\$ 1,474,177
Investment income.	1,477	25,716
Contributions and donations.	3,600	
Change in fair value of investments	28	311
Total additions	5,105	1,500,204
Deductions:		
Distributions per trust	5,000	-
Distributions to other governments	-	1,685,621
Total deductions.	5,000	1,685,621
Change in net position	105	(185,417)
Net position at beginning of year	32,171	399,146
Net position at end of year	\$ 32,276	\$ 213,729

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF TALLMADGE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

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 14 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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, 2024, but which were levied to finance 2025 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 schedules 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 schedules 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 schedules 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 2024, 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 2024. 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.

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2024 amounted to \$1,361,542, which includes \$648,594 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/expensed 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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. In addition, assets having an estimated useful life of more than one year that are below the \$5,000 threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

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

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences - vacation, sick leave and comp time. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The City's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the City and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

Comp Time

The City's policy permits employees to accumulate earned but unused comp time, which are eligible for payment at the employee's current pay rate upon separation from employment.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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

K. Prepaid Items

Payments made to vendors for services that will benefit beyond December 31, 2024, 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.

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.

CITY OF TALLMADGE, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

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

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.

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 2024.

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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

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.

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.

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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

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 at December 31, 2024, include \$303,701 in direct financing note proceeds held by an escrow agent.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2024, the City has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*", GASB Statement No. 100, "*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*", Implementation Guide No. 2023-1 and GASB Statement No. 101, "*Compensated Absences*".

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 balances previously report by 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.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the City.

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

B. Deficit Fund Balances

Fund balances at December 31, 2024, included the following individual fund deficit:

<u>Nonmajor Special Revenue Fund:</u>	<u>Deficit</u>
Tallmadge Reserve Incentive District TIF	\$ 265,484

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

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

C. Change within the Financial Reporting Entity

For 2024, the City's American Rescue Plan Act special revenue fund presentation was adjusted from major to nonmajor due to no longer meeting the qualitative threshold for a major fund. This change is separately displayed in the financial statements.

D. Restatement of Net Position

During 2024, there was a change in accounting principle related to the implementation of GASB Statement No. 101, "*Compensated Absences*". The effect of this change on net position at the beginning of the year for the governmental activities, business-type activities and enterprise funds is separately displayed in the financial statements.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits 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;

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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;
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. Cash with Fiscal and Escrow Agent

At year-end, \$303,701 was on deposit at Huntington National Bank and is related to the City's equipment direct financing notes discussed in Note 9. This amount is not part of the City's internal investment pool and has been excluded from the total amount of deposits reported below. The balance of the account is reported on the financial statements as "restricted assets - cash with fiscal and escrow agents."

B. Deposits with Financial Institutions

At December 31, 2024, the carrying amount of all City deposits was \$14,707,906 and the bank balance of all City deposits was \$14,945,063. Of the bank balance, \$7,114,190 was covered by the FDIC and \$7,830,873 was covered by the Ohio Pooled Collateral System (OPCS) as discussed below.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 2024, 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.

C. Investments

As of December 31, 2024, the City had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	<u>Investment Maturity</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Amortized cost:</i>						
STAR Ohio	\$ 4,994,408	\$ 4,994,408	\$ -	\$ -	\$ -	\$ -
<i>Fair value:</i>						
U.S. Government						
money market	11,118	11,118	-	-	-	-
U.S. Treasury notes	2,680,941	-	-	701,617	-	1,979,324
Commercial paper	1,624,231	1,624,231	-	-	-	-
Negotiable CDs	243,911	243,911	-	-	-	-
Municipal bonds	739,561	-	590,153	-	149,408	-
FFCB	1,734,820	-	-	320,986	-	1,413,834
FHLB	1,269,008	-	115,977	-	-	1,153,031
FNMA	533,397	-	233,397	-	300,000	-
FHLMC	184,485	-	-	-	-	184,485
Total	<u>\$ 14,015,880</u>	<u>\$ 6,873,668</u>	<u>\$ 939,527</u>	<u>\$ 1,022,603</u>	<u>\$ 449,408</u>	<u>\$ 4,730,674</u>

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).

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 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.

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, 2024:

<u>Investment type</u>	<u>Measurement</u>	
	<u>Value</u>	<u>% to total</u>
STAR Ohio	\$ 4,994,408	35.63
U.S. Government money market	11,118	0.08
U.S. Treasury notes	2,680,941	19.13
Commercial paper	1,624,231	11.59
Negotiable CDs	243,911	1.74
Municipal bonds	739,561	5.28
FFCB	1,734,820	12.38
FHLB	1,269,008	9.05
FNMA	533,397	3.81
FHLMC	184,485	1.32
Total	<u>\$ 14,015,880</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, 2024:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 14,707,906
Cash with fiscal and escrow agents	303,701
Investments	<u>14,015,880</u>
Total	<u>\$ 29,027,487</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 19,265,016
Business type activities	9,124,262
Private-purpose trust fund	32,104
Custodial fund	<u>606,105</u>
Total	<u>\$ 29,027,487</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Transfers

Routine general fund transfers consist of \$3,055,000 to the fire/EMS levy special revenue fund, \$3,110,000 to the street maintenance and repair special revenue fund, and \$873,240 to nonmajor governmental funds. The safety services income tax fund, a nonmajor special revenue fund, also transferred \$657,600 to the bond retirement, a nonmajor debt service fund, to provide income tax revenue raised for bond payments.

	<u>Transfer In</u>	<u>Transfer Out</u>
<u>Major Funds:</u>		
General	\$ -	\$ 7,038,240
Fire/EMS Levy	3,055,000	-
Street Maintenance and Repair	<u>3,110,000</u>	-
Total Major Funds	<u>6,165,000</u>	<u>7,038,240</u>
<u>Nonmajor Governmental Funds:</u>		
Safety Services Income Tax	-	657,600
Historical Preservation	4,300	-
Police Pension	350,000	-
Bond Retirement	1,146,540	-
General Infrastructure Reserve	<u>30,000</u>	-
Total Nonmajor Governmental Funds	<u>1,530,840</u>	<u>657,600</u>
Total	<u>\$ 7,695,840</u>	<u>\$ 7,695,840</u>

B. Interfund Loans

Interfund loans consisted of the following at December 31, 2024, 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	265,484
	Fire Station Construction	<u>24,600</u>
Total Interfund Loans Receivable/Payable		<u>\$ 696,645</u>

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

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 6 - RECEIVABLES

Receivables at December 31, 2024, 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 expected to be collected within the subsequent year with the exception of the \$107,057 opioid settlement receivable, which will be collected over the course of the settlement agreements.

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.

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. 2024 public utility property taxes became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 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, 2024 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 2024 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, 2024 was \$6.15 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2024 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural and commercial/industrial/mineral	\$ 627,653,920
<u>Public utility</u>	
Personal	9,606,450
Total assessed value	<u>\$ 637,260,370</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 6 - RECEIVABLES - (Continued)

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.

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 1.75 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	\$ 309,197
Homestead and rollback	178,990
JEDD income tax	420,554
Ohio Department of Development	116,663
Auto license tax	86,256
Gas tax and municipal cents per gallon tax	538,039
Ohio Task Force One reimbursement	47,252
Law enforcement grants	12,197
Congestion Mitigation & Air Quality	
Improvement funding	22,795
Miscellaneous	<u>9,968</u>
Total	<u>\$ 1,741,911</u>
 <u>Business-type activities:</u>	
Miscellaneous	<u>\$ 579</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 6 - RECEIVABLES - (Continued)

D. Leases Receivable

The City is reporting leases receivable of \$579,675 in the General Fund. For 2024, the City recognized lease revenue of \$39,689, which is reported in charges for services, and interest revenue of \$20,773.

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

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>
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	36,695	15,004	51,699
2030 - 2034	208,895	54,082	262,977
2035 - 2039	99,599	25,159	124,758
2040 - 2044	100,175	9,012	109,187
Total	<u>\$ 579,675</u>	<u>\$ 175,425</u>	<u>\$ 755,100</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 2024, the City's property tax revenues were reduced by \$44,143 as a result of these agreements.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 8 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended December 31, 2024, was as follows:

<u>Governmental activities:</u>	<u>Balance</u>			<u>Balance</u>
	<u>12/31/23</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/24</u>
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 4,301,879	\$ 102,546	\$ (12,857)	\$ 4,391,568
Right of ways	80,218	-	-	80,218
Construction in progress	<u>2,290,258</u>	<u>343,445</u>	<u>(441,355)</u>	<u>2,192,348</u>
Total capital assets, not being depreciated/amortized	<u>6,672,355</u>	<u>445,991</u>	<u>(454,212)</u>	<u>6,664,134</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings and improvements	27,133,145	805,142	-	27,938,287
Equipment	10,378,244	486,909	(353,607)	10,511,546
Infrastructure - conduit	-	220,521	-	220,521
Infrastructure - streets subsystem	28,730,886	-	-	28,730,886
Intangible right to use:				
Leased equipment	608,158	281,639	(128,995)	760,802
Software	<u>255,241</u>	<u>130,746</u>	<u>-</u>	<u>385,987</u>
Total capital assets, being depreciated/amortized	<u>67,105,674</u>	<u>1,924,957</u>	<u>(482,602)</u>	<u>68,548,029</u>
<i>Less: accumulated depreciation/amortization</i>				
Buildings and improvements	(11,063,990)	(634,717)	-	(11,698,707)
Equipment	(6,064,784)	(639,298)	353,077	(6,351,005)
Infrastructure - Conduit	-	(1,103)	-	(1,103)
Infrastructure - streets subsystem	(18,339,425)	(646,458)	-	(18,985,883)
Intangible right of use:				
Leased equipment	(396,048)	(112,028)	116,067	(392,009)
Software	<u>(35,485)</u>	<u>(128,804)</u>	<u>-</u>	<u>(164,289)</u>
Total accumulated depreciation/amortization	<u>(35,899,732)</u>	<u>(2,162,408)</u>	<u>469,144</u>	<u>(37,592,996)</u>
Total capital assets, being depreciated/ amortized, net	<u>31,205,942</u>	<u>(237,451)</u>	<u>(13,458)</u>	<u>30,955,033</u>
Governmental activities capital assets, net	<u>\$ 37,878,297</u>	<u>\$ 208,540</u>	<u>\$ (467,670)</u>	<u>\$ 37,619,167</u>

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

General government	\$ 301,449
Security of persons and property - police	121,923
Security of persons and property - fire	343,510
Public health and welfare	3,010
Transportation	918,702
Community environment	39,810
Leisure time activity	<u>434,004</u>
Total depreciation/amortization expense	<u>\$ 2,162,408</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type activities capital asset activity for the year ended December 31, 2024, was as follows:

<u>Business-type activities:</u>	<u>Balance</u>			<u>Balance</u>
	<u>12/31/23</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/24</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	<u>137,068</u>	<u>3,131</u>	<u>-</u>	<u>140,199</u>
Total capital assets, not being depreciated/amortized	<u>1,008,594</u>	<u>3,131</u>	<u>-</u>	<u>1,011,725</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings and improvements	2,146,092	-	-	2,146,092
Equipment	2,346,951	24,619	(15,399)	2,356,171
Infrastructure				
Water lines	12,750,818	-	-	12,750,818
Sewer lines	9,497,967	-	-	9,497,967
Storm water subsystem	9,358,591	209,647	-	9,568,238
Intangible right to use:				
Leased equipment	<u>212,990</u>	<u>98,678</u>	<u>-</u>	<u>311,668</u>
Total capital assets, being depreciated/amortized	<u>36,313,409</u>	<u>332,944</u>	<u>(15,399)</u>	<u>36,630,954</u>
<i>Less: accumulated depreciation/amortization:</i>				
Buildings and improvements	(1,624,133)	(20,789)	-	(1,644,922)
Equipment	(1,395,924)	(98,580)	15,399	(1,479,105)
Infrastructure				
Water lines	(7,218,259)	(251,310)	-	(7,469,569)
Sewer lines	(6,624,793)	(164,387)	-	(6,789,180)
Storm water subsystem	(3,711,832)	(235,153)	-	(3,946,985)
Intangible right to use:				
Leased equipment	<u>(82,490)</u>	<u>(54,449)</u>	<u>-</u>	<u>(136,939)</u>
Total accumulated depreciation/amortization	<u>(20,657,431)</u>	<u>(824,668)</u>	<u>15,399</u>	<u>(21,466,700)</u>
Total capital assets, being depreciated/ amortized, net	<u>15,655,978</u>	<u>(491,724)</u>	<u>-</u>	<u>15,164,254</u>
Business-type activities capital assets, net	<u>\$ 16,664,572</u>	<u>\$ (488,593)</u>	<u>\$ -</u>	<u>\$ 16,175,979</u>

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

Sewer operating	\$ 242,346
Water operating	331,830
Storm water	<u>250,492</u>
Total depreciation/amortization expense	<u>\$ 824,668</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 9 - LONG-TERM OBLIGATIONS

Due to the implementation of GASB Statement No. 101 (see Note 3.C for detail), the City has restated compensated absences as of January 1, 2024, for governmental and business-type activities, which is reflected in the schedules below.

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

	(Restated) Balance <u>12/31/23</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/24</u>	Amounts Due in <u>One Year</u>
Governmental activities:					
<u>General obligation bonds</u>					
2015 Recreation center refunding	\$ 1,620,000	\$ -	\$ (180,000)	\$ 1,440,000	\$ 185,000
2021 Various Purpose Fire Station	7,400,000	-	(325,000)	7,075,000	330,000
2021 Various Purpose East Ave.	925,000	-	(40,000)	885,000	40,000
Total general obligation bonds	<u>9,945,000</u>	<u>-</u>	<u>(545,000)</u>	<u>9,400,000</u>	<u>555,000</u>
<u>Private placement general obligation bonds</u>					
2020 Fire truck	950,000	-	(130,000)	820,000	135,000
2020 Various purpose recreation refunding	1,645,000	-	(225,000)	1,420,000	230,000
Total private placement G.O. bonds	<u>2,595,000</u>	<u>-</u>	<u>(355,000)</u>	<u>2,240,000</u>	<u>365,000</u>
<u>Other long-term obligations</u>					
Direct financing notes payable	1,456,301	829,088	(403,852)	1,881,537	378,762
Leases payable	186,237	281,639	(111,517)	356,359	121,955
SBITA payable	146,586	106,568	(86,285)	166,869	88,686
Net pension liability	23,401,283	1,074,395	(895,736)	23,579,942	-
Net OPEB liability	1,314,370	90,736	(161,158)	1,243,948	-
Compensated absences*	2,232,810	127,627	-	2,360,437	594,554
Total governmental activities long-term obligations	41,277,587	<u>\$ 2,510,053</u>	<u>\$ (2,558,548)</u>	41,229,092	<u>\$ 2,103,957</u>
Add: Unamortized premium on bond issue	800,744			751,275	
Less: Unamortized discount on bond issue	(69,355)			(65,448)	
Total reported on statement of net position	<u>\$ 42,008,976</u>			<u>\$ 41,914,919</u>	

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

	(Restated) Balance <u>12/31/23</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/24</u>	Amounts Due in <u>One Year</u>
Business-type activities:					
<u>OWDA loans (direct borrowing)</u>					
Northeast water system	\$ 563,261	\$ -	\$ (83,428)	\$ 479,833	\$ 87,353
South Avenue waterline	111,391	-	(54,932)	56,459	56,459
Total OWDA loans	<u>674,652</u>	<u>-</u>	<u>(138,360)</u>	<u>536,292</u>	<u>143,812</u>
Direct financing note payable	264,697	-	(193,543)	71,154	71,154
Leases payable	106,784	98,678	(44,656)	160,806	43,904
Net pension liability	1,568,411	-	(289,527)	1,278,884	-
Net OPEB liability	31,536	-	(31,536)	-	-
Compensated absences*	43,932	-	(1,038)	42,894	18,730
Total business-type activities long-term obligations	<u>\$ 2,690,012</u>	<u>\$ 98,678</u>	<u>\$ (698,660)</u>	<u>\$ 2,090,030</u>	<u>\$ 277,600</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

*The change in compensated absences liability is presented as a net change.

