

**CITY OF DAYTON
MONTGOMERY COUNTY**



SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024



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

City Commissioners
City of Dayton
101 W. Third St.
Dayton, OH 45401

We have reviewed the *Independent Auditor's Report* of the City of Dayton, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Dayton is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

February 05, 2026

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**CITY OF DAYTON
MONTGOMERY COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**CITY OF DAYTON
MONTGOMERY COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF COMMERCE				
<i>Direct Program</i>				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307	N/A	\$ -	\$ 3,096,882
Subtotal Economic Development Cluster			0	3,096,882
Total U.S. Department of Commerce			0	3,096,882
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Direct Program</i>				
CDBG Entitlement/Special Purpose Grants Cluster:				
Community Development Block Grants / Entitlement Grants	14.218	N/A	521,129	5,369,086
Subtotal CDBG - Entitlement/Special Grants Cluster			521,129	5,369,086
Emergency Solutions Grant Program	14.231	N/A	289,112	289,112
Home Investment Partnerships Program	14.239	N/A	0	601,816
Continuum of Care Program	14.267	N/A	2,349,630	2,349,630
Fair Housing Assistance Program	14.401	N/A	0	115,624
Economic Development Initiative, Community Project Funding, and Miscellaneous grants	14.251	N/A	1,388,249	1,388,249
Total U.S. Department of Housing and Urban Development			4,548,120	10,113,517
U.S. DEPARTMENT OF JUSTICE				
<i>Direct Program</i>				
Crime Victim Assistance	16.575	N/A	0	32,659
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	0	102,601
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	N/A	0	303,026
Equitable Sharing Program	16.922	N/A	0	515,435
Comprehensive Forensic DNA Analysis Grant Program	16.036	N/A	0	108,374
Total U.S. Department of Justice			0	1,062,095
U.S. DEPARTMENT OF STATE				
<i>Direct Program</i>				
AEECA/ESF PD Programs	19.900	N/A	0	124,019
Total U.S. Department of State			0	124,019
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Direct Program</i>				
Airport Improvement Program	20.106	N/A	0	2,966,217
COVID-19 Airport Improvement Program	20.106	N/A	0	3,625,536
Subtotal Airport Improvement Program			0	6,591,753
<i>Passed through Ohio Department of Public Safety</i>				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP/STEP-2023-Dayton Police Dept.-00022	0	17,930
Highway Safety Cluster:				
State and Community Highway Safety	20.600	IDEP/STEP-2022-Dayton Police Dept.-00033	0	194,755
Subtotal Highway Safety Cluster			0	194,755

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
<i>Passed through Ohio Department of Transportation</i>				
Highway Planning and Construction	20.205	PID#95303	0	372,680
Highway Planning and Construction	20.205	PID#97905	0	4,360
Highway Planning and Construction	20.205	PID#106121	0	88,579
Highway Planning and Construction	20.205	PID#108376	0	238,713
Highway Planning and Construction	20.205	PID#106126	0	2,468
Highway Planning and Construction	20.205	PID#110256	0	2,098
Highway Planning and Construction	20.205	PID#110257	0	1,152,951
Highway Planning and Construction	20.205	PID#113448	0	323,978
Highway Planning and Construction	20.205	PID#116959	0	372,212
Highway Planning and Construction	20.205	PID#114813	0	912,002
Highway Planning and Construction	20.205	PID#120094	0	32,838
Subtotal Highway Planning and Construction			0	3,502,879
Total U.S. Department of Transportation			0	10,307,317
U.S. DEPARTMENT OF THE TREASURY <i>Direct Program</i>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	46,392,069
Total U.S. Department of the Treasury			0	46,392,069
U.S. ENVIRONMENTAL PROTECTION AGENCY <i>Passed Through Ohio Environmental Protection Agency</i>				
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9971	0	661,450
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9972	0	331,119
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9946	0	24,435
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9675	0	3,609,158
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9670	0	1,461,389
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9667	0	473,800
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9677	0	92,700
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9679	0	3,500
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9970	0	281,373
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9812	0	753,756
Drinking Water State Revolving Fund	66.468	Ohio EPA ID# 9797	0	1,247,633
Subtotal Drinking Water State Revolving Fund			0	8,940,313
Total U.S. Environmental Protection Agency			0	8,940,313
U.S. DEPARTMENT OF HOMELAND SECURITY <i>Direct Program</i>				
Assistance to Firefighters Grant	97.044	N/A	0	565,444
Homeland Security Grant Program	97.067	N/A	0	24,865
Emergency Management Performance Grants	97.071	N/A	0	72,596
Total U.S. Department of Homeland Security			0	662,905
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAM <i>Direct Program</i>				
National Bioterrorism Hospital Preparedness Program	93.889	N/A	0	4,858
Total U.S. Department of Health and Human Services Program			0	4,858
Total Expenditures of Federal Awards			\$4,548,120	\$80,703,975

The accompanying notes are an integral part of this schedule.

**CITY OF DAYTON
MONTGOMERY COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of City of Dayton, Ohio (the City) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City's Operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

The City passes certain Federal awards received from the United States Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E - MATCHING REQUIREMENTS

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

NOTE F - COVID 19 CORONAVIRUS STATE AND LOCAL RECOVERY FUNDS

The 2023 total expenditures for ALN 21.027 reported on the 2023 Schedule of Expenditures of Federal Awards were overstated by \$7,760,359, related to the revenue replacement calculation. These funds were expended in the year ended December 31, 2022, and are included on the Schedule for the year ended December 31, 2023.

City of Dayton, Ohio
James M. Cox Dayton International Airport (DAY) Schedule of Passenger Facility Charges
For the Year Ended December 31, 2024

Collections:	Approved Project Budget	Cummulative Total thru 2023	2024 1st Qtr.	2024 2nd Qtr.	2024 3rd Qtr.	2024 4th Qtr.	Cummulative Total thru 2024
Passenger Facility Charge Collections		\$118,772,405	\$566,777	\$661,853	\$642,778	\$856,950	\$121,500,763
Interest Earned on Collections		5,387,931		268,424	145,186	120,145	5,921,684
Total Passenger Facility Charge Collections Received		\$124,160,336	\$566,777	\$930,277	\$787,964	\$977,095	\$127,422,447
Expenditures:							
Application/Project							
94-02-C-05-DAY & 96-03-U-02-DAY	\$28,098,728	\$28,098,728					\$28,098,728
01-04 ARFF station renovation and expansion	1,619,192	1,619,192					1,619,192
01-04 ARFF vehicle replacement (Rescue 22)	807,614	783,334					783,334
01-04 Airfield Snow Removal Equipment	2,017,065	2,278,789					2,278,789
01-04 Airport police office renovation	265,894	265,894					265,894
01-04 Back-up generator - airfield	1,202,814	1,202,813					1,202,813
01-04 Back-up generator - terminal	1,202,814	1,202,813					1,202,813
01-04 Cargo and terminal aircraft apron rehabilitation	300,217	295,395					295,395
01-04 Deicing system improvements	911,850	915,824					915,824
01-04 Environmental Impacy Study	378,965	378,965					378,965
01-04 CALCS and GIS implementation	44,480	44,480					44,480
01-04 Land acquisition - approach and runway protection	408,394	408,349					408,349
01-04 Land acquisition and apprch protection for RW 20 at MGY	-	-					-
01-04 Pt. 150 noise study, phases 1, 2, and final	570,685	624,890					624,890
01-04 Runway 2/20 and other pavement rehabilitation at DWBA	144,449	144,449					144,449
01-04 Runway pavement reahabilitation	989,868	989,868					989,868
01-04 SW terminal apron, NE deice apron/perimeter road	1,723,528	1,723,528					1,723,528
01-04 Taxiways A and Z rehabilitation	49,351	44,241					44,241
01-04 Taxiways H, K , E, C, L, and V rehabilitation	311,968	351,719					351,719
01-04 Terminal Drive & related roads rehabilitation	3,725,623	4,754,228					4,754,228
01-04 Terminal gate expansion	19,191,396	19,160,479					19,160,479
01-04 Financing and Interest Costs	10,106,687	10,577,405		57,992		56,682	10,692,079
05-05 In-line baggage make-up facility.	11,325,432	11,787,497					11,787,497
05-05 Terminal environmental restoration.	8,797,981	8,797,981					8,797,981
05-05 Financing and Interest Costs	7,755,763	6,169,863		66,619		65,114	6,301,595
09-06-C-01-DAY	2,616,158	2,616,158					2,616,158
12-07-C-01-DAY	7,311,845	7,311,845					7,311,845
15-08 Airport terminal renovations, phase II.	26,951,670	8,261,335		575,869		571,383	9,408,589
15-08 PFC administration costs.	100,000	48,404					48,404
Total Passenger Facility Charge Collections Expended	\$138,930,431	\$120,858,466	\$0	\$700,480	\$0	\$693,179	\$122,252,126

See accompanying notes to the Schedule of Passenger Facility Charges.

**CITY OF DAYTON
MONTGOMERY COUNTY
NOTES TO THE SCHEDULE OF
PASSENGER FACILITIES CHARGES
14 CFR 158
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Passenger Facility Charges (the Schedule) includes the passenger facility charges activity for the City of Dayton (the City) under the federal government's programs for the year ended December 31, 2024. The information in this Schedule is prepared in accordance with the requirements of Title 14 U.S. Code of Federal Regulations Part 158, *Passenger Facility Charges*. Because the Schedule presents only a selected portion of the City's operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Collections and expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 14 U.S. Code of Federal Regulations Part 158, *Passenger Facility Charges*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

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

To the Honorable Mayor and City Commissioners
City of Dayton, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, 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 September 29, 2025. We noted the City adopted new accounting guidance in Government Accounting Standards Board (GASB) 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Dayton, Ohio
September 29, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor and City Commissioners
City of Dayton, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Dayton, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated September 29, 2025, which contained unmodified opinions on those financial statements, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.

Dayton, Ohio

September 29, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND ON THE SCHEDULE OF PASSENGER FACILITY CHARGES
REQUIRED BY THE GUIDE**

To the Honorable Mayor and City Commissioners
City of Dayton, Ohio

Report on Compliance

Opinion

We have audited the City of Dayton, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the Passenger Facility Charge Audit Guide for Public Agencies (Guide), issued by the Federal Aviation Administration, that could have a direct and material effect on its Passenger Facility Charge Program for the year ended December 31, 2024.

In our opinion, the City of Dayton complied, in all material respects, with the types of compliance requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Guide. Our responsibility under those standards and the Guide are further described in the Auditor's Responsibilities for Audit of Compliance section of the report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal controls over compliance with the requirements of laws and regulations applicable to its Passenger Facility Charge Program.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Guide, we:

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

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Passenger Facility Charges Required by the Guide

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of 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. We issued our report thereon dated September 29, 2025, which contained unmodified opinions on those financial statements, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101 Compensated Absences. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of passenger facility charges is presented for purposes of additional analysis as specified in the Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charges is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.
Dayton, Ohio
September 29, 2025

**CITY OF DAYTON, OHIO
SCHEDULE OF FINDINGS
2 CFR § 200.515
Year Ended December 31, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted?

No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

Identification of major federal programs:

Economic Development Cluster AL # 11.307
Drinking Water State Revolving Fund AL # 66.468
COVID-19 Coronavirus State and Local Fiscal Recovery Funds AL # 21.027

Dollar threshold used to distinguish between Type A and Type B Programs

\$2,421,119

Auditee qualified as low-risk auditee?

No

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

**City of Dayton, Ohio
Montgomery County
101 West Third Street
Dayton, Ohio 45402**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
Year Ended December 31, 2024**

The City of Dayton had no prior audit findings or questioned costs.



City of Dayton, OH
Annual Comprehensive Financial Report
Fiscal Year Ended December 31, 2024





2024 Administration



Jeffrey J. Mims, Jr.
Mayor



Matt Joseph
Commissioner



Christopher L. Shaw
Commissioner



Darryl Fairchild
Commissioner



Shenise Turner-Sloss
Commissioner



Shelley Dickstein
City Manager

city of Dayton, Ohio



City of Dayton, Ohio

Annual Comprehensive Financial Report

January 1, 2024 – December 31, 2024

Prepared By

DEPARTMENT OF FINANCE

MISSION STATEMENT

As stewards of the public trust, our mission is to provide leadership, excellent services and participatory government to enhance the quality of life and sense of community for all who live, work, raise families, or conduct business in Dayton.





Introduction

CITY OF DAYTON, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024**

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CITY OF DAYTON, OHIO

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CITY OF DAYTON, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
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Department of Finance | Director's Office

City of Dayton | 101 West Third Street | Dayton, OH 45402
(937) 333-3578 Office | (937) 333-2222 Fax

www.daytonohio.gov

September 29, 2025

To the Honorable Mayor, Members of the City Commission, City Manager, and Citizens of the City of Dayton, Ohio.

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Dayton, Ohio, for the fiscal year ending December 31, 2024.

State law requires that every local government publish a complete set of financial statements within five months of the close of each fiscal year. Also, the City's Charter (Sections 44 and 78) prescribes required accounting, audit, and examination procedures for the City of Dayton. The 2024 ACFR was prepared using Generally Accepted Accounting Principles (GAAP) as applied to governmental units and contains all disclosures necessary to enable the reader to understand the City's financial affairs. City management is responsible for providing accurate and complete data for a fair and comprehensive presentation of its net financial position.

The City's accounting system provides reasonable, but not absolute, assurance concerning the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Plattenburg & Associates, Inc. studies the City's system of internal controls, conducts such tests that are necessary under the circumstances, and renders an opinion based upon the statements when taken in whole. Once again, the City has received an unmodified opinion from the independent auditor indicating that the financial statements are presented fairly. The opinion letter is included in the Financial Section of this report.

The City has included all of the funds for which it is financially accountable in the annual report. The City is associated with twelve (12) jointly governed organizations, which include: 1) the Miami Valley Regional Planning Commission, 2) Miami Valley Fire/EMS Alliance, 3) Montgomery County Family & Children First Council, 4) Economic Development/Government Equity Program (EDGE) 5) Hazardous Material Response Team, 6) Montgomery County Regional Radio Council, 7) Montgomery County Emergency Management Agency, 8) Butler Township-Dayton Joint Economic Development District (JEDD), 9) Miami Township-Dayton (JEDD), 10) Dayton Arcade New Community Authority, 11) Preschool Promise and 12) Montgomery County Convention Facilities Authority (MCCFA).

This transmittal letter provides some basic background information about the City, including a brief profile of the City's history, demographics, organization, and basic financial structure and policies, a description of economic conditions and outlook, major community projects, and initiatives. The letter is also a complement to the required Management's Discussion and Analysis (MD&A). The City's MD&A, which focuses on the government-wide statements, can be found immediately following the independent auditor's report.

PROFILE OF THE CITY OF DAYTON

A small group of settlers founded Dayton on April 1, 1796, seven years before the admission of Ohio to the Union in 1803. The town was incorporated in 1805 and given its name after Jonathan Dayton, a captain in the American Revolutionary War and the youngest signer of the U.S. Constitution. In 1797, Daniel C. Cooper laid out the Mad River Road, the first overland connection between Cincinnati and Dayton. This opened up the "Mad River Country" at Dayton and the upper Miami Valley to settlement.

Situated in southwestern Ohio, Dayton is the county seat and the largest city in Montgomery County. As of July 1, 2023, the U.S. Census Bureau reflects an estimated Dayton population as 135,512. The 2023 Census Quick Facts reflects the City's population is comprised of 51.9% White, 38.0% Black, 5.2% Hispanic or Latino, 1.3% Asian, 0.4% American Indian or Alaska Native. The Owner-occupied housing rate is 48.4%, and the median household income in 2022 dollars is \$41,443, according to the 2023 Census Quick Facts. The 2020 census for the Montgomery County population was 537,309. Dayton is also part of a group of other local communities called the Greater Dayton Area, which includes the cities of Vandalia, Trotwood, Kettering, Centerville, Beavercreek, Fairborn, West Carrollton, Huber Heights, Troy, Oakwood, Miamisburg and several others.

The City of Dayton was the first large city to adopt the Council-Manager form of government in 1913. The Dayton City Commission is composed of five members – a Mayor and four Commissioners. Each member is elected at-large on a non-partisan basis for four-year overlapping terms. All policy matters are directed by the City Commission, which is empowered by the City Charter to pass ordinances and resolutions, adopt regulations, and appoint the City Manager. The City Manager then is charged with ensuring the Commission's priorities and policies are executed effectively and efficiently by managing the day-to-day operations and providing leadership to the administrative staff who provides City services.

The City provides a full range of basic governmental services that include police, fire and emergency medical, street, alley, bridge, and park maintenance, waste collection services, recreation and golf, park services, community planning and engagement and economic development, building and housing inspection, and a municipal court system. In addition, the City operates enterprise or business-type functions that provide water supply and treatment, sewer and stormwater maintenance, wellfield protection, wastewater treatment and airport services. The City workforce across all funds at the end of 2024 was 1,901 (full-time and part-time equivalent) employees.

The City's budgeting process is prescribed by the Ohio Revised Code (ORC) and the City of Dayton Charter. The annual budget serves as the foundation for the City of Dayton's financial planning and control. The City Commission is required to adopt the original budget after the second Monday in January and the final budget by December 31. The budget is prepared by fund and department for significant operating funds, and by fund category for capital and non-operating funds.

The City's charter, as amended in 2014, established the Policy Budget framework and five Community Service Areas: Economic and Community Development, Justice, Building and Environmental Safety, Infrastructure, and Corporate Services and Governance. Each Community Service Area (CSA) is composed of a group of programs with an integrated mission, linked together with a set of shared Commission Priorities. The Policy Budget emphasizes leveraging City resources to accomplish community outcomes that are impactful to the community. The CSA groupings create natural collaborations between City departments and programs and support innovation and operational efficiency.

The original and revised budgets are a representation of the City's various adopted appropriations. The annual expenditure budget is limited by the amount of anticipated revenues and available cash balances

certified by the County Budget Commission in accordance with the Ohio Revised Code. In 2024, the City's total original operating budget was \$982,203,900.00, and the final revised operating budget was \$1,057,377,700.00. A large majority of the increase was related to transfers out for ARPA Revenue Loss and increased expenses including strategic investments in infrastructure and capital improvements.

The City maintains financial stability by continuing its well-documented reputation of sound financial management and leadership and strict adherence to key financial policies. One such policy is the City's long-standing General Fund Cash Reserve policy to maintain cash reserve levels equal to six to ten weeks of operating expenses. At the end of 2024, the General Fund cash reserve was \$59.5 million or \$19.8 million over the minimum level of 8.7 weeks of operating funds.

Another significant financial policy is the City's Investment Policy. This policy allows the City to be more flexible and take advantage of market conditions to maximize the City's return on investment and protecting principle. In 2024, investment earnings increased significantly due to an increase in interest rates. The City earned nearly \$15.5 million from its leading investment portfolio, representing a 43.5% increase from 2023.

A well-managed and stable community's financial credibility is also validated by external entities. For the Fiscal Year 2024, Moody's Investors Service (Moody's) maintained Dayton's general obligation bond credit rating at Aa2 and our non-tax revenue debt rating at Aa3. Standard & Poor's (S&P) affirmed Dayton's general obligation bond and non-tax revenue debt credit ratings at AA. Moody's and S&P also retained their ratings of Aa2 and AA-, respectively, on both the water system revenue bonds and sewer system revenue bonds issued by Dayton. In 2023, S&P upgraded the City's underlying rating on its Airport Revenue Bonds to BBB+ from BBB. Fitch affirmed its rating on the outstanding airport revenue bonds at BBB. Overall, the announcements from all three rating agencies attest to the continued confidence in Dayton's financial management practices and long-term stability.

BUSINESS INCENTIVES AND CREATING ECONOMIC DEVELOPMENT

Based upon GASB Statement No. 77, *Tax Abatement Disclosures*, the City is now required to report any tax abatements in the City's ACFR. As a means of providing incentives and promoting economic and community development, the City of Dayton may use tax incentives through a combination of Tax Increment Financing (TIF), Community Reinvestment Area (CRA), and Enterprise Zone financing, strategies, and agreements.

The City uses TIF, authorized by the Ohio Revised Code (ORC) Chapter 5709, as a tool to support development in the City. The TIF is a public financing tool available to local Ohio governments to finance public infrastructure improvements supporting commercial development and residential rehabilitation in certain circumstances. TIFs are often used to support financing to close project funding gaps, without which the project would not be able to move forward. Successful projects have included the Schuster Performance Center on Main Street, the Tech Town campus in the growing Webster Station neighborhood, and the G.E. Aviation Epicenter at the University of Dayton. Some of the TIFs authorized by the City are Non-School TIFs, which ensure the Dayton Public School District receives its share of the tax revenues generated by the development. This means the school district will continue to receive the amount of property taxes that would have been payable to the school district if the local government enacted no TIF exemption. Any TIFs created where the exemption affects the property tax revenue to a local school district require a compensation agreement negotiated with and approved by the School Board where the TIF area is located. TIF and School Board TIF projects in City TIF areas have resulted in hundreds of jobs and approximately \$300 million of capital investment since 2001.

The CRA is a direct incentive tax exemption program benefiting property owners who renovate existing or construct new residential buildings to encourage the revitalization of the current housing stock and the development of new structures. This program permits municipalities or counties to designate areas where housing investment has been discouraged. Under the CRA program, local governments petition the Ohio Development Services Agency (ODSA) for confirmation of a geographical location in which investment in housing is desired. Property owners in the geographical areas can apply to the local legislative authority for approval to renovate or construct. Upon approval and completion of certification, the abatement amount is deducted from the individual or entity's property tax bill. The 2024 City of Dayton CRA Annual Report listed 174 residential and 30 commercial projects previously approved to benefit from real property exemption. The total investment of all residential properties in the CRA was \$238,503,591.00. There were 48 residential properties removed from the CRA program as their exemption terms matured and 30 new residential applications.

The Enterprise Zone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. It is authorized in ORC Sections 5709.62 and 5709.63. An Enterprise Zone is a designated land area where businesses can receive tax incentives through tax exemptions on qualifying new investments. An Enterprise Zone's geographic location is identified by the local government creating the zone. The local government must petition the ODSA to certify the area to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement with the business, which may include tax sharing with the Board of Education. The City has entered into agreements to abate through these programs. The City currently has six active Enterprise Zone Agreements and has experienced a \$160 million total investment from businesses that pledged to invest \$26.7 million. Employment in 2024 was 1,386 full-time equivalent positions, which includes created and retained jobs.

LOCAL ECONOMY AND INVESTMENT

The City of Dayton has continued its resurgence in the areas of economic development and business expansion. The local job market reflects upward employment trends in the areas of education, healthcare and high-skilled STEM jobs.

In 2024, Revenues performed better than anticipated, resulting in the General Fund recognizing \$11.8 million in excess of Sources over Uses. The City's income tax revenues climbed by 7.8% or \$11.9 million vs. 2023. Withholdings represented a 4.3% increase or \$5.8 million vs. 2023, complemented by an increase of 44.8% or \$6.9 million in Business profits. Income tax is the largest source of revenue for the General Fund and is closely monitored as it is a major indicator of the condition and direction of the local economy.

In Downtown Dayton, significant progress was made utilizing public and private investments on a wide range of highly anticipated and exciting development projects. More than \$400 million worth of projects were completed. Examples of major developments that were either initiated or completed are included below:

- ✓ **Centre City** - During the fourth quarter, plans were announced for the **Centre City** building's renovation. The 21-story building at the corner of Fourth and Main streets could be redeveloped to include more than 200 housing units and an additional 11,000 square feet of retail space on its first floor. The housing would likely be made up of market-rate, workforce, and affordable senior units.

- ✓ **The Dayton Arcade** project continued to make great progress all year long with work on the North Arcade phase of redevelopment, including a marketplace retail environment and the 93-room Hilton Garden Inn. Elsewhere in the Arcade, popular restaurant Table 33 reopened in its new location along the rotunda and Fourth Street, and kitchen incubator 6888 also celebrated its grand opening.
- ✓ **Dayton Convention Center** - Progress also continued on the **Dayton Convention Center's** \$45 million renovation project throughout 2024. The work, including a variety of modernization projects and expansions, was more than 70% finished in the fourth quarter, and is expected to wrap up early in 2025. The former Dayton Convention and Visitor's Bureau also celebrated its 30th anniversary with a new name - **Destination Dayton**.
- ✓ **The Montgomery County Convention Facilities Authority** announced that Concord Hospitality Enterprises Company will develop a "headquarters hotel" on the space between East Fifth and Stone streets, near the Dayton Convention Center. The \$60M+ project would feature a 12-story hotel with more than 200 guest rooms, plus space for a restaurant and entertainment/retail on the ground floor, and the possibility of a rooftop bar and/or indoor fitness center.
- ✓ **Day Air Ballpark**, home of the Dayton Dragons, completed several improvements during the first quarter of 2024. Work included replacing the playing field, stadium roof, and HVAC system, plus improvements to the LED outfield wall, sound system, including 484 speakers throughout the stadium, and seating. The stadium also replaced all of the outfield wall padding in order to meet new Major League Baseball requirements.
- ✓ **Hotel Ardent** - Construction continued throughout the year on the new **Hotel Ardent**, 137 N. Main St., which opened its doors in early 2025. This \$25 million dollar investment to the historic Barclay building created a 118-room boutique-style hotel nestled directly in Dayton's vibrant Theatre district.
- ✓ **The Windsor Companies** made great progress throughout 2024 on renovations to transform The Deneau Tower, 40 W. Fourth St., into a mixed-use space with three floors of office, approximately 150 luxury apartments, and 5,200+ square feet of retail.
- ✓ **OnMain**, Ohio's second innovation hub, where leading edge companies connect with startups, business incubators and accelerators. This partnership between the University of Dayton and Premier Health received \$35 million allocation from Ohio's Innovation Hubs program. This investment will be used for the construction and initial operation of the Digital Transformation Center which will be the cornerstone building of the development.
- ✓ **Dine' Development Corporation (701 E. Monument Avenue)**
Dine' Development Company (DDC) completed the establishment of their new operations and R&D facility in 2024. This project facilitated DDC's relocation and renovations to the former Entrepreneurs Center, near Tech Town. The City of Dayton provided \$150K in development funds and \$188K in TIF funds for this \$6.4M project.

Downtown continued to see its business community grow. Overall, 28 new businesses opened in 2024, and more than \$400 million worth of projects were completed downtown and another \$1.6 billion is in the works. This represents the largest downtown investment since tracking began in 2010.

According to *data from the Downtown Dayton Partnership's 2024 year-end report*:

- ✓ 353 housing units were added in Dayton's downtown urban core
- ✓ 251 units were under construction
- ✓ 436 new downtown housing units were still in the pipeline

Outside of Downtown, the Dayton International Airport campus offers nonstops to major hubs and countless connections across the United States and continues to be a growing hub for logistics and manufacturing in the City of Dayton. The **Dayton International Airport** is committed to offering business and leisure travelers the “easy to and through” experience while also continuing to focus on economic activity that creates jobs. Several terminal modernization projects were completed in 2024 to enhance passenger experiences, including a \$15.2 million investment in Terminal Apron improvements and \$2.3 million in resurfacing. Sierra Nevada Corporation (SNC) opened its second 100,000-square-foot facility in September 2024. This second state-of-the-art SNC facility will support some of the largest aviation projects in the world. The City of Dayton provided \$1 million in development funds for this \$46.3 million project. Sierra Nevada also broke ground on their third and fourth hangars in October 2024.

COMMUNITY DEVELOPMENT AND INITIATIVES

The City of Dayton commitment to community development and initiatives efforts highlights strong collaboration between residents, nonprofits, and city agencies all aimed at creating a resilient, inclusive and vibrant city. Examples include:

QuikTrip Convenience Store (2121 S. Edwin C. Moses)

QuikTrip Convenience Store (QT) completed construction of a full-service fuel and convenience retail located at 2121 S. Edwin C. Moses. The 8,300 retail facility is the first QT operation within the city of Dayton.

Malt Products, Inc. (4744 Wolf Creek Pike)

The company completed the expansion of its Dayton warehouse facility by more than double, adding about 170,000 square feet to its existing 110,000-square-foot space and investing \$15M at their 4744 Wolf Creek Pike in Dayton.

JBK Manufacturing and Development Company (2127 Troy Street)

Premier Aerospace Group, LLC dba JBK Manufacturing and Development Company (JBK) completed its project to relocate a production line from another facility in Illinois to its Dayton facility, in 2024. This project facilitated JBK’s relocation and setup of machinery and equipment, building improvements necessary to set up the equipment, and employee training. The City of Dayton provided \$75K in development funds for this \$545K project.

Libra Industries dba Gem City Engineering (401 Leo Street)

The company continued its growth in 2024, in connection with its project to construct an ISO 7 Cleanroom Environment, purchase machinery and equipment, and provide employee training to support the semiconductor/lithography industry in their existing Dayton facility. The City of Dayton provided \$150K in development funds for this \$2.2M project.

Grand Place Senior Living (729 W. Grand Avenue)

Complete rehabilitation activities were completed at Grand Place, an income restricted senior living facility in 2024. This rehabilitation project was imperative in the provision of safe, updated, and suitable housing for our vulnerable senior population. The City of Dayton provided \$2.5M in City HOME funds for this \$24M project.

Wolf Creek Homes

Construction of twenty seven new single family homes in the Wolf Creek neighborhood. All homes will be highly energy-efficient and will have four bedrooms, two bathrooms, a front porch and a two-car garage with alley access.

LOOKING BACK, MOVING FORWARD

The Dayton Recovery Plan, \$138 million funded by the American Rescue Plan Act (ARPA), continues to fund investments within our community to guide post-COVID recovery and long-term equity investment in targeted neighborhoods. The plan has funded improvements for neighborhood revitalization, including demolition of blighted structures and new housing, stabilization of historic sites and small business loan programs and supporting nonprofit wellbeing, education, savings incentives and outreach.

AWARDS AND ACKNOWLEDGEMENTS

For the 42nd consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting to the City of Dayton for its Consolidated Annual Financial Report for the year ended December 31, 2023. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that the 2024 Annual Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate of achievement.