The interest rate, original issue amount and date of maturity of each of the City's bonds outstanding at December 31, 2024 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, 2024 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 the current year and 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. Principal and interest 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 and the street equipment related to the note entered into during 2024 have not been delivered to the City at year-end and have not been capitalized. The note payable balance for the fire truck and street equipment was \$709,656 and \$289,370 at December 31, 2024.

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 2029.

Subscription-Based Information Technology Agreement (SBITA) Payable: During 2024, the City entered into an agreement for the right to use zoning and management subscription-based information technology software. 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 general fund, street maintenance and repair fund, and 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 SBITAs are scheduled to mature in 2025 and 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 7.38 percent of total revenues. The total principal and interest remaining to be paid on the OWDA loans is \$592,065. Principal and interest paid for the current year was \$162,764, total net revenues were \$(204,264) and total operating revenues were \$2,205,109.

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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.

As of December 31, 2024, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$54,635,197 (net of unamortized debt) and the unvoted legal debt margin was \$35,049,320. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2024 are as follows:

Year Ended	Governmental Activities General Obligation Bonds			Governmental Activities General Obligation Bonds Private Placement		
	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 555,000	\$ 261,650	\$ 816,650	\$ 365,000	\$ 26,880
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>\$ 9,400,000</u>	<u>\$ 2,130,350</u>	<u>\$ 11,530,350</u>	<u>\$ 2,240,000</u>	<u>\$ 94,980</u>	<u>\$ 2,334,980</u>

Year Ended	Governmental Activities Direct Financing Notes Payable			Business-Type Activities Direct Financing Notes Payable		
	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 378,762	\$ 80,701	\$ 459,463	\$ 71,154	\$ 676
2026	308,288	67,362	375,650	-	-	-
2027	297,290	54,487	351,777	-	-	-
2028	257,003	41,684	298,687	-	-	-
2029	213,833	30,201	244,034	-	-	-
2030-2032	426,361	34,351	460,712	-	-	-
Total	<u>\$ 1,881,537</u>	<u>\$ 308,786</u>	<u>\$ 2,190,323</u>	<u>\$ 71,154</u>	<u>\$ 676</u>	<u>\$ 71,830</u>

Year Ended	Governmental Activities Leases Payable			Business-Type Activities Leases Payable		
	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 121,955	\$ 12,128	\$ 134,083	\$ 43,904	\$ 6,522
2026	109,974	7,046	117,020	40,000	4,446	44,446
2027	85,195	3,170	88,365	41,762	2,686	44,448
2028	30,951	690	31,641	33,332	918	34,250
2029	8,284	78	8,362	1,808	6	1,814
Total	<u>\$ 356,359</u>	<u>\$ 23,112</u>	<u>\$ 379,471</u>	<u>\$ 160,806</u>	<u>\$ 14,578</u>	<u>\$ 175,384</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Year	Governmental Activities			Business-Type Activities		
	SBITA Payable			OWDA Loans		
<u>Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 88,686	\$ 10,390	\$ 99,076	\$ 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>\$ 166,869</u>	<u>\$ 18,583</u>	<u>\$ 185,452</u>	<u>\$ 536,292</u>	<u>\$ 55,771</u>	<u>\$ 592,063</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 2024, the City contracted with Selective Insurance of Southeast for property, general liability, automobile, firefighters, errors and omissions, law enforcement and public officials for the policy period covering January 1, 2024, through December 31, 2024. C.N.A. Insurance Company also covers equipment breakdowns in City buildings. The City carries a \$1,000,000 per occurrence, \$2,000,000 aggregate under general liability and \$1,000,000 combined single limit for automobile. Law enforcement, and public officials each have a \$1,000,000 limit. The City also carries a \$10,000,000 umbrella liability extending coverage over the general liability, automobile, law enforcement liability and public official’s liability.

Travelers Insurance Companies insures employee theft for all necessary officials and other employees. The City carries \$1,000,000 employee theft coverage limit with a \$10,000 retention which also includes a \$100,000 faithful performance of duty. The City carries cyber liability for \$1,000,000 limit/\$25,000 retention with Travelers Insurance. 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 (Asset)

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

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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

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. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed and the 2023 financial statements are not impacted. 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

Traditional plan state and local 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 at retirement.

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.

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 member's original 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%.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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
2024 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
 2024 Actual Contribution Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

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

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

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

The City's contractually required contribution for the Traditional Pension Plan and the Combined Plan was \$813,691 for 2024. Of this amount, \$61,612 is reported as intergovernmental payable.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before 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, surviving beneficiaries under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% 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, 2024*

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>
2024 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2024 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,096,233 for 2024. Of this amount, \$90,667 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 (asset) for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.032443%	0.007860%	0.161975%	
Proportion of the net pension liability/asset current measurement date	<u>0.032079%</u>	<u>0.001528%</u>	<u>0.170373%</u>	
Change in proportionate share	<u>-0.000364%</u>	<u>-0.006332%</u>	<u>0.008398%</u>	
Proportionate share of the net pension liability	\$ 8,398,414	\$ -	\$ 16,460,412	\$ 24,858,826
Proportionate share of the net pension asset	-	(4,697)	-	(4,697)
Pension expense	1,021,927	345	1,989,128	3,011,400

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2024, 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
Deferred outflows of resources				
Differences between expected and actual experience	\$ 137,264	\$ 191	\$ 528,428	\$ 665,883
Net difference between projected and actual earnings on pension plan investments	1,695,157	763	1,865,311	3,561,231
Changes of assumptions	-	176	1,040,279	1,040,455
Changes in employer's proportionate percentage/difference between employer contributions	41,627	-	1,291,693	1,333,320
Contributions subsequent to the measurement date	812,550	1,141	1,096,233	1,909,924
Total deferred outflows of resources	<u>\$ 2,686,598</u>	<u>\$ 2,271</u>	<u>\$ 5,821,944</u>	<u>\$ 8,510,813</u>
	OPERS - Traditional	OPERS - Combined	OP&F	Total
Deferred inflows of resources				
Differences between expected and actual experience	\$ -	\$ 461	\$ 184,094	\$ 184,555
Changes of assumptions	-	-	249,971	249,971
Changes in employer's proportionate percentage/difference between employer contributions	63,273	-	94,510	157,783
Total deferred inflows of resources	<u>\$ 63,273</u>	<u>\$ 461</u>	<u>\$ 528,575</u>	<u>\$ 592,309</u>

\$1,909,924 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, 2025.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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
2025	\$ 410,365	\$ 120	\$ 1,084,683	\$ 1,495,168
2026	560,043	213	1,144,139	1,704,395
2027	1,081,753	436	1,581,715	2,663,904
2028	(241,386)	(122)	201,929	(39,579)
2029	-	9	182,434	182,443
Thereafter	-	13	2,236	2,249
Total	\$ 1,810,775	\$ 669	\$ 4,197,136	\$ 6,008,580

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, 2023, 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, 2023, compared to the December 31, 2022 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: 2.30%, simple through 2024, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, 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, 2024*

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 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care 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 gain of 11.20% for 2023.

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, 2023, 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	24.00 %	2.85 %
Domestic equities	21.00	4.27
Real estate	13.00	4.46
Private equity	15.00	7.52
International equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	<u>100.00 %</u>	

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.90% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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	\$ 13,221,360	\$ 8,398,414	\$ 4,387,124
Combined Plan	(2,842)	(4,697)	(6,158)

Actuarial Assumptions - OP&F

OP&F's 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. A comprehensive experience study was performed during 2022 by OP&F's actuary and completed as of December 31, 2021. 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 life of the participants which was 6.03 years at December 31, 2023.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2023, compared to December 31, 2022, are presented below.

Valuation date	1/1/23 with actuarial liabilities rolled forward to 12/31/23
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

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Healthy 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.

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CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 11 - DEFINED BENEFIT PENSION 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, 2023 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

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 of gold.

Discount Rate - Total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from 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 be available to make all future benefit payment 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	\$ 21,803,042	\$ 16,460,412	\$ 12,017,496

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS

Net OPEB Liability (Asset)

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

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. 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. 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 and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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

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

OPERS members 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:

Age 65 or older Retirees - Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees - Based on the following age-and-service criteria:

Group A - 30 years of total service with at least 20 years of qualified health care service credit;

Group B - 31 years of total service credit with at least 20 years of qualified health care service credit;

Group C - 32 years of total service credit with at least 20 years of qualified health care service credit.

Age 59 or younger - Based on the following age-and-service criteria:

Group A - 30 years of qualified health care service credit;

Group B - 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52;

Group C - 32 years of qualified health care service credit and at least age 55.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

Retirees who do not 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, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

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.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51.00% and 90.00% of the base allowance for both non-Medicare and Medicare retirees.

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.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10.00% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20.00% per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

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 2024, state and local employers contributed at a rate of 14.00% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.00%. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$190 for 2024. Of this amount, \$14 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.

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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

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

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

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% 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 2024, 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 City's contractually required contribution to OP&F was \$25,783 for 2024. Of this amount, \$2,132 is reported as intergovernmental payable.

Net OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, 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, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

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

	OPERS	OP&F	Total
Proportion of the net OPEB liability prior measurement date	0.030561%	0.161975%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.030171%</u>	<u>0.170373%</u>	
Change in proportionate share	<u>-0.000390%</u>	<u>0.008398%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 1,243,948	\$ 1,243,948
Proportionate share of the net OPEB asset	(272,300)	-	(272,300)
OPEB expense	(23,775)	120,231	96,456

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	OP&F	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 59,818	\$ 59,818
Net difference between projected and actual earnings on OPEB plan investments	163,531	91,861	255,392
Changes of assumptions	70,104	428,056	498,160
Changes in employer's proportionate percentage/ difference between employer contributions	2,518	227,519	230,037
Contributions subsequent to the measurement date	190	25,783	25,973
Total deferred outflows of resources	\$ 236,343	\$ 833,037	\$ 1,069,380
	OPERS	OP&F	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 38,755	\$ 228,602	\$ 267,357
Changes of assumptions	117,054	801,072	918,126
Changes in employer's proportionate percentage/ difference between employer contributions	8,487	10,862	19,349
Total deferred inflows of resources	\$ 164,296	\$ 1,040,536	\$ 1,204,832

\$25,973 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, 2025.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

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

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2025	\$ (11,564)	\$ 47,437	\$ 35,873
2026	11,344	(25,319)	(13,975)
2027	127,294	(2,802)	124,492
2028	(55,217)	(77,317)	(132,534)
2029	-	(85,578)	(85,578)
Thereafter	-	(89,703)	(89,703)
Total	<u>\$ 71,857</u>	<u>\$ (233,282)</u>	<u>\$ (161,425)</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, 2022, rolled forward to the measurement date of December 31, 2023.

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CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (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	5.70%
Prior Measurement date	5.22%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	3.77%
Prior Measurement date	4.05%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2038
Prior Measurement date	5.50% initial, 3.50% ultimate in 2036
Actuarial Cost Method	Individual Entry Age

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 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care 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 gain of 14.00% for 2023.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (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, 2023, 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	37.00 %	2.82 %
Domestic equities	25.00	4.27
Real Estate Investment Trusts (REITs)	5.00	4.68
International equities	25.00	5.16
Risk parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00 %	

Discount Rate - A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. 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 3.77%. 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 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, 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 (Asset) to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70%, as well as what the proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70%) or one-percentage-point higher (6.70%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability/(asset)	\$ 149,648	\$ (272,300)	\$ (621,824)

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate
- Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset 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 2024 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 asset	\$ 283,607	\$ 272,300	\$ 259,471

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)

Key methods and assumptions used in the December 31, 2023, compared to the December 31, 2022 actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2023, with actuarial liabilities rolled forward to December 31, 2023
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	
Current measurement date	3.75% to 10.50%
Prior measurement date	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.07%
Prior measurement date	4.27%
Cost of Living Adjustments	2.20% simple per year

Health 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 12 - POSTEMPLOYMENT BENEFITS - (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, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
Total	125.00 %	

Note: assumptions are geometric.

* levered 2x

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 of gold.

Discount Rate - Total OPEB liability was calculated using the discount rate of 4.07%. 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, 2037, and the Municipal Bond Index Rate of 3.38% was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07%.

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 4.07%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07%), or one percentage point higher (5.07%) 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	\$ 1,532,199	\$ 1,243,948	\$ 1,001,184

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

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 - 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 14 - 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 2024, the City contributed \$4,265 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 2024, the City made \$783,249.96 in contributions to the COG.

NOTE 15 - 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, 2024.

B. Litigation

The City of Tallmadge is a party to legal proceedings. As of the date of this report, the City management is of the opinion that the ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 16 - 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
Nonspendable:					
Materials and supplies inventory	\$ 119,418	\$ -	\$ 189,843	\$ -	\$ 309,261
Prepayments	194,143	81,521	43,962	892,552	1,212,178
Long-term loans	<u>632,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>632,695</u>
Total nonspendable	<u>946,256</u>	<u>81,521</u>	<u>233,805</u>	<u>892,552</u>	<u>2,154,134</u>
Restricted:					
General government					
Fire repair and removal	-	-	-	44,081	44,081
Security of persons and property					
Police	-	-	-	74,587	74,587
Fire	-	1,175,088	-	34,060	1,209,148
Safety services income tax levy	-	-	-	798,909	798,909
Public health					
OneOhio opioid settlement	-	-	-	74,051	74,051
Transportation					
Street maintenance and repair	-	-	2,222,652	-	2,222,652
State highway	-	-	-	137,730	137,730
Community environment					
Community development	-	-	-	3,830	3,830
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,325</u>	<u>52,325</u>
Total restricted	<u>-</u>	<u>1,175,088</u>	<u>2,222,652</u>	<u>1,219,573</u>	<u>4,617,313</u>
Committed:					
General government					
Performance deposits	263,584	-	-	-	263,584
Capital outlay					
General infrastructure	-	-	-	135,917	135,917
Fire station construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,145</u>	<u>399,145</u>
Total committed	<u>263,584</u>	<u>-</u>	<u>-</u>	<u>535,062</u>	<u>798,646</u>

- (Continued)

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 16 - FUND BALANCE - (Continued)

- (Continued)	Fund balance	General	Fire/EMS Levy	Street Maintenance and Repair	Nonmajor Governmental Funds	Total Governmental Funds
Assigned:						
General government						
Mayor/administration	\$	5,474	\$ -	\$ -	\$ -	\$ 5,474
Finance director		11,858	-	-	-	11,858
Law director		36,123	-	-	-	36,123
Service director		44,892	-	-	-	44,892
Manager of information service		185,409	-	-	-	185,409
Council		2,878	-	-	-	2,878
Custodian		2,995	-	-	-	2,995
General administration		140,105	-	-	-	140,105
Security of persons and property						
Police		59,032	-	-	-	59,032
Dispatch services		102,000	-	-	-	102,000
Leisure time activities		68,488	-	-	-	68,488
Community environment		12,717	-	-	-	12,717
Transportation		1,780	-	-	-	1,780
Capital outlay		263,781	-	-	-	263,781
Debt service		-	-	-	48,685	48,685
Subsequent year appropriations		<u>3,171,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,171,651</u>
Total assigned		<u>4,109,183</u>	<u>-</u>	<u>-</u>	<u>48,685</u>	<u>4,157,868</u>
Unassigned		<u>10,879,514</u>	<u>-</u>	<u>-</u>	<u>(265,484)</u>	<u>10,614,030</u>
Total fund balances	\$	<u>16,198,537</u>	\$ <u>1,256,609</u>	\$ <u>2,456,457</u>	\$ <u>2,430,388</u>	\$ <u>22,341,991</u>

NOTE 17 - 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	\$ 958,106
Fire/EMS levy fund	64,295
Street maintenance and repair fund	365,313
Other governmental	<u>976,597</u>
Total	<u>\$ 2,364,311</u>

CITY OF TALLMADGE, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 18 - 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.

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REQUIRED SUPPLEMENTARY INFORMATION

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - Over (Under) Actual Amounts</u>
Budgetary revenues:				
Property and other taxes	\$ 1,207,227	\$ 1,222,196	\$ 1,185,966	\$ (36,230)
Municipal income taxes	12,448,146	12,602,499	13,767,917	1,165,418
Intergovernmental.	2,308,272	2,336,894	3,397,765	1,060,871
Investment income.	479,060	485,000	1,210,008	725,008
Fines, licenses and permits	315,854	319,770	306,463	(13,307)
Special assessments	-	-	2,743	2,743
Charges for services.	1,750,189	1,771,891	1,896,822	124,931
Miscellaneous.	291,387	295,000	305,176	10,176
Total budgetary revenues	<u>18,800,135</u>	<u>19,033,250</u>	<u>22,072,860</u>	<u>3,039,610</u>
Budgetary expenditures:				
Current:				
General government	6,940,284	7,000,284	6,380,152	(620,132)
Security of persons and property	5,935,104	6,025,710	5,793,784	(231,926)
Transportation	571,122	571,122	395,960	(175,162)
Community environment	373,548	373,548	307,917	(65,631)
Leisure time activity	2,781,415	2,781,415	2,563,742	(217,673)
Capital outlay	512,556	635,576	570,652	(64,924)
Total budgetary expenditures	<u>17,114,029</u>	<u>17,387,655</u>	<u>16,012,207</u>	<u>(1,375,448)</u>
Budgetary excess of revenues over expenditures	<u>1,686,106</u>	<u>1,645,595</u>	<u>6,060,653</u>	<u>4,415,058</u>
Budgetary other financing sources (uses):				
Sale of capital assets.	-	-	12,950	12,950
Advances in	103,880	105,168	105,168	-
Advances (out) and not repaid	(63,950)	(63,950)	(63,950)	-
Transfers (out).	<u>(7,038,240)</u>	<u>(7,038,240)</u>	<u>(7,038,240)</u>	<u>-</u>
Total budgetary other financing sources (uses)	<u>(6,998,310)</u>	<u>(6,997,022)</u>	<u>(6,984,072)</u>	<u>12,950</u>
Net change in fund balance	(5,312,204)	(5,351,427)	(923,419)	4,428,008
Budgetary fund balance at beginning of year	10,992,294	10,992,294	10,992,294	-
Prior year encumbrances appropriated . . .	1,762,560	1,762,560	1,762,560	-
Budgetary fund balance at end of year	<u>\$ 7,442,650</u>	<u>\$ 7,403,427</u>	<u>\$ 11,831,435</u>	<u>\$ 4,428,008</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Property and other taxes.	\$ 1,278,304	\$ 1,292,041	\$ 1,415,186	\$ 123,145
Intergovernmental.	166,538	168,328	184,371	16,043
Charges for services.	678,726	686,020	751,405	65,385
Miscellaneous.	80,858	81,727	89,516	7,789
Total budgetary revenues.	<u>2,204,426</u>	<u>2,228,116</u>	<u>2,440,478</u>	<u>212,362</u>
Budgetary expenditures:				
Current:				
Security of persons and property	5,325,360	5,333,625	4,938,545	(395,080)
Total budgetary expenditures	<u>5,325,360</u>	<u>5,333,625</u>	<u>4,938,545</u>	<u>395,080</u>
Budgetary excess of expenditures over revenues.	<u>(3,120,934)</u>	<u>(3,105,509)</u>	<u>(2,498,067)</u>	<u>607,442</u>
Budgetary other financing sources:				
Sale of capital assets.	-	-	38,500	38,500
Transfers in	3,055,000	3,055,000	3,055,000	-
Total budgetary other financing sources	<u>3,055,000</u>	<u>3,055,000</u>	<u>3,093,500</u>	<u>38,500</u>
Net change in fund balance	(65,934)	(50,509)	595,433	645,942
Budgetary fund balance at beginning of year	500,908	500,908	500,908	-
Prior year encumbrances appropriated . . .	62,311	62,311	62,311	-
Budgetary fund balance at end of year . . .	<u>\$ 497,285</u>	<u>\$ 512,710</u>	<u>\$ 1,158,652</u>	<u>\$ 645,942</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Property and other local taxes	\$ 96,707	\$ 96,707	\$ 98,023	\$ 1,316
Intergovernmental.	1,313,525	1,313,525	1,258,935	(54,590)
Investment income	2,396	2,396	4,614	2,218
Special assessments	25,000	25,000	23,226	(1,774)
Charges for services.	75,000	75,000	118,350	43,350
Miscellaneous.	91,000	91,000	122,301	31,301
Total budgetary revenues	<u>1,603,628</u>	<u>1,603,628</u>	<u>1,625,449</u>	<u>21,821</u>
Budgetary expenditures:				
Current:				
Public health and welfare.	171,291	171,291	152,504	(18,787)
Transportation	2,374,332	2,374,332	1,985,715	(388,617)
Leisure time activity	676,840	707,810	629,936	(77,874)
Capital outlay	2,501,218	2,501,218	2,228,317	(272,901)
Total budgetary expenditures	<u>5,723,681</u>	<u>5,754,651</u>	<u>4,996,472</u>	<u>(758,179)</u>
Budgetary excess of expenditures over revenues	<u>(4,120,053)</u>	<u>(4,151,023)</u>	<u>(3,371,023)</u>	<u>780,000</u>
Budgetary other financing sources:				
Sale of capital assets.	-	-	4,707	4,707
Transfers in	3,110,000	3,110,000	3,110,000	-
Total budgetary other financing sources	<u>3,110,000</u>	<u>3,110,000</u>	<u>3,114,707</u>	<u>4,707</u>
Net change in fund balance	(1,010,053)	(1,041,023)	(256,316)	784,707
Budgetary fund balance at beginning of year	1,392,727	1,392,727	1,392,727	-
Prior year encumbrances appropriated . . .	256,457	256,457	256,457	-
Budgetary fund balance at end of year	<u>\$ 639,131</u>	<u>\$ 608,161</u>	<u>\$ 1,392,868</u>	<u>\$ 784,707</u>

SEE ACCOMPANYING NOTES TO THE 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 AND
CITY PENSION CONTRIBUTIONS*

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - TRADITIONAL PLAN

LAST TEN FISCAL YEARS

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.032079%	\$ 8,398,414	\$ 5,325,693	157.70%	79.01%
2023	0.032443%	9,583,677	5,050,936	189.74%	75.74%
2022	0.032479%	2,825,804	4,714,929	59.93%	92.62%
2021	0.030167%	4,467,075	4,249,271	105.13%	86.88%
2020	0.033131%	6,548,568	4,662,314	140.46%	82.17%
2019	0.032832%	8,992,019	4,434,486	202.77%	74.70%
2018	0.032215%	5,053,909	4,259,954	118.64%	84.66%
2017	0.032327%	7,340,912	4,047,733	181.36%	77.25%
2016	0.031015%	5,372,189	3,888,100	138.17%	81.08%
2015	0.031214%	3,764,757	3,841,117	98.01%	86.45%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 812,550	\$ (812,550)	\$ -	\$ 5,803,929	14.00%
2023	745,597	(745,597)	-	5,325,693	14.00%
2022	707,131	(707,131)	-	5,050,936	14.00%
2021	660,090	(660,090)	-	4,714,929	14.00%
2020	594,898	(594,898)	-	4,249,271	14.00%
2019	652,724	(652,724)	-	4,662,314	14.00%
2018	620,828	(620,828)	-	4,434,486	14.00%
2017	553,794	(553,794)	-	4,259,954	13.00%
2016	485,728	(485,728)	-	4,047,733	12.00%
2015	466,572	(466,572)	-	3,888,100	12.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TALLMADGE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION ASSET AND
CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - COMBINED PLAN
LAST TEN FISCAL YEARS*

Calendar Year (1)	City's Proportion of the Net Pension Asset	City's Proportionate Share of the Net Pension Asset	City's Covered Payroll	City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.001528%	\$ 4,697	\$ 7,025	66.86%	144.55%
2023	0.007860%	18,525	34,629	53.50%	137.14%
2022	0.020442%	(80,542)	93,193	-86.42%	169.88%
2021	0.017388%	50,193	75,564	66.42%	157.67%
2020	0.001872%	3,904	7,450	52.40%	145.28%
2019	0.001512%	1,691	6,464	26.16%	126.64%
2018	0.002889%	3,932	11,838	33.22%	137.28%
2017	0.010802%	6,013	42,050	14.30%	116.55%
2016	0.019890%	9,679	63,500	15.24%	116.90%
2015	0.018151%	6,989	66,350	10.53%	114.83%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 1,141	\$ (1,141)	\$ -	\$ 9,508	12.00%
2023	843	(843)	-	7,025	12.00%
2022	4,848	(4,848)	-	34,629	14.00%
2021	13,047	(13,047)	-	93,193	14.00%
2020	10,579	(10,579)	-	75,564	14.00%
2019	1,043	(1,043)	-	7,450	14.00%
2018	905	(905)	-	6,464	14.00%
2017	1,539	(1,539)	-	11,838	13.00%
2016	5,046	(5,046)	-	42,050	12.00%
2015	7,620	(7,620)	-	63,500	12.00%

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

SEE ACCOMPANYING NOTES TO THE 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 AND
CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND*

LAST TEN FISCAL YEARS

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.170373%	\$ 16,460,412	\$ 4,862,291	338.53%	63.63%
2023	0.161975%	15,386,017	4,502,419	341.73%	62.90%
2022	0.146400%	9,146,219	3,765,380	242.90%	75.03%
2021	0.149301%	10,177,956	3,711,104	274.26%	70.65%
2020	0.146671%	9,880,555	3,533,294	279.64%	69.89%
2019	0.146207%	11,934,355	3,363,739	354.79%	63.07%
2018	0.144291%	8,855,767	3,202,777	276.50%	70.91%
2017	0.140297%	8,886,247	2,962,276	299.98%	68.36%
2016	0.133898%	8,613,720	2,775,815	310.31%	66.77%
2015	0.136079%	7,049,465	2,780,230	253.56%	71.71%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<i>Police:</i>					
2024	\$ 487,927	\$ (487,927)	\$ -	\$ 2,568,037	19.00%
2023	462,668	(462,668)	-	2,435,095	19.00%
2022	439,354	(439,354)	-	2,312,389	19.00%
2021	400,956	(400,956)	-	2,110,295	19.00%
2020	415,806	(415,806)	-	2,188,453	19.00%
2019	395,605	(395,605)	-	2,082,132	19.00%
2018	384,145	(384,145)	-	2,021,816	19.00%
2017	362,218	(362,218)	-	1,906,411	19.00%
2016	344,157	(344,157)	-	1,811,353	19.00%
2015	322,516	(322,516)	-	1,697,453	19.00%
<i>Fire:</i>					
2024	\$ 608,306	\$ (608,306)	\$ -	\$ 2,588,536	23.50%
2023	570,391	(570,391)	-	2,427,196	23.50%
2022	514,657	(514,657)	-	2,190,030	23.50%
2021	388,945	(388,945)	-	1,655,085	23.50%
2020	357,823	(357,823)	-	1,522,651	23.50%
2019	341,023	(341,023)	-	1,451,162	23.50%
2018	315,352	(315,352)	-	1,341,923	23.50%
2017	304,646	(304,646)	-	1,296,366	23.50%
2016	270,467	(270,467)	-	1,150,923	23.50%
2015	253,415	(253,415)	-	1,078,362	23.50%

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

CITY OF TALLMADGE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET) AND
CITY OPEB CONTRIBUTIONS*

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	City's Proportion of the Net OPEB Liability/(Asset)	City's Proportionate Share of the Net OPEB Liability/(Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2024	0.030171%	\$ (272,300)	\$ 5,332,718	5.11%	107.76%
2023	0.030561%	192,694	5,085,565	3.79%	94.79%
2022	0.031216%	(977,733)	4,808,122	20.34%	128.23%
2021	0.029006%	(516,764)	4,324,835	11.95%	115.57%
2020	0.031547%	4,357,459	4,669,764	93.31%	47.80%
2019	0.031529%	4,110,636	4,440,950	92.56%	46.33%
2018	0.031110%	3,378,317	4,271,792	79.08%	54.14%
2017	0.031440%	3,175,551	4,089,783	77.65%	54.05%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 190	\$ (190)	\$ -	\$ 5,813,437	0.00%
2023	140	(140)	-	5,332,718	0.00%
2022	-	-	-	5,085,565	0.00%
2021	2,418	(2,418)	-	4,808,122	0.05%
2020	2,451	(2,451)	-	4,324,835	0.06%
2019	3,850	(3,850)	-	4,669,764	0.08%
2018	5,290	(5,290)	-	4,440,950	0.12%
2017	48,188	(48,188)	-	4,271,792	1.13%
2016	88,066	(88,066)	-	4,089,783	2.15%
2015	79,032	(79,032)	-	3,951,600	2.00%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TALLMADGE, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

*SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY AND
CITY OPEB CONTRIBUTIONS*

OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2024	0.170373%	\$ 1,243,948	\$ 4,862,291	25.58%	51.89%
2023	0.161975%	1,153,212	4,502,419	25.61%	52.59%
2022	0.146400%	1,604,669	3,765,380	42.62%	46.86%
2021	0.149301%	1,581,864	3,711,104	42.63%	45.42%
2020	0.146671%	1,448,779	3,533,294	41.00%	47.08%
2019	0.146207%	1,331,439	3,363,739	39.58%	46.57%
2018	0.144291%	8,175,303	3,202,777	255.26%	14.13%
2017	0.140297%	6,659,584	2,962,276	224.81%	15.96%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<i>Police:</i>					
2024	\$ 12,840	\$ (12,840)	\$ -	\$ 2,568,037	0.50%
2023	12,175	(12,175)	-	2,435,095	0.50%
2022	11,562	(11,562)	-	2,312,389	0.50%
2021	10,551	(10,551)	-	2,110,295	0.50%
2020	10,942	(10,942)	-	2,188,453	0.50%
2019	10,411	(10,411)	-	2,082,132	0.50%
2018	10,110	(10,110)	-	2,021,816	0.50%
2017	9,532	(9,532)	-	1,906,411	0.50%
2016	9,057	(9,057)	-	1,811,353	0.50%
2015	8,717	(8,717)	-	1,697,453	0.50%
<i>Fire:</i>					
2024	\$ 12,943	\$ (12,943)	\$ -	\$ 2,588,536	0.50%
2023	12,136	(12,136)	-	2,427,196	0.50%
2022	10,950	(10,950)	-	2,190,030	0.50%
2021	8,275	(8,275)	-	1,655,085	0.50%
2020	7,613	(7,613)	-	1,522,651	0.50%
2019	7,256	(7,256)	-	1,451,162	0.50%
2018	6,709	(6,709)	-	1,341,923	0.50%
2017	6,482	(6,482)	-	1,296,366	0.50%
2016	5,755	(5,755)	-	1,150,923	0.50%
2015	5,392	(5,392)	-	1,078,362	0.50%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TALLMADGE, OHIO

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 1 - BUDGETARY PROCESS

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 schedule of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and any major special revenue fund is 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);
- (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 or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

Net Change in Fund Balance

	General	Fire/EMS Levy	Street Maintenance and Repair
Budget basis	\$ (923,419)	\$ 595,433	\$ (256,316)
Net adjustment for revenue accruals	279,317	56,551	14,852
Net adjustment for expenditure accruals	462,347	(24,750)	(381,458)
Net adjustment for other sources/uses	4,786	-	607,141
Funds budgeted elsewhere	71,079	-	-
Adjustments for encumbrances	1,119,652	81,442	398,569
GAAP Basis	\$ 1,013,762	\$ 708,676	\$ 382,788

As part of Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting”, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. These include the payroll clearing fund and revolving fund.

CITY OF TALLMADGE, OHIO

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change in benefit terms:

- 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.
- There were no changes in benefit terms from the amounts reported for 2024.