Special thanks and recognition are extended to the Financial Analysis team, and our external partner, Julian and Grube, whose dedicated commitment to excellence contributed to the development of the ACFR. Ensuring that our financial reporting is accurate, transparent and reliable is essential for municipalities. Thank you to all City Departments who committed to providing accurate and timely data during the course of preparing this report. I would also like to thank the City Manager's office, Mayor, and City Commission for their support.

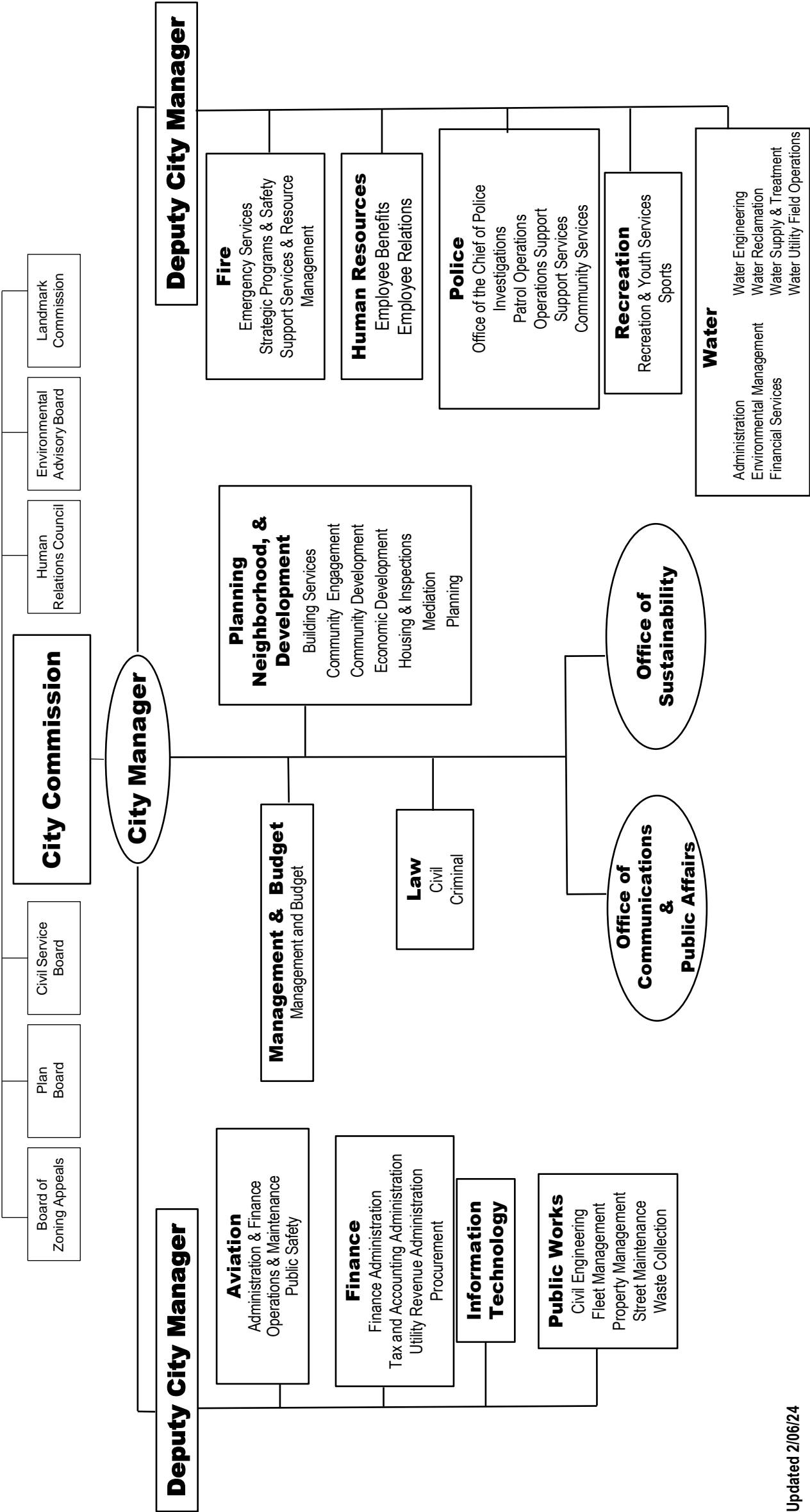
Respectfully submitted,



Kena L. Brown, Finance Director
City of Dayton

City of Dayton Organization Chart

Citizens of Dayton, Ohio



CITY OF DAYTON, OHIO

LIST OF ELECTED AND APPOINTED OFFICIALS FOR THE YEAR ENDED DECEMBER 31, 2024

ELECTED OFFICIALS

Mayor	Jeffrey J. Mims, Jr.
Commissioner	Matt Joseph
Commissioner	Chris Shaw
Commissioner	Darryl Fairchild
Commissioner	Shenise Turner Sloss
Chief of Staff – City Commissioner	Verletta A. Jackson
Dayton Municipal Clerk of Courts	Marty Gehres

APPOINTED OFFICIALS

City Manager	Shelley Dickstein
Deputy City Manager	C. LaShea Lofton
Deputy City Manager	Joseph Parlette
Director – Aviation	Gilbert Turner
Secretary and Chief Examiner – Civil Service	Kenneth Thomas
Clerk of Commission – City Commission	Regina Blackshear
Director – Finance	Kena L. Brown
Director and Chief – Fire	Mike Rice
Director – Human Relations Council	Lamonte Hall, Jr.
Director – Human Resources	Kenneth Couch
Director – IT	Jon Rike
Director – Law	Barbara Doseck
Director – Management and Budget	Abbie Patel Jones
Director – Planning, Neighborhoods and Development	Steven Gondol
Director and Chief – Police	Kamran Afzal
Director – Public Works	Fred Stovall
Director – Recreation & Youth Services	Stephan Marcellus
Director – Water	Mike Powell



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dayton
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

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Financial

FINANCIAL

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Commissioners
City of Dayton, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dayton, 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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 3 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 these 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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section 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 September 29, 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.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Dayton, Ohio
September 29, 2025

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CITY OF DAYTON, OHIO

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

The management's discussion and analysis of the City of Dayton's (the "City") financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2024. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2024 are as follows:

- The total net position of the City increased \$88,308,903 in 2024 from the 2023 restated net position. Net position of governmental activities increased \$60,973,573 or 11.03% from 2023 and net position of business-type activities increased \$27,335,330 or 4.20% from 2023 net position.
- The City had \$378,446,773 in revenues and other financing sources related to governmental activities. General revenues accounted for \$245,406,863 or 64.85% of total governmental activities revenue. Program specific revenues accounted for \$133,039,910 or 35.15% of total governmental activities revenue.
- The City had \$317,473,200 in expenses related to governmental activities; \$133,039,910 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$184,433,290 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$245,406,863.
- The general fund had revenues and other financing sources of \$273,647,762 in 2024. The expenditures and other financing uses of the general fund totaled \$252,959,741 in 2024. The net increase in the fund balance for the general fund was \$20,688,021 or 18.56% higher than 2023.
- The Local Fiscal Recovery Fund had \$61,507,387 in revenues and other financing uses and \$53,938,652 in expenditures in 2024. The net increase in the fund balance for the local fiscal recovery fund was \$7,568,735 or 12.72% higher than 2023.
- The debt service major fund had \$14,938,679 in revenues and other financing sources and \$13,666,521 in expenditures and other financing uses in 2024. The increase in fund balance in the debt service fund was \$1,272,158, a 4.73% increase from 2023.
- The capital improvements major fund had \$52,735,536 in revenues and other financing sources and \$37,634,518 in expenditures and other financing uses in 2024. The fund balance for the capital improvements fund increased \$15,101,018 or 18.38% from 2023.
- Net position for the enterprise funds, which are made up of the Dayton International Airport, Water, Sewer, and Storm Water enterprise funds, increased in 2024 by \$27,335,330.
- The Dayton International Airport enterprise fund had \$31,358,107 in operating revenues and \$39,137,407 in operating expenses in 2024. The Dayton International Airport enterprise fund also had non-operating revenues of \$3,148,658, non-operating expenses of \$2,341,922 and capital contributions of \$10,352,392. The net position of the Dayton International Airport enterprise fund increased \$3,379,828 or 1.26% from restated 2023.
- The Water enterprise fund had \$69,420,094 in operating revenues and \$59,008,765 in operating expenses in 2024. The Water enterprise fund also had non-operating revenues of \$3,958,625, non-operating expenses of \$2,264,134 and capital contributions of \$4,835,000. The net position of the Water enterprise fund increased \$16,940,820 or 8.13% from restated 2023.
- The Sewer enterprise fund had \$45,355,670 in operating revenues and \$38,082,628 in operating expenses in 2024. The Sewer enterprise fund also had non-operating revenues of \$1,646,773 and non-operating expenses of \$4,739,105 and capital contributions of \$340,156. The net position of the Sewer enterprise fund increased \$4,520,866 or 3.33% over restated 2023.

CITY OF DAYTON, OHIO

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

- In the general fund, the actual revenues were \$5,267,200 greater than they were in the final budget and actual expenditures and other financing uses were \$15,493,042 lower than the amount in the final budget. Budgeted revenues increased \$47,885,700 from the original budget to the final budget. Budgeted expenditures and other financing uses increased \$43,967,600 from the original budget to the final budget.

Using this Annual Comprehensive Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City as an entire financial operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the entire City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, this review examines the City's financial transactions and asks the question, "How did we do financially during 2024?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. This change is important because it tells the reader that the financial position of the City has either improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and others.

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

1. Governmental Activities - Most of the City's programs and services are reported including police, fire, street and highway maintenance, HUD program operations, recreation and youth services, community and economic development and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.
2. Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's airport, water, sewer, storm water operations are reported.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF DAYTON, OHIO

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page F 13 of this report.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major and nonmajor funds. The City's major governmental funds are the general fund, local fiscal recovery fund, debt service fund and capital improvements fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements provide further detail on the City's major and nonmajor governmental funds.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airport, water, sewer, and storm water funds. The City reports the airport fund, water fund and sewer fund as major enterprise funds. These major funds are presented separately in the proprietary fund financial statements. The storm water fund is considered a nonmajor fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

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 statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type.

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 schedule(s), net pension liability/asset and the net OPEB liability/asset along with contributions to the pension systems.

CITY OF DAYTON, OHIO

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

Government-Wide Financial Analysis

The table below is a summary of the City's net position at December 31, 2024 compared to December 31, 2023.

Net Position

	Governmental Activities 2024	Restated Governmental Activities 2023	Business-type Activities 2024	Restated Business-type Activities 2023	Total 2024	Total 2023
<u>Assets</u>						
Current and other assets	\$ 499,518,777	\$ 460,737,355	\$ 287,058,394	\$ 275,703,350	\$ 786,577,171	\$ 736,440,705
Capital assets, net	527,417,027	498,147,635	653,852,586	626,295,210	1,181,269,613	1,124,442,845
Total assets	1,026,935,804	958,884,990	940,910,980	901,998,560	1,967,846,784	1,860,883,550
 Total deferred outflows of resources	 90,300,894	 115,480,787	 23,545,598	 32,056,824	 113,846,492	 147,537,611
<u>Liabilities</u>						
Current liabilities	35,547,702	64,468,567	18,437,447	15,269,265	53,985,149	79,737,832
Long-term liabilities:						
Due in one year	19,758,632	20,499,678	13,265,322	12,555,090	33,023,954	33,054,768
Due in more than one year:						
Net pension liability	269,733,258	278,978,198	57,417,286	62,715,561	327,150,544	341,693,759
Net OPEB liability	14,712,775	16,302,159	469,620	1,558,176	15,182,395	17,860,335
Other amounts	111,372,827	85,221,090	181,349,754	173,574,236	292,722,581	258,795,326
Total liabilities	451,125,194	465,469,692	270,939,429	265,672,328	722,064,623	731,142,020
 Total deferred inflows of resources	 52,381,950	 56,140,104	 19,971,034	 22,172,271	 72,352,984	 78,312,375
<u>Net Position</u>						
Net investment in capital assets	455,508,553	417,567,275	458,864,645	438,224,270	914,373,198	855,791,545
Restricted	81,370,699	88,678,231	17,249,213	14,994,727	98,619,912	103,672,958
Unrestricted (deficit)	76,850,302	46,510,475	197,432,257	192,991,788	274,282,559	239,502,263
Total net position	\$ 613,729,554	\$ 552,755,981	\$ 673,546,115	\$ 646,210,785	\$ 1,287,275,669	\$ 1,198,966,766

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 and the 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.

CITY OF DAYTON, OHIO

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

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

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

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

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

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

The fluctuations in pension/opeb liability and associated deferred inflows and outflows were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund. Primarily, net investment income on investments at the pension systems were negative for the 2023 measurement date that are used for the 2024 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous year's large positive investment returns.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2024, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$1,287,275,669. At year-end, net positions were \$613,729,554 and \$673,546,115 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets and deferred outflows. At year-end, capital assets represented 56.75% of total assets and deferred outflows. Capital assets include land, right of ways, construction in progress (CIP), improvements other than buildings, buildings and improvements, equipment, software, vehicles and infrastructure and right to use assets.

CITY OF DAYTON, OHIO

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

The City's net investment in capital assets at December 31, 2024, was \$455,508,553 and \$458,864,645 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.

As of December 31, 2024, the City is able to report a positive balance in total net position, for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the City's net position, \$92,720,666, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is a balance of \$76,850,302.

Change in Net Position

	Governmental Activities 2024	Restated Governmental Activities 2023	Business-Type Activities 2024	Restated Business-Type Activities 2023	Total 2024	Total 2023
Revenues						
Program revenues:						
Charges for services and sales	\$ 64,808,483	\$ 47,039,143	\$ 142,770,908	\$ 130,901,497	\$ 207,579,391	\$ 177,940,640
Operating grants and contributions	62,821,853	68,454,352	-	-	62,821,853	68,454,352
Capital grants and contributions	5,409,574	8,202,946	15,527,548	18,943,007	20,937,122	27,145,953
Total program revenues	133,039,910	123,696,441	158,298,456	149,844,504	291,338,366	273,540,945
General revenues:						
Property taxes	20,653,269	14,704,042	-	-	20,653,269	14,704,042
Income taxes	162,417,934	153,226,419	-	-	162,417,934	153,226,419
Payment in lieu of taxes	1,882,008	3,143,434	-	-	1,882,008	3,143,434
Unrestricted grants	9,836,233	9,524,381	-	-	9,836,233	9,524,381
Investment earnings and fair value adjustment	12,088,386	11,616,808	9,779,025	11,053,017	21,867,411	22,669,825
Miscellaneous	38,529,033	30,688,382	12,229,244	11,707,728	50,758,277	42,396,110
Total general revenues	245,406,863	222,903,466	22,008,269	22,760,745	267,415,132	245,664,211
Total revenues	378,446,773	346,599,907	180,306,725	172,605,249	558,753,498	519,205,156
Expenses:						
Downtown	205,809	173,790	-	-	205,809	173,790
Youth, education and human services	51,992	50,002	-	-	51,992	50,002
Community development and neighborhoods	28,551,312	25,972,299	-	-	28,551,312	25,972,299
Economic development	11,633,116	13,668,046	-	-	11,633,116	13,668,046
Leadership and quality of life	105,593,490	96,071,386	-	-	105,593,490	96,071,386
Corporate responsibility	21,394,162	23,548,118	-	-	21,394,162	23,548,118
Public safety and justice	146,742,836	138,484,403	-	-	146,742,836	138,484,403
Interest	3,300,483	2,848,225	-	-	3,300,483	2,848,225
Dayton International Airport	-	-	41,411,933	39,686,041	41,411,933	39,686,041
Water	-	-	61,129,316	55,028,694	61,129,316	55,028,694
Sewer	-	-	42,740,321	38,737,619	42,740,321	38,737,619
Other business-type activities:						
Storm water	-	-	7,689,825	7,034,888	7,689,825	7,034,888
Total expenses	317,473,200	300,816,269	152,971,395	140,487,242	470,444,595	441,303,511
Change in net position	60,973,573	45,783,638	27,335,330	32,118,007	88,308,903	77,901,645
Net position at beginning of year (restated)	552,755,981	506,972,343	646,210,785	614,092,778	1,198,966,766	1,121,065,121
Net position at end of year	\$ 613,729,554	\$ 552,755,981	\$ 673,546,115	\$ 646,210,785	\$ 1,287,275,669	\$ 1,198,966,766

CITY OF DAYTON, OHIO

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

Governmental Activities

Governmental activities net position increased \$60,973,573 in 2024. This increase is due in part to revenue loss replacement funding from the American Rescue Plan Act. Income taxes increased \$9,191,515 or 6.00% in 2024. Personnel expenses were higher in 2024 when compared to 2023. Personnel expenses grew due to planned wage increases and higher insurance costs. Care and maintenance costs contributed to higher expenses in 2024, these include supply chain inflation and equipment for front-line workers.

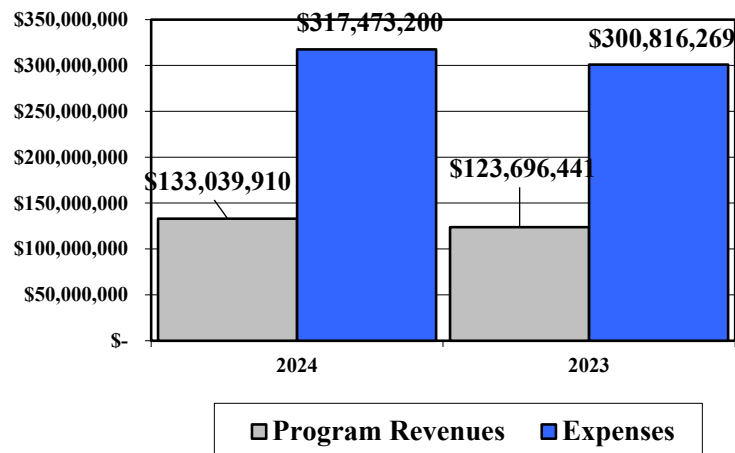
Public safety and justice, which primarily supports the operations of the police and fire departments accounted for \$146,742,836 of the total expenses of the City. These expenses were partially funded by \$39,472,733 in direct charges to users of the services and \$9,583,324 in operating grants and contributions. Leadership and quality of life expenses totaled \$105,593,490. Leadership and quality of life expenses were partially funded by \$11,227,094 in direct charges to users of the services, \$45,193,492 in operating grants and contributions, and \$5,409,574 in capital grants and contributions.

The state and federal government contributed to the City a total of \$62,821,853 in operating grants and contributions and \$5,409,574 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$45,193,492 subsidized leadership and quality of life and \$5,591,204 subsidized community development and neighborhoods. The total capital grants and contributions, \$5,409,574 subsidized leadership and quality of life programs.

General revenues totaled \$245,406,863 and amounted to 64.85% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$183,071,203. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$9,836,233.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

Governmental Activities – Program Revenues vs. Total Expenses



CITY OF DAYTON, OHIO

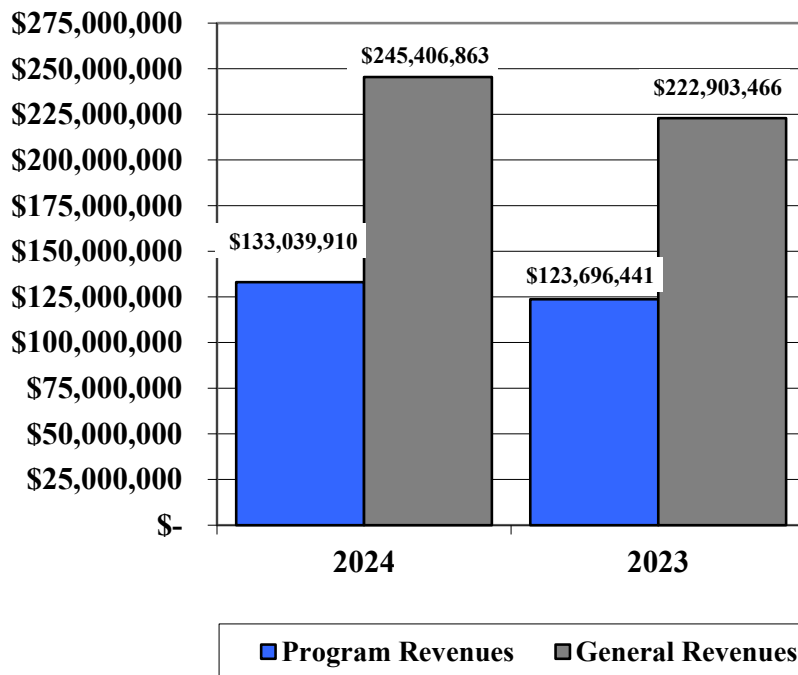
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2024

Governmental Activities

	Total Cost of Services 2024	Net Cost of Services 2024	Total Cost of Services 2023	Net Cost of Services 2023
Program Expenses:				
Downtown	\$ 205,809	\$ 184,469	\$ 173,790	\$ 159,858
Youth, education and human services	51,992	41,522	50,002	41,305
Community development and neighborhoods	28,551,312	18,227,665	25,972,299	14,113,471
Economic development	11,633,116	6,108,318	13,668,046	9,783,504
Leadership and quality of life	105,593,490	43,763,330	96,071,386	31,002,523
Corporate responsibility	21,394,162	15,120,724	23,548,118	15,699,125
Public safety and justice	146,742,836	97,686,779	138,484,403	103,471,817
Interest	3,300,483	3,300,483	2,848,225	2,848,225
Total Expenses	<u>\$ 317,473,200</u>	<u>\$ 184,433,290</u>	<u>\$ 300,816,269</u>	<u>\$ 177,119,828</u>

The dependence upon general revenues for governmental activities is apparent, with 58.09% of expenses supported through taxes and other general revenues. Total governmental expenses were \$317,473,200, program revenues were \$133,039,910 and general revenues were \$245,406,863. The City increased spending funds from the Local Fiscal Recovery Fund related to the American Rescue Plan. As discussed earlier, the City also had wage and benefit expense increases that resulted in increased expenses in all program areas.

Governmental Activities – General and Program Revenues



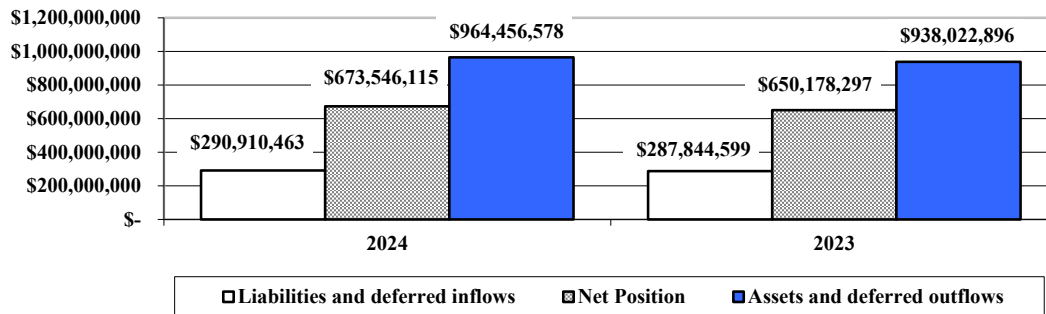
CITY OF DAYTON, OHIO

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

Business-Type Activities

Business-type activities include the Dayton International Airport, Water, Sewer, and Storm Water enterprise funds. Overall, the net position of the business-type activities increased \$27,335,330 in 2024. These programs had program revenues of \$158,298,456, general revenues of \$22,008,269 and expenses of \$152,971,395 for 2024. The graph below shows the business-type activities assets, deferred outflows, liabilities, deferred inflows and net position at year-end.

Net Position in Business - Type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds reported a combined fund balance of \$353,594,621 which is \$52,320,315 more than last year's total of \$301,274,306. The table below indicates the fund balances and the total change in fund balances as of December 31, 2024 for all major and nonmajor governmental funds.

	Fund Balances 12/31/2024	Fund Balances 12/31/2023	Increase/ (Decrease)
Major Funds:			
General	\$ 132,129,880	\$ 111,441,859	\$ 20,688,021
Local Fiscal Recovery Fund	67,059,871	59,491,136	7,568,735
Debt service	28,164,674	26,892,516	1,272,158
Capital improvement	97,246,915	82,145,897	15,101,018
Other nonmajor governmental funds	28,993,281	21,302,898	7,690,383
Total	<u>\$ 353,594,621</u>	<u>\$ 301,274,306</u>	<u>\$ 52,320,315</u>

CITY OF DAYTON, OHIO

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

General Fund

	2024 Amount	2023 Amount	Percentage Change
<u>Revenues</u>			
Income, property and other taxes	\$ 169,997,990	\$ 162,684,683	4.50 %
Charges for services	36,703,480	30,681,674	19.63 %
Licenses and permits	3,643,668	3,719,069	(2.03) %
Fines and forfeitures	4,889,991	5,732,090	(14.69) %
Investment income	10,879,542	10,970,996	(0.83) %
Special assessments	542,811	687,781	(21.08) %
Intergovernmental	7,600,121	6,639,118	14.47 %
Other	38,503,059	30,632,592	25.69 %
Total	<u>\$ 272,760,662</u>	<u>\$ 251,748,003</u>	8.35 %

The above table assists in illustrating the revenues of the general fund. Overall revenues of the general fund increased \$21,012,659. The largest increase in revenue was the other revenue, which is the 2024 Revenue Loss Reimbursement from the American Rescue Plan Act. Investment income decreased \$91,454 or 0.83% as a result of the fair value adjustment recorded at December 31, 2024 due to market fluctuation and changes in the City's interest rates on investments. The increase in intergovernmental revenue was due to an increase in the revenue from the State's local government fund.

The table that follows assists in illustrating the expenditures of the general fund.

	2024 Amount	2023 Amount	Percentage Change
<u>Expenditures</u>			
Downtown	\$ 103,890	\$ 79,400	30.84 %
Youth, education and human services	50,969	49,566	2.83 %
Community development and neighborhoods	18,478,133	17,918,314	3.12 %
Economic development	6,916,483	7,124,406	(2.92) %
Leadership and quality of life	34,193,979	29,881,530	14.43 %
Corporate responsibility	18,639,708	18,846,145	(1.10) %
Public safety and justice	125,576,270	121,335,588	3.50 %
Capital outlay	887,100	1,635,696	(45.77) %
Debt service	961,751	924,910	3.98 %
Total	<u>\$ 205,808,283</u>	<u>\$ 197,795,555</u>	4.05 %

Overall expenditures of the general fund increased by \$8,012,728 or 4.05%. The largest expenditure of the City, public safety and justice, increased \$4,240,682 or 3.50%. Personnel costs are the largest expenditure for the City. These costs increased due to insurance benefit cost increase and negotiated wage increases. The debt service and capital outlay expenditures in the general fund were for lease and SBITA payments reported in accordance with GASB Statements 87 and 96.

CITY OF DAYTON, OHIO

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

Local Fiscal Recovery Fund

The Local Fiscal Recovery Fund is funded through the Federal American Rescue Plan Act (ARPA) and general fund transfers. The following tables illustrate the revenues and expenditures of the Local Fiscal Recovery Fund. This funding was made available due to the revenue loss provisions in the ARPA funding that allowed the City to offset general fund expenditures with federal funding. The Dayton Recovery Plan, which was approved by the City Commission, utilizes ARPA funding and City resources to invest in residents, businesses and development activities that will improve health and economic outcomes in the region.

	2024 Amount	2023 Amount	Percentage Change
<u>Revenues</u>			
Intergovernmental	\$ 32,298,121	\$ 35,729,512	(9.60) %
Charges for services	-	6,143	100.00 %
Investment income	2,316,685	2,296,116	0.90 %
Increase in fair value of investments	1,437,481	2,358,544	39.05 %
Other	-	33,446	100.00 %
Total	<u>\$ 36,052,287</u>	<u>\$ 40,423,761</u>	(10.81) %

<u>Expenditures</u>			
Leadership and quality of life	\$ 52,472,899	\$ 36,436,894	44.01 %
Corporate responsibility	993,065	3,121,987	(68.19) %
Public safety and justice	472,688	-	100.00 %
Total	<u>\$ 53,938,652</u>	<u>\$ 39,558,881</u>	36.35 %

Debt Service

The City's debt service fund balance increased \$1,272,158. The primary source of revenue in the debt service fund is property tax revenue and homestead and rollback intergovernmental revenue. The following tables illustrate the revenues and expenditures of the debt service fund. The Debt service fund also had a transfer in of \$926,461 for debt payments.

	2024 Amount	2023 Amount	Percentage Change
<u>Revenues</u>			
Taxes	\$ 10,009,468	\$ 7,893,292	26.81 %
Charges for services	311,154	309,213	0.63 %
Intergovernmental	1,160,148	967,062	19.97 %
Special assessments	5,611	12,875	(56.42) %
Investment income	1,456	1,854	(21.47) %
Other	32,222	24,540	31.30 %
Total	<u>\$ 11,520,059</u>	<u>\$ 9,208,836</u>	25.10 %

CITY OF DAYTON, OHIO

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

Expenditures

Corporate responsibility	\$ 255,602	\$ 253,646	0.77 %
Principal retirement	7,559,854	7,717,500	(2.04) %
Interest and fiscal charges	3,621,065	3,304,715	9.57 %
Total	<u>\$ 11,436,521</u>	<u>\$ 11,275,861</u>	1.42 %

Capital Improvements

The City's capital improvements fund balance increased by \$15,101,018 or 18.38%. The tables below illustrate the revenues and expenditures of the capital improvement fund. Revenues increased \$891,791 or 9.09%, due to an increase in payments in lieu of taxes. The tax revenue is used to reduce the balance of the manuscript debt. Expenditures increased \$10,711,714 or 40.28%. In addition to the revenues listed on the chart below, the capital improvements fund had \$21,030,800 in transfers from the general fund to be used for capital improvements. Capital outlay expenditures increased 46.19% due to spending associated with the City's capital plan for infrastructure and building improvements.

	2024 Amount	2023 Amount	Percentage Change
<u>Revenues</u>			
Taxes	\$ 225,260	\$ 225,260	0.00 %
Charges for services	174,238	277,205	(37.14) %
Intergovernmental	7,875,951	6,086,939	29.39 %
Investment income	-	96	- %
Payments in lieu of taxes	1,882,008	3,143,434	(40.13) %
Other	547,279	80,011	584.00 %
Total	<u>\$ 10,704,736</u>	<u>\$ 9,812,945</u>	9.09 %

	2024 Amount	2023 Amount	Percentage Change
<u>Expenditures</u>			
Community development and neighborhoods	\$ 92,053	\$ 79,655	15.56 %
Economic development	1,346,160	1,366,840	(1.51) %
Leadership and quality of life	1,333,710	1,586,724	(15.95) %
Corporate responsibility	102,502	9,525	976.14 %
Public safety and justice	2,431	-	100.00 %
Capital outlay	34,425,552	23,547,950	46.19 %
Total	<u>\$ 37,302,408</u>	<u>\$ 26,590,694</u>	40.28 %

2024 Budgeting Highlights - General Fund

The City's budgeting process is prescribed by the Ohio Revised Code (ORC) and the City of Dayton Charter. The original and revised budgets are a representation of the City's various adopted appropriations. The annual expenditure budget is limited by the amount of anticipated revenues and available cash balances certified by the County Budget Commission in accordance with the Ohio Revised Code.

CITY OF DAYTON, OHIO

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

Given that the City's plans or priorities may change during the year or economic conditions may improve or deteriorate impacting City resources, revisions to the original budget are customary and necessary. For instance, if forecasted revenues are adjusted during the course of the year due to actual revenue performance, then the certificate of available resources and the appropriation are also adjusted to ensure expenditures do not exceed available resources. In addition, if funding priorities change during the fiscal year, resources may be reallocated to another activity outside of the legal level of control, necessitating a corresponding change in budget.

Budgetary information is presented for the general fund as required supplementary information. With respect to changes to the general fund, the final budget reflects projected revenues that were \$47.9 million higher than the original budget. Actual revenues exceeded the original projection by \$53.2 million, largely due to growth in the Other Revenue category—primarily higher investment earnings and \$36.0 million in ARPA revenue replacement.

Excluding ARPA, revenues exceeded the original and final budgets by 9.3% and 2.3%, respectively—within the City's target variance of 0% to 3% for the final forecast. Income tax collections, following the pandemic decline in 2020, showed strong growth in 2021–2022, slowed in 2023, and rebounded in 2024.

Three revenue categories realized a favorable variance in excess of 10% compared to the original budget, and four compared to the final budget. Investment income exceeded the original budget by 87.4% and outpaced the final forecast by 13.4%, driven by stronger-than-expected earnings. Fines and forfeitures revenue was nearly \$3.0 million above projections, largely due to stronger than anticipated revenue from the public safety photo enforcement program. State shared taxes underperformed the original budget by 26.7% but exceeded the final forecast by 44.1%, due to adjustments in the Local Government Fund related to traffic enforcement camera revenues. Other revenues exceeded both the original and final budgets by \$1.0 million, a variance attributed to volatility in the miscellaneous revenue category. Charges for services beat the original budget by 6.7%, or \$2.0 million, due to higher EMS revenue and increased indirect cost reimbursements for Water, partially offset by lower receipts from parking garages, demolition charges, and Jefferson Township waste collection. Property and other local taxes underperformed the original and final budgets by 3.6%. ARPA revenue replacement calculated based on the treasury final rule formula were \$9.5 million higher than 2023. As allowable under the first bucket, these funds were allocated to government services that covered payroll expenses for public safety employees. In the absence of ARPA revenue replacement, total general fund revenues were 6.9% higher than fiscal year 2023, largely contributed by income tax.

Actual expenditures in 2024 were \$6.6 million below (favorable) the original budget and were \$13.8 million or 6.1% under the final budget. All programmatic categories were within the 10% variance threshold compared to the original budget, with the exception of the Other category, which underperformed by 35.8%. However, relative to the final budget, several categories fell outside the 10% threshold. Other expenditures remained below budget, underperforming by 29.1%. Community Development and Neighborhood came in \$5.2 million under budget, primarily due to demolition related expenditures included in the final revised appropriation with anticipated spending in 2025. Likewise, Economic Development saw a \$4.5 million, or 27.6% negative variance related to the final budget, stemming from a planned development contract that has since proceeded in 2025.

Net operating transfers exceeded the original budget by \$35.0 million and were \$1.7 million below the final budget. An increase in the funding of transfers was incorporated into the final budget to fund the Dayton Recovery Plan (DRP) from the ARPA revenue replacement funds that are eligible to be used for the provision of government services. Due to the technicality associated with the financial system this transfer was done as an intra fund transfer which resulted the actuals being lower than the final budget

In both the original and final budget, use of ARPA revenue replacement was anticipated for special project activities as well as for transfers in support of capital investments. On a budgetary basis, actual expenditures and transfers out exceed revenues by \$10.8 million. After adjustments for prior year encumbrances and to the balance sheet, the general fund ended the year with a \$125.5 million fund balance. This represents a \$19.0 million increase from 2023.

CITY OF DAYTON, OHIO

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

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The City's business-type funds reported a combined net position of \$676,355,868 which is \$27,000,773 above last year's total of \$646,355,095.

The following table indicates the net position and the total change in net position as of December 31, 2024 for all major and nonmajor business-type funds.

	Net Position 12/31/2024	(Restated) Net Position 12/31/2023	Increase
Major Funds:			
Dayton International Airport	\$ 270,313,853	\$ 266,934,025	\$ 3,379,828
Water	225,398,055	208,457,235	16,940,820
Sewer	140,287,548	135,766,682	4,520,866
Other Business-type activities	<u>37,356,412</u>	<u>35,197,153</u>	<u>2,159,259</u>
Total	<u>\$ 673,355,868</u>	<u>\$ 646,355,095</u>	<u>\$ 27,000,773</u>

Dayton International Airport (DIA)

The City's Dayton International Airport net position increased by \$3,379,828 or 1.26% from the 2023 amount. The Dayton International Airport received \$10,352,392 in capital contributions.

The following tables illustrate the revenues and expenses of the Dayton International Airport fund.

	2024 Amount	2023 Amount	Percentage Change
<u>Operating Revenues</u>			
Charges for services	\$ 23,488,781	\$ 25,541,278	(8.04) %
Other	<u>7,869,326</u>	<u>4,181,117</u>	88.21 %
Total	<u>\$ 31,358,107</u>	<u>\$ 29,722,395</u>	5.50 %
<u>Operating Expenses</u>			
Personnel services	\$ 7,754,338	\$ 6,920,091	12.06 %
Benefit payments	2,299,915	1,266,700	81.57 %
Contractual services	8,282,820	7,669,492	8.00 %
Materials and supplies	1,051,941	889,686	18.24 %
Utilities	2,544,360	1,668,398	52.50 %
Depreciation	14,441,640	15,937,672	(9.39) %
Other	<u>2,762,393</u>	<u>2,741,209</u>	0.77 %
Total	<u>\$ 39,137,407</u>	<u>\$ 37,093,248</u>	5.51 %

Operating expenses increased by \$2,044,159 or 5.51%. The significant increase in fringe benefit costs was due changes in net pension and net OPEB liability and the associated deferred inflows and deferred outflows of resources.

CITY OF DAYTON, OHIO

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

	2024 Amount	2023 Amount	Percentage Change
<u>Nonoperating Revenues (Expenses)</u>			
Interest revenue	\$ 2,478,028	\$ 1,951,000	27.01 %
Interest expense and fiscal charges	(2,341,922)	(2,638,229)	(11.23) %
Increase in fair value of investments	670,630	1,285,199	47.82 %
Gain on sale of capital assets	-	2,848	(100.00) %
Capital contributions	<u>10,352,392</u>	<u>18,306,507</u>	(43.45) %
Total	<u>\$ 11,159,128</u>	<u>\$ 18,907,325</u>	(40.98) %

Nonoperating revenues and expenses decreased by \$7,748,197 or 40.98%. Capital contributions for 2023 and 2024 were primarily for Federal grants that are being used for capital improvements, along with passenger facility charges. The change in fair value of investments and interest revenue reflects aviation's share of the overall portfolio increase and investment earnings.

Water

The City's Water fund net position increased by \$16,940,820 or 8.05% from the 2023 amount.

	2024 Amount	2023 Amount	Percentage Change
<u>Operating Revenues</u>			
Charges for services	\$ 65,412,520	\$ 55,638,873	17.57 %
Other	<u>4,007,574</u>	<u>5,699,863</u>	(29.69) %
Total	<u>\$ 69,420,094</u>	<u>\$ 61,338,736</u>	13.17 %
<u>Operating Expenses</u>			
Personnel services	\$ 19,960,641	\$ 17,948,205	11.21 %
Benefit payments	7,816,294	7,247,521	7.85 %
Contractual services	7,441,988	5,557,888	33.90 %
Materials and supplies	6,794,993	5,959,651	14.02 %
Utilities	5,125,556	4,816,402	6.42 %
Depreciation	9,357,421	9,058,412	3.30 %
Other	<u>2,511,872</u>	<u>2,082,302</u>	20.63 %
Total	<u>\$ 59,008,765</u>	<u>\$ 52,670,381</u>	12.03 %

Overall, operating revenue increased 13.17%. Operating expenses increased by \$6,338,384 or 12.03%. The largest increase in expenses was to benefit payments related to recording the net pension liability and the net OPEB liability and the associated deferred inflows and outflows. Rising chemical costs and equipment maintenance/repairs were partially responsible for the increase in materials and supplies expenses.

CITY OF DAYTON, OHIO

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

	2024 Amount	2023 Amount	Percentage Change
<u>Nonoperating Revenues (Expenses)</u>			
Interest revenue	\$ 3,150,430	\$ 2,856,430	10.29 %
Interest expense and fiscal charges	(2,073,290)	(2,435,149)	(14.86) %
Increase in fair value of investments	808,195	1,669,747	51.60 %
Gain (loss) on sale of capital assets	(190,844)	-	(100.00) %
Total	<u>\$ 1,694,491</u>	<u>\$ 2,091,028</u>	18.96 %

The change in fair value of investments and interest revenue reflects the water fund's share of the overall portfolio investment increase and investment earnings.

Sewer

The City's Sewer fund net position increased by \$4,520,866 or 3.31% from 2023. The increase in charges for services were an increase in revenue from both City customers and other jurisdictions.

	2024 Amount	2023 Amount	Percentage Change
<u>Operating Revenues</u>			
Charges for services	\$ 45,004,678	\$ 41,157,625	9.35 %
Other	350,992	1,608,477	(78.18) %
Total	<u>\$ 45,355,670</u>	<u>\$ 42,766,102</u>	6.06 %
<u>Operating Expenses</u>			
Personnel services	\$ 9,821,812	\$ 9,086,953	8.09 %
Benefit payments	3,754,628	3,945,449	4.84 %
Contractual services	7,669,440	8,853,993	(13.38) %
Materials and supplies	5,455,080	5,216,802	4.57 %
Utilities	2,582,963	2,156,433	19.78 %
Depreciation	7,648,520	7,434,880	2.87 %
Other	1,150,185	1,098,434	4.71 %
Total	<u>\$ 38,082,628</u>	<u>\$ 37,792,944</u>	0.77 %

Operating expenses increased by \$289,684 or 0.77%. The largest increase in expenses was to benefit payments related to recording the net pension liability and the net OPEB liability.

	2024 Amount	2023 Amount	Percentage Change
<u>Nonoperating Revenues (Expenses)</u>			
Interest revenue	\$ 1,227,272	\$ 1,245,410	(1.46) %
Increase in fair value of investments	419,501	979,031	57.15 %
Interest expense and fiscal charges	(1,152,121)	(993,818)	(15.93) %
Loss on sale of capital assets	(3,586,984)	-	(100.00) %
Total	<u>\$ (3,092,332)</u>	<u>\$ 1,230,623</u>	351.28 %

CITY OF DAYTON, OHIO

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

Nonoperating revenues and expenses in 2024 decreased by \$4,322,955 or 351.28%. The change in fair value of investments and interest revenue reflects the sewer fund's share of the overall portfolio investment increase and investment earnings. The loss on sale of capital assets was a result of disposals of infrastructure and other capital assets.

Capital Assets and Debt Administration

Capital Assets

At December 31, 2024, the City had \$1,181,269,613 (net of accumulated depreciation) invested in land, right of ways, buildings and improvements, improvements other than buildings, equipment, software, vehicles, infrastructure and construction in progress (CIP). Of this total, \$527,417,027 was reported in governmental activities and \$653,852,586 was reported in business-type activities. See Note 12 in the basic financial statements for additional capital asset disclosure.

The following table shows December 31, 2024 balances compared to December 31, 2023:

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

	Governmental Activities 2024	Governmental Activities 2023	Business-Type Activities 2024	Business-Type Activities 2023	Total 2024	Total 2023
Land	\$ 55,194,033	\$ 55,135,056	\$ 37,682,406	\$ 37,682,406	\$ 92,876,439	\$ 92,817,462
Construction in progress	32,968,533	10,326,776	100,506,170	57,618,203	133,474,703	67,944,979
Right of ways	14,007,402	14,007,402	-	-	14,007,402	14,007,402
Buildings and improvements	68,106,575	69,885,194	150,509,844	156,140,506	218,616,419	226,025,700
Improvements other than buildings (IOTB)	30,551,803	29,528,868	328,536,965	344,749,477	359,088,768	374,278,345
Equipment	7,139,003	4,513,307	13,588,796	12,373,941	20,727,799	16,887,248
Software	476,276	763,225	453,305	-	929,581	763,225
Vehicles	24,054,451	19,890,419	18,843,356	16,822,425	42,897,807	36,712,844
Infrastructure	288,269,734	287,245,215	55,017	-	288,324,751	287,245,215
Right to use - buildings	5,120,315	5,215,008	11,909	15,395	5,132,224	5,230,403
Right to use - software	1,509,504	1,611,204	3,664,818	892,857	5,174,322	2,504,061
Right to use - equipment	19,398	25,961	-	-	19,398	25,961
Total	<u>\$ 527,417,027</u>	<u>\$ 498,147,635</u>	<u>\$ 653,852,586</u>	<u>\$ 626,295,210</u>	<u>\$ 1,181,269,613</u>	<u>\$ 1,124,442,845</u>

The City's largest governmental capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, curbs, annexed roadways, street lighting, and traffic signals. These items are immovable and of value only to the City; however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 54.66% of the City's total governmental capital assets.

The City's largest business-type capital asset category is improvements other than buildings (I.O.T.B) which primarily includes runways for the airport, water lines, sewer lines and storm water catch basins. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's I.O.T.B (cost less accumulated depreciation) represents approximately 50.25% of the City's total business-type capital assets.

CITY OF DAYTON, 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 (excluding premiums/discounts):

	Governmental Activities 2024	Governmental Activities 2023
General obligation bonds	\$ 65,040,000	\$ 50,270,000
Revenue bonds	16,805,000	19,035,000
Total bonds	81,845,000	69,305,000
Ohio Public Works Commission (OPWC) loans	1,249,327	1,388,692
State infrastructure bank loan	1,719,511	1,836,967
State infrastructure bank bonds	2,255,000	2,415,000
Ohio Department of Development Loan	272,404	590,437
Leases payable	5,237,528	5,316,737
SBITA payable	1,156,959	1,032,195
Total loans and other obligations	11,890,729	12,580,028
Total long-term obligations	\$ 93,735,729	\$ 81,885,028
	Business-type Activities 2024	Business-type Activities 2023
General obligation bonds	\$ 20,065,000	\$ 22,230,000
Revenue bonds	122,265,000	129,155,000
Total bonds	142,330,000	151,385,000
Ohio Water Development Authority (OWDA) loans	28,864,566	17,806,294
Jobs Ohio loans	3,575,966	3,803,410
Leases payable	12,143	15,405
SBITA payable	3,180,487	579,482
Total loans and other obligations	35,633,162	22,204,591
Total long-term obligations	\$ 177,963,162	\$ 173,589,591

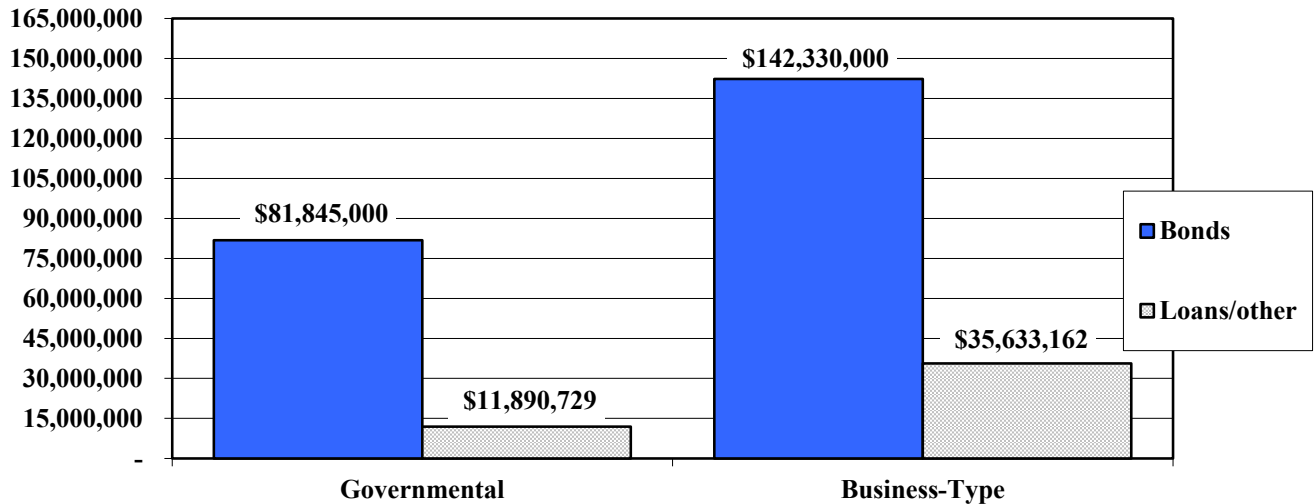
See Note 14 in the basic financial statements for additional disclosures and detail regarding the City's debt activity.

CITY OF DAYTON, OHIO

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

A comparison of the long-term obligations by category is depicted in the chart below.

Long-term Obligations



Economic Outlook and the 2025 Budget

Introduction

An evolving trade environment, technological investments, and shifting monetary policies influenced the economic landscape in 2024. The Gross Domestic Product (GDP) measures the value of goods and services produced in the United States (U.S.) and provides a gauge of the nation's economic health. The Real GDP increased 2.8% in 2024 over 2023, propelled by the easing of monetary policies and wage inflation that led to higher consumer spending. a. This steady growth was a welcome economic advancement, despite continued, long-term uncertainty with an unstable labor market and sustained inflationary pressures.

^a <https://www.commerce.gov/news/blog/2024/11/commerce-data-show-strong-economic-gains-due-americans-making-and-spending-more>

CITY OF DAYTON, OHIO

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

Fluctuation was evident with the U.S.'s unemployment rate during 2024 as it dropped to a low of 3.5% in April, peaking at 4.5% in July, and dropping once more to 3.8% in December. Evolving workforce trends such as changes in long-term remote work schedules, a competitive labor market, and technological advancements creating operational efficiencies impacted hiring practices. These impacts were realized even more on a local level as Dayton's unemployment rate rose from its annual low of 4.7% in April to 6.0% in July of 2024. b. Many organizations, including the City of Dayton (City), dealt with higher turnover and continued vacancies.

Following the 2020 global pandemic, the Consumer Price Index (CPI) peaked in 2022, driving up the cost of consumer goods and services.

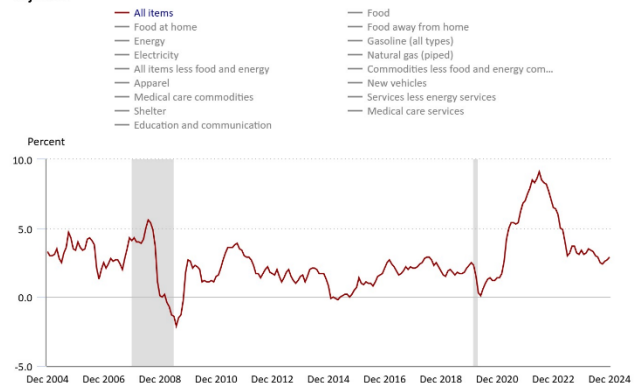
Across the nation, individuals and businesses faced elevated expenses and persistent supply chain disruptions. While inflation began to stabilize in 2023, the U.S. Federal Reserve responded by raising interest rates to temper demand. Although inflation continued to decline, it remained above pre-pandemic averages through the end of 2024. Elevated costs for goods and services persist, even as broader economic conditions show signs of stabilization.

Expenditures within the City's General Fund increased 5.9%, or \$12.7 million, in 2024 compared to 2023 driven by wage growth related to negotiated labor contracts, inflationary cost increases for supplies, materials, and services, and due to the fulfillment of delayed orders. The City and region were impacted by the looming economic uncertainty, which manifested in higher costs and an unpredictable labor market, but also impacted the City's revenue sources.

Overall, General Fund revenue increased by 8.5%, or \$17.9 million, compared to 2023. This growth was largely driven by stronger-than-expected interest earnings and a surge in income tax collections, particularly from estimated payments on business profits. These gains were partially offset by continued declines in Local Government Fund revenue, attributed to state laws that reduce allocations to municipalities using photo enforcement cameras. Notably, from 2020 to 2024, income tax revenue grew at a compound annual growth rate (CAGR) of 5.5%, fueled by federal pandemic stimulus and wage inflation. In contrast, during the more stable economic period from 2011 to 2016, income tax revenue grew at a CAGR of just 1.76%.

Despite the economic uncertainty, Dayton experienced significant economic growth in 2024, marked by substantial investments in infrastructure, industrial development, and downtown revitalization. Notable new investments occurred in the region, such as the completion of the 503 apartment building in the Oregon District with 158 market-rate units. Joby Aviation announced plans to create a \$500 million facility at the Dayton International Airport, expected to create up to 2,000 jobs. Supported by the Dayton Recovery Plan, sidewalk repair and construction activities occurred in seven Dayton neighborhoods. The Dayton Development Coalition reported that in 2024 companies committed to create 2,559 new jobs and kept more than 8,257 in the region. These projects planned to generate more than \$176 million in new payroll and \$1.2 billion in capital investment.c

12-month percentage change, Consumer Price Index, selected categories, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

^b https://ohiolmi.com/Home/DS_Results_LAUS

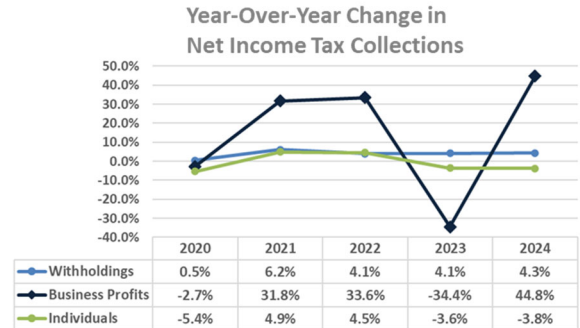
^c https://daytonregion.com/sites/default/files/documents/2024-annual-meeting-program_0.pdf

CITY OF DAYTON, OHIO

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

Employment and the Income Tax

The respective components of income tax are a proxy for the condition and direction of the local economy. Income tax is the largest source of revenue for the General Fund, comprising over 70% of total revenue. Income tax collections in 2024, net of refunds, climbed 7.8% or \$11.9 million over 2023. Income tax collections grew markedly in 2021 and 2022 following the injection of federal stimulus into the economy to combat pandemic-driven economic erosion. When examining income tax refunds, these grew 18.7%, to a total of \$3.9 million, in 2024. Refunds peaked in 2022 – at \$4.8 million – driven by pandemic workforce changes and work-from-home requests, declining to \$3.3 million in 2023. The amount and dollar value of refund requests remains elevated when compared to prior fiscal years and will require ongoing review to monitor the erosion of tax revenue.



The business profits portion of income tax experienced the greatest gains – over 30% year-over-year growth was realized in 2021 and 2022 – following unexpected delinquent payments and higher estimated payments from businesses. Income taxes stabilized in 2023, as business profits declined over 34% from 2022. Notably, business profits grew an astonishing 44.8%, nearly \$6.9 million, in 2024 once again due to unexpected, estimated payments by businesses. This stronger-than-anticipated growth directly contributed to the overall gains in income tax revenues.

Gross withholding taxes, those withheld directly from employees' paychecks by their employer and distributed to the City, were up 4.3%, or \$5.8 million. This growth is in line with the prior year, as withholdings grew 4.1% from 2022 to 2023. These taxes are withheld from individuals working within Dayton—a group particularly affected by shifts in the economy and labor market. Changes in the local population, the mixture of local industries, and work-from-home schedules can have a significant impact on this revenue source. Given the General Fund's reliance on income tax revenues and its procyclical nature, this revenue source will continue to be closely monitored.

Property Values and the Property Tax

In 2024, the City's General Fund property tax receipts climbed 26.8%, or \$1.8 million, over 2023. This increase was due to the Montgomery County Auditor's triennial property value update that was completed in 2023. During this update, property values experienced the largest increase in recent history. Residential property values increased over 30% on average throughout the County. The property value increase was driven by strong performance in the competitive housing market that drove up housing prices. Property tax collections registered a 101.8% collection rate, consisting of 92.0% on current year collections and 9.7% from prior year, delinquent tax collections. The County Auditor will conduct a property tax reappraisal in 2026 that could result in even greater increases in property values in the region, as housing prices continue to swell in the region.

Demand for housing remained strong in 2024, with the Dayton Area Board of Realtors reporting a 5.3% increase in the number of homes sold in the region at year-end. Housing prices remain elevated as well, with the total sales prices for these properties growing 14.0% over 2023.^d In recent years, there have been concerted efforts to increase the inventory of housing units in the region and to improve amenities to attract homebuyers. Of note, the City's Dayton Recovery Plan has strategically invested funds to improve sidewalks and curbs in Dayton neighborhoods, install new park amenities for residents and to support new housing construction and improvement projects.

^d <https://daytonrealtors.org/news/dayton-area-home-sales-for-december-and-year-end-2024/>

CITY OF DAYTON, OHIO

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

State Revenue Sharing and the Local Government Fund

The Local Government Fund (LGF) was established by the state as a tax revenue sharing fund to support local governments. Historically, the City has received a portion of the state's revenue through two mechanisms: a direct allocation identified for the City and through an indirect allocation that represents a portion of Montgomery County's allocation. The LGF municipal direct allocation was eliminated entirely in the 2018-2019 Ohio biennial budget, following legislative actions that resulted in significant annual reductions. The municipal direct allocation was reestablished in the 2020-2021 state budget, but at much reduced levels.

Recent state law mandates that any municipality operating traffic enforcement camera (TEC) devices must report their annual revenue from the previous fiscal year to the state. The amount of reported revenue is then to be reduced from the municipalities preceding LGF revenue receipts. As the City operates traffic cameras, 2023 was the first year in which the City realized a reduction in revenue based on prior reported traffic camera revenue. In 2023, the City received nearly \$5.1 million in LGF revenue, a reduction of \$3.6 million from our planned allocation due to TEC reductions.

These TEC reductions continued in 2024, as the City's LGF allocation was reduced by almost \$7.7 million, and the City recorded just \$559,800 in revenue. This reduction was related to a prior obligation for TEC reductions related to multiple fiscal years that was fully met at the end of 2024. The City anticipates continued reductions in 2025 based only on the prior fiscal years' activity. As always, the City will monitor the efficacy of the TEC devices to ensure they are improving safety outcomes for the community.

Other Sources

As noted previously, General Fund revenues performed better than expected in 2024 after revenues remained relatively stable in 2023. The General Fund's 2024 revenue growth was propelled by higher income tax receipts. Of note, of the City's ten revenue categories just three brought in less revenue than in 2023. The largest year-over-year decline in revenue occurred in the LGF category, dropping \$4.5 million from 2023, as referenced above.

With the remaining revenue categories, continued growth was experienced with EMS fees as revenue climbed 20.2% over 2023. The rising number of EMS transports continued to drive up revenue received by the City. Additionally, the City's interest earnings continued to outperform expectations as investment income totaled \$7.1 million in 2024, rising from \$4.2 million in 2023. This growth is due to several factors, including a change in the City's investment strategy to align the portfolio with market trends. Lastly, the proportion of organizational investment income that was allocated to the General Fund was higher than in previous years.

Overall, the City's General Fund revenue outperformed the original 2024 estimate of \$216.3 million and the final estimate of \$264.2 million, ending the year with \$269.5 million of actual receipts, 24.6% higher than the original estimate. This growth was propelled by unexpected, estimated business profit tax payments which drove income tax revenue to be \$10.2 million higher than the original estimate. Additionally, the City realized \$2.9 million of growth in the year-over-year investment income realized in the General Fund. As the City's revenue sources are impacted by numerous external forces, the revenue outlook for 2025 was prepared conservatively with input from Dayton business, government, and academic leaders.

The original General Fund revenue estimate for 2025 is \$227.5 million, \$691,700 lower than 2024's actual receipts. Projected income tax revenue in 2025 is estimated to decline slightly, as 2024's revenue included unexpected and unpredictable business profit payments that were not accounted for in 2025's projection. The City will continue to experience erosion of its Local Government Fund revenue but is expected to receive \$3.1 million more in 2025 as the prior TEC reduction obligation was fully met in 2024. Additionally, although investment income is projected to remain elevated, the City anticipates interest earnings will begin to moderate due to expected federal interest rate adjustments and the potential spend down of cash balances to help balance the budget amid economic uncertainty. Revenues in most other categories include adjustments based on prior year trends.

CITY OF DAYTON, OHIO

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

The City Workforce and Expenditure Trends

Overall, expenditures within the City's General Fund were 4.1%, or \$8 million, higher than 2023. Personnel costs grew nearly \$8.0 million, and contracts and material expenses were \$3.7 million higher than 2023 due to inflationary cost increases and the fulfillment of delayed orders. Additionally, due to better than anticipated revenues, the City was able to make strategic investments to leverage outside funding for structure demolitions and to pre-fund necessary capital equipment purchases.