Change in assumptions:

- 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%, (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75% and (d) COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2018, then 2.15% simple.
- 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%.
- For 2020, COLA for post 1/7/2013 retirees were changed to 1.40%, simple through 2020, then 2.15% simple.
- For 2021, COLA for post 1/7/2013 retirees were changed to 0.50%, simple through 2021, then 2.15% simple.
- 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 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%.
- For 2023, COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2023, then 2.05% simple.
- For 2024, COLA for post 1/7/2013 retirees were changed to 2.30%, simple through 2024, then 2.05% simple.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change in benefit terms:

- 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.

CITY OF TALLMADGE, OHIO

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- 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.
- There were no changes in benefit terms from the amounts reported for 2024.

Changes in assumptions:

- 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.
- There were no changes in assumptions for 2024.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Change 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.
- There were no changes in benefit terms from the amounts reported for 2024.

CITY OF TALLMADGE, OHIO

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change 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.
- For 2024, 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 to 5.70%, (b) the municipal bond rate was changed to 3.77% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2038.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Change 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.
- There were no changes in benefit terms from the amounts reported for 2024.

CITY OF TALLMADGE, OHIO

*NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024*

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

Change 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% and (b) the municipal bond rate was increased from 3.16% to 4.13%.
- 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% and (b) the municipal bond rate was decreased from 4.13% to 2.75%.
- 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% and (b) the municipal bond rate was decreased from 2.75% to 2.12%.
- 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%, (b) the discount rate was changed from 2.96% to 2.84% and (c) the municipal bond rate was decreased from 2.12% to 2.05%.
- 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 municipal bond rate was increased from 2.05% to 3.65% and (c) 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.
- For 2024, 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 to 4.07% and (b) and the municipal bond rate was changed to 3.38%.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF TALLMADGE, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - 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 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.

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.

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.

CITY OF TALLMADGE, OHIO

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

Nonmajor Special Revenue Funds (Continued)

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.

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.

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.

CITY OF TALLMADGE, OHIO

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

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, 2024*

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary revenues:				
Taxes				
Real estate (public utility)	\$ 1,207,227	\$ 1,222,196	\$ 1,185,966	\$ (36,230)
Municipal income taxes	12,448,146	12,602,499	13,767,917	1,165,418
Intergovernmental				
Local government	670,184	678,494	691,924	13,430
Rollback	123,469	125,000	161,437	36,437
JEDD income taxes	1,407,547	1,425,000	1,851,683	426,683
Miscellaneous	107,072	108,400	692,721	584,321
Investment income	479,060	485,000	1,210,008	725,008
Fines, licenses and permits	315,854	319,770	306,463	(13,307)
Special assessments.	-	-	2,743	2,743
Charges for services	1,750,189	1,771,891	1,896,822	124,931
Miscellaneous.	291,387	295,000	305,176	10,176
Total budgetary revenues.	<u>18,800,135</u>	<u>19,033,250</u>	<u>22,072,860</u>	<u>3,039,610</u>
Budgetary expenditures:				
Current:				
General government				
Mayor/administration				
Personnel	1,062,517	1,012,517	648,462	(364,055)
Operating	152,120	237,120	230,236	(6,884)
Total mayor/administration.	<u>1,214,637</u>	<u>1,249,637</u>	<u>878,698</u>	<u>(370,939)</u>
Finance director				
Personnel	597,510	597,510	590,599	(6,911)
Operating	270,377	270,377	253,340	(17,037)
Total finance director.	<u>867,887</u>	<u>867,887</u>	<u>843,939</u>	<u>(23,948)</u>
Law director				
Personnel	414,022	414,022	366,803	(47,219)
Operating	101,801	101,801	78,311	(23,490)
Total law director.	<u>515,823</u>	<u>515,823</u>	<u>445,114</u>	<u>(70,709)</u>
Service director				
Personnel	174,257	174,257	168,820	(5,437)
Operating	151,765	151,765	138,836	(12,929)
Total service director.	<u>326,022</u>	<u>326,022</u>	<u>307,656</u>	<u>(18,366)</u>
Manager of information service				
Personnel	309,516	309,516	306,760	(2,756)
Operating	873,319	873,319	826,022	(47,297)
Total manager of information service.	<u>1,182,835</u>	<u>1,182,835</u>	<u>1,132,782</u>	<u>(50,053)</u>
Council				
Personnel	246,870	246,870	221,873	(24,997)
Operating	127,120	127,120	92,167	(34,953)
Total council	<u>373,990</u>	<u>373,990</u>	<u>314,040</u>	<u>(59,950)</u>
Civil service				
Personnel	33,768	33,768	31,929	(1,839)
Operating	4,650	4,650	2,063	(2,587)
Total civil service.	<u>38,418</u>	<u>38,418</u>	<u>33,992</u>	<u>(4,426)</u>

- Continued

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, 2024*

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Custodian				
Personnel	\$ 90,367	\$ 90,367	\$ 88,630	\$ (1,737)
Operating	183,061	183,061	170,082	(12,979)
Total custodian	<u>273,428</u>	<u>273,428</u>	<u>258,712</u>	<u>(14,716)</u>
General administration				
Operating	2,123,288	2,148,288	2,145,958	(2,330)
Total general administration	<u>2,123,288</u>	<u>2,148,288</u>	<u>2,145,958</u>	<u>(2,330)</u>
Historical church				
Personnel	17,706	17,706	13,761	(3,945)
Operating	6,250	6,250	5,500	(750)
Total historical church	<u>23,956</u>	<u>23,956</u>	<u>19,261</u>	<u>(4,695)</u>
Total general government.	<u>6,940,284</u>	<u>7,000,284</u>	<u>6,380,152</u>	<u>(620,132)</u>
Security of persons and property				
Police				
Personnel	4,367,233	4,367,233	4,216,705	(150,528)
Operating	663,344	663,344	598,770	(64,574)
Total police	<u>5,030,577</u>	<u>5,030,577</u>	<u>4,815,475</u>	<u>(215,102)</u>
Street lighting				
Operating	69,484	69,484	60,983	(8,501)
Total street lighting	<u>69,484</u>	<u>69,484</u>	<u>60,983</u>	<u>(8,501)</u>
Dispatching services				
Operating	835,043	925,649	917,326	(8,323)
Total dispatching services	<u>835,043</u>	<u>925,649</u>	<u>917,326</u>	<u>(8,323)</u>
Total security of persons and property	<u>5,935,104</u>	<u>6,025,710</u>	<u>5,793,784</u>	<u>(231,926)</u>
Transportation				
Garage				
Personnel	439,033	439,033	308,187	(130,846)
Operating	132,089	132,089	87,773	(44,316)
Total transportation	<u>571,122</u>	<u>571,122</u>	<u>395,960</u>	<u>(175,162)</u>
Community environment				
Zoning				
Personnel	274,030	274,030	233,250	(40,780)
Operating	99,518	99,518	74,667	(24,851)
Total community environment	<u>373,548</u>	<u>373,548</u>	<u>307,917</u>	<u>(65,631)</u>
Leisure time activities				
Community center				
Personnel	34,630	34,630	15,730	(18,900)
Operating	77,065	77,065	67,223	(9,842)
Total community center.	<u>111,695</u>	<u>111,695</u>	<u>82,953</u>	<u>(28,742)</u>
Parks				
Personnel	41,773	41,773	38,663	(3,110)
Operating	143,950	143,950	140,377	(3,573)
Total recreation center	<u>185,723</u>	<u>185,723</u>	<u>179,040</u>	<u>(6,683)</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, 2024*

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Recreation center				
Personnel	\$ 1,291,552	\$ 1,291,552	\$ 1,220,101	\$ (71,451)
Operating	742,605	742,605	676,541	(66,064)
Total recreation center	<u>2,034,157</u>	<u>2,034,157</u>	<u>1,896,642</u>	<u>(137,515)</u>
Maca pool				
Personnel	236,152	236,152	209,924	(26,228)
Operating	213,688	213,688	195,183	(18,505)
Total Maca Pool	<u>449,840</u>	<u>449,840</u>	<u>405,107</u>	<u>(44,733)</u>
Total leisure time activities	<u>2,781,415</u>	<u>2,781,415</u>	<u>2,563,742</u>	<u>(217,673)</u>
Capital outlay				
Recreation center equipment.	45,000	45,000	44,436	(564)
Community center exterior improvements.	83,500	83,500	19,140	(64,360)
HVAC improvements.	124,776	199,569	199,649	80
MACA park improvements.	-	48,227	48,227	-
Zoning - software	19,280	19,280	19,200	(80)
MIS - software	100,000	100,000	100,000	-
Conduit infrastructure	140,000	140,000	140,000	-
Total capital outlay	<u>512,556</u>	<u>635,576</u>	<u>570,652</u>	<u>(64,924)</u>
Total budgetary expenditures	<u>17,114,029</u>	<u>17,387,655</u>	<u>16,012,207</u>	<u>(1,375,448)</u>
Budgetary excess of revenues over expenditures	<u>1,686,106</u>	<u>1,645,595</u>	<u>6,060,653</u>	<u>4,415,058</u>
Budgetary other financing sources (uses):				
Sale of capital assets.	-	-	12,950	12,950
Advances in				
Safety services income tax	103,880	105,168	105,168	-
Advances out				
Incentive distribution.	(63,950)	(63,950)	(63,950)	-
Transfers out				
Historical preservation.	(4,300)	(4,300)	(4,300)	-
Police pension	(350,000)	(350,000)	(350,000)	-
Fire/EMS levy	(3,055,000)	(3,055,000)	(3,055,000)	-
General infrastructure reserve	(30,000)	(30,000)	(30,000)	-
Street maintenance and repair	(3,110,000)	(3,110,000)	(3,110,000)	-
Bond retirement	(488,940)	(488,940)	(488,940)	-
Total budgetary other financing sources (uses)	<u>(6,998,310)</u>	<u>(6,997,022)</u>	<u>(6,984,072)</u>	<u>12,950</u>
Net change in fund balance	(5,312,204)	(5,351,427)	(923,419)	4,428,008
Budgetary fund balance at beginning of year	10,992,294	10,992,294	10,992,294	-
Prior year encumbrances appropriated . . .	<u>1,762,560</u>	<u>1,762,560</u>	<u>1,762,560</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 7,442,650</u>	<u>\$ 7,403,427</u>	<u>\$ 11,831,435</u>	<u>\$ 4,428,008</u>

CITY OF TALLMADGE, OHIO

*COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	1,890,773	\$ 48,685	\$ 590,360	\$ 2,529,818
Receivables:				
Income taxes	367,721	-	-	367,721
Real and other taxes	182,622	-	-	182,622
Accounts	107,057			107,057
Intergovernmental	57,958	-	22,795	80,753
Prepayments.	892,552	-	-	892,552
Total assets	\$ 3,498,683	\$ 48,685	\$ 613,155	\$ 4,160,523
Liabilities:				
Accounts payable.	\$ 42,508	\$ -	\$ 1,168	\$ 43,676
Accrued wages and benefits payable	1,864	-	-	1,864
Interfund loan payable	672,045		24,600	696,645
Intergovernmental payable	41,741	-	-	41,741
Unearned revenue	447,011	-	-	447,011
Total liabilities	1,205,169	-	25,768	1,230,937
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	174,434	-	-	174,434
Delinquent property tax revenue not available.	8,188	-	-	8,188
Fines, licenses and permits not available	107,057	-	-	107,057
Income tax revenue not available	167,274	-	-	167,274
Intergovernmental nonexchange transactions	42,245	-	-	42,245
Total deferred inflows of resources.	499,198	-	-	499,198
Fund balances:				
Nonspendable	892,552	-	-	892,552
Restricted for:				
General government	44,081	-	-	44,081
Security of persons and property:				
Police	74,587	-	-	74,587
Fire	34,060	-	-	34,060
Safety services income tax levy	798,909	-	-	798,909
Public health	74,051	-	-	74,051
Transportation.	137,730	-	-	137,730
Community environment	3,830			3,830
Capital outlay	-	-	52,325	52,325
Committed	-		535,062	535,062
Assigned	-	48,685	-	48,685
Unassigned (deficit)	(265,484)	-	-	(265,484)
Total fund balances	1,794,316	48,685	587,387	2,430,388
Total liabilities, deferred inflows of resources and fund balances.	\$ 3,498,683	\$ 48,685	\$ 613,155	\$ 4,160,523

CITY OF TALLMADGE, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and other taxes	\$ 169,031	\$ -	\$ -	\$ 169,031
Municipal income taxes	1,735,582	-	-	1,735,582
Intergovernmental	826,934	-	123,907	950,841
Investment income	354	-	2,048	2,402
Fines, licenses and permits	47,991	-	-	47,991
Miscellaneous	37,609	-	-	37,609
Total revenues	2,817,501	-	125,955	2,943,456
Expenditures:				
Current:				
General government	50,607	4,160	-	54,767
Security of persons and property:				
Police	612,791	-	-	612,791
Fire	113,827	-	-	113,827
Transportation	101,163	-	-	101,163
Community environment	13,468	-	-	13,468
Leisure time activities	663,735	-	-	663,735
Capital outlay	778,657	-	82,650	861,307
Debt service:				
Principal retirement	329,047	860,000	-	1,189,047
Interest and fiscal charges	83,281	281,540	-	364,821
Total expenditures	2,746,576	1,145,700	82,650	3,974,926
Excess (deficiency) of revenues over (under) expenditures	70,925	(1,145,700)	43,305	(1,031,470)
Other financing sources (uses):				
Direct financing note transaction	285,676	-	-	285,676
Lease transaction	281,639	-	-	281,639
Transfers in	354,300	1,146,540	30,000	1,530,840
Transfers (out)	(657,600)	-	-	(657,600)
Total other financing sources (uses)	264,015	1,146,540	30,000	1,440,555
Net change in fund balances	334,940	840	73,305	409,085
Fund balances at beginning of year	1,459,376	47,845	514,082	2,021,303
Fund balances at end of year	\$ 1,794,316	\$ 48,685	\$ 587,387	\$ 2,430,388

CITY OF TALLMADGE, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2024*

	<u>Safety Services Income Tax</u>	<u>State Highway</u>	<u>Community Development</u>	<u>Alcohol Enforcement and Education</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,046,098	\$ 124,768	\$ 3,830	\$ 10,328
Receivables:				
Income taxes	367,721	-	-	-
Real and other taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	46,538	-	-
Prepayments	889,838	2,714	-	-
Total assets	<u>\$ 2,303,657</u>	<u>\$ 174,020</u>	<u>\$ 3,830</u>	<u>\$ 10,328</u>
Liabilities:				
Accounts payable	\$ 41,075	\$ -	\$ -	\$ -
Accrued wages and benefits payable	-	1,864	-	-
Interfund payable	406,561	-	-	-
Intergovernmental payable	-	887	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>447,636</u>	<u>2,751</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Fines, licenses and permits not available	-	-	-	-
Income tax revenue not available	167,274	-	-	-
Intergovernmental nonexchange transactions	-	30,825	-	-
Total deferred inflows of resources	<u>167,274</u>	<u>30,825</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	889,838	2,714	-	-
Restricted for:				
General government	-	-	-	-
Security of persons and property:				
Police	-	-	-	10,328
Fire	-	-	-	-
Safety services income tax levy	798,909	-	-	-
Public health	-	-	-	-
Transportation	-	137,730	-	-
Community environment	-	-	3,830	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>1,688,747</u>	<u>140,444</u>	<u>3,830</u>	<u>10,328</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,303,657</u>	<u>\$ 174,020</u>	<u>\$ 3,830</u>	<u>\$ 10,328</u>