Due to continued labor market constraints the average number of filled positions in the General Fund was nearly static from 2023, growing from 1,191 average filled positions to 1,194. Position counts ebbed and flowed throughout the year, reflective of an evolving labor market. The U.S. labor market in 2024 was marked by rising unemployment and a slowing in the number of jobs added.^e Looming economic and political changes will impact the labor market in 2025, but the City continues to expand its recruitment and retention efforts to attract a skilled workforce.

The General Fund's personnel expenses grew 6.6%, or \$9.4 million, higher in 2024 when compared to 2023. Personnel costs grew due to normal annual wage inflation and retroactive pay adjustments for police following the execution of their labor agreement. Despite this growth, the organization continued to experience vacancies for some front-line services, leading to higher overtime costs.

Due to the City's award of public safety ARPA grants, nearly \$5.9 million of Police, Fire, and Mediation Response Unit personnel expenses were charged to the grant, reducing the General Fund's personnel expenses for 2024. After accounting for this adjustment, expenses were 5.7%, or \$7.8 million, higher in 2024. Police and Fire exhausted their available ARPA grant funding in 2024, with their related personnel expenses returning to the General Fund in 2025. The Mediation Response Unit was given a grant extension and will fully exhaust the grant funds in 2025. The General Fund's assumption of these costs in 2025 and 2026 will require consistent monitoring and strong fiscal management to ensure excellent service delivery, despite rising costs.

The City is self-insured and, as such, monitors health care expenditures and utilization to determine the ongoing needs of the organization. Health care utilization has increased since the pandemic and to account for rising costs, the City planned for a 7% increase in health insurance costs in 2024, and a 3.5% increase in 2025. Labor contracts have been finalized for the 2024 - 2026 contract period and have been executed with the City's four bargaining groups, which include DPSU, Building and Construction Trades, Firefighters, and Police.

As mentioned previously, due to a combination of better-than-expected revenue performance – specifically in interest earnings – and lower expenditures impacted by the ongoing vacancies and continued supply chain delays, the City was able to fund strategic one-time investments to minimize future financial strain. During 2024, investments totaled \$64.9 million and \$29.2 million of these investments were to support capital investments, such as improvement projects, equipment for front-line services, and demolition and fire pile support.

The outlook for the City remains positive, but uncertainty surrounding the long-term health of the economy looms. High inflation, an evolving job market, and the potential economic downturn remain threats for the organization. City leadership is actively exploring options to ensure the organization is prepared to address potential threats in the near- and long-term.

Next Year's Budget and Rates

The unassigned General Fund balance is expected to meet or exceed the policy parameter of between 10% and 20% of General Fund revenues. Additionally, the cash reserve is expected to remain above the minimum policy threshold of 8.7 weeks of operating reserves. At the end of 2024, the cash reserve was \$59.5 million, or \$19.8 million, over the

^e <https://www.economicstrategygroup.org/publication/2024-job-market-recap-slow-but-steady-labor-market-growth/>

CITY OF DAYTON, OHIO

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

minimum level of 8.7 weeks of operating funds. Like many other municipalities, the City ensures prudent management over cash reserves and has made a concerted effort to address long-term liabilities through strategic cash management practices.

The original General Fund budget for 2025 is \$228.7 million, or 6.6% higher than 2024. This growth can be attributed to budgeted annual wage growth and the assumption of Fire and Police personnel costs that were previously covered by ARPA grant funding. As the General Fund's expenses are anticipated to exceed 2025's projected revenue, several budget solutions were applied to balance the City's annual budget. These solutions include a variation of strategic initiatives and the use of largely, one-time revenue sources totaling nearly \$10.9 million. These solutions include transferring \$3.8 million of cash from the City's photo enforcement fund to support front-line services, taking a health insurance holiday which will save the City over \$1.5 million, and cutting contracts and materials by \$313,600 through concerted efforts by departments. Since 2024 is the last year that the City can claim revenue replacement from the federal ARPA grant, for the first time since 2021, the General fund plans to utilize \$1.2 million of the cash reserve to balance the budget. All planned solutions are listed in the table to the right.

Additionally, in 2024 voters approved a renewal of the City's eight-year, Your Dollars, Your Neighborhood (YDYN) 0.25% income tax increase. The first cycle of this tax increase was effective from 2017 through 2024, with 2025 representing the first year of the renewal reflecting higher income taxes in the region. Thus, the funding allocated for investments through the YDYN initiative

Increased Vacancy Savings (based on actual trends)	700,000
Photo Enforcement Fund transfer	3,800,000
Investment Interest Earnings	3,300,000
Health Insurance Holiday	1,545,000
Contracts & Materials Cuts	313,600
Use of Cash Reserve	1,214,200
Total Major Budget Solutions for General Fund	\$10,872,800

increased by nearly \$3.2 million to support inflationary cost increases and new funding for housing programming in the community. These increases were offset by reductions in budgeted contracts and materials expenses as the organization worked to identify cost saving measures to address ongoing economic uncertainty. Prudent management of the City's cash reserves, and annual budget allocations remain an ever-present priority for City leadership to ensure strong fiduciary practices and to weather potential economic volatility.

In summary, the City's approach for the upcoming fiscal year emphasizes both adaptability and responsible stewardship, aiming to strike a careful balance between investing in critical services and preserving financial stability. Leadership remains committed to transparent reporting and proactive planning to navigate economic fluctuations and maintain the trust of constituents and stakeholders.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Kena Brown, Finance Director, City of Dayton, 101 West Third Street, P.O. Box 22, Dayton, Ohio 45401-0022, or visit our website at www.daytonohio.gov.

⁷ <https://www.pewtrusts.org/en/research-and-analysis/articles/2024/03/16/record-state-budget-reserves-buffer-against-mounting-fiscal-threats>

BASIC
FINANCIAL STATEMENTS

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

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

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments.	\$ 380,805,229	\$ 223,569,681	\$ 604,374,910
Cash with fiscal and escrow agents.	17,150	-	17,150
Receivables:			
Property and other local taxes.	27,935,047	-	27,935,047
Municipal income taxes.	25,641,107	-	25,641,107
Accounts.	11,152,409	20,428,912	31,581,321
Payments in lieu of taxes.	2,746,124	-	2,746,124
Special assessments.	683,496	1,448,803	2,132,299
Accrued interest.	2,184,508	951,368	3,135,876
Due from other governments.	15,424,283	2,829,015	18,253,298
Loans receivable.	22,832,699	127,831	22,960,530
Leases.	3,318,815	1,021,391	4,340,206
Internal balance.	(190,247)	190,247	-
Materials and supplies inventory.	1,140,587	2,481,318	3,621,905
Prepayments.	1,502,042	99,839	1,601,881
Inventory held for resale.	614,865	-	614,865
Leases - noncurrent.	-	16,410,675	16,410,675
Net pension asset.	931,396	635,465	1,566,861
Net OPEB asset.	2,575,319	1,757,066	4,332,385
Restricted assets:			
Equity in pooled cash and investments.	203,703	1,456,772	1,660,475
Investments with fiscal and escrow agents.	245	13,650,011	13,650,256
Capital assets:			
Land, right of ways, and construction in progress.	102,169,967	138,188,576	240,358,543
Depreciable/amortizable capital assets, net.	425,247,060	515,664,010	940,911,070
Total capital assets, net.	<u>527,417,027</u>	<u>653,852,586</u>	<u>1,181,269,613</u>
Total assets.	<u>1,026,935,804</u>	<u>940,910,980</u>	<u>1,967,846,784</u>
Deferred outflows of resources:			
Asset retirement obligations.	2,325,000	518,500	2,843,500
Unamortized deferred charges on debt refunding.	404,587	903,195	1,307,782
Pension and OPEB.	87,571,307	22,123,903	109,695,210
Total deferred outflows of resources.	<u>90,300,894</u>	<u>23,545,598</u>	<u>113,846,492</u>

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET POSITION (continued)
DECEMBER 31, 2024

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable.	\$ 1,336,866	\$ 1,171,087	\$ 2,507,953
Contracts payable.	7,735,129	7,248,895	14,984,024
Retainage payable	979,020	2,349,450	3,328,470
Accrued wages and benefits payable	11,493,579	3,715,911	15,209,490
Due to other governments	6,239,967	2,646,718	8,886,685
Unearned revenue	5,108,670	-	5,108,670
Accrued interest payable	329,471	536,785	866,256
Payable from restricted assets:			
Utility deposits.	-	250,101	250,101
Asset retirement obligation.	2,325,000	518,500	2,843,500
Long-term liabilities:			
Due within one year	19,758,632	13,265,322	33,023,954
Due in more than one year.	111,372,827	181,349,754	292,722,581
Net pension liability.	269,733,258	57,417,286	327,150,544
Net OPEB liability.	14,712,775	469,620	15,182,395
Total liabilities	<u>451,125,194</u>	<u>270,939,429</u>	<u>722,064,623</u>
Deferred inflows of resources:			
Unamortized deferred loss on refunding.	1,621,557	-	1,621,557
Property taxes levied for the next fiscal year.	18,817,929	-	18,817,929
Pension and OPEB.	25,913,749	3,203,547	29,117,296
Leases.	3,058,703	16,767,487	19,826,190
Payments in lieu of taxes levied for the next fiscal year	2,970,012	-	2,970,012
Total deferred inflows of resources	<u>52,381,950</u>	<u>19,971,034</u>	<u>72,352,984</u>
Net position:			
Net investment in capital assets.	455,508,553	458,864,645	914,373,198
Restricted for:			
Permanent fund:			
Expendable.	86,945	-	86,945
Nonexpendable.	102,228	-	102,228
Capital projects	7,298,370	-	7,298,370
Debt service	32,618,493	14,856,682	47,475,175
Housing and urban development.	754,016	-	754,016
Special projects.	22,298,525	-	22,298,525
Street and highway projects	5,095,514	-	5,095,514
Other purposes.	9,609,893	-	9,609,893
Pension and OPEB	3,506,715	2,392,531	5,899,246
Unrestricted.	<u>76,850,302</u>	<u>197,432,257</u>	<u>274,282,559</u>
Total net position	<u>\$ 613,729,554</u>	<u>\$ 673,546,115</u>	<u>\$ 1,287,275,669</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

		Program Revenues		
		Charges for	Operating Grants	Capital Grants
	Expenses	Services and Sales	and Contributions	and Contributions
Governmental activities:				
Downtown	\$ 205,809	\$ 21,340	\$ -	\$ -
Youth, education and human services.	51,992	10,470	-	-
Community development and neighborhoods.	28,551,312	4,732,443	5,591,204	-
Economic development	11,633,116	3,900,459	1,624,339	-
Leadership and quality of life	105,593,490	11,227,094	45,193,492	5,409,574
Corporate responsibility.	21,394,162	5,443,944	829,494	-
Public safety and justice.	146,742,836	39,472,733	9,583,324	-
Interest	3,300,483	-	-	-
Total governmental activities	<u>317,473,200</u>	<u>64,808,483</u>	<u>62,821,853</u>	<u>5,409,574</u>
Business-type activities:				
Dayton International Airport.	41,411,933	23,488,781	-	10,352,392
Water.	61,129,316	65,412,520	-	4,835,000
Sewer.	42,740,321	45,004,678	-	340,156
Other business-type activities:				
Storm Water.	<u>7,689,825</u>	<u>8,864,929</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>152,971,395</u>	<u>142,770,908</u>	<u>-</u>	<u>15,527,548</u>
Total primary government	<u>\$ 470,444,595</u>	<u>\$ 207,579,391</u>	<u>\$ 62,821,853</u>	<u>\$ 20,937,122</u>

General revenues:

Property taxes levied for:

General purposes

Debt service.

Income taxes levied for:

General purposes

Payments in lieu of taxes

Grants and entitlements not restricted

to specific programs

Investment earnings and fair value adjustment . .

Miscellaneous

Total general revenues

Change in net position

**Net position at beginning of year
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
\$ (184,469)	\$ -	\$ (184,469)
(41,522)	-	(41,522)
(18,227,665)	-	(18,227,665)
(6,108,318)	-	(6,108,318)
(43,763,330)	-	(43,763,330)
(15,120,724)	-	(15,120,724)
(97,686,779)	-	(97,686,779)
(3,300,483)	-	(3,300,483)
(184,433,290)	-	(184,433,290)
-	(7,570,760)	(7,570,760)
-	9,118,204	9,118,204
-	2,604,513	2,604,513
-	1,175,104	1,175,104
-	5,327,061	5,327,061
(184,433,290)	5,327,061	(179,106,229)
9,599,398	-	9,599,398
11,053,871	-	11,053,871
162,417,934	-	162,417,934
1,882,008	-	1,882,008
9,836,233	-	9,836,233
12,088,386	9,779,025	21,867,411
38,529,033	12,229,244	50,758,277
245,406,863	22,008,269	267,415,132
60,973,573	27,335,330	88,308,903
562,758,490	650,178,297	1,212,936,787
(10,002,509)	(3,967,512)	(13,970,021)
552,755,981	646,210,785	1,198,966,766
\$ 613,729,554	\$ 673,546,115	\$ 1,287,275,669

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

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

	General	Local Fiscal Recovery	Debt Service	Capital Improvement
Assets:				
Equity in pooled cash and investments.	\$ 116,546,942	\$ 74,277,572	\$ 22,386,941	\$ 101,164,978
Cash with fiscal and escrow agents.	17,150	-	-	-
Receivables:				
Property and other local taxes.	14,032,062	-	13,902,985	-
Municipal income taxes.	25,641,107	-	-	-
Accounts.	8,147,671	-	81,250	129,728
Payments in lieu of taxes.	-	-	-	2,746,124
Special assessments.	683,496	-	-	-
Accrued interest.	1,525,690	500,851	-	-
Due from other governments.	2,868,543	-	153,899	2,008,499
Loans receivable.	14,775,000	-	5,785,000	-
Leases receivable.	2,973,455	-	130,512	214,848
Advances to other funds.	776,000	-	-	500,000
Materials and supplies inventory.	425,587	-	-	-
Prepayments.	1,477,036	-	-	-
Restricted assets:				
Equity in pooled cash and investments.	203,703	-	-	-
Investments with fiscal and escrow agents.	-	-	-	245
Total assets.	<u>\$ 190,093,442</u>	<u>\$ 74,778,423</u>	<u>\$ 42,440,587</u>	<u>\$ 106,764,422</u>
Liabilities:				
Accounts payable.	\$ 566,305	\$ 5,601	\$ 253	\$ 167,337
Contracts payable.	638,479	2,162,857	-	687,643
Accrued wages and benefits payable.	10,928,432	185	-	8,665
Retainage payable.	-	192,304	-	566,501
Advances from other funds.	2,135,000	-	-	3,010,000
Due to other governments.	5,975,031	-	-	41,042
Claims and judgments payable.	25,591	-	-	-
Claimants payable.	58,960	-	-	-
Unearned revenue.	-	5,108,670	-	-
Total liabilities.	<u>20,327,798</u>	<u>7,469,617</u>	<u>253</u>	<u>4,481,188</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	9,437,001	-	9,380,928	-
Delinquent property tax revenue not available.	4,507,345	-	4,522,057	-
Accrued interest not available.	758,307	248,935	-	-
Special assessments revenue not available.	683,496	-	-	-
Miscellaneous revenue not available.	4,247,733	-	81,250	56,500
Income tax revenue not available.	13,520,846	-	-	-
Intergovernmental revenue not available.	1,559,859	-	153,899	2,009,807
Payments in lieu of taxes levied for the next fiscal year.	-	-	-	2,746,124
Leases.	2,921,177	-	137,526	223,888
Total deferred inflows of resources.	<u>37,635,764</u>	<u>248,935</u>	<u>14,275,660</u>	<u>5,036,319</u>
Fund balances:				
Nonspendable.	18,571,509	-	-	-
Restricted.	1,971,566	-	27,650,172	30,669,506
Committed.	4,391,856	67,059,871	514,502	35,141,870
Assigned.	39,448,359	-	-	31,435,539
Unassigned (deficit).	67,746,590	-	-	-
Total fund balances.	<u>132,129,880</u>	<u>67,059,871</u>	<u>28,164,674</u>	<u>97,246,915</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 190,093,442</u>	<u>\$ 74,778,423</u>	<u>\$ 42,440,587</u>	<u>\$ 106,764,422</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Non-Major Funds	Total Governmental Funds
\$ 30,574,798	\$ 344,951,231
-	17,150
-	27,935,047
-	25,641,107
2,774,830	11,133,479
-	2,746,124
-	683,496
52,211	2,078,752
10,318,563	15,349,504
2,272,699	22,832,699
-	3,318,815
-	1,276,000
715,000	1,140,587
5,998	1,483,034
-	203,703
-	245
<u>\$ 46,714,099</u>	<u>\$ 460,790,973</u>
\$ 508,788	\$ 1,248,284
4,195,727	7,684,706
275,554	11,212,836
220,215	979,020
776,000	5,921,000
112,875	6,128,948
-	25,591
-	58,960
-	5,108,670
<u>6,089,159</u>	<u>38,368,015</u>
-	18,817,929
-	9,029,402
25,951	1,033,193
-	683,496
2,716,968	7,102,451
-	13,520,846
8,888,740	12,612,305
-	2,746,124
-	3,282,591
<u>11,631,659</u>	<u>68,828,337</u>
823,226	19,394,735
28,788,757	89,080,001
-	107,108,099
-	70,883,898
(618,702)	67,127,888
<u>28,993,281</u>	<u>353,594,621</u>
<u>\$ 46,714,099</u>	<u>\$ 460,790,973</u>

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

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

Total governmental fund balances	\$	353,594,621
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*Amounts reported for governmental activities on the
statement of net position are different than the balance sheet because:*

1. Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds.		526,346,132
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2. Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property and other local taxes receivable	\$ 11,380,637	
Municipal income taxes receivable	13,520,846	
Accounts receivable	7,687,127	
Special assessments receivable	683,496	
Accrued interest receivable	1,033,193	
Due from other governments	9,676,394	
Total		43,981,693

3. Internal service funds are used by management to charge the costs of fleet management fire fleet management, stores and reproduction, workers' compensation, health insurance and plumbing to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net position. The net position of the internal service funds, excluding internal balances of \$(190,247) are:		30,117,004
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4. In the statement of net position interest is accrued on bonds, whereas in governmental funds, interest is accrued when due.		(329,471)
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5. Unamortized deferred amounts on refundings are not recognized in the governmental funds.		(1,216,970)
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6. Unamortized premiums on bond issuances are not recognized in the governmental funds.		(5,786,749)
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7. The net pension asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds		856,996
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8. The net OPEB asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds		2,369,602
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9. The net pension liability is not due and payable in the current period; therefore, the liability and related deferred outflows and inflows are not reported in the governmental funds.		(198,965,395)
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10. The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred outflows and inflows are not reported in the governmental funds.		(19,506,108)
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11. Long-term liabilities, including bonds and compensated absences are not due and payable in the current period and therefore are not reported in the funds (exclusive of internal service fund liabilities).		
General obligation bonds	(65,040,000)	
Revenue bonds	(16,805,000)	
State Infrastructure Bank Loan	(1,719,511)	
State Infrastructure Bank Bonds	(2,255,000)	
Compensated absences	(23,996,072)	
Leases	(5,237,528)	
SBITA	(1,156,959)	
OPWC loans	(1,249,327)	
ODOD Loan	(272,404)	
Total		(117,731,801)

Net position of governmental activities	\$	613,729,554
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

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

	General	Local Fiscal Recovery	Debt Service	Capital Improvement
Revenues:				
Municipal income taxes	\$ 160,963,283	\$ -	\$ -	\$ -
Property and other taxes.	8,121,710	-	10,009,468	225,260
State shared taxes.	912,997	-	-	-
Charges for services.	36,703,480	-	311,154	174,238
Licenses and permits	3,643,668	-	-	-
Fines, forfeitures and settlements . . .	4,889,991	-	-	-
Intergovernmental.	7,600,121	32,298,121	1,160,148	7,875,951
Special assessments	542,811	-	5,611	-
Investment income.	8,552,223	2,316,685	1,456	-
Payments in lieu of taxes.	-	-	-	1,882,008
Increase in fair value of investments. . . .	2,327,319	1,437,481	-	-
Other	38,503,059	-	32,222	547,279
Total revenues	<u>272,760,662</u>	<u>36,052,287</u>	<u>11,520,059</u>	<u>10,704,736</u>
Expenditures:				
Current:				
Downtown	103,890	-	-	-
Youth, education and human services. . . .	50,969	-	-	-
Community development and neighborhoods.	18,478,133	-	-	92,053
Economic development	6,916,483	-	-	1,346,160
Leadership and quality of life	34,193,979	52,472,899	-	1,333,710
Corporate responsibility.	18,639,708	993,065	255,602	102,502
Public safety and justice.	125,576,270	472,688	-	2,431
Capital outlay	887,100	-	-	34,425,552
Debt service:				
Principal retirement.	841,545	-	7,559,854	-
Interest	120,206	-	3,349,060	-
Bond issuance costs	-	-	272,005	-
Total expenditures	<u>205,808,283</u>	<u>53,938,652</u>	<u>11,436,521</u>	<u>37,302,408</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>66,952,379</u>	<u>(17,886,365)</u>	<u>83,538</u>	<u>(26,597,672)</u>
Other financing sources (uses):				
Bond issuance.	-	-	595,000	21,000,000
Payment to refunded bond escrow agent . .	-	-	(2,230,000)	-
Transfers in	-	25,455,100	926,461	21,030,800
Transfers (out).	(47,151,458)	-	-	(332,110)
Premium on bond issuance	-	-	1,897,159	-
SBITA transaction.	856,700	-	-	-
Lease transaction	30,400	-	-	-
Total other financing sources (uses)	<u>(46,264,358)</u>	<u>25,455,100</u>	<u>1,188,620</u>	<u>41,698,690</u>
Net change in fund balances	20,688,021	7,568,735	1,272,158	15,101,018
Fund balances at beginning of year	111,441,859	59,491,136	26,892,516	82,145,897
Fund balances at end of year	<u>\$ 132,129,880</u>	<u>\$ 67,059,871</u>	<u>\$ 28,164,674</u>	<u>\$ 97,246,915</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total Non-Major Funds	Total Governmental Funds
\$ -	\$ 160,963,283
-	18,356,438
7,633,944	8,546,941
836,886	38,025,758
5,147	3,648,815
7,415,855	12,305,846
25,033,846	73,968,187
73,602	622,024
239,480	11,109,844
-	1,882,008
143,671	3,908,471
4,937,526	44,020,086
<u>46,319,957</u>	<u>377,357,701</u>
-	103,890
-	50,969
8,871,385	27,441,571
2,662,608	10,925,251
13,118,437	101,119,025
981,065	20,971,942
13,067,286	139,118,675
-	35,312,652
-	8,401,399
-	3,469,266
-	272,005
<u>38,700,781</u>	<u>347,186,645</u>
<u>7,619,176</u>	<u>30,171,056</u>
-	21,595,000
-	(2,230,000)
71,207	47,483,568
-	(47,483,568)
-	1,897,159
-	856,700
-	30,400
<u>71,207</u>	<u>22,149,259</u>
7,690,383	52,320,315
21,302,898	301,274,306
<u>\$ 28,993,281</u>	<u>\$ 353,594,621</u>

**CITY OF DAYTON, OHIO
MONTGOMERY COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Net change in fund balances - total governmental funds **\$ 52,320,315**

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

1. Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period (exclusive of internal service fund activity). 29,317,451
2. The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, trade-ins, and donations) is to decrease net position. (179,091)
3. Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Municipal income taxes	\$ 1,454,651	
Property and other local taxes	2,414,281	
Charges for services	4,471,789	
Intergovernmental	(9,003,467)	
Special assessments	462,981	
Investment income	484,715	
Total		284,950
4. Repayments of bond, loan and lease principal are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position. 8,401,399
5. Bond issuance, Lease and SBITA transactions are recorded as an other financing source in the funds; however, in the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net position. (22,482,100)
6. Payment to refunded bond escrow agent for the retirement of bonds is an other use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. 2,230,000
7. Premiums and discounts on bonds and notes are amortized over the life of the issuance in the statement of activities. (1,897,159)
8. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The additional interest reported in the statement of activities is due to the following:

Increase in accrued interest payable	(98,127)	
Amortization of bond premiums and discounts	280,971	
Amortization of deferred charges on refundings	257,944	
Total		440,788
9. Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (2,170,389)
10. Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	19,500,583	
OPEB	403,409	
Total		19,903,992
11. Except for amounts reported as deferred inflows/outflows, changes in the net pension liability pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension	(25,871,827)	
OPEB	(313,736)	
Total		(26,185,563)
12. Internal service funds used by management to charge the costs of fleet management, fire fleet management, stores and reproduction, workers' compensation, health insurance, and plumbing to individual funds are not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service funds revenues are eliminated. The net revenue of the internal service funds, excluding internal balances of \$334,557, is allocated among governmental activities. 988,980

Change in net position of governmental activities **\$ 60,973,573**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds			
	Dayton International Airport	Water	Sewer	Nonmajor Enterprise Funds
Assets:				
Current assets:				
Equity in pooled cash and investments.	\$ 61,280,348	\$ 92,187,589	\$ 43,184,551	\$ 26,917,193
Receivables:				
Accounts.	5,131,154	7,882,073	5,854,858	1,560,827
Special assessments	-	540,091	337,691	571,021
Accrued interest	219,787	393,303	213,534	124,744
Due from other funds	-	3,476,106	-	-
Due from other governments.	1,288,825	1,540,190	-	-
Loans receivable.	-	127,831	-	-
Leases.	897,759	123,632	-	-
Advances to other funds	-	-	-	-
Materials and supplies inventory.	172,987	2,308,331	-	-
Inventory held for resale.	-	-	-	-
Prepayments	80,869	13,304	5,666	-
Total current assets	69,071,729	108,592,450	49,596,300	29,173,785
Noncurrent assets:				
Net pension asset.	95,315	326,713	162,364	51,073
Net OPEB asset	263,547	903,363	448,939	141,217
Leases.	16,390,706	19,969	-	-
Capital assets:				
Land and construction in progress.	51,049,491	31,891,388	54,625,541	622,156
Depreciable capital assets, net.	219,817,263	169,235,081	111,814,893	14,796,773
Total capital assets, net.	270,866,754	201,126,469	166,440,434	15,418,929
Restricted assets:				
Equity in pooled cash and investments	1,206,671	250,101	-	-
Investments with fiscal and escrow agents	6,721,391	4,508,581	2,420,039	-
Total restricted assets.	7,928,062	4,758,682	2,420,039	-
Total noncurrent assets	295,544,384	207,135,196	169,471,776	15,611,219
Total assets	364,616,113	315,727,646	219,068,076	44,785,004
Deferred outflows of resources:				
Asset retirement obligation	420,000	73,500	25,000	-
Unamortized deferred charges on debt refunding	667,297	116,746	119,152	-
Pension.	5,839,746	8,645,060	4,203,200	1,322,144
OPEB.	728,007	844,866	411,874	129,006
Total deferred outflows of resources	7,655,050	9,680,172	4,759,226	1,451,150
Total assets and deferred outflows of resources .	372,271,163	325,407,818	223,827,302	46,236,154

Business-type Activities Enterprise Funds Total	Governmental Activities - Internal Service Funds
\$ 223,569,681	\$ 35,853,998
20,428,912	18,930
1,448,803	-
951,368	105,756
3,476,106	-
2,829,015	74,779
127,831	-
1,021,391	-
-	4,645,000
2,481,318	-
-	614,865
99,839	19,008
<u>256,434,264</u>	<u>41,332,336</u>
635,465	74,400
1,757,066	205,717
16,410,675	-
138,188,576	75,000
515,664,010	995,895
<u>653,852,586</u>	<u>1,070,895</u>
1,456,772	-
13,650,011	-
<u>15,106,783</u>	<u>-</u>
<u>687,762,575</u>	<u>1,351,012</u>
<u>944,196,839</u>	<u>42,683,348</u>
518,500	2,070,000
903,195	-
20,010,150	2,431,218
2,113,753	265,609
<u>23,545,598</u>	<u>4,766,827</u>
<u>967,742,437</u>	<u>47,450,175</u>
	- - Continued

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF NET POSITION (continued)
PROPRIETARY FUNDS
DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds			
	Dayton International Airport	Water	Sewer	Nonmajor Enterprise Fund
Liabilities:				
Current liabilities:				
Accounts payable	272,185	489,297	382,276	27,329
Contracts payable	977,667	3,806,590	2,048,782	415,856
Retainage payable	317,825	646,329	1,380,692	4,604
Accrued wages and benefits payable	767,652	1,793,855	871,087	283,317
Due to other funds	-	-	2,907,154	568,952
Due to other governments	1,607,972	762,596	218,397	57,753
Accrued interest payable	214,405	204,814	104,809	12,757
Compensated absences payable - current.	454,918	1,169,236	572,009	211,832
SBITA.	69,825	681,542	-	108,478
General obligation bonds payable	710,000	795,000	550,000	165,000
Revenue bonds payable	3,590,000	2,170,000	1,390,000	-
OWDA loans payable	-	-	391,515	-
Other loans payable	232,615	-	-	-
Claims and judgments payable	-	-	-	-
Lease payable.	-	3,352	-	-
Asset retirement obligations	420,000	73,500	25,000	-
Payable from restricted assets:				
Utility deposits.	-	250,101	-	-
Total current liabilities	9,635,064	12,846,212	10,841,721	1,855,878
Long-term liabilities:				
Compensated absences payable	1,117,326	2,871,766	1,404,916	520,282
General obligation bonds payable	3,376,953	9,238,482	6,078,165	2,215,000
Revenue bonds payable	52,079,493	44,091,935	24,209,601	-
OWDA loans payable	-	1,082,503	27,390,548	-
Other loans payable	3,343,351	-	-	-
SBITA.	77,896	2,242,746	-	-
Leases payable.	-	8,791	-	-
Net OPEB liability.	443,559	26,061	-	-
Net pension liability.	13,549,440	26,669,972	13,082,644	4,115,230
Claims and judgments payable	-	-	-	-
Total long-term liabilities	73,988,018	86,232,256	72,165,874	6,850,512
Total liabilities	83,623,082	99,078,468	83,007,595	8,706,390
Deferred inflows of resources:				
Leases.	16,618,422	149,065	-	-
OPEB.	704,898	546,714	258,331	81,372
Pension.	1,010,908	235,516	273,828	91,980
Total deferred inflows of resources	18,334,228	931,295	532,159	173,352
Total liabilities and deferred inflows of resources.	101,957,310	100,009,763	83,539,754	8,879,742
Net position:				
Net investment in capital assets.	206,758,426	136,475,945	103,120,283	12,509,991
Restricted for pension.	358,862	1,230,076	611,303	192,290
Restricted for debt service.	7,928,062	4,508,581	2,420,039	-
Unrestricted	55,268,503	83,183,453	34,135,923	24,654,131
Total net position.	\$ 270,313,853	\$ 225,398,055	\$ 140,287,548	\$ 37,356,412

Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities Enterprise Funds Total	Governmental Activities - Internal Service Funds
1,171,087	88,582
7,248,895	22,765
2,349,450	-
3,715,911	308,401
3,476,106	-
2,646,718	111,019
536,785	-
2,407,995	276,563
859,845	-
2,220,000	-
7,150,000	-
391,515	-
232,615	-
-	3,271,411
3,352	
518,500	2,070,000
250,101	-
35,178,875	6,148,741
5,914,290	679,270
20,908,600	-
120,381,029	-
28,473,051	-
3,343,351	-
2,320,642	
8,791	-
469,620	44,702
57,417,286	6,586,358
-	3,301,114
239,236,660	10,611,444
274,415,535	16,760,185
16,767,487	-
1,591,315	205,626
1,612,232	177,112
19,971,034	382,738
294,386,569	17,142,923
458,864,645	1,070,895
2,392,531	279,717
14,856,682	-
197,242,010	28,956,640
673,355,868	\$ 30,307,252
190,247	
\$ 673,546,115	

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds			
	Dayton International Airport	Water	Sewer	Nonmajor Enterprise Fund
Operating revenues:				
Charges for services	\$ 23,488,781	\$ 65,412,520	\$ 45,004,678	\$ 8,864,929
Other operating revenues	7,869,326	4,007,574	350,992	1,352
Total operating revenues.	<u>31,358,107</u>	<u>69,420,094</u>	<u>45,355,670</u>	<u>8,866,281</u>
Operating expenses:				
Personnel services	7,754,338	19,960,641	9,821,812	3,099,620
Fringe benefits.	2,299,915	7,816,294	3,754,628	1,238,819
Contract services.	8,282,820	7,441,988	7,669,440	1,561,515
Materials and supplies.	1,051,941	6,794,993	5,455,080	314,135
Cost of sales.	-	-	-	-
Utilities	2,544,360	5,125,556	2,582,963	52,764
Claims expense	-	-	-	-
Depreciation/amortization.	14,441,640	9,357,421	7,648,520	945,352
Other	2,762,393	2,511,872	1,150,185	432,860
Total operating expenses.	<u>39,137,407</u>	<u>59,008,765</u>	<u>38,082,628</u>	<u>7,645,065</u>
Operating income (loss)	<u>(7,779,300)</u>	<u>10,411,329</u>	<u>7,273,042</u>	<u>1,221,216</u>
Nonoperating revenues (expenses):				
Interest expense	(2,341,922)	(2,073,290)	(1,152,121)	(86,926)
Gain (loss) on sale of capital assets.	-	(190,844)	(3,586,984)	-
Interest income.	2,478,028	3,150,430	1,227,272	793,919
Increase in fair value of investments.	670,630	808,195	419,501	231,050
Total nonoperating revenues (expenses).	<u>806,736</u>	<u>1,694,491</u>	<u>(3,092,332)</u>	<u>938,043</u>
Income (loss) before contributions.	<u>(6,972,564)</u>	<u>12,105,820</u>	<u>4,180,710</u>	<u>2,159,259</u>
Capital contributions.	<u>10,352,392</u>	<u>4,835,000</u>	<u>340,156</u>	<u>-</u>
Change in net position	<u>3,379,828</u>	<u>16,940,820</u>	<u>4,520,866</u>	<u>2,159,259</u>
Net position at beginning of year, as previously reported	<u>267,697,075</u>	<u>210,331,507</u>	<u>136,704,105</u>	<u>35,589,920</u>
Restatement - change in accounting principle	<u>(763,050)</u>	<u>(1,874,272)</u>	<u>(937,423)</u>	<u>(392,767)</u>
Net position at beginning of year, restated	<u>266,934,025</u>	<u>208,457,235</u>	<u>135,766,682</u>	<u>35,197,153</u>
Net position at end of year	<u><u>\$ 270,313,853</u></u>	<u><u>\$ 225,398,055</u></u>	<u><u>\$ 140,287,548</u></u>	<u><u>\$ 37,356,412</u></u>

Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.