Law Enforcement Trust	Drug Law Enforcement	Law Enforcement Assistance	Emergency Medical Service Donation	K-9 Unit Donation	Police Pension	Fire Repair/Removal
\$ 750	\$ 3,232	\$ 5,580	\$ 5,402	\$ 4,837	\$ 82,860	\$ 44,081
-	-	-	-	-	-	-
-	-	-	-	-	182,622	-
-	-	-	-	-	-	-
-	-	-	-	-	11,420	-
-	-	-	-	-	-	-
<u>\$ 750</u>	<u>\$ 3,232</u>	<u>\$ 5,580</u>	<u>\$ 5,402</u>	<u>\$ 4,837</u>	<u>\$ 276,902</u>	<u>\$ 44,081</u>
\$ -	\$ -	\$ -	\$ 1,433	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	40,854	-
-	-	-	-	-	-	-
-	-	-	1,433	-	40,854	-
-	-	-	-	-	-	-
-	-	-	-	-	174,434	-
-	-	-	-	-	8,188	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	11,420	-
-	-	-	-	-	194,042	-
-	-	-	-	-	-	-
-	-	-	-	-	-	44,081
750	3,232	5,580	-	4,837	42,006	-
-	-	-	3,969	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>750</u>	<u>3,232</u>	<u>5,580</u>	<u>3,969</u>	<u>4,837</u>	<u>42,006</u>	<u>44,081</u>
<u>\$ 750</u>	<u>\$ 3,232</u>	<u>\$ 5,580</u>	<u>\$ 5,402</u>	<u>\$ 4,837</u>	<u>\$ 276,902</u>	<u>\$ 44,081</u>

- (Continued)

CITY OF TALLMADGE, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
DECEMBER 31, 2024*

	American Rescue Plan Act	Tallmadge Reserve Incentive District	OneOhio Opioid Settlement	Federal Equitable Sharing
Assets:				
Equity in pooled cash and cash equivalents	\$ 447,011	\$ -	\$ 74,051	\$ 7,854
Receivables:				
Income taxes	-	-	-	-
Real and other taxes	-	-	-	-
Accounts	-	-	107,057	-
Intergovernmental	-	-	-	-
Prepayments.	-	-	-	-
Total assets	<u>\$ 447,011</u>	<u>\$ -</u>	<u>\$ 181,108</u>	<u>\$ 7,854</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable	-	-	-	-
Interfund payable	-	265,484	-	-
Intergovernmental payable	-	-	-	-
Unearned revenue	447,011	-	-	-
Total liabilities.	<u>447,011</u>	<u>265,484</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	-	-
Delinquent property tax revenue not available.	-	-	-	-
Fines, licenses and permits not available	-	-	107,057	-
Income tax revenue not available	-	-	-	-
Intergovernmental nonexchange transactions	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>107,057</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted for:				
General government	-	-	-	-
Security of persons and property:				
Police	-	-	-	7,854
Fire	-	-	-	-
Safety services income tax levy	-	-	-	-
Public health	-	-	74,051	-
Transportation.	-	-	-	-
Community environment	-	-	-	-
Unassigned (deficit)	-	(265,484)	-	-
Total fund balances.	<u>-</u>	<u>(265,484)</u>	<u>74,051</u>	<u>7,854</u>
Total liabilities, deferred inflows of resources and fund balances.	<u>\$ 447,011</u>	<u>\$ -</u>	<u>\$ 181,108</u>	<u>\$ 7,854</u>

OEMA ARPA First Responder Grant	Totals
\$ 30,091	\$ 1,890,773
-	367,721
-	182,622
-	107,057
-	57,958
-	892,552
<u>\$ 30,091</u>	<u>\$ 3,498,683</u>
\$ -	42,508
-	1,864
-	672,045
-	41,741
-	447,011
-	<u>1,205,169</u>
-	174,434
-	8,188
-	107,057
-	167,274
-	42,245
-	<u>499,198</u>
-	892,552
-	44,081
-	74,587
30,091	34,060
-	798,909
-	74,051
-	137,730
-	3,830
-	(265,484)
<u>30,091</u>	<u>1,794,316</u>
<u>\$ 30,091</u>	<u>\$ 3,498,683</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, 2024*

	Safety Services Income Tax	State Highway	Community Development	Alcohol Enforcement and Education
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	1,735,582	-	-	-
Intergovernmental	-	96,345	-	-
Investment income.	-	354	-	-
Fines, licenses and permits.	-	-	-	578
Miscellaneous	-	247	-	-
Total revenues.	<u>1,735,582</u>	<u>96,946</u>	<u>-</u>	<u>578</u>
Expenditures:				
Current:				
General government.	38,132	-	-	-
Security of persons and property:				
Police	108,980	-	-	-
Fire	96,858	-	-	-
Transportation	-	101,163	-	-
Community environment	-	-	13,468	-
Leisure time activity	-	-	-	-
Capital outlay.	778,657	-	-	-
Debt service:				
Principal retirement	289,047	-	-	-
Interest and fiscal charges	59,331	-	-	-
Total expenditures.	<u>1,371,005</u>	<u>101,163</u>	<u>13,468</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>364,577</u>	<u>(4,217)</u>	<u>(13,468)</u>	<u>578</u>
Other financing sources (uses):				
Direct financing note transaction.	285,676	-	-	-
Lease transaction	281,639	-	-	-
Transfers in	-	-	-	-
Transfers (out).	<u>(657,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(90,285)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	274,292	(4,217)	(13,468)	578
Fund balances (deficits) at beginning of year	<u>1,414,455</u>	<u>144,661</u>	<u>17,298</u>	<u>9,750</u>
Fund balances (deficit) at end of year	<u>\$ 1,688,747</u>	<u>\$ 140,444</u>	<u>\$ 3,830</u>	<u>\$ 10,328</u>

Law Enforcement Trust	Drug Law Enforcement	Law Enforcement Assistance	Emergency Medical Service Donation	K-9 Unit Donation	Police Pension	Fire Repair/ Removal
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,031	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	23,059	-
-	-	-	-	-	-	-
-	895	-	-	-	-	-
-	-	-	25	75	-	29,787
-	895	-	25	75	192,090	29,787
-	-	-	-	-	-	-
-	381	-	-	-	503,430	-
-	-	-	2,866	399	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	381	-	2,866	399	503,430	-
-	514	-	(2,841)	(324)	(311,340)	29,787
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	350,000	-
-	-	-	-	-	-	-
-	-	-	-	-	350,000	-
-	514	-	(2,841)	(324)	38,660	29,787
750	2,718	5,580	6,810	5,161	3,346	14,294
\$ 750	\$ 3,232	\$ 5,580	\$ 3,969	\$ 4,837	\$ 42,006	\$ 44,081

- (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, 2024*

	Historical Preservation	American Rescue Plan Act	Tallmadge Reserve Incentive District	OneOhio Opioid Settlement
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-
Intergovernmental	-	663,735	-	-
Investment income.	-	-	-	-
Fines, licenses and permits.	-	-	-	46,518
Miscellaneous	7,475	-	-	-
Total revenues.	<u>7,475</u>	<u>663,735</u>	<u>-</u>	<u>46,518</u>
Expenditures:				
Current:				
General government.	12,475	-	-	-
Security of persons and property:				
Police	-	-	-	-
Fire	-	-	-	-
Transportation	-	-	-	-
Community environment	-	-	-	-
Leisure time activity	-	663,735	-	-
Capital outlay.	-	-	-	-
Debt service:				
Principal retirement	-	-	40,000	-
Interest and fiscal charges	-	-	23,950	-
Total expenditures.	<u>12,475</u>	<u>663,735</u>	<u>63,950</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,000)</u>	<u>-</u>	<u>(63,950)</u>	<u>46,518</u>
Other financing sources (uses):				
Direct financing note transaction.	-	-	-	-
Lease transaction	-	-	-	-
Transfers in	4,300	-	-	-
Transfers (out).	-	-	-	-
Total other financing sources (uses)	<u>4,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(700)	-	(63,950)	46,518
Fund balances (deficits) at beginning of year	<u>700</u>	<u>-</u>	<u>(201,534)</u>	<u>27,533</u>
Fund balances (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (265,484)</u>	<u>\$ 74,051</u>

Federal Equitable Sharing	OEMA ARPA First Responder Grant	Totals
\$ -	\$ -	\$ 169,031
-	-	1,735,582
-	43,795	826,934
-	-	354
-	-	47,991
-	-	37,609
-	43,795	2,817,501
-	-	50,607
-	-	612,791
-	13,704	113,827
-	-	101,163
-	-	13,468
-	-	663,735
-	-	778,657
-	-	329,047
-	-	83,281
-	13,704	2,746,576
-	30,091	70,925
-	-	285,676
-	-	281,639
-	-	354,300
-	-	(657,600)
-	-	264,015
-	30,091	334,940
7,854	-	1,459,376
<u>\$ 7,854</u>	<u>\$ 30,091</u>	<u>\$ 1,794,316</u>

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Property and other taxes	\$ 1,278,304	\$ 1,292,041	\$ 1,415,186	\$ 123,145
Intergovernmental	166,538	168,328	184,371	16,043
Charges for services	678,726	686,020	751,405	65,385
Miscellaneous.	80,858	81,727	89,516	7,789
Total budgetary revenues.	<u>2,204,426</u>	<u>2,228,116</u>	<u>2,440,478</u>	<u>212,362</u>
Budgetary expenditures:				
Current:				
Security of persons and property				
Fire				
Personnel	4,715,764	4,715,764	4,336,231	(379,533)
Operating	609,596	617,861	602,314	(15,547)
Total fire	<u>5,325,360</u>	<u>5,333,625</u>	<u>4,938,545</u>	<u>(395,080)</u>
Total budgetary expenditures	<u>5,325,360</u>	<u>5,333,625</u>	<u>4,938,545</u>	<u>(395,080)</u>
Budgetary excess of expenditures over revenues	<u>(3,120,934)</u>	<u>(3,105,509)</u>	<u>(2,498,067)</u>	<u>607,442</u>
Budgetary other financing sources:				
Sale of capital assets	-	-	38,500	38,500
Transfers in.	3,055,000	3,055,000	3,055,000	-
Total budgetary other financing sources	<u>3,055,000</u>	<u>3,055,000</u>	<u>3,093,500</u>	<u>38,500</u>
Net change in fund balance.	(65,934)	(50,509)	595,433	645,942
Budgetary fund balance at beginning of year	500,908	500,908	500,908	-
Prior year encumbrances appropriated	62,311	62,311	62,311	-
Budgetary fund balance at end of year	<u>\$ 497,285</u>	<u>\$ 512,710</u>	<u>\$ 1,158,652</u>	<u>\$ 645,942</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - Over (Under) Actual Amounts</u>
Budgetary revenues:				
Property and other local taxes	\$ 96,707	\$ 96,707	\$ 98,023	\$ 1,316
Intergovernmental.	1,313,525	1,313,525	1,258,935	(54,590)
Investment income	2,396	2,396	4,614	2,218
Special assessments.	25,000	25,000	23,226	(1,774)
Charges for services.	75,000	75,000	118,350	43,350
Miscellaneous.	91,000	91,000	122,301	31,301
Total budgetary revenues.	<u>1,603,628</u>	<u>1,603,628</u>	<u>1,625,449</u>	<u>21,821</u>
Budgetary expenditures:				
Current:				
Public health and welfare				
Personnel	116,527	116,527	100,571	(15,956)
Operating	<u>54,764</u>	<u>54,764</u>	<u>51,933</u>	<u>(2,831)</u>
Total public health and welfare	<u>171,291</u>	<u>171,291</u>	<u>152,504</u>	<u>(18,787)</u>
Transportation				
Personnel	1,280,022	1,280,022	1,140,965	(139,057)
Operating	<u>1,094,310</u>	<u>1,094,310</u>	<u>844,750</u>	<u>(249,560)</u>
Total transportation	<u>2,374,332</u>	<u>2,374,332</u>	<u>1,985,715</u>	<u>(388,617)</u>
Leisure time activities				
Personnel	449,815	449,815	402,282	(47,533)
Operating	<u>227,025</u>	<u>257,995</u>	<u>227,654</u>	<u>(30,341)</u>
Total leisure time activities.	<u>676,840</u>	<u>707,810</u>	<u>629,936</u>	<u>(77,874)</u>
Capital outlay				
Road program.	2,250,218	2,250,218	1,995,161	(255,057)
Fleet program	<u>251,000</u>	<u>251,000</u>	<u>233,156</u>	<u>(17,844)</u>
Total capital outlay	<u>2,501,218</u>	<u>2,501,218</u>	<u>2,228,317</u>	<u>(272,901)</u>
Total budgetary expenditures	<u>5,723,681</u>	<u>5,754,651</u>	<u>4,996,472</u>	<u>(758,179)</u>
Budgetary excess of expenditures over revenues	<u>(4,120,053)</u>	<u>(4,151,023)</u>	<u>(3,371,023)</u>	<u>780,000</u>
Budgetary other financing sources:				
Sale of capital assets	-	-	4,707	4,707
Transfers in.	<u>3,110,000</u>	<u>3,110,000</u>	<u>3,110,000</u>	<u>-</u>
Total budgetary other financing sources	<u>3,110,000</u>	<u>3,110,000</u>	<u>3,114,707</u>	<u>4,707</u>
Net change in fund balance.	(1,010,053)	(1,041,023)	(256,316)	784,707
Budgetary fund balance at beginning of year	1,392,727	1,392,727	1,392,727	-
Prior year encumbrances appropriated . . .	<u>256,457</u>	<u>256,457</u>	<u>256,457</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 639,131</u>	<u>\$ 608,161</u>	<u>\$ 1,392,868</u>	<u>\$ 784,707</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Municipal income taxes	\$ 1,575,312	\$ 1,575,312	\$ 1,720,002	\$ 144,690
Budgetary expenditures:				
Current:				
General government				
General administration				
Operating	56,000	56,000	38,132	(17,868)
Security of persons and property				
Police				
Operating	184,769	184,769	178,306	(6,463)
Fire				
Operating	115,898	115,898	115,428	(470)
Total security of persons and property.	300,667	300,667	293,734	(6,933)
Capital outlay				
Police.	348,855	348,855	274,352	(74,503)
Fire.	399,394	399,394	337,327	(62,067)
Total capital outlay	748,249	748,249	611,679	(136,570)
Total budgetary expenditures	1,104,916	1,104,916	943,545	(161,371)
Budgetary excess of revenues over expenditures	470,396	470,396	776,457	306,061
Budgetary other financing (uses):				
Transfers (out).	(657,600)	(657,600)	(657,600)	-
Total budgetary other financing (uses)	(657,600)	(657,600)	(657,600)	-
Net change in fund balance	(187,204)	(187,204)	118,857	306,061
Budgetary fund balance at beginning of year	620,626	620,626	620,626	-
Prior year encumbrances appropriated . . .	152,894	152,894	152,894	-
Budgetary fund balance at end of year	<u>\$ 586,316</u>	<u>\$ 586,316</u>	<u>\$ 892,377</u>	<u>\$ 306,061</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - Over (Under) Actual Amounts</u>
Budgetary revenues:				
Intergovernmental.	\$ 91,000	\$ 91,000	\$ 96,460	\$ 5,460
Investment income	225	225	354	129
Miscellaneous.	300	300	208	(92)
Total budgetary revenues.	<u>91,525</u>	<u>91,525</u>	<u>97,022</u>	<u>5,497</u>
Budgetary expenditures:				
Current:				
Transportation				
Personnel	<u>116,527</u>	<u>116,527</u>	<u>100,569</u>	<u>(15,958)</u>
Net change in fund balance	(25,002)	(25,002)	(3,547)	21,455
Budgetary fund balance at beginning of year	<u>128,315</u>	<u>128,315</u>	<u>128,315</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 103,313</u>	<u>\$ 103,313</u>	<u>\$ 124,768</u>	<u>\$ 21,455</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Intergovernmental	\$ -	\$ 15,000	\$ -	\$ (15,000)
Total budgetary revenues.	-	15,000	-	(15,000)
Budgetary expenditures:				
Current:				
Community environment				
Operating	-	32,298	17,298	(15,000)
Total budgetary expenditures	-	32,298	17,298	(15,000)
Net change in fund balance	-	(17,298)	(17,298)	-
Budgetary fund balance at beginning of year	17,298	17,298	17,298	-
Budgetary fund balance at end of year	<u>\$ 17,298</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)
ALCOHOL ENFORCEMENT AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Fines, licenses and permits	\$ 500	\$ 500	\$ 578	\$ 78
Budgetary expenditures:				
Current:				
Security of persons and property				
Police				
Operating	2,000	2,000	-	(2,000)
Net change in fund balance.	(1,500)	(1,500)	578	2,078
Budgetary fund balance at beginning of year	9,750	9,750	9,750	-
Budgetary fund balance at end of year	<u>\$ 8,250</u>	<u>\$ 8,250</u>	<u>\$ 10,328</u>	<u>\$ 2,078</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, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary fund balance at beginning of year	\$ 750	\$ 750	\$ 750	\$ -
Budgetary fund balance at end of year	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ -</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Fines, licenses and permits	\$ 3,000	\$ 3,000	\$ 940	\$ (2,060)
Budgetary expenditures:				
Current:				
Security of persons and property				
Operating	2,000	2,000	381	(1,619)
Net change in fund balance.	1,000	1,000	559	(441)
Budgetary fund balance at beginning of year	<u>2,673</u>	<u>2,673</u>	<u>2,673</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 3,673</u>	<u>\$ 3,673</u>	<u>\$ 3,232</u>	<u>\$ (441)</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary expenditures:				
Current:				
Security of persons and property				
Operating	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Net change in fund balance.	(5,000)	(5,000)	-	5,000
Budgetary fund balance at beginning of year	<u>5,580</u>	<u>5,580</u>	<u>5,580</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 580</u></u>	<u><u>\$ 580</u></u>	<u><u>\$ 5,580</u></u>	<u><u>\$ 5,000</u></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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Miscellaneous	\$ 500	\$ 500	\$ 25	\$ (475)
Budgetary expenditures:				
Current:				
Security of persons and property				
Operating	3,000	3,000	2,866	(134)
Net change in fund balance.	(2,500)	(2,500)	(2,841)	(341)
Budgetary fund balance at beginning of year	<u>6,810</u>	<u>6,810</u>	<u>6,810</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 4,310</u>	<u>\$ 4,310</u>	<u>\$ 3,969</u>	<u>\$ (341)</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Miscellaneous	\$ 500	\$ 500	\$ 75	\$ (425)
Budgetary expenditures:				
Current:				
Security of persons and property				
Operating	2,500	2,500	399	(2,101)
Net change in fund balance.	(2,000)	(2,000)	(324)	1,676
Budgetary fund balance at beginning of year	<u>5,161</u>	<u>5,161</u>	<u>5,161</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 3,161</u>	<u>\$ 3,161</u>	<u>\$ 4,837</u>	<u>\$ 1,676</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Property taxes	\$ 141,506	\$ 173,065	\$ 169,031	\$ (4,034)
Intergovernmental	15,535	19,000	23,059	4,059
Total budgetary revenues.	<u>157,041</u>	<u>192,065</u>	<u>192,090</u>	<u>25</u>
Budgetary expenditures:				
Current:				
Security of persons and property				
Operating	<u>515,000</u>	<u>515,000</u>	<u>499,775</u>	<u>(15,225)</u>
Budgetary excess of expenditures over revenues	<u>(357,959)</u>	<u>(322,935)</u>	<u>(307,685)</u>	<u>15,250</u>
Budgetary other financing sources:				
Transfers in.	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Net change in fund balance.	(7,959)	27,065	42,315	15,250
Budgetary fund balance at beginning of year	<u>40,545</u>	<u>40,545</u>	<u>40,545</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 32,586</u>	<u>\$ 67,610</u>	<u>\$ 82,860</u>	<u>\$ 15,250</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Miscellaneous	\$ -	\$ -	\$ 29,787	\$ 29,787
Net change in fund balance	-	-	29,787	29,787
Budgetary fund balance at beginning of year	<u>14,294</u>	<u>14,294</u>	<u>14,294</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 14,294</u>	<u>\$ 14,294</u>	<u>\$ 44,081</u>	<u>\$ 29,787</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Miscellaneous.	\$ 15,000	\$ 15,000	\$ 7,475	\$ (7,525)
Total budgetary revenues.	<u>15,000</u>	<u>15,000</u>	<u>7,475</u>	<u>(7,525)</u>
Budgetary expenditures:				
Current:				
General government				
Operating.	<u>20,000</u>	<u>20,000</u>	<u>12,475</u>	<u>(7,525)</u>
Budgetary excess of expenditures over revenues	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Budgetary other financing sources:				
Transfers in	<u>4,300</u>	<u>4,300</u>	<u>4,300</u>	<u>-</u>
Net change in fund balance	<u>(700)</u>	<u>(700)</u>	<u>(700)</u>	<u>-</u>
Budgetary fund balance at beginning of year	<u>700</u>	<u>700</u>	<u>700</u>	<u>-</u>
Budgetary fund balance at end of year	<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)
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary expenditures:				
Current:				
Leisure time activities				
Operating	\$ 1,205,110	\$ 1,205,110	\$ 1,205,110	\$ -
Transportation				
Operating	46,239	46,239	46,239	-
Total budgetary expenditures	<u>1,251,349</u>	<u>1,251,349</u>	<u>1,251,349</u>	<u>-</u>
Net change in fund balance.	(1,251,349)	(1,251,349)	(1,251,349)	-
Budgetary fund balance at beginning of year	439,445	439,445	439,445	-
Prior year encumbrances appropriated . . .	<u>811,904</u>	<u>811,904</u>	<u>811,904</u>	<u>-</u>
Budgetary fund balance at end of year	<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)
TALLMADGE RESERVE INCENTIVE DISTRICT TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2024*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary expenditures:				
Debt service:				
Principal retirement.	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Interest and fiscal charges.	23,950	23,950	23,950	-
Total budgetary expenditures	63,950	63,950	63,950	-
 Budgetary excess of expenditures over revenues	(63,950)	(63,950)	(63,950)	-
 Budgetary other financing sources:				
Advances in	63,950	63,950	63,950	-
 Net change in fund balance	-	-	-	-
 Budgetary fund balance at beginning of year	-	-	-	-
 Budgetary fund balance at end of year	\$ -	\$ -	\$ -	\$ -