Change in net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities Enterprise Funds Total	Governmental Activities - Internal Service Funds
\$ 142,770,908	\$ 46,831,683
12,229,244	510,205
<u>155,000,152</u>	<u>47,341,888</u>
40,636,411	4,640,443
15,109,656	2,157,106
24,955,763	3,228,225
13,616,149	238,681
-	5,705,831
10,305,643	27,375
-	30,334,234
32,392,933	59,476
6,857,310	421,628
<u>143,873,865</u>	<u>46,812,999</u>
11,126,287	528,889
(5,654,259)	-
(3,777,828)	(9,473)
7,649,649	564,542
2,129,376	239,580
<u>346,938</u>	<u>794,649</u>
11,473,225	1,323,538
<u>15,527,548</u>	-
27,000,773	1,323,538
	29,472,908
	<u>(489,194)</u>
	28,983,714
	<u>\$ 30,307,252</u>
<u>334,557</u>	
<u>\$ 27,335,330</u>	

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds			
	Dayton International Airport	Water	Sewer	Nonmajor Enterprise Fund
Cash flows from operating activities:				
Cash received from customers.	\$ 24,070,611	\$ 65,076,323	\$ 45,261,632	\$ 9,003,877
Cash received from interfund services provided. . . .	-	-	-	-
Cash received from other operations	8,466,260	4,692,331	350,992	1,352
Cash payments for personnel services.	(7,451,407)	(19,290,216)	(9,531,338)	(2,996,502)
Cash payments for fringe benefits.	(2,859,824)	(7,543,737)	(3,713,448)	(1,270,450)
Cash payments for contractual services	(8,964,909)	(6,752,902)	(8,000,708)	(1,502,251)
Cash payments for materials and supplies	(1,079,051)	(6,843,639)	(5,414,711)	(302,076)
Cash payments for cost of goods sold.	-	-	-	-
Cash payments for utilities.	(2,389,935)	(5,123,862)	(2,527,960)	(54,024)
Cash payments for claims	-	-	-	-
Cash payments for other expenses	(2,698,221)	(2,473,597)	(1,190,753)	(432,860)
Net cash provided by operating activities.	7,093,524	21,740,701	15,233,706	2,447,066
Cash flows from noncapital financing activities:				
Cash received from loans to external party.	-	109,626	-	-
Cash payments for interfund loans	-	-	-	-
Cash received from interfund loans.	-	-	-	-
Net cash provided by (used in) noncapital financing activities.	-	109,626	-	-
Cash flows from capital and related financing activities:				
Capital contributions.	11,363,333	3,823,610	340,156	-
Acquisition of capital assets	(7,174,470)	(27,207,783)	(23,251,108)	(1,223,470)
Principal paid on loans.	(227,444)	-	(527,957)	-
Interest paid on loans.	(73,992)	-	(13,881)	-
Principal paid on SBITAs.	(108,375)	(1,108,162)	-	(56,935)
Principal paid on leases.	-	(3,262)	-	-
Interest paid on leases.	-	(388)	-	-
Principal paid on bonds.	(4,135,000)	(2,865,000)	(1,895,000)	(160,000)
Interest paid on bonds.	(2,351,576)	(2,296,419)	(1,064,655)	(83,550)
Loan proceeds.	-	1,077,181	10,233,440	-
Net cash used in capital and related financing activities.	(2,707,524)	(28,580,223)	(16,179,005)	(1,523,955)
Cash flows from investing activities:				
Interest received and fair value adjustment	3,139,616	3,843,088	1,589,227	980,693
Net cash provided by investing activities.	3,139,616	3,843,088	1,589,227	980,693
Net increase (decrease) in cash and investments.	7,525,616	(2,886,808)	643,928	1,903,804
Cash and investments at beginning of year.	61,682,794	99,833,079	44,960,662	25,013,389
Cash and investments at end of year.	\$ 69,208,410	\$ 96,946,271	\$ 45,604,590	\$ 26,917,193

Business-type Activities Enterprise Funds Total	Governmental Activities - Internal Service Funds
\$ 143,412,443	\$ -
-	46,777,523
13,510,935	510,205
(39,269,463)	(4,511,871)
(15,387,459)	(1,759,349)
(25,220,770)	(3,299,645)
(13,639,477)	(211,246)
-	(5,841,050)
(10,095,781)	(27,375)
-	(30,577,975)
(6,795,431)	(421,628)
46,514,997	637,589
109,626	-
-	(3,010,000)
-	1,590,000
109,626	(1,420,000)
15,527,099	-
(58,856,831)	(199,981)
(755,401)	-
(87,873)	-
(1,273,472)	-
(3,262)	-
(388)	-
(9,055,000)	-
(5,796,200)	-
11,310,621	-
(48,990,707)	(199,981)
9,552,624	779,480
9,552,624	779,480
7,186,540	(202,912)
231,489,924	36,056,910
\$ 238,676,464	\$ 35,853,998

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**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024

	Business-type Activities - Enterprise Funds			
	Dayton International Airport	Water	Sewer	Nonmajor Enterprise Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (7,779,300)	\$ 10,411,329	\$ 7,273,042	\$ 1,221,216
Adjustments:				
Depreciation.	14,441,640	9,357,421	7,648,520	945,352
Changes in assets, deferred outflows, liabilities and deferred inflows:				
Accounts receivable.	1,399,255	(520,121)	90,883	111,525
Net pension asset.	(25,659)	(95,446)	(44,595)	(14,185)
Net OPEB asset.	(263,547)	(903,363)	(448,939)	(141,217)
Deferred outflows - pension.	(228,951)	3,902,235	2,066,232	637,718
Deferred outflows - OPEB.	169,777	1,094,170	557,064	173,914
Leases receivable.	625,539	221,418	-	-
Due from other funds.	-	748,980	-	-
Due from other governments.	68,115	(1,895)	-	-
Prepayments.	(73,246)	44,160	(5,666)	-
Special assessments receivable.	-	130,805	166,071	27,423
Materials and supplies inventory.	18,000	(114,526)	-	-
Inventory held for resale.	-	-	-	-
Accounts payable.	(283,078)	(664,610)	(344,362)	(48,928)
Contracts payable.	200,059	892,693	352,619	116,125
Retainage payable.	(512,169)	507,096	475,538	(2,103)
Accrued wages and benefits.	246,049	526,044	213,551	82,712
Due to other funds.	-	-	(753,925)	4,945
Net pension liability.	717,540	(3,366,610)	(2,030,580)	(100,366)
Net OPEB liability.	(37,746)	(630,017)	(320,427)	(618,625)
Deferred inflows - pension.	(1,037,127)	(375,991)	(73,486)	(77,919)
Deferred inflows - OPEB.	24,651	286,239	148,815	43,167
Deferred inflows - leases	(914,145)	(225,441)	-	-
Due to other governments.	191,361	144,766	79,136	18,093
Compensated absences payable.	146,506	376,551	184,215	68,219
Utility deposits.	-	(5,186)	-	-
Claims payable.	-	-	-	-
Net cash provided by operating activities.	<u>\$ 7,093,524</u>	<u>\$ 21,740,701</u>	<u>\$ 15,233,706</u>	<u>\$ 2,447,066</u>

Non-cash transactions:

During 2024, the Dayton International Airport and the Water fund received \$2,351,962 and \$67,140 respectively in capital grants, which were recognized as receivables in 2023. Receivables in the amount of \$1,341,021 and \$1,078,530 respectively have been recorded for capital grants in 2024 for the Dayton International Airport and the Water fund.

At December 31, 2024, the Dayton International Airport, Water, Sewer and Storm Water enterprise funds purchased \$1,074,215, \$2,672,454, \$2,645,456, and \$357,310 respectively, in capital assets on account. At December 31, 2023, the Dayton International Airport, Water, Sewer and Storm Water enterprise funds purchased \$924,386, \$1,376,163, \$3,369,801 and \$82,256 respectively, in capital assets on account.

During 2024, the City refinanced \$2,027,494 in OWDA loans in the Sewer fund.

During 2024, the City entered into SBITA agreements of \$221,443, \$3,603,014, and \$50,030 in the Dayton International Airport Fund, Water Fund, and Storm Water funds, respectively.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Business-type Activities Enterprise Funds Total		Governmental Activities - Internal Service Funds	
<hr/>		<hr/>	
\$	11,126,287	\$	528,889
	32,392,933		59,476
	1,081,542		(17,547)
	(179,885)		(21,967)
	(1,757,066)		(205,717)
	6,377,234		1,061,309
	1,994,925		290,891
	846,957		-
	748,980		-
	66,220		(36,613)
	(34,752)		(15,278)
	324,299		-
	(96,526)		-
	-		(135,219)
	(1,340,978)		(4,667)
	1,561,496		22,765
	468,362		-
	1,068,356		97,244
	(748,980)		-
	(4,780,016)		(759,478)
	(1,606,815)		(144,208)
	(1,564,523)		42,125
	502,872		21,105
	(1,139,586)		-
	433,356		9,152
	775,491		89,068
	(5,186)		-
	-		(243,741)
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\$	46,514,997	\$	637,589
<hr/>		<hr/>	

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	<u>Custodial</u>
Assets:	
Equity in pooled cash and investments	\$ 5,555,521
Cash with fiscal agent	820,454
Investments	1,615,414
Receivables (net of allowances for uncollectibles):	
Special assessments.	16,450,312
Income taxes	<u>69,933</u>
Total assets	<u>24,511,634</u>
Liabilities:	
Accounts payable	5,794
Due to other governments	31,008
Due to others	<u>178,500</u>
Total liabilities	<u>215,302</u>
Net position:	
Restricted for individuals, organizations and other governments .	<u>24,296,332</u>
Total net position	<u><u>\$ 24,296,332</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF DAYTON
MONTGOMERY COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Custodial</u>
Additions:	
From local sources:	
Amounts received as fiscal agent	\$ 1,139,542
Licenses, permits and fees for other governments	82,605
Fines and forfeitures for other governments	5,154,541
Income tax collection for other governments	920,549
Interest and fair value adjustment.	<u>27,751</u>
Total additions	<u>7,324,988</u>
Deductions:	
Distributions to the State of Ohio	422,798
Distributions of state funds to other governments	4,606,479
Distributions as fiscal agent	167,134
Distributions to individuals	221,853
Licenses, permits and fees distributions to other governments .	51,798
Income tax distributions to other governments	782,264
Special assessment distributions to other governments	2,750,635
Other custodial fund disbursements	<u>11,082</u>
Total deductions	<u>9,014,043</u>
Net change in fiduciary net position	<u>(1,689,055)</u>
Net position beginning of year.	<u>25,985,387</u>
Net position end of year	<u><u>\$ 24,296,332</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF DAYTON, OHIO

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

NOTE 1 - DESCRIPTION OF THE CITY

The City of Dayton (the “City”) is located in Montgomery County in southwestern Ohio approximately seventy-six miles west of Columbus and fifty-four miles north of Cincinnati. The City charter was approved in 1913 and the City became the first large community in the United States to adopt the Commission-Manager Plan form of government. Subsequent amendments to the charter have been made. Legislative power is vested in a five-member commission, one of the members being the Mayor. The City Manager is the chief executive officer and the head of the administrative agencies of the City. The City Manager appoints all department heads, except the Secretary of the Civil Service Board and the Director of the Human Relations Council, who are appointed by the City Commission.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental financial accounting principles.

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 of the City are not misleading. The primary government consists of all funds, departments and agencies that are not legally separate from the City. For the City, this includes providing water supply and treatment, sewer and storm water maintenance, wastewater treatment, airport services, fire and emergency medical services, police protection, building inspection, neighborhood support, recreation and parks, golf, street and bridge maintenance, waste collection and a municipal court.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes for the organization. The City does not have any component units.

The City is associated with the following twelve jointly governed organizations:

JOINTLY GOVERNED ORGANIZATIONS

Miami Valley Regional Planning Commission - The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, the City of Dayton, City of Riverside, City of New Carlisle and the City of Huber Heights. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member and two at-large representatives. Payments to the Commission are made from the general fund. The City contributed \$72,951 for the operation of the Commission during 2024. Financial information can be obtained from Brian O. Martin, Executive Director, at 10 N. Ludlow Street Suite 700, Dayton, Ohio 45402.

CITY OF DAYTON, OHIO

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

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

Miami Valley Fire/EMS Alliance - The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full time employees and volunteers and a representative appointed by the members who are provided Fire/EMS Services by full time employees. Payments to the Alliance are made from the general fund. The City contributed \$33,523 for the operation of the Alliance during 2024. Financial information can be obtained from Michelle Fitzgibbon, Executive Director, at 444 W. Third Street, Sinclair Building 20, Room 231, Dayton, Ohio 45402.

Miami Township-Dayton Joint Economic Development District - In an effort to promote regional growth and economic development, the City has entered into a contract with Miami Township to create a Joint Economic Development District (JEDD). The City entered into a separate contract with Miami Township in July, 2005. In accordance with State law, the District's Board of Trustees levied a 1.75% income tax effective January 1, 2008. The proceeds of that tax are allocated, in accordance with the contract, primarily to the Township. In consideration for its receipt of a share of the District's income taxes, the City will receive 50% of the income tax revenue from parcels located within the District. The Township will utilize these JEDD revenues, in part, to construct infrastructure and improvement near the Dayton-Wright Brothers Airport. The City received \$185,000 in revenues through the JEDD in 2024. Financial information can be obtained from Clay McCord, Treasurer, at 2700 Lyons Road, Miamisburg, Ohio 45342.

Butler Township-Dayton Joint Economic Development District - In an effort to promote regional growth and economic development, the City has entered into a contract with Butler Township to create a Joint Economic Development District (JEDD). Financial information can be obtained from Erika Vogel, Township Administrator, 3510 Sudachi Drive, Dayton, Ohio 45414. The City entered into a separate contract with Butler Township in July, 2006. In accordance with State Law, the District's Board of Trustees levied a 1.75% income tax effective in 2008. The proceeds of that tax are allocated, in accordance with the contract, to the Township. In consideration for its receipt of a share of the District's income taxes, the City will receive 50% of the income tax revenue from parcels located within the District. The District will utilize these JEDD revenues to facilitate economic development to create or preserve jobs and employment opportunities and to improve economic welfare. The City received \$5,411 in revenues through the JEDD in 2024.

Economic Development/Government Equity Program - The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced, and that County economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships, and cities within Montgomery County, and Montgomery County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County. The ED/GE Advisory Committee, made up of alternating member entities representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the general fund. The City did not contribute to the operation of ED/GE during 2024. Financial information can be obtained from Dan Bish, Montgomery County, 451 W. Third Street, 10th Floor, Dayton, OH 45422, 937-224-3850, e-mail: bishd@mcOhio.org

CITY OF DAYTON, OHIO

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

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

Montgomery County Family and Children First Council - The City participates in the Montgomery County Family and Children First Council. The Council coordinates and integrates those services within Montgomery County which are available for families and children and establishes a comprehensive, coordinated, multi-disciplinary, interagency system for the delivery of such services in order to more effectively meet the needs of families and children. The Council is governed by a board of nineteen trustees, one of which is the Mayor of the City of Dayton. The City did not contribute to the operation of the Council during 2024. Financial information can be obtained from Tom Kelley, Executive Director, at 451 West Third Street, P.O. Box 972, Dayton, Ohio 45422-3100.

Hazardous Material Response Team - The City is a member of a Hazardous Material Response Team ("HAZMAT") which is a jointly governed organization with other local governments. The organization was created to provide hazardous material response protection and mutual assistance in the event of a hazardous material incident.

The HAZMAT Advisory Board oversees the operation of HAZMAT and consists of representatives from sixteen organizations. The City's ability to affect operations is limited to its representation on the Board.

The Board established hazardous materials incident response guidelines to provide for response procedures in the event of an incident. In the event of a hazardous material incident within any local government that is a member of this organization, the other members will respond to render assistance. The funding for the operation of the response team is through contributions from each entity. In addition, the persons or company responsible for any hazardous materials emergency is required by State law to reimburse the team any costs associated with clean up. There is no explicit and measurable equity interest in HAZMAT. During 2024, the City contributed \$19,770 to HAZMAT. Financial information can be obtained from Gary Rettig, Coordinator, at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402.

Montgomery County Office of Emergency Management - The Montgomery County Office of Emergency Management (MCOEM) is a jointly governed organization between various political subdivisions in the Miami Valley Region. The MCOEM is responsible for developing plans and programs that prepare the region to effectively prevent, respond to, and recover from catastrophic disasters.

The funding for the operation of the MCOEM is through contributions from each participating entity. Payments to the MCOEM are made from the general fund. During 2024, the City contributed \$28,305 to the operations of MCOEM. Financial information can be obtained from Jeff Jordan, Executive Director, 117 South Main Street, Suite 721, Dayton, Ohio 45422.

Montgomery County Regional Radio Council - The Montgomery County Regional Radio Council (the Council) is a Council of Governments that has representatives from political jurisdictions in Montgomery County, local colleges and universities and other entities that use the radio system. The Council was established to provide oversight and direction for the county-wide 800 MHz P25 public safety communications system. The Council is responsible for recommending the operating, maintenance and capital replacement budgets, approve fees and/or fee structures, monitoring the contract with the State of Ohio's Multi-Agency Radio Communication System (MARCS) and recommending operational policies and procedures. The Montgomery County Sheriff has the responsibility of daily operations.

The funding for the operation of the Council is through user fees from each participating entity. Payments to the Agency are made from the general fund. During 2024, the City contributed \$76,485 to the operations of the Council. Financial information can be obtained from Jay Weiskircher, MVCC Executive Director, 1195 Alex Bell Road, Centerville, Ohio 45459.

CITY OF DAYTON, OHIO

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

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

Preschool Promise - Preschool Promise began in 2016 when the City of Dayton voters passed a 0.25% income tax increase to support critical city services and to offer 1 year of affordable, quality Preschool to all Dayton families with a 4-year-old. This move institutionalized Preschool Promise in Dayton and provides sustained funding. Dayton made this bold leap after our community successfully implemented Preschool Promise demonstration programs in Northwest Dayton in the 2016-17 school year. These pilot efforts were made possible by multiple public and private funders, with the City of Dayton funding at the forefront. Because of the overwhelming support of Dayton voters - 56% voted "yes" for Issue 9 - Preschool Promise was expanded to all of Dayton beginning in the 2017-18 school year.

In 2017, Preschool Promise became a stand-alone 501(c)(3) organization, and is now led by a 5-member board of directors. It is fiscally separate from Learn to Earn Dayton, though it remains a close partner. The funding for the operation of the Preschool Promise is through contributions from each participating entity. Payments to Preschool Promise are made from the City's general fund. The City paid \$6,404,629 to Preschool Promise during 2024. Financial information can be obtained from Robyn Lightcap, Executive Director, 4801 Springfield Street, Dayton, Ohio 45431. Robyn.Lightcap@preschoolpromise.org.

Dayton Arcade New Community Authority Financing Authority - The Dayton Arcade New Community Authority Financing Authority ("NCA") was established under Chapter 349 of the Ohio Revised Code. The NCA is a quasi-governing body put in place that allows the City to fund part of the community benefits agreement related to the Arcade Building complex. It is a revenue-generating structure, so it helps support the sustainability of the Arcade development project. The Board of Trustees of the NCA is comprised of seven members, appointed by the City Commission. These members include a representative from the University of Dayton and two other developer members, three citizen members and one representative from the City.

The arcade development is a \$95 million public-private partnership, including a loan agreement that provides \$11 million to be loaned to Citywide, who, in turn, will lend the funds into the Arcade new market tax credit structure for seven years. This amount includes \$1 million in funding from Montgomery County. The City part of the leveraged investment. The Community Benefits Agreement extends benefits from the Arcade Innovation Hub into Dayton's neighborhoods. The organizations behind the innovation hub — the University of Dayton and The Entrepreneurs Center — signed a 10-year lease for the Arcade. The Community Reinvestment Area abatements provide real property tax incentives to the project in accordance with the City's agreement with Dayton Public Schools. Resolutions on the energy and public improvements will fund energy improvements, with repayment of private debt generated from a special assessment on the properties. This City loaned an additional \$2 million to CityWide for the Arcade in fiscal year 2023. Financial information can be obtained from Brian Smith, Board Member, 101 W. Third Street, Dayton, Ohio 45402.

Montgomery County Convention Facilities Authority - Montgomery County Convention Facilities Authority (MCCFA) is jointly governed organization that was established on November 19, 2019 under Chapter 351 of the Ohio Revised code (ORC). A memorandum of understanding was agreed upon to transfer and operate the City owned Dayton Convention Center. MCCFA is governed by a eleven (11) member Board of Directors of whom three (3) are appointed by the Mayor of the City of Dayton, and exercises all powers granted to it under ORC Chapter 351. The MCCFA is a unique government body that assumed ownership of the Dayton Convention Center on April 1, 2021, with a mission to restore/revitalize the heartbeat of our hospitality community. The Authority has the responsibility of funding improvements and services for the Dayton Convention Center that will allow the Convention and Visitors Bureau (CVB) to attract more national and regional events that drive revenue and economic growth back into Montgomery County and the City of Dayton. Key elements of their mission is hospitality focused, progressive and collaborative, welcoming and interactive. A collaborative sales approach with hotel partners, CVB and community stakeholders that will attract segments of business such as; Leisure, Group Tours, Association, Corporate, Government SMERF (Society, Military, Educational, Religious and Fraternal) and Sporting events, will cause hotel compression and pent up demand, benefiting suburban hotels and increase visitor spending.

CITY OF DAYTON, OHIO

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

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

The City will continue collecting a 3% lodging excise tax and will transfer 100% of all money collected according to the tax (less any administrative amounts retained by the City to administer the tax) to the MCCFA quarterly.

B. Basis of Presentation

The City's basic financial statements consist of government-wide financial 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 activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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.

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

General fund - The general fund accounts for all financial resources except those required to be accounted for in another fund.

CITY OF DAYTON, OHIO

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

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

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

Debt service fund - To account for various revenues collected for payment of general obligation debt principal, interest and related costs.

Capital improvement fund - To account for resources used to purchase equipment and construct capital assets.

Other governmental funds of the City are used to account for grants and other resources whose use is restricted to a particular purpose. These funds are nonmajor funds whose activity has been aggregated and presented in a single column in the basic financial statements.

2. **Proprietary Funds** - Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

- a. **Enterprise Funds** - The 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:

Dayton International Airport - To account for the provision of air traffic, primarily commercial, including air freight. Revenues are derived from landing fees, concessionaire fees, and space rentals. The Dayton-Wright Brothers Airport is included in this fund.

Water - To account for the provision of water service and water pollution control activities of the City. The Department also provides water services to several areas outside the City. Revenue is generated by charges for services including those to other departments of the City. The water supply is maintained through the development of well fields, storage facilities and pumping.

Sewer - To account for the provision of sanitary sewer service to the residential, commercial, and industrial consumers of the City and various communities within the Dayton Metropolitan area. The charges for services are based on the City's needs for the cost of service and expenses of improvements to expand the capacity to meet the Environmental Protection Agency (EPA) standards.

The other enterprise fund of the City is a nonmajor fund used to account for the provision of storm sewers to the residents of the City.

- b. **Internal Service Funds** - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds include programs for fleet maintenance, fire fleet maintenance, plumbing services, workers' compensation, health insurance and stores and reproduction services.
3. **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. Custodial funds are custodial in nature and are prepared using the economic resources measurement focus. The City's only fiduciary funds are custodial funds which are used to account for items such as building permit surcharges, municipal court accounts, JEDD activity, and other situations where the City's role is purely custodial, such as the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, and other governments.

CITY OF DAYTON, OHIO

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

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

D. Measurement Focus

Government-Wide Financial Statements - The government-wide and proprietary fund financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows and all liabilities and deferred inflows associated with the operation of the City are included on the statement of net position.

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

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows and all liabilities and deferred inflows associated with the operation of these funds are included on the statement of net position. 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the airport, water, sewer, and storm water funds and charges for services to other departments for goods and services provided by the internal service funds for fleet management, fire fleet management, stores and reproduction services, health insurance, a Workers' Compensation program and plumbing shop services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

Custodial funds use the economic resources measurement focus.

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 custodial 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 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.

CITY OF DAYTON, OHIO

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

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

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 7). 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, grants, fees and rentals.

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 17 and 18 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.

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 17 and 18 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. In addition, deferred outflows of resources include a deferred gain on debt refunding. A deferred gain 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 debt or refunding debt.

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.

CITY OF DAYTON, OHIO

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

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

F. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code, the City's Charter and City Ordinances and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget rate resolution, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, except custodial funds, are legally required to be budgeted. The Capital Improvement fund and the HUD Programs fund, pursuant to the City's charter, are not required to be budgeted annually.

These funds' appropriations, after their initial appropriations by City Commission at the time capital monies/grants are received (bond proceeds, etc.), remain intact until they are expended or modified by City Commission. Such monies are appropriated on a project level with specific identification of each project being budgeted.

The City prepares its budget on a non-GAAP budgetary basis which is the modified accrual basis with certain exceptions. The legal level of budgetary control is at the department level. Budgetary modifications at this level may only be made by resolution of the City Commission.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenues of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unassigned fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2024.

Appropriations - A temporary appropriation measure to control expenditures may be passed prior to January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund and department level. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations between line items within a department may be modified with approval of the Department of Management and Budget. All other modifications may only be made by ordinance of City Commission. During the year, several supplemental appropriation measures were passed. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Encumbrances - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to assign that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as assignments of fund balances for subsequent-year expenditures for the general fund.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each operating appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding calendar year.

CITY OF DAYTON, 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 Cash Equivalents

Cash balances of the City's funds, except cash and cash equivalents and investments held by fiscal and escrow agents, are pooled and invested in order to provide improved cash management. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the statement of net position.