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Fines, licenses and permits	\$ 5,000	\$ 5,000	\$ 46,518	\$ 41,518
Net change in fund balance	5,000	5,000	46,518	41,518
Budgetary fund balance at beginning of year	<u>27,533</u>	<u>27,533</u>	<u>27,533</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 32,533</u>	<u>\$ 32,533</u>	<u>\$ 74,051</u>	<u>\$ 41,518</u>

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary expenditures:				
Current:				
Security of persons and property				
Police				
Operating	\$ 7,700	\$ 7,700	\$ -	\$ 7,700
Net change in fund balance	(7,700)	(7,700)	-	7,700
Budgetary fund balance at beginning of year	<u>7,854</u>	<u>7,854</u>	<u>7,854</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 154</u>	<u>\$ 154</u>	<u>\$ 7,854</u>	<u>\$ 7,700</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Intergovernmental.	\$ 105,168	\$ 105,168	\$ 43,795	\$ (61,373)
Budgetary expenditures:				
Current:				
Security of persons and property				
Fire				
Operating	105,168	105,168	13,704	(91,464)
Budgetary excess of revenues over expenditures	-	-	30,091	30,091
Budgetary other financing (uses):				
Transfers (out).	(105,168)	(105,168)	(105,168)	-
Net change in fund balance	(105,168)	(105,168)	(75,077)	30,091
Budgetary fund balance at beginning of year	105,168	105,168	105,168	-
Budgetary fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,091</u>	<u>\$ 30,091</u>

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, 2024*

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Over (Under) Actual Amounts
	Original	Final		
Budgetary expenditures:				
Current:				
General government	\$ 5,000	\$ 5,000	\$ 4,160	\$ (840)
Debt service:				
Principal retirement.	860,000	860,000	860,000	-
Interest and fiscal charges.	281,540	281,540	281,540	-
Total budgetary expenditures	<u>1,146,540</u>	<u>1,146,540</u>	<u>1,145,700</u>	<u>(840)</u>
 Budgetary excess of expenditures over revenues	 <u>(1,146,540)</u>	 <u>(1,146,540)</u>	 <u>(1,145,700)</u>	 <u>(840)</u>
Budgetary other financing sources:				
Transfers in.	<u>1,146,540</u>	<u>1,146,540</u>	<u>1,146,540</u>	<u>-</u>
 Net change in fund balance.	 -	 -	 840	 (840)
 Budgetary fund balance at beginning of year	 <u>47,845</u>	 <u>47,845</u>	 <u>47,845</u>	 <u>-</u>
 Budgetary fund balance at end of year	 <u>\$ 47,845</u>	 <u>\$ 47,845</u>	 <u>\$ 48,685</u>	 <u>\$ (840)</u>

CITY OF TALLMADGE, OHIO

*COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2024*

	General Infrastructure	Fire Station Construction	East Avenue Improvement	Totals
Assets:				
Equity in pooled cash and cash equivalents.	\$ 135,917	\$ 440,220	\$ 14,223	\$ 590,360
Receivables:				
Intergovernmental.	-	-	22,795	22,795
Total assets.	<u>\$ 135,917</u>	<u>\$ 440,220</u>	<u>\$ 37,018</u>	<u>\$ 613,155</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 1,168	\$ 1,168
Interfund loan payable	-	24,600	-	24,600
Total liabilities	<u>-</u>	<u>24,600</u>	<u>1,168</u>	<u>25,768</u>
Fund balances:				
Restricted for:				
Capital outlay.	-	16,475	35,850	52,325
Committed	135,917	399,145	-	535,062
Total fund balances.	<u>135,917</u>	<u>415,620</u>	<u>35,850</u>	<u>587,387</u>
Total liabilities and fund balances	<u>\$ 135,917</u>	<u>\$ 440,220</u>	<u>\$ 37,018</u>	<u>\$ 613,155</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, 2024*

	General Infrastructure	Fire Station Construction	East Avenue Improvement	Totals
Revenues:				
Intergovernmental.	\$ -	\$ 14,427	\$ 109,480	\$ 123,907
Investment income.	-	2,048	-	2,048
Total revenues	<u>-</u>	<u>16,475</u>	<u>109,480</u>	<u>125,955</u>
Expenditures:				
Capital outlay.	-	-	82,650	82,650
Excess of revenues over expenditures . . .	<u>-</u>	<u>16,475</u>	<u>26,830</u>	<u>43,305</u>
Other financing sources:				
Transfers in	<u>30,000</u>	-	-	30,000
Total other financing sources.	<u>30,000</u>	-	-	30,000
Net change in fund balances.	30,000	16,475	26,830	73,305
Fund balances at beginning of year	<u>105,917</u>	<u>399,145</u>	<u>9,020</u>	<u>514,082</u>
Fund balances at end of year.	<u>\$ 135,917</u>	<u>\$ 415,620</u>	<u>\$ 35,850</u>	<u>\$ 587,387</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary expenditures:				
Capital outlay	\$ 69,204	\$ 69,204	\$ 38,111	\$ (31,093)
Budgetary excess of expenditures over revenues	(69,204)	(69,204)	(38,111)	31,093
Budgetary other financing sources:				
Transfers in	30,000	30,000	30,000	-
Total budgetary other financing sources	30,000	30,000	30,000	-
Net change in fund balance	(39,204)	(39,204)	(8,111)	31,093
Budgetary fund balance at beginning of year	104,824	104,824	104,824	-
Prior year encumbrances appropriated . . .	39,204	39,204	39,204	-
Budgetary fund balance at end of year	<u>\$ 104,824</u>	<u>\$ 104,824</u>	<u>\$ 135,917</u>	<u>\$ 31,093</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Intergovernmental	\$ -	\$ -	\$ 14,427	\$ 14,427
Investment income	-	-	2,048	2,048
Total budgetary revenues.	<u>-</u>	<u>-</u>	<u>16,475</u>	<u>16,475</u>
Budgetary expenditures:				
Capital outlay	<u>426,343</u>	<u>426,343</u>	<u>422,813</u>	<u>(3,530)</u>
Net change in fund balance	(426,343)	(426,343)	(406,338)	20,005
Budgetary fund balance at beginning of year	111,494	111,494	111,494	-
Prior year encumbrances appropriated . . .	<u>426,343</u>	<u>426,343</u>	<u>426,343</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 111,494</u>	<u>\$ 111,494</u>	<u>\$ 131,499</u>	<u>\$ 20,005</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Intergovernmental.	\$ 179,187	\$ 179,187	\$ 87,853	\$ (91,334)
Budgetary expenditures:				
Capital outlay	193,410	193,410	193,410	-
Net change in fund balance	(14,223)	(14,223)	(105,557)	(91,334)
Budgetary fund balance (deficit) at beginning of year.	(179,187)	(179,187)	(179,187)	-
Prior year encumbrances appropriated . . .	193,410	193,410	193,410	-
Budgetary fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (91,334)</u>	<u>\$ (91,334)</u>

CITY OF TALLMADGE, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - Over (Under) Actual Amounts</u>
Budgetary revenues:				
Charges for services	\$ 5,585,500	\$ 5,585,500	\$ 6,121,546	\$ 536,046
Sale of assets	-	-	2,613	2,613
Miscellaneous	14,300	14,300	14,967	667
Total budgetary revenues.	<u>5,599,800</u>	<u>5,599,800</u>	<u>6,139,126</u>	<u>539,326</u>
Budgetary expenses:				
Personal services	626,087	626,087	500,032	(126,055)
Materials and supplies	161,688	161,688	81,654	(80,034)
Contractual services	4,407,603	4,407,603	3,942,315	(465,288)
Other	48,786	48,786	41,304	(7,482)
Capital outlay				
Master meter replacement	20,000	20,000	20,000	-
Sewer rehabilitation	254,520	254,520	234,416	(20,104)
Debt service:				
Principal retirement	97,938	97,938	97,938	-
Interest and fiscal charges	42,354	42,354	27,457	(14,897)
Total budgetary expenses.	<u>5,658,976</u>	<u>5,658,976</u>	<u>4,945,116</u>	<u>(713,860)</u>
Net change in fund equity	(59,176)	(59,176)	1,194,010	1,253,186
Budgetary fund equity at beginning of year	5,061,572	5,061,572	5,061,572	-
Prior year encumbrances appropriated . . .	<u>69,619</u>	<u>69,619</u>	<u>69,619</u>	<u>-</u>
Budgetary fund equity at end of year	<u>\$ 5,072,015</u>	<u>\$ 5,072,015</u>	<u>\$ 6,325,201</u>	<u>\$ 1,253,186</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Charges for services	\$ 2,086,000	\$ 2,086,000	\$ 2,176,856	\$ 90,856
Miscellaneous	29,500	29,500	30,906	1,406
Total budgetary revenues	<u>2,115,500</u>	<u>2,115,500</u>	<u>2,207,762</u>	<u>92,262</u>
Budgetary expenses:				
Personal services	626,087	626,087	500,039	(126,048)
Materials and supplies	181,438	191,438	95,657	(95,781)
Contractual services	1,361,321	1,751,321	1,600,183	(151,138)
Other	111,586	111,586	93,059	(18,527)
Capital outlay				
Water tower maintenance	174,959	174,959	168,970	(5,989)
Hydrant and valve replacement	40,000	40,000	-	(40,000)
Knollwood waterline	6,900	6,900	6,900	-
Southwest waterline	8,240	8,240	8,240	-
East Ave. waterline	6,790	6,790	6,790	-
Software purchases	3,131	3,131	3,131	-
Debt service:				
Principal retirement	191,215	191,215	191,215	-
Interest and fiscal charges	66,577	66,577	51,094	(15,483)
Total budgetary expenses	<u>2,778,244</u>	<u>3,178,244</u>	<u>2,725,278</u>	<u>(452,966)</u>
Net change in fund equity	(662,744)	(1,062,744)	(517,516)	545,228
Budgetary fund equity at beginning of year	2,973,217	2,973,217	2,973,217	-
Prior year encumbrances appropriated . . .	<u>109,398</u>	<u>109,398</u>	<u>109,398</u>	<u>-</u>
Budgetary fund equity at end of year	<u>\$ 2,419,871</u>	<u>\$ 2,019,871</u>	<u>\$ 2,565,099</u>	<u>\$ 545,228</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, 2024*

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - Over (Under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues:				
Charges for services	\$ 512,000	\$ 512,000	\$ 547,684	\$ 35,684
Miscellaneous	1,000	1,000	12,816	11,816
Total budgetary revenues	<u>513,000</u>	<u>513,000</u>	<u>560,500</u>	<u>47,500</u>
Budgetary expenses:				
Personal services	316,500	316,500	281,666	(34,834)
Materials and supplies	56,000	56,000	50,209	(5,791)
Contractual services	73,422	73,422	53,517	(19,905)
Other	200	200	55	(145)
Capital outlay				
Storm water	155,000	222,500	209,647	(12,853)
Debt service:				
Principal retirement	42,750	42,750	42,750	-
Interest and fiscal charges	750	750	706	(44)
Total budgetary expenses	<u>644,622</u>	<u>712,122</u>	<u>638,550</u>	<u>(73,572)</u>
Net change in fund equity	(131,622)	(199,122)	(78,050)	121,072
Budgetary fund equity at beginning of year	210,856	210,856	210,856	-
Prior year encumbrances appropriated . . .	<u>18,422</u>	<u>18,422</u>	<u>18,422</u>	<u>-</u>
Budgetary fund equity at end of year	<u>\$ 97,656</u>	<u>\$ 30,156</u>	<u>\$ 151,228</u>	<u>\$ 121,072</u>

STATISTICAL SECTION

CITY OF TALLMADGE, OHIO

STATISTICAL SECTION

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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	148
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	159
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	166
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	170
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	172

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			
	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	\$ 17,237,094	\$ 21,380,493	\$ 19,123,730	\$ 19,498,663
Restricted	1,089,332	1,021,205	806,140	274,037
Unrestricted	(453,009)	1,361,578	(9,351,088)	(11,179,353)
Total governmental activities net position	<u>\$ 17,873,417</u>	<u>\$ 23,763,276</u>	<u>\$ 10,578,782</u>	<u>\$ 8,593,347</u>
Business-type activities				
Net investment in capital assets	\$ 12,275,784	\$ 12,827,739	\$ 14,454,902	\$ 14,757,523
Restricted	-	-	-	-
Unrestricted	5,521,861	5,143,660	5,630,339	7,308,183
Total business-type activities net position	<u>\$ 17,797,645</u>	<u>\$ 17,971,399</u>	<u>\$ 20,085,241</u>	<u>\$ 22,065,706</u>
Primary government				
Net investment in capital assets	\$ 29,025,245	\$ 33,875,568	\$ 33,578,632	\$ 34,256,186
Restricted	1,089,332	1,021,205	806,140	274,037
Unrestricted	5,556,485	6,837,902	(3,720,749)	(3,871,170)
Total primary government net position	<u>\$ 35,671,062</u>	<u>\$ 41,734,675</u>	<u>\$ 30,664,023</u>	<u>\$ 30,659,053</u>

Notes:

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.

2019	2020	2021	2022	2023	2024
\$ 18,867,627	\$ 18,829,238	\$ 18,127,401	\$ 21,157,942	\$ 23,489,771	\$ 23,951,464
186,000	981,141	2,649,980	3,729,695	3,276,530	3,824,596
(5,773,072)	(5,419,099)	1,408,406	3,008,550	2,244,642	1,035,930
<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>	<u>\$ 28,811,990</u>
\$ 14,223,000	\$ 14,255,462	\$ 15,006,026	\$ 15,516,210	\$ 15,618,439	\$ 15,407,727
-	-	-	-	3,032	42,180
7,531,052	7,012,551	7,493,897	7,846,277	9,111,653	9,719,070
<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>	<u>\$ 25,168,977</u>
\$ 33,090,627	\$ 33,084,700	\$ 33,133,427	\$ 36,674,152	\$ 39,108,210	\$ 39,359,191
186,000	981,141	2,649,980	3,729,695	3,279,562	3,866,776
1,757,980	1,593,452	8,902,303	10,854,827	11,356,295	10,755,000
<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>	<u>\$ 53,980,967</u>

TABLE 2

CITY OF TALLMADGE, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$ 4,013,860	\$ 4,189,505	\$ 4,590,950	\$ 4,885,634
Security of persons and property				
Police	4,100,747	4,470,737	4,538,862	5,095,099
Street lights	35,335	34,663	35,445	37,309
Fire	3,181,762	3,278,321	3,580,450	3,956,386
Public health and welfare	72,192	78,701	73,275	87,955
Transportation	3,862,300	3,303,595	4,450,856	4,089,726
Community environment	126,520	247,564	346,400	389,036
Leisure time activity	2,315,093	2,474,982	2,660,058	2,680,260
Utility services	-	-	-	-
Interest and fiscal charges	331,527	306,671	322,376	273,292
Total governmental activities expenses	<u>18,039,336</u>	<u>18,384,739</u>	<u>20,598,672</u>	<u>21,494,697</u>
Business-type activities:				
Sewer operating	4,007,772	4,461,756	4,107,890	3,715,964
Water operating	1,927,721	2,173,956	2,039,430	2,090,577
Storm water	406,712	487,373	458,769	454,543
Total business-type activities expenses	<u>6,342,205</u>	<u>7,123,085</u>	<u>6,606,089</u>	<u>6,261,084</u>
Total primary government expenses	<u>\$ 24,381,541</u>	<u>\$ 25,507,824</u>	<u>\$ 27,204,761</u>	<u>\$ 27,755,781</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 356,067	\$ 324,132	\$ 292,870	\$ 688,715
Security of persons and property				
Police	4,272	25,856	7,441	10,358
Fire	458,369	404,113	378,181	432,560
Public health and welfare	2,942	2,565	2,564	5,198
Transportation	57,514	59,880	61,247	106,650
Community environment	38,520	44,575	56,980	44,758
Leisure time activity	1,675,577	1,793,613	1,854,305	1,874,238
Operating grants and contributions	1,269,128	1,191,375	1,467,132	1,528,418
Capital grants and contributions	232,040	4,682,170	428,835	44,240
Total governmental program revenues	<u>4,094,429</u>	<u>8,528,279</u>	<u>4,549,555</u>	<u>4,735,135</u>
Business-type activities:				
Charges for services:				
Sewer operating	3,806,251	3,923,707	4,514,010	4,743,445
Water operating	2,192,281	2,008,569	2,156,467	2,182,363
Storm water	323,013	305,252	318,523	349,661
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	1,031,476	-	934,330
Total business-type activities program revenues	<u>6,321,545</u>	<u>7,269,004</u>	<u>6,989,000</u>	<u>8,209,799</u>
Total primary government program revenue	<u>\$ 10,415,974</u>	<u>\$ 15,797,283</u>	<u>\$ 11,538,555</u>	<u>\$ 12,944,934</u>
Net (Expense)/Revenue				
Governmental activities	\$ (13,944,907)	\$ (9,856,460)	\$ (16,049,117)	\$ (16,759,562)
Business-type activities	(20,660)	145,919	382,911	1,948,715
Total primary government net expense	<u>\$ (13,965,567)</u>	<u>\$ (9,710,541)</u>	<u>\$ (15,666,206)</u>	<u>\$ (14,810,847)</u>

	2019	2020	2021	2022	2023	2024
\$	5,203,616	\$ 4,747,031	\$ 3,664,086	\$ 4,497,025	\$ 6,627,658	\$ 6,029,560
	1,809,260	5,352,730	4,714,491	5,208,973	6,119,746	7,000,274
	35,126	36,182	28,439	43,219	66,784	60,983
	1,065,306	4,110,228	4,123,991	4,436,557	6,498,561	6,321,013
	94,931	131,468	136,525	109,075	150,466	158,221
	4,352,004	3,933,604	2,693,858	3,972,641	3,461,510	3,508,391
	324,278	262,442	237,615	159,162	273,795	330,563
	3,115,698	2,456,690	1,860,081	2,388,172	3,531,536	4,547,326
	-	47,353	89,909	-	-	-
	264,713	218,601	322,680	364,477	321,059	353,339
	<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>	<u>28,309,670</u>
	4,737,178	4,365,118	4,303,032	4,605,411	4,885,090	5,023,779
	2,192,291	2,288,670	2,093,789	2,225,352	2,471,007	2,794,365
	591,588	652,502	460,603	482,724	556,913	631,522
	<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>8,449,666</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>	<u>36,759,336</u>
\$	413,674	\$ 342,864	\$ 391,896	\$ 405,723	\$ 411,132	\$ 408,688
	7,416	5,154	4,583	5,155	2,580	8,592
	424,920	422,745	431,212	574,172	592,119	805,828
	4,087	3,681	7,233	17,178	29,539	161,540
	79,963	48,192	287,592	170,556	80,791	101,204
	39,852	39,502	77,366	58,987	53,758	54,610
	1,958,915	760,536	1,197,342	1,775,404	1,708,011	1,985,760
	1,961,633	3,814,475	2,104,155	1,793,297	3,224,937	2,634,501
	2,523	78,762	905,398	1,376,459	386,743	106,325
	<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>	<u>6,267,048</u>
	4,665,336	4,000,161	4,473,801	5,005,702	6,023,227	6,114,423
	2,073,246	1,909,613	2,154,825	2,123,041	2,249,330	2,173,968
	339,528	296,198	332,176	346,758	500,965	564,003
	-	-	-	-	7,328	-
	87,451	522,192	1,051,002	639,608	431,443	-
	<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>8,852,394</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>	<u>15,119,442</u>
\$	(11,371,949)	\$ (15,780,418)	\$ (12,464,898)	\$ (15,002,370)	\$ (20,561,505)	\$ (22,042,622)
	(355,496)	(578,126)	1,154,380	801,622	1,299,283	402,728
\$	<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>	<u>(21,639,894)</u>

- Continued

TABLE 2

CITY OF TALLMADGE, OHIO

CHANGES IN NET POSITION (CONTINUED)
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2015	2016	2017	2018
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 2,036,907	\$ 2,046,484	\$ 2,071,912	\$ 2,167,776
Permissive motor vehicle license tax	-	-	-	-
Income taxes	9,836,002	10,873,754	10,242,096	10,110,310
Unrestricted grants and contributions	1,684,506	2,636,593	1,605,087	1,719,143
Investment earnings	43,929	64,428	119,726	270,484
Change in fair value of investments	-	(36,756)	30,106	(30,230)
Miscellaneous	152,030	161,816	265,074	391,938
Transfers	(260,360)	-	(2,113,760)	-
Total governmental activities	<u>13,493,014</u>	<u>15,746,319</u>	<u>12,220,241</u>	<u>14,629,421</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	18,510	27,835	32,485	31,750
Transfers	260,360	-	2,113,760	-
Total business-type activities	<u>278,870</u>	<u>27,835</u>	<u>2,146,245</u>	<u>31,750</u>
Total primary government	<u>\$ 13,771,884</u>	<u>\$ 15,774,154</u>	<u>\$ 14,366,486</u>	<u>\$ 14,661,171</u>
Change in Net Position				
Governmental activities	\$ (451,893)	\$ 5,889,859	\$ (3,828,876)	\$ (2,130,141)
Business-type activities	258,210	173,754	2,529,156	1,980,465
Total primary government	<u>\$ (193,683)</u>	<u>\$ 6,063,613</u>	<u>\$ (1,299,720)</u>	<u>\$ (149,676)</u>

Note: 2018 has been restated in accordance with the implementation of GASB Statement No. 84.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 2,232,791	\$ 2,282,011	\$ 2,401,946	\$ 2,443,867	\$ 2,470,752	\$ 2,814,502
-	-	-	-	-	105,471
11,161,240	11,709,492	14,848,907	14,708,305	14,641,430	15,583,556
1,930,092	2,004,132	2,697,890	3,093,587	2,907,211	2,871,341
333,463	195,287	71,281	280,091	1,067,077	1,342,213
52,485	40,959	(62,344)	(165,925)	125,796	21,208
349,086	659,262	301,725	352,845	463,995	309,334
-	-	-	-	-	-
<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>	<u>23,047,625</u>
-	-	12	18	-	-
43,842	92,087	77,518	60,924	71,354	61,881
-	-	-	-	-	-
<u>43,842</u>	<u>92,087</u>	<u>77,530</u>	<u>60,942</u>	<u>71,354</u>	<u>61,881</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>	<u>\$ 23,109,506</u>
\$ 4,687,208	\$ 1,110,725	\$ 7,794,507	\$ 5,710,400	\$ 1,114,756	\$ 1,005,003
(311,654)	(486,039)	1,231,910	862,564	1,370,637	464,609
<u>\$ 4,375,554</u>	<u>\$ 624,686</u>	<u>\$ 9,026,417</u>	<u>\$ 6,572,964</u>	<u>\$ 2,485,393</u>	<u>\$ 1,469,612</u>

TABLE 3

CITY OF TALLMADGE, OHIO

*FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund				
Nonspendable	\$ 71,993	\$ 224,368	\$ 175,328	\$ 169,188
Restricted	-	-	-	-
Committed	-	-	-	335,127
Assigned	332,881	721,654	1,082,057	1,005,745
Unassigned	6,436,553	8,224,427	7,894,320	6,849,232
Total general fund	<u>\$ 6,841,427</u>	<u>\$ 9,170,449</u>	<u>\$ 9,151,705</u>	<u>\$ 8,359,292</u>
All Other Governmental Funds				
Nonspendable	\$ 69,664	\$ 164,524	\$ 158,072	\$ 277,737
Restricted	1,997,588	1,748,212	1,598,522	1,667,710
Committed	288,398	170,300	90,160	106,741
Assigned	99,839	87,463	66,332	24,851
Unassigned (deficit)	-	(272,519)	(52,548)	(16,540)
Total all other governmental funds	<u>\$ 2,455,489</u>	<u>\$ 1,897,980</u>	<u>\$ 1,860,538</u>	<u>\$ 2,060,499</u>

Note:

Fund balance for 2018 has been restated in accordance with the implementation of GASB Statement No. 84.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 276,241	\$ 295,112	\$ 292,206	\$ 814,829	\$ 875,652	\$ 946,256
-	-	-	-	-	-
298,024	337,498	302,818	286,434	192,505	263,584
1,143,432	836,804	2,442,188	3,065,631	4,553,025	4,109,183
7,523,668	8,711,289	9,574,586	10,329,127	9,563,593	10,879,514
<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>	<u>\$ 16,198,537</u>
\$ 266,074	\$ 378,472	\$ 232,194	\$ 227,849	\$ 1,256,507	\$ 1,207,878
1,762,478	3,608,498	9,263,958	4,435,157	3,035,025	4,617,313
99,293	505,346	636,623	612,323	505,062	535,062
16,171	43,085	668,674	51,345	47,845	48,685
(5,101)	-	(84,563)	(136,784)	(201,534)	(265,484)
<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>	<u>\$ 6,143,454</u>

TABLE 4

CITY OF TALLMADGE, OHIO

GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

	2015	2016	2017	2018
Revenues				
Property and other taxes	\$ 2,059,080	\$ 2,052,791	\$ 2,057,730	\$ 2,179,146
Municipal income taxes	9,844,999	10,628,415	10,156,843	10,011,817
Intergovernmental	3,086,741	7,022,306	3,630,150	3,034,077
Investment income	42,885	59,239	118,964	254,232
Fines, licenses, and permits	356,831	366,002	336,532	305,805
Special assessments	107,432	99,975	94,423	107,177
Charges for services	2,165,699	2,270,401	2,309,777	2,824,347
Change in fair value of investments	-	(36,756)	30,106	(30,230)
Miscellaneous	271,263	334,532	429,893	626,448
Total revenues	<u>17,934,930</u>	<u>22,796,905</u>	<u>19,164,418</u>	<u>19,312,819</u>
Expenditures				
Current:				
General government	3,682,315	3,895,399	3,988,120	4,494,620
Security of persons and property				
Police	3,941,589	3,950,057	4,106,240	4,315,465
Street lighting	35,335	34,663	35,445	37,309
Fire	2,921,254	2,879,469	3,204,066	3,323,493
Public health and welfare	69,876	76,385	70,959	85,639
Transportation	1,964,913	1,892,975	2,039,398	2,215,675
Community environment	126,047	242,047	321,885	366,329
Leisure time activity	1,978,136	2,074,446	2,100,515	2,154,495
Utility services	-	-	-	-
Capital outlay	2,382,717	6,040,590	2,717,795	2,139,193
Debt service				
Principal retirement	819,943	845,564	1,684,750	1,211,662
Interest and fiscal charges	346,052	300,618	299,707	276,194
Bond issue costs	110,335	-	25,000	-
Total expenditures	<u>18,378,512</u>	<u>22,232,213</u>	<u>20,593,880</u>	<u>20,620,074</u>
Excess of revenues over (under) expenditures	<u>(443,582)</u>	<u>564,692</u>	<u>(1,429,462)</u>	<u>(1,307,255)</u>
Other financing sources (uses)				
Sale of capital assets	-	-	-	-
Capital lease transaction	179,104	406,821	448,276	570,097
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	4,819,200	4,027,250	4,279,750	4,905,544
Transfers (out)	(4,819,200)	(4,027,250)	(4,179,750)	(4,905,544)
Total other financing sources (uses)	<u>289,438</u>	<u>1,206,821</u>	<u>1,373,276</u>	<u>570,097</u>
Net change in fund balances	<u>\$ (154,144)</u>	<u>\$ 1,771,513</u>	<u>\$ (56,186)</u>	<u>\$ (737,158)</u>
Capital expenditures	1,048,247	6,515,158	1,428,972	1,459,411
Debt service as a percentage of noncapital expenditures (2)	6.73%	7.29%	10.35%	7.77%

(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.