During 2024, investments were limited to federal agency securities, U.S. Treasury notes, commercial paper, City owned debt, U.S. Government money market mutual funds, corporate notes, municipal bonds, negotiable certificates of deposit and the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for non-participating investment contracts, investments are stated at fair value which is based on quoted market prices. For U.S. Government money market mutual funds, fair value is determined by the fund's share price at December 31, 2024. Non-participating investment contracts, such as non-negotiable certificates of deposit, are reported at cost.

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 a 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.

For purposes of the statement of cash flows and for presentation on the financial statements, the City's cash management pool and investments with original maturities of three months or less are considered to be cash and cash equivalents. Investments not part of the cash management pool, with an initial maturity of more than three months, are reported as investments.

The City utilizes a financial institution to service bonded debt as principal and interest payments become due. The balance in these accounts along with reserves held for replacement and improvement for enterprise funds, money held by the municipal court, money held by the Dayton Foundation and money in the executive savings plan are shown as "cash with fiscal and escrow agents" and "investments with fiscal and escrow agents" and "cash with fiscal agent".

Interest income is distributed to the funds according to City Ordinance and statutory requirements. Interest revenue earned during 2024 was \$8,552,223 in the general fund, which includes \$5,261,746 assigned from other City funds.

H. Inventory of Supplies

Inventories held for resale are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Materials and supplies are reported at cost.

I. Restricted Assets

Restricted assets are those which are legally restricted in their use by bond indentures, or other legal instruments. Restricted assets in the enterprise funds include "equity in pooled cash and investments" and "investments with fiscal and escrow agents". The "equity in pooled cash and investments" represent utility deposits held by the City and the collateral account for the Jobs Ohio Loan. The "investment with fiscal and escrow agents" are the proceeds from bond and loan issues that are required by the investment indenture or loan agreement to be held by a financial services corporation.

CITY OF DAYTON, OHIO

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

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

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the governmental fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of bridges, curbs, lighting, sidewalks, and roads. 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 reported capital assets are depreciated except for land, right of ways 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 is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities	Business-Type Activities
	<u>Estimated Lives</u>	<u>Estimated Lives</u>
Improvements other than buildings	5 - 40 years	5 - 50 years
Buildings and improvements	5 - 50 years	5 - 50 years
Equipment	3 - 30 years	3 - 40 years
Vehicles	3 - 20 years	3 - 25 years
Software	3 - 5 years	3 - 5 years
Infrastructure	25 - 50 years	

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

K. Interfund Balances

On fund financial statements, long-term interfund loans are classified as "advances to/from other funds" on the balance sheet. All other outstanding balances between funds are reported as "due to/from other funds". 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.

L. Prepayments

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

CITY OF DAYTON, OHIO

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

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

M. 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 compensatory 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.

Compensatory Time

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

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations payable from governmental funds 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, leases, SBITAs and long-term loans are recognized as a liability on the 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.

O. Bond Premium and Discount/Accounting Gain or Loss

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest 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 refundings resulting in the defeasance of debt reported in the government-wide financial statements and in the proprietary funds, 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 inflow or deferred outflow of resources.

CITY OF DAYTON, OHIO

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

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

On the governmental fund financial statements, bond premiums and discounts are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.

P. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

Q. 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. It also includes the long-term amount of loans receivable in the general fund.

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, laws or regulations of other governments, 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 City Commission (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Commission 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 nor committed. In accordance with the City’s fund balance policy, assigned amounts represent intended uses established by policies of City Commission, which includes giving the Finance Director the authority to constrain monies for intended purposes.

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’s fund balance policy states that 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 an 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.

CITY OF DAYTON, OHIO

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

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

R. Estimates

The preparation of the basic 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.

S. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. Capital contributions are reported as revenue in the proprietary fund financial statements.

T. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. The City did not have any net position restricted by enabling legislation.

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

U. 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.

V. Asset Retirement Obligations

The City owns and maintains underground storage tanks at several locations throughout the City, including at the Dayton International Airport and the Fleet Maintenance Garage at Ottawa Yards. The City and the State of Ohio follow federal financial responsibility rules for underground storage tanks. In accordance with GASB Statement No. 83, an asset retirement obligation liability in the amount of \$2,843,500 was recorded on the Statement of Net Position based on construction estimates and was offset with a deferred outflow of resources. The storage tanks do not have an estimated date for remediation.

W. 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 DAYTON, OHIO

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

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

X. Unearned Revenue

The City defers revenue recognition in connection with resources that have been received, but not earned. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

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 reported 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 deficits:

	<u>Deficit</u>
<u>Internal service funds</u>	
Fleet	\$ 1,704,288
Fire Fleet	21,099
<u>Nonmajor governmental fund</u>	
HUD	616,359

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

CITY OF DAYTON, OHIO

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

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 changing the accounting principle is shown in the table below.

	12/31/2023 As Previously Reported	Change in Accounting Principle	12/31/2023 As Restated
Net Position			
Governmental Activities	\$ 562,758,490	\$ (10,002,509)	\$ 552,755,981
Business-Type Activities	650,178,297	(3,967,512)	646,210,785
Total Net Position	<u>\$ 1,212,936,787</u>	<u>\$ (13,970,021)</u>	<u>\$ 1,198,966,766</u>
Proprietary Funds			
Major Funds:			
Dayton International Airport	\$ 267,697,075	\$ (763,050)	\$ 266,934,025
Water	210,331,507	(1,874,272)	208,457,235
Sewer	136,704,105	(937,423)	135,766,682
Nonmajor Enterprise Fund	35,589,920	(392,767)	35,197,153
Total Proprietary Funds	<u>\$ 650,322,607</u>	<u>\$ (3,967,512)</u>	<u>\$ 646,355,095</u>
Total Internal Service Funds	<u>\$ 29,472,908</u>	<u>\$ (489,194)</u>	<u>\$ 28,983,714</u>

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 no 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.

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;

CITY OF DAYTON, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

In addition to the securities listed above, the City may also invest any monies not required to be used for a period of six months or more in the following:

1. Securities Lending Agreements with institutions having a signed securities lending agreement on file with the Director of Finance;
2. Corporate obligations rated at least "AA" or the equivalent, by a nationally recognized rating agency at the time of purchase.
3. Interest Bearing Demand Deposit Accounts, provided that such accounts are fully collateralized in excess of the FDIC maximum coverage.

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.

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.

CITY OF DAYTON, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 on Hand

At year-end, the City had \$46,550 in undeposited cash on hand which is included on the financial statements of the City as part of “equity in pooled cash and investments”.

B. Cash and Investments with Fiscal and Escrow Agents

At year-end, the City had \$17,150 held by the Dayton Foundation for donations related to Golf operations and recreation programs. In addition, there was \$245 held by Huntington Bank related to the State Infrastructure Bank bonds.

C. Deposits with Financial Institutions

At December 31, 2024, the carrying amount of all City deposits was \$3,484,769. As of December 31, 2024, \$14,255,876 of the City’s bank balance of \$15,005,876 was exposed to custodial risk as discussed below, while \$750,000 was covered by the FDIC.

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 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 institutions were approved for a reduced collateral rate through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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CITY OF DAYTON, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

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

Measurement/ Investment type	Investment Maturities					
	Measurement Amount	6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
FFCB	\$ 115,959,403	\$ 17,894,848	\$ 4,382,430	\$ -	\$ 2,836,230	\$ 90,845,895
FHLB	65,728,413	9,553,258	-	23,630,785	9,021,749	23,522,621
FHLMC	15,713,308	2,461,125	8,981,248	1,925,160	2,345,775	-
FNMA	12,413,865	2,195,735	8,297,650	1,920,480	-	-
FAMCA	11,592,648	-	-	-	-	11,592,648
Agency Bonds	13,573,820	-	-	-	-	13,573,820
U.S. Treasury Notes	172,189,530	-	11,170,490	9,023,655	17,938,650	134,056,735
Municipal Bond	3,306,800	-	-	-	3,306,800	-
Negotiable CDs	1,947,669	1,947,669	-	-	-	-
Commercial Paper	21,022,474	10,896,091	10,126,383	-	-	-
Corporate Notes	37,298,403	2,463,912	4,484,205	13,094,325	11,484,861	5,771,100
<i>Amortized Cost:</i>						
Bond Fund						
Money Market	1,615,414	1,615,414	-	-	-	-
U.S. Government						
Money Market	15,017,241	15,017,241	-	-	-	-
STAR Ohio	136,563,020	136,563,020	-	-	-	-
Total	<u>\$ 623,942,008</u>	<u>\$ 200,608,313</u>	<u>\$ 47,442,406</u>	<u>\$ 49,594,405</u>	<u>\$ 46,934,065</u>	<u>\$ 279,362,819</u>

The weighted average maturity of investments is 1.85 years. The City's investments are valued using quoted market prices (Level 2 inputs).

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

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the City's name. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

Credit Risk: STAR Ohio carries a rating of AAAm (strongest rating) by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The City's investment policy limits its investments in federal agency securities to ratings of A or better by Standard & Poor's and Moody's Investor Services. The City's investments in federal agency securities and its investments in U.S. Government money market funds were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively.

CITY OF DAYTON, OHIO

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

The following table includes the percentage of each investment type held by the City at December 31, 2024:

<u>Investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
<i>Fair Value:</i>		
FFCB	\$ 115,959,403	18.58%
Commercial Paper	21,022,474	3.37%
Corporate Notes	37,298,403	5.98%
FAMCA	11,592,648	1.86%
FHLB	65,728,413	10.53%
FHLMC	15,713,308	2.52%
FNMA	12,413,865	1.99%
Agency Bonds	13,573,820	2.18%
U.S. Treasury Notes	172,189,530	27.59%
Municipal Bond	3,306,800	0.53%
Negotiable CDs	1,947,669	0.31%
<i>Amortized Cost:</i>		
Bond Fund Money Market	1,615,414	0.26%
US Government Money Market	15,017,241	2.41%
STAR Ohio	136,563,020	21.89%
Total	<u>\$ 623,942,008</u>	<u>100.00%</u>

E. 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	\$ 3,484,769
Investments	608,676,583
Investments - Cash with fiscal agent	15,265,425
Cash on hand	46,550
Cash in segregated accounts	1,660,475
Cash with fiscal agent	17,150
Total	<u>\$ 629,150,952</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 381,026,327
Business type activities	240,133,236
Custodial funds	7,991,389
Total	<u>\$ 629,150,952</u>

CITY OF DAYTON, OHIO

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

NOTE 5 - INTERFUND TRANSACTIONS

- A. Due from/to other funds consisted of the following at December 31, 2024, as reported on the fund statements:

<u>Due to</u>	<u>Due from</u>	
	<u>Sewer</u>	<u>Enterprise</u>
Water	\$ 2,907,154	\$ 568,952
		\$ 3,476,106

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements. Amounts due to/from other funds between governmental activities and business-type activities are reported as an internal balance on the statement of net position.

- B. Interfund transfers for the year ended December 31, 2024, consisted of the following, as reported on the fund statements:

<u>Transfer from</u>	<u>Transfer to</u>				<u>Total</u>
	<u>Local Fiscal Recovery</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental</u>	
General	\$25,455,100	\$ 594,351	\$ 21,030,800	\$ 71,207	\$ 47,151,458
Capital Improvement	-	332,110	-	-	332,110
Total	<u>\$25,455,100</u>	<u>\$ 926,461</u>	<u>\$ 21,030,800</u>	<u>\$ 71,207</u>	<u>\$ 47,483,568</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The \$46,207 transfer to the miscellaneous grants fund (a nonmajor governmental fund) was to fund the City's share of projects funded through State and Federal grants. The \$25,000 transfer to the special projects fund (a nonmajor governmental fund) was to fund the City's share of projects funded by sources other than State and Federal Grants. The \$594,351 transfer from the general fund to the debt service fund was for principal payments on outstanding debt. The \$21,030,800 transfer from the general fund to the capital improvements fund was to provide funding for the City's capital improvement plan. The \$332,110 transfer from the capital improvement fund to the debt service fund was for principal payments on outstanding debt. The \$25,455,100 transfer from the general fund to the Local Fiscal Recovery fund was used to fund the local portion of the Dayton Recovery Plan.

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

CITY OF DAYTON, OHIO

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

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

- B. Advances to/from other funds for the year ended December 31, 2024, consisted of the following, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 776,000
Capital Improvements	General fund	500,000
Worker's Compensation	Capital projects	3,010,000
Worker's Compensation	General fund	<u>1,635,000</u>
Total		<u>\$ 5,921,000</u>

Advances from the general fund to the HUD fund (a nonmajor governmental fund) are for long-term interfund loans. These advances were made to fund HUD eligible projects and the City is anticipating reimbursement from HUD. The \$1,635,000 advance from worker's compensation fund to the general fund was for manuscript bonds related to the Arcade development funds. The \$3,010,000 advance from the worker's compensation fund to the capital projects was for manuscript debt related to the Golf fund. The \$500,000 advance between the General Fund and the Capital Improvements fund was for ED/GE (Economic Development/Government Equity) Projects. Advances between governmental funds are eliminated on the government-wide financial statements.

The City also has \$1,126,300 in manuscript bonds outstanding related to the recreational facilities project. The loan was made between sub-funds within the capital projects fund. Intrafund loans are not presented on the basic financial statements.

NOTE 6 - 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 Auditor 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. For Montgomery County, the first half payment is due the middle of February and the second half payment is due the middle of July.

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 at 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 Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Dayton. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other 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 deferred inflows of resources since the current taxes were not levied to finance 2024 operations and the collection of delinquent taxes has been offset by deferred inflows 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 a deferred inflow of resources.

CITY OF DAYTON, OHIO

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

NOTE 6 - PROPERTY TAXES - (Continued)

The full tax rate for all City operations for the year ended December 31, 2024 was \$10 per \$1,000 of assessed value. The assessed values of real and public utility property for tax year 2024 are as follows:

Real property

Residential/agricultural	\$ 1,331,862,360
Commercial/industrial	516,421,000

Public utility

Real	2,173,150
Personal	189,298,190
Total assessed value	<u><u>\$ 2,039,754,700</u></u>

NOTE 7 - INCOME TAX

On March 27, 1984, the City Commission levied a municipal income tax of 1.75% on substantially all income earned within the City. On May 6, 2014, at the regular primary election, the voters of the City approved a Charter Amendment authorizing the City Commission to levy an income tax at the annual rate of 2.25% for a continuing period commencing January 1, 2015. Ordinance 31288-14, being approved by the electorate, became effective January 1, 2015. On November 8, 2016, at the regular general election, the voters of the City approved a Charter Amendment authorizing the City Commission to levy an income tax at the annual rate of 2.5% for a period of eight (8) years commencing January 1, 2018 (2.25% is permanent and .25% is for a period of 8 years). Ordinance 31501-16, being approved by the electorate, became effective January 1, 2018. Ordinance 32072-23 authorized the continuation of the .25% income tax for the period January 1, 2025 through December 31, 2032. The City income tax also applies to the net income of businesses located or doing business within the City. The residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City of Dayton at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The City of Dayton administers the collection of income taxes and the assessment of interest and penalties. Income tax proceeds are to be used to pay the cost of administering the tax and are recorded in the general fund. Income tax revenue for 2024, as reported in the governmental fund financial statements on the modified accrual basis of accounting, was \$160,963,283.

NOTE 8 - TAX INCREMENT FINANCING DISTRICT (TIF)

The City, pursuant to the Ohio Revised Code and City ordinances, has six active TIFs. A TIF represents a geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "payments in lieu of taxes (PILOT)", as though the TIF had not been established. These "PILOTS" are then dedicated to the payments for various public improvements within or adjacent to the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes.

PILOT revenue was \$1,882,008 in 2024 as reported in the fund financial statements. The TIF has a longevity of up to 30 years or until the public improvements are paid for. The property tax exemption then ceases; PILOT's cease and property taxes then apply to the increased property values.

CITY OF DAYTON, OHIO

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

NOTE 9 - TAX ABATEMENTS

As of December 31, 2024, the City provides tax abatements through two programs—Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate 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.

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The City has entered into agreements to abate property taxes through these programs. There are 8 parcels that have taxes abated through Ezone agreements and 315 parcels that have taxes abated through CRAs. During 2024, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	\$ 1,321,719
Ezone	<u>25,671</u>
Total	<u>\$ 1,347,390</u>

NOTE 10 - RECEIVABLES

Receivables at December 31, 2024, consisted of taxes, accounts (billings for user charged services), special assessments, payments in lieu of taxes, accrued interest, loans and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as "due from other governments" on the basic financial statements. Receivables have been recorded to the extent that they are both measurable and available at December 31, 2024, as well as intended to finance 2024 operations.

CITY OF DAYTON, OHIO

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

NOTE 10 – RECEIVABLES – (Continued)

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:

Property and other local taxes	\$ 27,935,047
Municipal income taxes	25,641,107
Accounts	11,152,409
Payments in lieu of taxes	2,746,124
Special assessments	683,496
Accrued interest	2,184,508
Due from other governments	15,424,283
Loans	22,832,699
Leases	3,318,815

Business-type activities:

Accounts	20,428,912
Special assessments	1,448,803
Accrued interest	951,368
Due from other governments	2,829,015
Loans	127,831
Leases	1,021,391

Receivables have been disaggregated on the face of the basic financial statements. Amounts reported as “due from other governments” in the governmental activities include local government and local government revenue assistance from the State of Ohio, motor vehicle license and gasoline taxes, homestead and rollback, grants and estate taxes. The amounts reported as “due from other governments” in the business-type activities include various State and federal grants whose eligibility requirements have been met by year end. All receivables are expected to be collected within the subsequent year with the exception of the opioid settlement receivable, loans, leases and special assessments receivable. The opioid settlement receivable will be collected over the course of the settlement agreements. The special assessments are collected over the term of the assessment, the leases are collected over the term of the lease agreements and the loans receivable will be collected annually through 2040 (see Note 11).

NOTE 11 - LOANS RECEIVABLE

A. Dayton-Montgomery County Port Authority

During 2008, the City issued \$32,000,000 in economic development revenue bonds payable from nontax revenues of the City. The City loaned \$20,100,000 of the proceeds to the Dayton-Montgomery County Port Authority (the “Port Authority”) to assist in financing the costs of constructing a parking facility to be used by CareSource, a nonprofit corporation. The Port Authority will make loan payments semi-annually on July 1 and December 1 at a 4.67% interest rate. The final loan payment is due December 1, 2028. The Port Authority is currently in default of this loan and unpaid interest adds to the principal outstanding on the loan. At December 31, 2024, the amount owed to the City was \$24,649,234. However, the City reports loans receivable net of uncollectible amounts. Due to the non-recourse language in the loan and the Port Authority’s current state of default, the City has recorded a receivable of \$5,785,000 for this loan and considers \$18,864,234 uncollectible. However, the Port Authority remains liable for the entire balance of the loan, including the portion in default.

CITY OF DAYTON, OHIO

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

NOTE 11 - LOANS RECEIVABLE - (Continued)

B City-Wide Development Corporation (CWDC)

The City has various loans outstanding with City-Wide Development Corporation. CWDC is a private, non-profit development organization. The City received \$239,626 in loan payments during 2024.

A summary of the loans receivable outstanding by project are as follows:

<u>Project Name</u>	<u>Loan Receivable</u>
Arcade	\$ 13,000,000
Wellfield	127,831
Phoenix Redevelopment	2,272,699
Tech Town	1,225,000
Tech Town 2	550,000
Total	<u>\$ 17,175,530</u>

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CITY OF DAYTON, OHIO

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

NOTE 12 - CAPITAL ASSETS

- A. Capital asset activity for the governmental activities for the year ended December 31, 2024 were as follows in the chart below. Certain amounts have been reclassified in the beginning balance of accumulated depreciation between asset classes. There was no overall change on total accumulated depreciation or net governmental activities capital assets.

	Balance 12/31/23	Additions	Disposals	Balance 12/31/24
Governmental activities:				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 55,135,056	\$ 58,977	\$ -	\$ 55,194,033
Construction in progress	10,326,776	43,886,995	(21,245,239)	32,968,532
Right-of-ways	14,007,402	-	-	14,007,402
Total capital assets, not being depreciated/amortized	<u>79,469,234</u>	<u>43,945,972</u>	<u>(21,245,239)</u>	<u>102,169,967</u>
<i>Capital assets, being depreciated:</i>				
Building improvements	161,758,898	1,848,075	-	163,606,973
Improvements other than buildings	77,555,639	2,336,869	(51,685)	79,840,823
Equipment	24,058,927	3,384,562	(34,755)	27,408,734
Software	2,791,088	27,000	-	2,818,088
Motor vehicles	58,856,182	7,187,276	(1,333,441)	64,710,017
Infrastructure	441,426,849	12,005,176	-	453,432,025
Right-to-use - software	2,255,791	974,235	(193,530)	3,036,496
Right-to-use - equipment	32,524	-	-	32,524
Right-to-use - buildings	5,730,091	30,425	(411,456)	5,349,060
Total capital assets, being depreciated/amortized	<u>774,465,989</u>	<u>27,793,618</u>	<u>(2,024,867)</u>	<u>800,234,740</u>
<i>Less: accumulated depreciation/amortization</i>				
Building improvements	(91,873,704)	(3,626,693)	-	(95,500,397)
Improvements other than buildings	(48,026,771)	(1,262,248)	-	(49,289,019)
Equipment	(19,545,620)	(773,532)	49,421	(20,269,731)
Software	(1,271,056)	(134,845)	-	(1,405,901)
Motor vehicles	(39,722,570)	(3,060,275)	1,191,369	(41,591,476)
Infrastructure	(154,181,634)	(10,980,659)	-	(165,162,293)
Right-to-use - software	(644,587)	(1,075,935)	193,530	(1,526,992)
Right-to-use - equipment	(6,563)	(6,563)	-	(13,126)
Right-to-use - buildings	(515,083)	(125,118)	411,456	(228,745)
Total accumulated depreciation/amortization	<u>(355,787,588)</u>	<u>(21,045,868)</u>	<u>1,845,776</u>	<u>(374,987,680)</u>
Total capital assets being depreciated/amortized, net	<u>418,678,401</u>	<u>6,747,750</u>	<u>(179,091)</u>	<u>425,247,060</u>
Governmental activities capital assets, net	<u>\$ 498,147,635</u>	<u>\$ 50,693,722</u>	<u>\$ (21,424,330)</u>	<u>\$ 527,417,027</u>

CITY OF DAYTON, OHIO

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

NOTE 12 - CAPITAL ASSETS - (Continued)

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

Governmental activities:

Downtown	\$ 103,986
Community development and neighborhoods	1,000,653
Economic development	704,457
Leadership and quality of life	16,212,856
Corporate responsibility	392,758
Public safety and justice	<u>2,631,158</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 21,045,868</u>

B. Capital asset activity for the business-type activities for the year ended December 31, 2024, were as follows:

	<u>Balance</u> <u>12/31/23</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/24</u>
Business-type activities:				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 37,682,406			\$ 37,682,406
Construction in progress	<u>57,618,203</u>	<u>60,022,228</u>	<u>(17,134,261)</u>	<u>100,506,170</u>
Total capital assets, not being depreciated/amortized	<u>95,300,609</u>	<u>60,022,228</u>	<u>(17,134,261)</u>	<u>138,188,576</u>
<i>Capital assets, being depreciated/amortized:</i>				
Buildings and improvements	300,206,907	1,050,294	-	301,257,201
Improvements other than buildings	921,792,380	5,344,745	(1,862,106)	925,275,019
Equipment	35,909,237	3,509,203	(52,431)	39,366,009
Right to use: software	1,562,184	3,842,871	(67,253)	5,337,802
Right to use: buildings	17,119	-	-	17,119
Motor vehicles	<u>48,914,020</u>	<u>4,813,328</u>	<u>(540,356)</u>	<u>53,186,992</u>
Total capital assets, being depreciated/amortized	<u>1,308,401,847</u>	<u>18,560,441</u>	<u>(2,522,146)</u>	<u>1,324,440,142</u>
<i>Less: accumulated depreciation/amortization</i>				
Buildings and improvements	(144,066,401)	(6,685,912)	-	(150,752,313)
Improvements other than buildings	(577,042,903)	(20,240,363)	605,185	(596,678,081)
Equipment	(23,535,296)	(1,790,709)	2,097	(25,323,908)
Right to use - buildings	(1,724)	(3,486)	-	(5,210)
Right to use - software	(669,327)	(1,070,910)	67,253	(1,672,984)
Motor vehicles	<u>(32,091,595)</u>	<u>(2,601,553)</u>	<u>349,512</u>	<u>(34,343,636)</u>
Total accumulated depreciation/amortization	<u>(777,407,246)</u>	<u>(32,392,933)</u>	<u>1,024,047</u>	<u>(808,776,132)</u>
Total capital assets being depreciated/amortized, net	<u>530,994,601</u>	<u>(13,832,492)</u>	<u>(1,498,099)</u>	<u>515,664,010</u>
Business-type activities capital assets, net	<u>\$ 626,295,210</u>	<u>\$ 46,189,736</u>	<u>\$ (18,632,360)</u>	<u>\$ 653,852,586</u>

CITY OF DAYTON, OHIO

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

NOTE 12 - CAPITAL ASSETS - (Continued)

Depreciation/amortization expense was charged to the enterprise funds as follows:

Dayton International Airport	\$ 14,441,640
Water	9,357,421
Sewer	7,648,520
Non-major enterprise - Storm water	<u>945,352</u>
Total depreciation/amortization expense - business-type activities	<u>\$ 32,392,933</u>

- C. Outstanding contractual commitments related to construction in progress for the year ended December 31, 2024, was as follows:

Governmental activities	\$ 26,597,051
Water	28,288,283
Sewer	8,990,897
Dayton International Airport	4,838,126
Nonmajor enterprise funds	<u>1,181,674</u>
Total outstanding contractual commitments	<u>\$ 69,896,031</u>

NOTE 13 - LEASES RECEIVABLE

The City is the lessor of various parcels of lands and buildings for multiple purposes within the business-type and governmental activities, including economic development, aviation, recreation services, and public works. The leases are between the City and various vendors. The leases have varying terms from one to 99 years. The City is reporting leases receivable of \$3,318,815 in the governmental funds and \$17,432,066 in the business-type activities. For 2024, the City's governmental funds recognized lease revenue of \$286,407, which is reported in other revenue and interest revenue of \$75,264. For 2024, the City's business type activities recognized lease revenue of \$1,614,208 which is reported in other income and interest revenue of \$410,556.

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CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS

Due to the implementation of GASB Statement No. 101 (see Note 3.A for detail), the City has restated compensated absences which are reflected in the schedule below. The changes in the City's governmental activities long-term obligations during the year consist of the following:

	Issue Date	Maturity Date	Interest Rate (%)	Original Issue Amount	Restated Balance 12/31/23	Increase	Decrease	Balance 12/31/24	Amounts Due in One Year
Governmental activities:									
General obligation bonds:									
Various Purpose GO Bonds	12/15/16	12/01/36	2.0 - 5.0	\$ 12,210,000	\$ 5,885,000	\$ -	\$ (870,000)	\$ 5,015,000	\$ 905,000
Energy conservation bonds	06/11/11	12/01/25	4.98	1,615,000	250,000	-	(125,000)	125,000	125,000
Various purpose bonds	09/09/14	12/01/34	1.25 - 4.0	5,700,000	2,620,000	-	(2,620,000)	-	-
Various purpose bonds	11/13/18	12/01/38	2.5-4.0	10,705,000	6,520,000	-	(585,000)	5,935,000	610,000
Various purpose bonds	11/12/20	12/1/2032	1.0-4.0	25,625,000	20,030,000	-	(1,850,000)	18,180,000	1,865,000
Various purpose bonds	12/01/22	12/01/42	5.0-5.5	15,705,000	14,965,000	-	(775,000)	14,190,000	820,000
Various purpose bonds	11/1/2024	12/1/2044	5.0-5.5	15,705,000	-	21,595,000	-	21,595,000	660,000
Total general obligation bonds					50,270,000	21,595,000	(6,825,000)	65,040,000	4,985,000
Revenue bonds:									
Economic development	09/22/10	12/1/31	2.0 - 4.125	2,500,000	1,165,000	-	(130,000)	1,035,000	130,000
2020 Economic development refunding	11/12/20	12/1/28	.04 - 1.8	14,225,000	9,010,000	-	(1,760,000)	7,250,000	1,780,000
Economic development	11/13/18	12/01/38	3.75 - 5.0	3,700,000	3,035,000	-	(150,000)	2,885,000	160,000
2022 Economic development bonds	12/01/22	12/01/42	4.75-5.25	6,005,000	5,825,000	-	(190,000)	5,635,000	200,000
Total revenue bonds					19,035,000	-	(2,230,000)	16,805,000	2,270,000

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CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

			Original	Restated				Amounts
	Issue	Maturity	Issue	Balance			Balance	Due in
<i>Governmental activities:</i>	<u>Date</u>	<u>Date</u>	<u>Amount</u>	<u>12/31/23</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/24</u>	<u>One Year</u>
Ohio Public Works Commission loans:								
<u>Direct Borrowings:</u>								
Ohio Public Works								
Commission loan	1/1/2016	1/1/2031	323,895 \$	172,740 \$	- \$	(21,592) \$	151,148 \$	21,592
Ohio Public Works								
Commission loan	7/1/2016	7/1/2031	133,189	75,474	-	(8,879)	66,595	8,879
Ohio Public Works								
Commission loan	7/1/2016	7/1/2031	642,814	364,261	-	(42,854)	321,407	42,854
Ohio Public Works								
Commission loan	7/1/2019	7/1/2035	366,855	281,256	-	(24,457)	256,799	24,457
Ohio Public Works								
Commission loan	7/1/2019	7/1/2035	372,300	285,430	-	(24,820)	260,610	24,820
Ohio Public Works								
Commission loan	1/1/2021	1/1/1936	251,438	209,531	-	(16,763)	192,768	16,763
Total Ohio Public Works Commission loans				1,388,692	-	(139,365)	1,249,327	139,365
Other long-term obligations:								
<u>Direct Borrowings:</u>								
Ohio Department of								
Development loan	04/01/10	04/21/25	2,860,000	590,437	-	(318,033)	272,404	272,404
State Infrastructure								
Bank loan	12/4/2014	11/15/2036	2,500,000	1,836,967	-	(117,456)	1,719,511	121,005
State Infrastructure								
Bank bonds	12/4/14	11/15/2036	3,540,000	2,415,000	-	(160,000)	2,255,000	160,000
Net pension liability				278,978,198	1,433,416	(10,678,356)	269,733,258	-
Leases payable				5,316,737	30,400	(109,609)	5,316,737	51,762
SBITA Payable				1,032,195	856,700	(731,936)	1,156,959	689,827
Net OPEB liability				16,302,159	228,168	(1,817,552)	14,712,775	-
Judgments				143,378	88,873	(147,700)	84,551	84,551
Claims				6,816,266	30,334,234	(30,577,975)	6,572,525	3,050,786
Compensated absences				22,692,449	2,259,456	-	24,951,905	7,933,932
Total other long-term obligations				336,123,786	35,231,247	(44,658,617)	326,775,625	12,364,267
Total governmental activities			\$	406,817,478			409,790,743	\$ 19,758,632
Add: unamortized bond premiums and discounts							5,786,749	
Total on statement of net position							\$ 415,577,492	

General obligation bonds were used for street improvements, capital improvements, equipment and government construction projects. All general obligation bonds will be paid through the debt service fund from property tax revenues and other revenue sources of the City.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The City has pledged future nontax revenues in the City's general fund to repay \$32,000,000 in Series 2008 economic development revenue bonds. The proceeds were used for the construction of parking facilities and a loan to the Dayton-Montgomery County Port Authority related to the construction of the parking facility. On November 14, 2012, the City issued revenue bonds (Series 2012 economic development refunding bonds) to advance refund the Series 2008 economic development bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2008 economic development revenue bonds at December 31, 2024 is \$11,170,000.

The net carrying amount exceeded the reacquisition value of the old debt by \$2,085,970. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

The Series 2022 revenue bonds are payable solely from nontax revenues in the general fund and are payable through 2042. The proceeds were used to finance capital improvements to the Dayton Air Ballpark Stadium. The most significant amounts of nontax revenues in the City's general fund which are pledged for these purposes are derived from charges for services, investment earnings, fines and forfeitures, and license and permit fees. Annual principal and interest payments on the revenues bonds are expected to require less than 0.50 percent of general fund nontax revenues. The total principal and interest remaining to be paid on the Series 2022 revenue bonds is \$8,574,549. Principal and interest paid for the current year on the revenue bonds were \$190,000 and \$285,488. General fund nontax revenues for the current year were \$95,162,551.

The Series 2020 revenue bonds are payable solely from nontax revenues in the general fund and are payable through 2028. The most significant amounts of nontax revenues in the City's general fund which are pledged for these purposes are derived from charges for services, investment earnings, fines and forfeitures, and license and permit fees. Annual principal and interest payments on the revenues bonds are expected to require less than 1.98 percent of general fund nontax revenues. The City has designated, through authorizing legislation, nontax revenues from the loan payments made by the Port Authority and income and profit related to the parking facility to be used for the debt repayment. The total principal and interest remaining to be paid on the Series 2020 revenue bonds is \$7,540,280. Principal and interest paid for the current year on the revenue bonds were \$1,760,000 and \$123,008. General fund nontax revenues for the current year were \$95,162,551.

The City has pledged future nontax revenues in the City's general fund to repay \$2,500,000 in Series 2010 economic development revenue bonds. The proceeds were used to assist in financing the costs of the demolition, site remediation and construction of public and private infrastructure improvements located in the Tech Town commercial park. The Series 2010 revenue bonds are payable solely from nontax revenues in the general fund and are payable through 2031. The most significant amounts of nontax revenues in the City's general fund which are pledged for these purposes are derived from charges for services, investment earnings, fines and forfeitures, and license and permit fees. Annual principal and interest payments on the revenue bonds are expected to require less than 0.19 percent of general fund nontax revenues. The total principal and interest remaining to be paid on the Series 2010 revenue bonds is \$1,212,234. Principal and interest paid for the current year was \$130,000 and \$46,951. General fund nontax revenues for the current year were \$95,162,551.

The City has pledged future nontax revenues in the City's general fund to repay \$3,700,000 in Series 2018 economic development revenue bonds. The proceeds were used for the Oregon District parking garage project. The Series 2018 revenue bonds are payable solely from nontax revenues in the general fund and are payable through 2038. The most significant amounts of nontax revenues in the City's general fund which are pledged for these purposes are derived from charges for services, investment earnings, fines and forfeitures and license and permit fees. Annual principal and interest payments on the revenue bonds are expected to require less than 0.29 percent of general fund nontax revenues. The total principal and interest remaining to be paid on the Series 2018 revenue bonds is \$3,868,638. Principal and interest paid for the current year was \$150,000 and \$125,050. General fund nontax revenues for the current year were \$95,162,551.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

On September 9, 2014, the City issued various purpose general obligation bonds, par value \$5,700,000. The interest rates on the current interest bonds range from 1.25% to 4.0%. Interest payments of the current interest bonds are due on June 1 and December 1 of each year. The final maturity date stated on the issue is December 1, 2034.

On December 15, 2016, the City issued \$18,110,000 in various purpose bonds (Series 2016 various purpose bonds). Of this issue, \$5,900,000 is reported as a liability in the water fund and the remaining \$12,210,000 is a liability of the governmental activities. \$2,710,000 was used to advance refund the callable portion of the Series 2007 capital facilities bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2007 capital facilities general obligation bonds at December 31, 2024, is \$790,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$101,310. 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.

On November 13, 2018, the City issued \$10,705,000 in various purpose bonds (Series 2018 various purpose bonds). Of this issue, \$1,185,000 was used to advance refund a portion of the Series 2007 capital facilities bonds. The remaining amount of \$9,520,000 were used for various capital improvement projects. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2007 capital facilities general obligation bonds at December 31, 2024, is \$450,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$26,639. 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.

On November 12, 2020 the City issued \$43,260,000 in various purpose bonds (Series 2020 various purpose bonds). Of this issue, \$7,245,000 is reported as a liability in the water fund, \$7,390,000 is reported as a liability in the sewer fund, \$3,000,000 is reported as a liability in the storm water fund and the remaining \$25,625,000 is a liability of the governmental activities. \$27,015,000 was used to advance refund the Series 2009 capital facilities bonds, the series 2012 various purpose bonds, the series 2012 water bonds and the series 2012 sewer bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$355,089 in the enterprise funds and the net carrying amount exceeded the reacquisition price by \$887,429 in the governmental activities. 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.

On November 13, 2024, the City issued \$21,595,000 in various purpose bonds (Series 2024 various purpose bonds). Of this issue, \$590,000 was used to currently refund a portion of the Series 2014 capital facilities bonds. The remaining amount of \$21,050,000 was used for various capital improvement projects. This refunded debt is considered defeased and accordingly, has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$14,753. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. The net present value savings is \$70,611.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The City has six Ohio Public Works Commission loans, direct borrowings, that will be repaid from the debt service fund. The first loan was issued at 0% interest rate with a maturity date of January 1, 2031 for Keowee Street rehabilitation. The second loan was issued at 0% interest rate with a maturity date of July 1, 2031 for River Corridor Drive rebuild. The third loan was issued at 0% interest rate with a maturity date of July 1, 2031 for South Smithville Road project phase I. The fourth loan was issued at 0% interest rate with a maturity date of July 1, 2035 for Valley Street Reconstruction. The fifth loan was issued at 0% interest rate with a maturity date of July 1, 2035 for Wayne Avenue Reconstruction. The sixth loan was issued at 0% interest rate with a maturity date of July 1, 2036. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

The Ohio Department of Development loan, a direct borrowing, was issued for development of the Tech-Town project. The loan was issued at a 0% interest rate for the first sixty months and 3% for the remainder of the loan. There are no principal payments due on the loan for the first sixty months. The maturity date is April 21, 2025. In the event of default, ODOT 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.

The City has entered into a lease agreement for the use of right to use buildings. Due to the implementation of GASB Statement No. 87, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. Principal and interest payments for the lease obligation are made from the general fund.

The City has entered into agreements for the use of right to use software. Due to the implementation of GASB Statement No. 96, the City will report an intangible capital asset and corresponding liability for the future scheduled payments under these agreements. Principal and interest payments for the SBITA obligations are made from the general fund.

Compensated absences will be paid from the fund from which the employees' salaries are paid, which for the City, is primarily the general fund, the Street fund (a nonmajor governmental fund) and the HUD Programs fund (a nonmajor governmental fund). The net pension and net OPEB liability will be paid from the general fund and the Street fund.

The judgments payable liability will be paid from the general fund. The claims payable liability will be paid from the Worker's Compensation Internal Service fund and the Health Insurance Internal Service fund.

See Notes 17 and 18 for details on the net pension liability and net OPEB liability, respectively.

On December 4, 2014, the Ohio Department of Transportation ("ODOT") issued the City bonds, par value \$3,540,000 and a loan in the amount of \$2,500,000 and capitalized interest of \$68,125 through the State Infrastructure Bank ("SIB"). The bonds have a final maturity date of November 15, 2036 and an interest rate of 3.428%, with semi-annual principal and interest payments. The loan has a maturity date of November 15, 2036, with a 3.0% interest rate, beginning December 4, 2015. Principal and interest payments are due semi-annually. The loan had a zero percent interest rate until December 4, 2015.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2024, the City's total debt margin was \$123,792,068 and the unvoted debt margin was \$21,804,333.

The following is a schedule of future principal and interest payments to retire the long-term obligations outstanding at December 31, 2024 for the governmental activities:

Year Ending December 31,	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 4,985,000	\$ 2,968,201	\$ 7,953,201	\$ 2,270,000	\$ 544,327	\$ 2,814,327
2026	4,745,000	2,695,838	7,440,838	2,305,000	503,523	2,808,523
2027	4,460,000	2,489,938	6,949,938	2,355,000	455,093	2,810,093
2028	4,225,000	2,299,738	6,524,738	2,405,000	403,505	2,808,505
2029	4,175,000	2,115,687	6,290,687	585,000	345,038	930,038
2030 - 2034	16,790,000	8,084,736	24,874,736	2,770,000	1,334,302	4,104,302
2035 - 2039	16,170,000	4,429,813	20,599,813	2,810,000	679,036	3,489,036
2040 - 2044	9,490,000	1,264,698	10,754,698	1,305,000	125,877	1,430,877
Totals	<u>\$ 65,040,000</u>	<u>\$ 26,348,649</u>	<u>\$ 91,388,649</u>	<u>\$ 16,805,000</u>	<u>\$ 4,390,701</u>	<u>\$ 21,195,701</u>

Year Ending December 31,	Ohio Public Works Commission Loans			Ohio Department of Development Loan		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 139,365	\$ -	\$ 139,365	\$ 272,404	\$ 3,760	\$ 276,164
2026	139,365	-	139,365	-	-	-
2027	139,365	-	139,365	-	-	-
2028	139,366	-	139,366	-	-	-
2029	139,365	-	139,365	-	-	-
2030 - 2034	502,718	-	502,718	-	-	-
2035 - 2036	49,783	-	49,783	-	-	-
Totals	<u>\$ 1,249,327</u>	<u>\$ -</u>	<u>\$ 1,249,327</u>	<u>\$ 272,404</u>	<u>\$ 3,760</u>	<u>\$ 276,164</u>

Year Ending December 31,	State Infrastructure Bank Bonds			State Infrastructure Bank Loan		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 160,000	\$ 77,432	\$ 237,432	\$ 121,005	\$ 50,685	\$ 171,690
2026	160,000	72,632	232,632	124,663	47,027	171,690
2027	170,000	67,703	237,703	128,430	43,260	171,690
2028	170,000	62,337	232,337	132,313	39,377	171,690
2029	175,000	56,706	231,706	136,312	35,378	171,690
2030 - 2034	975,000	184,294	1,159,294	745,909	112,541	858,450
2035 - 2036	445,000	20,999	465,999	330,879	12,501	343,380
Totals	<u>\$ 2,255,000</u>	<u>\$ 542,103</u>	<u>\$ 2,797,103</u>	<u>\$ 1,719,511</u>	<u>\$ 340,769</u>	<u>\$ 2,060,280</u>

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	Leases			SBITA		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 51,762	\$ 91,360	\$ 143,122	\$ 689,827	\$ 27,758	\$ 717,585
2026	50,289	90,402	140,691	184,513	10,410	194,923
2027	50,632	89,456	140,088	126,231	6,249	132,480
2028	43,000	88,625	131,625	129,162	3,318	132,480
2029	38,635	87,965	126,600	27,226	318	27,544
2030 - 2034	277,090	429,803	706,893	-	-	-
2035 - 2039	213,017	411,983	625,000	-	-	-
2040 - 2044	232,462	392,538	625,000	-	-	-
2045 - 2049	253,684	371,316	625,000	-	-	-
2050 - 2054	276,842	348,158	625,000	-	-	-
2055 - 2059	302,114	322,886	625,000	-	-	-
2060 - 2064	329,694	295,306	625,000	-	-	-
2065 - 2069	359,791	265,209	625,000	-	-	-
2070 - 2074	392,636	232,364	625,000	-	-	-
2075 - 2079	428,479	196,521	625,000	-	-	-
2080 - 2084	467,594	157,406	625,000	-	-	-
2085 - 2089	510,280	114,720	625,000	-	-	-
2090 - 2094	556,862	68,138	625,000	-	-	-
2095 - 2099	481,874	18,126	500,000	-	-	-
Totals	<u>\$ 5,316,737</u>	<u>\$ 4,072,282</u>	<u>\$ 9,389,019</u>	<u>\$ 1,156,959</u>	<u>\$ 48,053</u>	<u>\$ 1,205,012</u>

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CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Due to the implementation of GASB Statement No. 101 (see Note 3.A for detail), the City has restated compensated absences which are reflected in the schedule below. The changes in the City's business-type activities long-term obligations during the year consist of the following:

	Issue	Maturity	Interest	Original	Restated				Amounts
	Date	Date	Rate (%)	Issue	Balance			Balance	Due in
<i>Business-type activities:</i>	<u>Date</u>	<u>Date</u>	<u>Rate (%)</u>	<u>Amount</u>	<u>12/31/23</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/24</u>	<u>One Year</u>
General obligation bonds:									
Dayton International Airport									
refunding bonds	12/3/2015	12/1/2029	1.0 to 4.0	8,045,000	\$ 4,535,000	\$ -	\$ (680,000)	\$ 3,855,000	\$ 710,000
Wellfield	12/15/2016	12/1/2036	2.0 to 5.0	5,900,000	4,060,000	-	(245,000)	3,815,000	255,000
2020 Bonds - Storm	11/12/2020	12/1/2040	1.0 to 4.0	3,000,000	2,540,000	-	(160,000)	2,380,000	165,000
2020 Bonds - Water	11/12/2020	12/1/2040	1.0 to 4.0	7,245,000	5,495,000	-	(535,000)	4,960,000	540,000
2020 Bonds - Sewer	11/12/2020	12/1/2040	1.0 to 4.0	7,390,000	5,600,000	-	(545,000)	5,055,000	550,000
Total general obligation bonds					22,230,000	-	(2,165,000)	20,065,000	2,220,000
Revenue bonds:									
Water	12/3/2015	12/1/2035	1.0 to 4.0	15,090,000	10,180,000	-	(685,000)	9,495,000	705,000
Sewer	12/3/2015	12/1/2035	1.0 to 4.0	15,770,000	10,645,000	-	(720,000)	9,925,000	735,000
Dayton International Airport	12/30/2015	12/1/2035	3.0 to 5.0	21,545,000	14,735,000	-	(990,000)	13,745,000	1,005,000
Dayton International Airport	9/9/2014	12/01/2032	2.30 to 5.00	26,950,000	15,825,000	-	(1,465,000)	14,360,000	1,540,000
Dayton International Airport	12/15/2016	12/1/2041	3.0 to 5.0	33,050,000	27,270,000	-	(1,000,000)	26,270,000	1,045,000
Water	11/13/18	12/01/38	3.0 to 5.0	16,430,000	13,450,000	-	(675,000)	12,775,000	700,000
Water	1/1/22	1/1/42	5.0 to 5.5	23,080,000	22,390,000	-	(725,000)	21,665,000	765,000
Sewer	10/30/20	12/1/40	3.0 to 4.0	16,380,000	14,660,000	-	(630,000)	14,030,000	655,000
Total revenue bonds					129,155,000	-	(6,890,000)	122,265,000	7,150,000
Other long-term obligations									
<u>Direct borrowings:</u>									
Ohio water development									
authority loan	01/01/2003	07/01/2053	3.80 to 3.95	27,634,900	17,806,294	13,613,723	(2,555,451)	28,864,566	391,515
JOBS Ohio loan	09/01/2016	04/01/2037	2.0 to 3.0	5,000,000	3,803,410	-	(227,444)	3,575,966	232,615
Compensated absences payable					7,546,793	775,492	-	8,322,285	2,407,995
Lease Payable					15,405	-	(3,262)	12,143	3,352
SBITA					579,482	3,874,477	(1,273,472)	3,180,487	859,845
Net pension liability					62,715,561	1,963,132	(7,261,407)	57,417,286	-
Net OPEB liability					1,558,176	150,995	(1,239,551)	469,620	-
Total other long-term obligations					94,025,121	20,377,819	(12,560,587)	101,842,353	3,895,322
Total business-type activities					\$ 245,410,121	\$ 20,377,819	\$ (21,615,587)	244,172,353	\$ 13,265,322
Add: unamortized bond premiums and discounts								8,329,629	
Total on statement of net position								\$ 252,501,982	

Enterprise fund general obligation bonds were used for capital improvements related to water and sewer, and construction of a parking facility at the Dayton International Airport. The bonds will be paid from the water fund, the sewer fund and the Dayton International Airport fund, respectively.

On December 3, 2015, the City issued airport refunding bonds (Series 2015 Airport Refunding Bonds), par value \$8,045,000. The interest rates on the current interest bonds range from 1.0 to 4.0%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The proceeds were used to advance refund a portion of the Series 2009 Dayton Internal Airport parking garage bonds.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The issuance proceeds were deposited into an escrow trust fund, which consists of cash and direct or guaranteed non-callable government obligations. The principal of this escrow trust, when due, will be sufficient to pay on the redemption date the principal of, redemption premium and interest on the Series 2009 bonds. This refunded debt is considered defeased (in substance) and accordingly, has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$101,310. 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.

On December 3, 2015, the City issued \$15,090,000 in water revenue bonds. The interest rates on the current interest bonds range from 1.0% to 4.0%. The City has pledged future water revenues, net of specified operating expenses, to repay the Series 2015 water system revenue bonds. The proceeds were used for water capital improvements.

On November 13, 2018, the City issued \$16,430,000 in water revenue bonds. The interest rates on the current interest bonds range from 3.0% to 5.0%. The City has pledged future water revenues, net of specified operating expenses, to repay the Series 2018 water system revenue bonds. The proceeds were used for water capital improvements.

On December 1, 2022, the City issued \$23,080,000 in water revenue bonds. The interest rates on the current interest bonds range from 5.0% to 5.5%. The City has pledged future water revenues, net of specified operating expenses, to repay the Series 2022 water system revenue bonds. The proceeds were used for water capital improvements.

The Series 2015, Series 2018, and Series 2022 revenue bonds are payable solely from revenues in the water fund and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 17.70 percent of net customer revenues. The total principal and interest remaining to be paid on the Series 2015, 2018 and 2022 revenue bonds is \$63,224,482. Principal and interest paid for the current year and total customer net revenues were \$4,200,863 and \$23,727,375, respectively.

On December 3, 2015, the City issued \$15,770,000 in sewer revenue bonds. The interest rates on the current interest bonds range from 1.0% to 4.0%. The City has pledged future sewer revenues, net of specified operating expenses, to repay the Series 2015 sewer system revenue bonds. The proceeds were used for sewer capital improvements.

On October 30, 2020, the City issued \$16,380,000 in sewer revenue bonds. The interest rates on the current interest bonds range from 3.0% to 4.0%. The City has pledged future sewer revenues, net of specified operating expenses, to repay the Series 2015 sewer system revenue bonds. The proceeds were used for sewer capital improvements.

The Series 2015 and Series 2020 revenue bonds are payable solely from revenues in the sewer fund and are payable through 2040. Annual principal and interest payments on the bonds are expected to require 13.68 percent of net customer revenues. The total principal and interest remaining to be paid on the Series 2015 and 2020 revenue bonds is \$30,602,300. Principal and interest paid for the current year and total customer net revenues were \$2,266,100 and \$16,568,335, respectively.

On December 30, 2015, the City issued \$21,545,000 in Airport revenue bonds. The interest rates on the current interest bonds range from 3.0% to 5.0%. The City has pledged future airport revenues, net of specified operating expenses, to repay the Series 2015 Airport revenue bonds. The proceeds were used for the acquisition and construction of airport improvements. The Series 2015 revenue bonds are payable solely from revenues from the airport fund and are payable through 2035.

On December 15, 2016, the City issued \$33,050,000 in Airport revenue bonds. The interest rates on the current interest bonds range from 3.0% to 5.0%. The City has pledged future airport revenues, net of specified operating expenses, to repay the Series 2016 Airport revenue bonds. The proceeds were used for the acquisition and construction of airport improvements. The Series 2016 revenue bonds are payable solely from revenues from the airport fund and are payable through 2041.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

On September 9, 2014, the City issued airport revenue bonds (Series 2014 Bonds), par value \$26,950,000. The proceeds were used to advance refund the Series 2003A and 2003C revenue bonds. The issuance proceeds were deposited into an escrow trust fund, which consists of cash and direct or guaranteed non-callable government obligations. The principal of this escrow trust, when due, will be sufficient to pay on the redemption date the principal of, redemption premium and interest on the Series 2003A and 2003C bonds. This refunded debt is considered defeased (in substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2003A and 2003C airport revenue bonds at December 31, 2024 is \$15,560,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$534,479. 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 City has pledged future airport revenues, net of specified operating expenses, to repay the Series 2014, 2015 and 2016 airport revenue bonds. The Series 2014, 2015, and 2016 airport revenue bonds are payable solely from airport net revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require 42.37 percent of net customer revenues. Net customer revenues included both PFC and CFC charges that were used for debt service. The total principal and interest remaining to be paid on the Series 2014, 2015 and 2016 airport revenue bonds is \$55,423,118. Principal and interest paid for the current year and total customer net revenues were \$5,981,086 and \$14,115,536, respectively.

The City of Dayton's Wastewater Treatment Plant capital improvement project is funded through the joint efforts of the United States Environmental Protection Agency (EPA) and the Ohio Water Development Authority (OWDA). Repayment amounts include capital expenses, administration fees, and accrued interest. The Ohio Water Development Authority Loans are direct borrowings that will be paid from the sewer enterprise fund. At December 31, 2024, the City had outstanding borrowings of \$27,782,063 and \$12,536,542 was disbursed during 2024. At December 31, 2024, the City also had \$1,082,503 in outstanding OWDA loans for the water fund. These loans are considered open and an amortization schedule is not available. 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.

The City has pledged future sewer revenues to repay OWDA loans. The loans are payable solely from sewer fund revenues and are payable through 2053. Annual principal and interest payments on the loans are expected to require 3.51 percent of net revenues. Principal and interest paid for the current year were \$581,869 and customer net revenues were \$16,568,335.

The City has pledged future water revenues to repay OWDA loans. The loans are payable solely from water fund revenues and are payable through 2056. These loans are still open and repayment has not yet begun.

In 2016, the City received a \$5,000,000 loan from Jobs Ohio. This is a direct borrowing. The purpose of the loan is to build a maintenance hangar at the airport. The loan is being paid out of Dayton International Airport fund. The final maturity is April 1, 2037 and the interest rate on the loan is 2 to 3 percent. In the event of default, Jobs Ohio 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.

Compensated absences, net pension liability and net OPEB liability will be paid from the fund from which the employees' salaries are paid which are the Dayton International Airport fund, the Water fund, the Sewer fund, and the Storm Water fund.

CITY OF DAYTON, OHIO

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

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

The City has entered into a lease agreement for the use of right to use buildings for a communications tower. The City will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. Principal and interest payments for the lease obligation are made from the Water fund.

The City has entered into agreements for the use of right to use software. The City reports an intangible capital asset and corresponding liability for the future scheduled payments under these agreements. Principal and interest payments for the SBITA obligations are made from the Dayton International Airport fund, Water fund, and Storm Water fund.

See Notes 17 and 18 for details on the net pension liability and net OPEB liability, respectively.

The following is a schedule of future principal and interest payments to retire the long-term obligations outstanding at December 31, 2024 for the business-type activities.

Year Ending December 31,	Revenue Bonds			General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 7,150,000	\$ 5,293,068	\$ 12,443,068	\$ 2,220,000	\$ 782,650	\$ 3,002,650
2026	7,455,000	4,982,419	12,437,419	2,255,000	691,300	2,946,300
2027	7,795,000	4,650,780	12,445,780	2,350,000	601,100	2,951,100
2028	8,140,000	4,303,067	12,443,067	2,430,000	509,900	2,939,900
2029	8,480,000	3,960,474	12,440,474	2,525,000	415,600	2,940,600
2030 - 2034	43,710,000	14,255,782	57,965,782	6,500,000	906,443	7,406,443
2035 - 2039	29,105,000	6,052,862	35,157,862	1,600,000	145,819	1,745,819
2040 - 2041	10,430,000	908,388	11,338,388	185,000	5,550	190,550
Totals	<u>\$ 122,265,000</u>	<u>\$ 44,406,840</u>	<u>\$ 166,671,840</u>	<u>\$ 20,065,000</u>	<u>\$ 4,058,362</u>	<u>\$ 24,123,362</u>

Year Ending December 31,	JOBS Ohio			SBITA		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 232,615	\$ 69,396	\$ 302,011	\$ 859,845	\$ 80,137	\$ 939,982
2026	237,903	64,695	302,598	619,587	53,171	672,758
2027	243,311	59,888	303,199	554,161	39,167	593,328
2028	240,907	73,090	313,997	566,920	26,408	593,328
2029	244,398	75,296	319,694	579,974	13,354	593,328
2030 - 2034	1,348,375	259,815	1,608,190	-	-	-
2035 - 2038	1,028,457	53,635	1,082,092	-	-	-
Totals	<u>\$ 3,575,966</u>	<u>\$ 655,815</u>	<u>\$ 4,231,781</u>	<u>\$ 3,180,487</u>	<u>\$ 212,237</u>	<u>\$ 3,392,724</u>

Year Ending December 31,	Leases		
	Principal	Interest	Total
2025	\$ 3,352	\$ 298	\$ 3,650
2026	3,445	205	3,650
2027	3,540	110	3,650
2028	1,806	19	1,825
Totals	<u>\$ 12,143</u>	<u>\$ 632</u>	<u>\$ 12,775</u>

CITY OF DAYTON, OHIO

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

NOTE 15 - RISK MANAGEMENT

A. Property and Liability

The City does not have municipal liability insurance. The City is self-insured for the purpose of handling, processing, and paying general municipality liability insurance claims in lieu of purchasing general municipality liability insurance. All claims activity is accounted for in the general fund.

The City is fully insured through premium-based insurance policies for all other types of insurance. In 2024, the City contracted with various insurance companies to provide the following coverages:

<u>Type of Coverage</u>	<u>Coverage</u>
Primary and Excess Airport Liability	\$100,000,000
Excess of Airport Policy	50,000,000
Property	1,123,909,719
General Liability (North West Railway)	10,000,000
Vehicle Liability	2,000,000
Errors and Omissions (Ambulance Attendants)	3,000,000
Errors and Omissions (Municipal Court)	500,000
Garage Liability	2,000,000
General Liability	
(Community Service Program for Dayton Municipal Court - Additional various coverages)	100,000
Employment Practices Liability	2,000,000
Crime WRAP	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from last year.

The City's policy for reporting a claims liability is based on the requirements GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. It is the opinion of the City's legal counsel that, as of December 31, 2024, there were \$25,591 in outstanding claims and judgments pending that are reported as a component of claimants payable in the general fund. Claims activity for 2024 and 2023 are as follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2024	\$ 20,245	\$ 143,209	\$ (137,863)	\$ 25,591
2023	14,981	277,892	(272,628)	20,245

B. Workers' Compensation

The City has elected to take advantage of the workers' compensation plan being offered by the State of Ohio. This plan, called retrospective rating, allows the City to pay a fraction of the premium it would pay as an experience-rated risk.

CITY OF DAYTON, OHIO

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

NOTE 15 - RISK MANAGEMENT - (Continued)

Retrospective rating constitutes a step closer to self-insurance. In the retrospective rating plan, the City agrees to assume a portion of the risk in return for a possible reduction in premiums. The greater the percentage of the risk the City assumes, the greater the potential reduction in the premium. If the City's loss experience is better than predicted by the experience-rating system, its premium obligation will be less than what it would have paid under experience rating. If its experience is worse than predicted, its premium obligation will be more than it would have been assessed under experience rating, limited to a maximum premium. The City has assumed the risk for individual claims up to a maximum of \$300,000.

The City has agreed to pay all claims up to a maximum of 200% of what the City would have paid had the City remained an experience-rated risk. Claims exceeding these limits will be paid by the State. Each year, the City pays the State a "minimum premium" for retaining the risk of having to pay claims which exceeds the City's maximum claim limits. After ten years, the City settles up for the reserve on any claims that are still open. The City has established a workers' compensation internal service fund to account for and finance its uninsured risks of loss in this program.

The claims liability of \$4,068,186 reported at December 31, 2024, as estimated by the third party administrator, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Of the \$4,068,186 claims liability, \$767,072 of the liability is due within one year and is reported as a current liability in the statement of net position for the proprietary funds. The remaining portion is a noncurrent liability of \$3,301,114. The estimate was not affected by non-incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the funds' claims liability amount in 2024 and 2023 were as follows:

<u>Year</u>	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of Year</u>
2024	\$ 4,532,552	\$ 2,811,215	\$ (3,275,581)	\$ 4,068,186
2023	3,968,743	2,706,390	(2,142,581)	4,532,552

C. Health Insurance

On January 1, 2012, the City became self-insured for medical and prescription drug benefits (the "Program"). The Program is administered through a third-party administrator who manages and processes the claims. The City makes required payments to the third-party administrator to reimburse them for the claim payments. The City's stop-loss coverage through the Program is limited to \$200,000 per claim with a stop-loss annual coverage aggregate that is 115% of the expected annual claims amounts in the Program. The city has reported a liability in both the health insurance internal service fund and government-wide financial statements amounting to \$2,504,339 for the claims payable liability.