	2019	2020	2021	2022	2023	2024
\$	2,233,402	\$ 2,293,689	\$ 2,391,118	\$ 2,430,977	\$ 2,466,214	\$ 2,875,654
	10,938,609	12,118,753	14,040,922	14,504,283	14,646,127	15,643,718
	3,464,347	5,537,127	5,181,842	5,322,631	5,616,312	5,683,978
	340,392	197,521	99,895	256,095	1,000,803	1,382,889
	338,179	332,191	416,550	338,475	286,889	402,220
	102,016	78,978	36,637	40,279	28,647	25,969
	2,523,187	1,301,641	1,805,288	2,628,421	2,562,394	2,990,976
	52,485	40,959	(62,344)	(165,925)	125,796	21,208
	607,786	1,178,415	734,477	564,567	755,280	581,944
	<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>	<u>29,608,556</u>
	4,092,829	4,245,734	4,615,992	5,008,105	5,948,239	5,405,243
	4,531,301	4,784,136	4,863,305	5,313,803	5,037,927	6,144,443
	35,126	36,182	28,439	43,219	66,784	60,983
	3,491,241	3,637,839	3,874,893	4,327,303	5,231,530	4,995,680
	92,615	128,831	133,241	129,375	143,399	153,167
	2,228,357	2,123,807	2,299,024	2,342,500	2,360,457	2,435,869
	280,273	232,641	351,396	221,287	255,534	285,887
	2,391,224	1,965,045	2,142,863	2,475,581	3,089,730	3,851,540
	-	47,353	89,909	-	-	-
	1,279,535	2,655,099	6,434,236	8,759,549	4,999,190	3,151,920
	1,059,936	1,150,804	1,204,699	1,192,895	1,335,300	1,501,654
	269,574	179,141	172,130	406,874	357,927	384,476
	-	45,500	135,000	-	-	-
	<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>28,370,862</u>
	848,392	1,847,162	(1,700,742)	(4,300,688)	(1,337,555)	1,237,694
	-	-	-	51,832	136,193	59,322
	112,097	111,832	559,380	-	-	-
	-	-	-	495,381	889,838	829,088
	-	-	-	110,602	53,140	281,639
	-	-	-	-	179,000	106,568
	-	-	-	-	221,153	-
	-	3,885,000	9,000,000	-	-	-
	-	-	-	-	-	-
	-	-	832,088	-	-	-
	-	-	(78,146)	-	-	-
	-	(2,508,170)	-	-	-	-
	4,406,905	4,649,728	4,483,864	4,988,674	6,250,315	7,695,840
	(4,406,905)	(4,649,728)	(4,483,864)	(4,988,674)	(6,250,315)	(7,695,840)
	<u>112,097</u>	<u>1,488,662</u>	<u>10,313,322</u>	<u>657,815</u>	<u>1,479,324</u>	<u>1,276,617</u>
\$	<u>960,489</u>	<u>\$ 3,335,824</u>	<u>\$ 8,612,580</u>	<u>\$ (3,642,873)</u>	<u>\$ 141,769</u>	<u>\$ 2,514,311</u>
	567,499	2,015,192	5,933,172	8,455,350	3,823,534	1,929,593
	6.93%	6.92%	6.75%	7.35%	6.77%	7.13%

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TABLE 5**CITY OF TALLMADGE, OHIO***REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS*

Year	Net Tax Levy (Current Billed Portion)	Current Collections	Percent of Current Collections to Net Levy	Delinquent Collections	Total Collections	Percent of Total Collections to Levy	Current Delinquent Amount
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
2024	3,070,004	2,994,508	97.54%	63,307	3,057,815	99.60%	75,496

Source: Summit County, Ohio; County Fiscal Officer

TABLE 6**CITY OF TALLMADGE, OHIO***ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS*

Year	Real Property		Public Utility Property	
	Estimated Actual Value (A)	Assessed Value	Estimated Actual Value (B)	Assessed Value
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
2024	1,793,296,914	627,653,920	10,916,420	9,606,450

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

Total		Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
Estimated Actual Value	Assessed Value		
\$ 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%
1,804,213,335	637,260,370	6.15	35.32%

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 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
1 2024	16.10	76.95	1.90	6.15	101.10	5.85
2 2024	16.10	53.35	2.00	6.15	77.60	0.45

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
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
2024	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

		December 31, 2024	
Name of Taxpayer	Nature of Business	Valuation	Percent of Total
Ohio Edison Co/First Energy	Public Utility	\$ 5,118,870	0.82%
OI Tallmadge Funding Company LLC	Industrial Warehouses Light	4,763,740	0.76%
Big Zilla Development LLC	Commercial Warehouses	3,949,800	0.63%
Eastwood ME LLC	Community Shopping Center	3,073,950	0.49%
American Transmission Systems Inc.	Public Utility	2,373,670	0.38%
Saxon Village Limited	Apartments 40 or more	2,363,870	0.38%
Tallmadge Associates	Apartments 40 or more	2,150,480	0.34%
Heather Knoll Rental Properties LLC	Nursing Home & Private Hospital	2,050,020	0.33%
Tallmadge Oaks LTD	Apartments 40 or more	2,038,630	0.32%
LTC Tallmadge LLC	Other Commercial Structures	1,898,510	0.30%
Total		\$ 29,781,540	4.75%
Total Assessed Valuation - Real Property		\$ 627,653,920	
		December 31, 2015	
Name of Taxpayer	Nature of Business	Valuation	Percent of Total
Eastwood Square Associates LTD	Retail Property Management	\$ 2,226,320	0.60%
Tallmadge Oaks LTD	Apartment Complex	2,038,980	0.55%
Saxon Village Limited	Apartment Complex	1,645,870	0.45%
MK Menlo Property Owner LLC	Retail Property Management	1,546,950	0.42%
Tallmadge Associates	Retail Property Management	1,506,910	0.41%
Mindale Farms Co.	Agriculture	1,485,930	0.40%
Heather Knoll Rental Properties LLC	Apartment Complex	1,337,730	0.36%
GE Tallmadge Portfolio LP	Grocery	1,312,910	0.36%
Tallmadge Senior Housing LTD	Apartment Complex	1,263,170	0.34%
Colonial Gardens LLC	Nursing Home	1,242,080	0.34%
Total		\$ 15,606,850	4.23%
Total Assessed Valuation - Real Property		\$ 369,219,410	

Source: Summit County, Ohio; County Fiscal Officer

TABLE 10**CITY OF TALLMADGE, OHIO***INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS*

Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
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%
2024	2.25%	15,487,918	10,912,870	70.46%	2,540,309	16.40%

Sources: Regional Income Tax Agency (RITA)

Note: State law prohibits disclosure of income tax information by individual taxpayer.

	Taxes from Individuals	Percentage of Taxes from Individuals	Tax from Utilities	Percentage of Tax from Utilities
\$	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%
	2,026,614	13.09%	8,125	0.05%

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
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	-	-
2024	12,325,827	-	-	1,881,537	356,359	166,869	-	-

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)

OWDA Loans	Direct Financing Notes	Leases	Capital Leases (c)	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita
\$ 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
536,292	71,154	160,806	-	15,498,844	768,324,882	2.02%	18,317	846

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
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
2024	12,325,827	1,804,213,335	0.68%	18,317	673

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**
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
2024	55,142	n/a	n/a	53,299	96.66%	1,843

Source: Summit County, Ohio; County Fiscal Officer

* The delinquent billed amount was not available for 2015 - 2024.

**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, 2024*

Jurisdiction	Governmental Activities Debt	Percentage Overlapping	Applicable to the City
Direct:			
City of Tallmadge	\$ 14,730,592	100.00%	\$ 14,730,592
Overlapping Debt:			
Summit County	65,905,000	3.52%	2,319,856
Portage County	4,642,195	0.45%	20,890
Brimfield Township	7,495,108	5.40%	404,736
Stow/Munroe Falls City School District	1,600,000	0.01%	160
Tallmadge City School District	44,675,084	99.86%	44,612,539
Field Local School District	12,485,000	2.23%	278,416
Total Overlapping Debt	<u>136,802,387</u>		<u>47,636,597</u>
Total Direct and Overlapping Debt	<u>\$ 151,532,979</u>		<u>\$ 62,367,189</u>

Source: Debt outstanding for overlapping government - Ohio Municipal Advisory Council (OMAC), as of January 1, 2025.

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*

Year	Debt Limit - Voted	Debt Limit - Unvoted	Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin - Voted*	Legal Debt Margin - Unvoted*	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
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%
2024	66,912,339	35,049,320	12,325,827	48,685	54,635,197	35,049,320	18.42%

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*

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (c)</u>	<u>Per Capita Personal Income (a)</u>	<u>Unemployment Rates (b)</u>		
				<u>Summit County</u>	<u>Ohio</u>	<u>United States</u>
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%
2024	18,317	768,324,882	41,946	4.4%	4.3%	4.0%

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*

<u>Year</u>	<u>New Housing Starts</u>	
	<u>Single Family</u>	<u>Condominium</u>
2015	20	-
2016	50	12
2017	61	-
2018	35	-
2019	15	-
2020	8	-
2021	76	-
2022	48	31
2023	49	-
2024	60	-

Sources: City of Tallmadge Zoning Department (2017-2024)
Summit County Department of Building Standards (2015-2016)

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*

Employer	Description	2024	2015
		Rank	Rank
Autosales Inc.	Retail	1	1
Tallmadge Public Schools	Education	2	3
Summit Racing Management	Retail	3	
Steere Enterprises Inc	Plastic Fabrication	4	4
S.D. Myers Inc.	Transformer Maintenance & Testing	5	5
City of Tallmadge	Government	6	7
Dayton Freight	Transportation	7	
Owens Corning Foam Insulation	Manufacturing	8	10
Group Management Serv. Inc.	Professional Employer Organization	9	
Derma Med Coatings LLC	Manufacturing	10	
Summit County	Government		2
WaltoCo Lift Corp	Manufacturing		6
East End Welding	Welding & Fabrication		8
Kent Displays	Technology		9

Source: Regional Income Tax Agency

TABLE 19

CITY OF TALLMADGE, OHIO

*MISCELLANEOUS STATISTICS
DECEMBER 31, 2024*

Founded	1806
Incorporated as Village	1936
Incorporated as City	1951
Town Hall erected	1859
Form of government	Charter
Population	18,317
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	27

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*

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Mayor	4.5	5.0	6.0	7.5	7.5	7.5	7.5	5.0	5.0	7.5
Finance	6.0	6.0	7.0	7.0	7.0	7.0	6.5	6.0	6.5	6.0
Law	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5	3.0	3.5
Service	3.0	3.5	4.5	3.0	2.0	2.0	3.0	3.0	2.0	2.0
Information Systems	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	3.0	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	-	-	-	-	-	-	-
Security of Persons and Property										
Police	34.5	40.5	40.0	39.0	39.5	44.0	39.0	38.0	41.0	41.5
Fire	40.5	39.5	42.5	40.5	40.5	46.5	39.0	32.5	35.5	37.0
Leisure Time Activities										
Maca Pool*	16.0	15.5	18.0	17.5	23.5	-	22.0	17.5	17.0	28.5
Recreation Center	64.5	60.0	70.5	50.0	45.5	35.5	37.0	44.0	36.5	38.0
Community Environment										
Building & Zoning	2.0	2.5	3.0	2.5	3.0	3.0	3.0	3.0	3.0	3.5
Transportation										
Garage	4.5	4.5	7.0	4.5	4.5	4.0	5.0	4.0	4.0	4.0
Street	18.5	19.0	19.0	19.5	21.5	20.5	17.5	19.0	20.0	19.5
Utilities										
Utilities Services	6.5	7.0	6.0	7.0	8.0	8.0	6.5	9.0	9.0	7.0
Total	214.0	216.5	237.0	211.0	215.5	191.0	199.5	195.0	193.5	209.0

*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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Security of Persons and Property										
Police****										
Physical Arrests	556	795	773	966	847	332	753	714	557	606
Parking Violations	20	22	6	15	12	9	16	10	-	4
Traffic Violations	733	673	471	472	423	233	259	327	384	634
Fire										
Emergency Response Calls	2,680	2,889	2,938	3,125	3,275	2,930	3,500	3,807	3,806	3,888
Fires Extinguished	27	28	34	20	22	35	45	16	25	21
Inspections Conducted ***	658	570	788	768	669	381	409	442	645	452
Transportation										
Street resurfacing miles	6.70	3.00	3.00	2.43	1.85	0.91	2.91	3.37	2.94	3.92
Leisure Time Activities										
Trees Planted	-	-	-	-	-	27	19	11	5	12
Recreation Center Memberships*										
Annual	4,844	5,323	5,839	5,581	6,311	5,721	6,852	6,992	7,422	7,665
Monthly	1,545	1,231	1,273	1,383	1,349	1,231	1,105	1,355	1,235	1,382
Swimming Pool Memberships**										
Memberships**	1,793	1,754	1,999	1,901	1,739	-	1,870	2,601	2,023	2,282
Water										
Customers Served	7,208	7,330	7,409	7,463	7,479	7,525	7,589	7,725	7,749	7,789
New Connections	130	62	97	58	20	28	53	16	7	8
Water Main Breaks	13	28	13	24	22	20	11	19	17	16
Avg. Daily Consumption (gpd)										
million gallons per day	1.10	1.20	1.20	1.20	1.10	1.20	1.20	1.20	1.30	1.40
Peak Daily Consumption (gpd)										
million gallons per day	1.70	1.50	1.40	1.50	1.70	1.60	1.50	1.60	2.30	1.90
Sewer										
Customers Served	7,888	8,001	8,163	8,210	8,340	8,380	8,456	8,576	8,519	8,565
Storm Water										
Customers Served	6,095	6,143	6,212	6,252	6,262	6,279	6,333	6,467	6,486	6,529

*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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Security of Persons and Property										
Police:										
Stations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Patrol Units	20.0	19.0	19.0	19.0	18.0	20.0	18.0	18.0	17.0	21.0
School Resource Units	-	1.0	1.0	1.0	2.0	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
Public Health and Welfare										
Cemeteries	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Leisure Time Activities										
Park Acreage	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	180.0	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	10.0	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
Transportation										
Streets (paved miles)	96.1	99.1	99.1	100.0	100.0	100.0	100.9	101.2	101.5	101.5
Traffic Signals	187.0	186.0	189.0	189.0	189.0	189.0	189.0	190.0	190.0	190.0
Water										
Water Mains (miles)	87.0	88.1	88.1	88.5	88.5	88.9	90.0	90.3	90.6	90.6
Sewer										
Sanitary Sewers (miles)	60.7	61.1	61.1	61.5	61.5	62.3	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 7/10/2025

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
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