Changes in the claims payable liability in 2024 and 2023 were as follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2024	\$ 2,283,714	\$ 27,523,019	\$ (27,302,394)	\$ 2,504,339
2023	2,780,950	22,168,300	(22,665,536)	2,283,714

CITY OF DAYTON, OHIO

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

NOTE 16 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation, compensatory time and sick leave components are derived from negotiated agreements, personnel policies and State laws. Vacation time is accrued at the rate of one credit per month, plus one to ten additional credits per year for all employees except police, who receive up to 12 additional days per year, depending upon the length of service. A credit is generally equal to one complete work shift of eight (8) hours, but maybe worth additional periods for fire personnel. The maximum accrual which can be carried forward into January is thirty credits. Accumulated unused vacation time is paid to employees upon separation from the City.

Compensatory time off in lieu of overtime pay is an option given to uniformed Police, Fire, Clerical, Blue Collar, and Building Trade Personnel under union contract. It is given on the basis of time and one-half for actual hours worked. Employees who have accumulated the maximum of compensatory time hours are paid overtime as overtime hours are worked.

Sick leave is accrued at the rate of one and one-fourth credits per month. The maximum sick leave accrual which can be carried forward into January is 125 credits. Accrued sick leave in excess of 125 credits must be converted to vacation credits in January at the rate of two sick leave days for one vacation day. A credit is generally equal to one complete work shift of eight (8) hours, but may be worth additional periods for fire personnel. Upon retirement, payment may be made for one-half of the total sick leave accumulation, up to a maximum of 140 days.

B. Insurance Benefits

The City is self-insured for medical benefits through Anthem Blue Cross/Blue Shield Health. Dental insurance is provided to employees through Superior and Ohio AFSCME Care. Group Life and Accidental Death and Dismemberment insurance is provided to employees through Hartford Life and Accident Insurance Company. The City provided life insurance coverage amounts range from \$20,000 to \$300,000 according to employee position and employees may purchase additional supplemental coverage.

C. Deferred Compensation Plans

City employees and elected officials participate in either the International City Managers Association (ICMA) Deferred Compensation Plan, or the Ohio Public Employees Deferred Compensation Plan. These plans are created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until separation from the City, retirement, death or an unforeseeable emergency.

NOTE 17 - 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.

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.

CITY OF DAYTON, OHIO

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

NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 due to other governments on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the pension disclosures. See Note 18 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. (The latest information available.) Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

CITY OF DAYTON, OHIO

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

NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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 DAYTON, OHIO

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

NOTE 17 - 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:

	<u>State and Local</u>	
	<u>Traditional</u>	<u>Combined</u>
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	<u>14.0 %</u>	<u>14.0 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>

* 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, the Combined Plan and Member-Directed Plan was \$12,539,841 for 2024. Of this amount, \$1,157,231 is reported as due to other governments.

CITY OF DAYTON, OHIO

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

NOTE 17 - 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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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

NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	Police	Firefighters
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 \$13,085,181 for 2024. Of this amount, \$1,902,686 is reported as due to other governments.

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:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.48812000%	0.46266000%	0.42397200%	2.07919000%	
Proportion of the net pension liability/asset current measurement date	<u>0.48223500%</u>	<u>0.49448600%</u>	<u>0.42046800%</u>	<u>2.07940730%</u>	
Change in proportionate share	<u>-0.00588500%</u>	<u>0.03182600%</u>	<u>-0.00350400%</u>	<u>0.00021730%</u>	
Proportionate share of the net pension liability	\$ 126,251,100	\$ -	\$ -	\$ 200,899,444	\$ 327,150,544
Proportionate share of the net pension asset	-	(1,519,959)	(46,902)	-	(1,566,861)
Pension expense	12,250,334	111,636	(4,447)	19,296,287	31,653,810

CITY OF DAYTON, OHIO

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

NOTE 17 - 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	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ 2,063,468	\$ 61,594	\$ 100,695	\$ 6,449,464	\$ 8,675,221
Net difference between projected and actual earnings on pension plan investments	25,482,853	247,208	8,345	22,766,133	48,504,539
Changes of assumptions	-	56,408	1,618	12,696,625	12,754,651
Changes in employer's proportionate percentage/ difference between employer contributions	213,587	-	-	2,107,340	2,320,927
Contributions subsequent to the measurement date	11,908,041	273,949	357,851	13,085,181	25,625,022
Total deferred outflows of resources	<u>\$ 39,667,949</u>	<u>\$ 639,159</u>	<u>\$ 468,509</u>	<u>\$ 57,104,743</u>	<u>\$ 97,880,360</u>
	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred inflows of resources					
Differences between expected and actual experience	\$ -	\$ 150,331	\$ -	\$ 2,246,831	\$ 2,397,162
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	-
Changes of assumptions	-	-	-	3,050,893	3,050,893
Changes in employer's proportionate percentage/ difference between employer contributions	1,440,554	-	-	6,158,224	7,598,778
Total deferred inflows of resources	<u>\$ 1,440,554</u>	<u>\$ 150,331</u>	<u>\$ -</u>	<u>\$ 11,455,948</u>	<u>\$ 13,046,833</u>

\$25,625,022 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 DAYTON, OHIO

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

NOTE 17 - 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	OPERS - Member- Directed	OP&F	Total
2025	\$ 5,387,409	\$ 37,724	\$ 17,340	\$ 8,377,127	\$ 13,819,600
2026	8,298,887	68,004	17,632	9,469,851	17,854,374
2027	16,261,719	142,453	19,912	15,093,787	31,517,871
2028	(3,628,661)	(40,920)	11,651	(1,309,202)	(4,967,132)
2029	-	4,138	11,330	904,737	920,205
Thereafter	-	3,480	32,793	27,314	63,587
Total	<u>\$ 26,319,354</u>	<u>\$ 214,879</u>	<u>\$ 110,658</u>	<u>\$ 32,563,614</u>	<u>\$ 59,208,505</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 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 DAYTON, OHIO

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

NOTE 17 - 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:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
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	100.00 %	

CITY OF DAYTON, OHIO

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

NOTE 17 - 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	\$ 198,753,155	\$ 126,251,100	\$ 65,950,459
Combined Plan	(919,744)	(1,519,959)	(1,992,779)
Member-Directed Plan	(33,637)	(46,902)	(58,866)

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 DAYTON, OHIO

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

NOTE 17 - 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 DAYTON, OHIO

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

NOTE 17 - 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	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 certain fixed income asset classes.

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	\$ 266,106,277	\$ 200,899,444	\$ 146,673,620

CITY OF DAYTON, OHIO

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

NOTE 18 - POSTEMPLOYMENT BENEFITS

Net OPEB Liability (Asset)

See Note 17 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.

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.

CITY OF DAYTON, OHIO

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

NOTE 18 - POSTEMPLOYMENT BENEFITS - (Continued)

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
Age and Service Requirements <i>January 1, 2015 through December 31, 2021</i>	Age and Service Requirements <i>January 1, 2015 through December 31, 2021</i>	Age and Service Requirements <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.

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.

CITY OF DAYTON, OHIO

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

NOTE 18 - POSTEMPLOYMENT BENEFITS - (Continued)

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 \$188,799 for 2024. Of this amount, \$17,799 is reported as due to other governments.

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.

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.

CITY OF DAYTON, OHIO

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

NOTE 18 - POSTEMPLOYMENT BENEFITS - (Continued)

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 \$310,669 for 2024. Of this amount, \$45,174 is reported as due to other governments.

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	0.48485500%	2.07919000%	
Proportion of the net OPEB liability/asset			
current measurement date	<u>0.48003000%</u>	<u>2.07940730%</u>	
Change in proportionate share	<u>-0.00482500%</u>	<u>0.00021730%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 15,182,395	\$ 15,182,395
Proportionate share of the net OPEB asset	(4,332,385)	-	(4,332,385)
OPEB expense	(604,148)	627,185	23,037

CITY OF DAYTON, OHIO

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

NOTE 18 - 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 730,080	\$ 730,080
Net difference between projected and actual earnings on OPEB plan investments	2,601,842	1,121,117	3,722,959
Changes of assumptions	1,115,374	5,224,412	6,339,786
Changes in employer's proportionate percentage/ difference between employer contributions	42,975	479,577	522,552
Contributions subsequent to the measurement date	188,799	310,669	499,468
Total deferred outflows of resources	<u>\$ 3,948,990</u>	<u>\$ 7,865,855</u>	<u>\$ 11,814,845</u>

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 616,622	\$ 2,790,082	\$ 3,406,704
Changes of assumptions	1,862,363	9,777,107	11,639,470
Changes in employer's proportionate percentage/ difference between employer contributions	18,422	1,005,870	1,024,292
Total deferred inflows of resources	<u>\$ 2,497,407</u>	<u>\$ 13,573,059</u>	<u>\$ 16,070,466</u>

\$499,468 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 DAYTON, OHIO

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

NOTE 18 - 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:	OPERS	OP&F	Total
2025	\$ (97,684)	\$ (225,271)	\$ (322,955)
2026	213,716	(780,083)	(566,367)
2027	2,025,302	(495,062)	1,530,240
2028	(878,550)	(1,392,708)	(2,271,258)
2029	-	(1,445,269)	(1,445,269)
Thereafter	-	(1,679,480)	(1,679,480)
Total	<u>\$ 1,262,784</u>	<u>\$ (6,017,873)</u>	<u>\$ (4,755,089)</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 DAYTON, OHIO

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

NOTE 18 - 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 DAYTON, OHIO

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

NOTE 18 - 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)	\$ 2,380,949	\$ (4,332,385)	\$ (9,893,418)

CITY OF DAYTON, OHIO

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

NOTE 18 - 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	\$ 4,512,282	\$ 4,332,385	\$ 4,128,258

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 DAYTON, OHIO

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

NOTE 18 - 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	3.50% 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 DAYTON, OHIO

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

NOTE 18 - 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:

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	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 certain fixed income asset classes.

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.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 18,700,496	\$ 15,182,395	\$ 12,219,458

CITY OF DAYTON, OHIO

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

NOTE 19 - 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	Local Fiscal Recovery Fund	Debt Service Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepays	\$ 1,477,036	\$ -	\$ -	\$ -	\$ 5,998	\$ 1,483,034
Materials and supplies inventory	425,587	-	-	-	715,000	1,140,587
Advances to other funds	776,000	-	-	-	-	776,000
Perpetual care	-	-	-	-	102,228	102,228
Loans receivable	14,775,000	-	-	-	-	14,775,000
Unclaimed monies	1,117,886	-	-	-	-	1,117,886
Total nonspendable	18,571,509	-	-	-	823,226	19,394,735
Restricted:						
Street and highway programs	-	-	-	-	4,451,727	4,451,727
Special projects	-	-	-	-	20,232,053	20,232,053
Debt service	-	-	27,650,172	-	-	27,650,172
Capital projects	-	-	-	30,669,506	-	30,669,506
Fire proceeds	1,971,566	-	-	-	-	1,971,566
Other purposes	-	-	-	-	4,018,188	4,018,188
Permanent fund	-	-	-	-	86,789	86,789
Total restricted	1,971,566	-	27,650,172	30,669,506	28,788,757	89,080,001
Committed:						
Capital projects	-	-	-	35,141,870	-	35,141,870
Dayton Recovery Plan	-	67,059,871	-	-	-	67,059,871
Community development	279,394	-	-	-	-	279,394
Economic development	119,291	-	-	-	-	119,291
Leadership and quality of life	1,566,407	-	-	-	-	1,566,407
Corporate responsibility	1,149,367	-	-	-	-	1,149,367
Other purposes	214,042	-	-	-	-	214,042
Public safety	1,063,355	-	-	-	-	1,063,355
Special assessments	-	-	514,502	-	-	514,502
Total committed	4,391,856	67,059,871	514,502	35,141,870	-	107,108,099
Assigned:						
Leadership and quality of life	131,769	-	-	-	-	131,769
Corporate responsibility	135,423	-	-	-	-	135,423
Public safety	84,139	-	-	-	-	84,139
Special payroll	3,530,884	-	-	-	-	3,530,884
Termination pay	4,129,474	-	-	-	-	4,129,474
Unemployment	1,511,546	-	-	-	-	1,511,546
Other purposes	1,558,244	-	-	-	-	1,558,244
Police professional development	504,030	-	-	-	-	504,030
Sunrise Bomberger Center	249,993	-	-	-	-	249,993
Community policing council (CIRGV)	58,572	-	-	-	-	58,572
Mediation center	231,698	-	-	-	-	231,698
Professional development	555,533	-	-	-	-	555,533
Nationwide settlement	141,789	-	-	-	-	141,789
Executive savings	4,412,603	-	-	-	-	4,412,603
Judgments	1,315,679	-	-	-	-	1,315,679
Development	9,450,009	-	-	-	-	9,450,009
Real estate development	202,933	-	-	-	-	202,933
Subsequent year appropriations	5,064,400	-	-	-	-	5,064,400
JEDD activity	400,000	-	-	-	-	400,000
Public safety photo enforcement	3,756,641	-	-	-	-	3,756,641
Community golf and recreation	1,969,480	-	-	-	-	1,969,480
Urban renewal	53,520	-	-	-	-	53,520
Capital projects	-	-	-	31,435,539	-	31,435,539
Total assigned	39,448,359	-	-	31,435,539	-	70,883,898
Unassigned (deficit)	67,746,590	-	-	-	(618,702)	67,127,888
Total fund balances	\$ 132,129,880	\$ 67,059,871	\$ 28,164,674	\$ 97,246,915	\$ 28,993,281	\$ 353,594,621

NOTE 20 - 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:

CITY OF DAYTON, OHIO

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

NOTE 20 – COMMITMENTS – (Continued)

<u>Fund</u>		<u>Year-End Encumbrances</u>
General fund	\$	16,396,030
Local fiscal recovery fund		47,112,106
Debt service		39,224
Capital improvement		39,791,198
Nonmajor governmental		<u>36,745,566</u>
Total	\$	<u>140,084,124</u>

NOTE 21 - CONTINGENCIES

A. Litigation

The City is party to legal proceedings. The City is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the City.

B. Grants

For the period January 1, 2024 to December 31, 2024, the City received federal and State grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant.

C. Asset Retirement Obligations

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio Environmental Protection Agency (Ohio EPA) for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their sewage treatment facilities and the permit would specify the procedures required to dispose of all or part of the sewage treatment plant. Due to the lack of specific legal requirements for retiring the sewage treatment plant, the City has determined that the associated asset retirement obligation can not be reasonably estimated.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DAYTON, 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	Variance with
	Original	Final	Budgetary Basis	Final Budget - Over (Under) Actual Amounts
Budgetary revenues:				
Municipal income taxes.	\$ 154,994,600	\$ 165,225,200	\$ 165,177,409	\$ (47,791)
Property and other taxes.	8,690,200	8,690,200	8,373,962	(316,238)
State shared taxes	1,245,500	633,500	912,996	279,496
Charges for services.	30,364,800	32,419,500	32,411,388	(8,112)
Licenses and permits	3,349,500	3,349,500	3,644,168	294,668
Fines and forfeitures	1,878,100	1,878,100	4,878,129	3,000,029
Intergovernmental.	4,442,500	4,442,500	4,765,351	322,851
Special assessments	1,231,900	1,231,900	910,034	(321,866)
Investment income.	4,379,500	7,241,400	8,208,676	967,276
Other	5,765,600	39,116,100	40,212,987	1,096,887
Total budgetary revenues	<u>216,342,200</u>	<u>264,227,900</u>	<u>269,495,100</u>	<u>5,267,200</u>
Budgetary expenditures:				
Current:				
Downtown	-	-	106,065	106,065
Youth, education and human services.	-	-	49,840	49,840
Community development and neighborhoods.	21,111,134	24,664,541	19,456,195	(5,208,346)
Economic development	11,976,100	16,187,200	11,724,279	(4,462,921)
Leadership and quality of life	36,149,094	34,185,287	33,542,988	(642,299)
Corporate responsibility.	22,309,500	21,238,400	20,561,481	(676,919)
Public safety and justice.	118,001,400	121,333,400	120,602,577	(730,823)
Other	8,579,000	7,773,600	5,507,403	(2,266,197)
Total budgetary expenditures	<u>218,126,228</u>	<u>225,382,428</u>	<u>211,550,828</u>	<u>(13,831,600)</u>
Budgetary excess (deficiency) of revenues over (under) expenditures	<u>(1,784,028)</u>	<u>38,845,472</u>	<u>57,944,272</u>	<u>(8,564,400)</u>
Budgetary other financing sources (uses):				
Transfers (out)	(12,088,000)	(48,799,400)	(47,137,958)	(1,661,442)
Total budgetary other financing sources (uses)	<u>(12,088,000)</u>	<u>(48,799,400)</u>	<u>(47,137,958)</u>	<u>(1,661,442)</u>
Net change in fund balances	(13,872,028)	(9,953,928)	10,806,314	20,760,242
Budgetary fund balances at beginning of year	106,425,425	106,425,425	106,425,425	-
Prior year encumbrances appropriated	8,474,267	8,474,267	8,474,267	-
Balance Sheet Adjustments.	(236,368)	(236,368)	(236,368)	-
Budgetary fund balances at end of year	<u>\$ 100,791,296</u>	<u>\$ 104,709,396</u>	<u>\$ 125,469,638</u>	<u>\$ 20,760,242</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL FISCAL RECOVERY FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary	Final Budget -
			Basis	Over (Under)
				Actual Amounts
Budgetary revenues:				
Other	\$ -	\$ -	\$ 2,311,241	\$ 2,311,241
Total budgetary revenues	-	-	2,311,241	2,311,241
Budgetary expenditures:				
Current:				
Other	97,190,153	61,152,200	97,905,281	36,753,081
Total budgetary expenditures	97,190,153	61,152,200	97,905,281	36,753,081
Budgetary excess (deficiency) of revenues	(97,190,153)	(61,152,200)	(95,594,040)	39,064,322
Other financing sources (uses):				
Transfers in	-	25,455,100	25,455,100	-
Transfers (out).	-	(36,038,000)	-	(36,038,000)
Total other financing sources (uses).	-	(10,582,900)	25,455,100	(36,038,000)
Net change in fund balances	(97,190,153)	(71,735,100)	(70,138,940)	1,596,160
Budgetary fund balances at beginning of year	99,973,563	99,973,563	99,973,563	-
Prior year encumbrances appropriated . . .	44,918,683	44,918,683	44,918,683	-
Budgetary fund balances at end of year	<u>\$ 47,702,093</u>	<u>\$ 73,157,146</u>	<u>\$ 74,753,306</u>	<u>\$ 1,596,160</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF DAYTON
MONTGOMERY COUNTY, 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	0.482235000%	\$ 126,251,100	\$ 78,949,914	159.91%	79.01%
2023	0.488120000%	144,190,863	74,478,650	193.60%	75.74%
2022	0.499705000%	43,476,356	72,526,236	59.95%	92.62%
2021	0.524244000%	77,629,122	73,835,129	105.14%	86.88%
2020	0.550177000%	108,746,216	77,640,136	140.06%	82.17%
2019	0.563207000%	154,250,979	74,225,779	207.81%	74.70%
2018	0.571533000%	89,662,448	73,469,231	122.04%	84.66%
2017	0.555800000%	126,212,728	71,961,283	175.39%	77.25%
2016	0.567394000%	98,279,795	72,324,850	135.89%	81.08%
2015	0.560246000%	67,571,930	67,411,033	100.24%	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	\$ 11,908,041	\$ (11,908,041)	\$ -	\$ 85,057,436	14.00%
2023	11,052,988	(11,052,988)	-	78,949,914	14.00%
2022	10,427,011	(10,427,011)	-	74,478,650	14.00%
2021	10,153,673	(10,153,673)	-	72,526,236	14.00%
2020	10,336,925	(10,336,925)	-	73,835,179	14.00%
2019	10,869,619	(10,869,619)	-	77,640,136	14.00%
2018	10,391,609	(10,391,609)	-	74,225,779	14.00%
2017	9,551,000	(9,551,000)	-	73,469,231	13.00%
2016	8,635,354	(8,635,354)	-	71,961,283	12.00%
2015	8,678,982	(8,678,982)	-	72,324,850	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 DAYTON
MONTGOMERY COUNTY, 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	0.494486000%	\$ 1,519,959	\$ 2,270,617	66.94%	144.55%
2023	0.462660000%	1,090,440	2,150,957	50.70%	137.14%
2022	0.490612000%	1,933,037	2,236,679	86.42%	169.88%
2021	0.494270000%	1,426,777	2,178,250	65.50%	157.67%
2020	0.517985000%	1,080,123	2,263,643	47.72%	145.28%
2019	0.551450000%	616,644	2,358,507	26.15%	126.64%
2018	0.569155000%	774,804	2,330,962	33.24%	137.28%
2017	0.533340000%	296,841	2,073,725	14.31%	116.55%
2016	0.506860000%	246,649	1,645,667	14.99%	116.90%
2015	0.475603000%	183,119	1,738,508	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	\$ 273,949	\$ (273,949)	\$ -	\$ 2,282,908	12.00%
2023	272,474	(272,474)	-	2,270,617	12.00%
2022	301,134	(301,134)	-	2,150,957	14.00%
2021	313,135	(313,135)	-	2,236,679	14.00%
2020	304,955	(304,955)	-	2,178,250	14.00%
2019	316,910	(316,910)	-	2,263,643	14.00%
2018	330,191	(330,191)	-	2,358,507	14.00%
2017	303,025	(303,025)	-	2,330,962	13.00%
2016	248,847	(248,847)	-	2,073,725	12.00%
2015	197,480	(197,480)	-	1,645,667	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 DAYTON
MONTGOMERY COUNTY, 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) - MEMBER DIRECTED 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	0.420468000%	\$ 46,902	\$ 3,097,560	1.51%	134.44%
2023	0.423972000%	33,156	2,871,150	1.15%	126.74%
2022	0.432241000%	78,478	2,722,630	2.88%	171.84%
2021	0.463394000%	84,472	2,783,080	3.04%	188.21%
2020	0.485467000%	18,350	2,885,760	0.64%	118.84%
2019	0.507999000%	11,575	2,899,690	0.40%	113.42%
2018	0.507183000%	17,701	2,767,440	0.64%	124.46%
2017	0.481132000%	2,004	2,484,105	0.08%	103.40%
2016	0.424314000%	1,622	2,984,958	0.05%	103.91%
2015	n/a	n/a	n/a	0.00%	107.10%

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	\$ 357,851	\$ (357,851)	\$ -	\$ 3,578,510	10.00%
2023	309,756	(309,756)	-	3,097,560	10.00%
2022	287,115	(287,115)	-	2,871,150	10.00%
2021	272,263	(272,263)	-	2,722,630	10.00%
2020	278,308	(278,308)	-	2,783,080	10.00%
2019	288,576	(288,576)	-	2,885,760	10.00%
2018	289,969	(289,969)	-	2,899,690	10.00%
2017	276,744	(276,744)	-	2,767,440	10.00%
2016	235,990	(235,990)	-	2,484,105	12.00%
2015	283,571	(283,571)	-	2,984,958	12.00%

(1) Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.
n/a - information not available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF DAYTON
MONTGOMERY COUNTY, 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	2.079407300%	\$ 200,899,444	\$ 59,759,717	336.18%	63.63%
2023	2.079190000%	197,502,896	55,948,716	353.01%	62.90%
2022	2.141110700%	133,764,212	53,099,162	251.91%	75.03%
2021	2.151120000%	146,643,780	53,743,137	272.86%	70.65%
2020	2.182453800%	147,021,746	52,739,394	278.77%	69.89%
2019	2.179322000%	177,890,261	49,732,902	357.69%	63.07%
2018	2.176727000%	133,595,564	47,884,272	279.00%	70.91%
2017	2.164529000%	137,099,085	46,850,076	292.63%	68.36%
2016	2.202642000%	141,697,531	46,805,467	302.74%	66.77%
2015	2.415104000%	116,119,585	42,914,752	270.58%	72.20%

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
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Police:

2024	\$ 6,401,968	\$ (6,401,968)	\$ -	\$ 33,694,568	19.00%
2023	6,261,946	(6,261,946)	-	32,957,611	19.00%
2022	5,993,116	(5,993,116)	-	31,542,716	19.00%
2021	5,732,947	(5,732,947)	-	30,173,405	19.00%
2020	5,679,933	(5,679,933)	-	29,894,384	19.00%
2019	5,627,059	(5,627,059)	-	29,616,100	19.00%
2018	5,295,638	(5,295,638)	-	27,871,779	19.00%
2017	5,068,477	(5,068,477)	-	26,676,195	19.00%
2016	4,938,796	(4,938,796)	-	25,993,663	19.00%
2015	4,997,877	(4,997,877)	-	26,304,616	19.00%

Fire:

2024	\$ 6,683,213	\$ (6,683,213)	\$ -	\$ 28,439,204	23.50%
2023	6,298,495	(6,298,495)	-	26,802,106	23.50%
2022	5,735,410	(5,735,410)	-	24,406,000	23.50%
2021	5,387,553	(5,387,553)	-	22,925,757	23.50%
2020	5,604,457	(5,604,457)	-	23,848,753	23.50%
2019	5,433,974	(5,433,974)	-	23,123,294	23.50%
2018	5,137,364	(5,137,364)	-	21,861,123	23.50%
2017	4,983,898	(4,983,898)	-	21,208,077	23.50%
2016	4,901,257	(4,901,257)	-	20,856,414	23.50%
2015	4,817,700	(4,817,700)	-	20,500,851	23.50%

(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 DAYTON
MONTGOMERY COUNTY, 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	0.480030000%	\$ (4,332,385)	\$ 84,318,091	5.14%	107.76%
2023	0.484855000%	3,057,103	79,500,757	3.85%	94.79%
2022	0.496781000%	(15,559,940)	77,485,545	20.08%	128.23%
2021	0.521025000%	(9,282,478)	78,796,459	11.78%	115.57%
2020	0.546751000%	75,520,518	82,789,539	91.22%	47.80%
2019	0.560745000%	73,107,912	79,483,976	91.98%	46.33%
2018	0.569300000%	61,821,787	78,567,633	78.69%	54.14%
2017	0.551043170%	55,657,232	76,519,113	72.74%	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	\$ 188,799	\$ (188,799)	\$ -	\$ 90,918,854	0.21%
2023	169,314	(169,314)	-	84,318,091	0.20%
2022	114,846	(114,846)	-	79,500,757	0.14%
2021	108,905	(108,905)	-	77,485,545	0.14%
2020	111,323	(111,323)	-	78,796,509	0.14%
2019	115,431	(115,431)	-	82,789,539	0.14%
2018	115,989	(115,989)	-	79,483,976	0.15%
2017	868,701	(868,701)	-	78,567,633	1.11%
2016	1,592,485	(1,592,485)	-	76,519,113	2.08%
2015	1,479,410	(1,479,410)	-	76,955,475	1.92%

(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 DAYTON
MONTGOMERY COUNTY, 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	2.079407300%	\$ 15,182,395	\$ 59,759,717	25.41%	51.89%
2023	2.079190000%	14,803,232	55,948,716	26.46%	52.59%
2022	2.141110700%	23,468,416	53,099,162	44.20%	46.86%
2021	2.151120000%	22,791,469	53,743,137	42.41%	45.42%
2020	2.182453800%	21,557,690	52,739,394	40.88%	47.08%
2019	2.179322000%	19,846,070	49,732,902	39.91%	46.57%
2018	2.176727000%	123,330,304	47,884,272	257.56%	14.13%
2017	2.164529000%	102,745,324	46,850,076	219.31%	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	\$ 168,473	\$ (168,473)	\$ -	\$ 33,694,568	0.50%
2023	164,788	(164,788)	-	32,957,611	0.50%
2022	157,714	(157,714)	-	31,542,716	0.50%
2021	150,867	(150,867)	-	30,173,405	0.50%
2020	149,472	(149,472)	-	29,894,384	0.50%
2019	148,081	(148,081)	-	29,616,100	0.50%
2018	139,359	(139,359)	-	27,871,779	0.50%
2017	133,381	(133,381)	-	26,676,195	0.50%
2016	129,968	(129,968)	-	25,993,663	0.50%
2015	131,523	(131,523)	-	26,304,616	0.50%

<i>Fire:</i>					
2024	\$ 142,196	\$ (142,196)	\$ -	\$ 28,439,204	0.50%
2023	134,011	(134,011)	-	26,802,106	0.50%
2022	122,030	(122,030)	-	24,406,000	0.50%
2021	114,629	(114,629)	-	22,925,757	0.50%
2020	119,244	(119,244)	-	23,848,753	0.50%
2019	115,616	(115,616)	-	23,123,294	0.50%
2018	109,306	(109,306)	-	21,861,123	0.50%
2017	106,040	(106,040)	-	21,208,077	0.50%
2016	104,282	(104,282)	-	20,856,414	0.50%
2015	102,504	(102,504)	-	20,500,851	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 DAYTON, 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 modified accrual basis with exceptions.

The schedule of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and the Local Fiscal Recovery Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

	<u>General fund</u>	<u>Local Fiscal Recovery Fund</u>
Budget basis	\$ 10,806,314	\$(70,138,940)
Net adjustment for revenue accruals	3,265,562	33,741,046
Net adjustment for expenditure accruals	(255,051)	(30,786,676)
Net adjustment for other sources/uses	873,600	-
Adjustments for encumbrances	<u>5,997,596</u>	<u>74,753,305</u>
GAAP Basis	<u>\$ 20,688,021</u>	<u>\$ 7,568,735</u>

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.

CITY OF DAYTON, OHIO

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

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

- 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.
- 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.

CITY OF DAYTON, OHIO

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

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

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.

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.

CITY OF DAYTON, OHIO

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

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

- 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.

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) investment rate of return was reduced from 8.25% to 8.00%.
- 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%.
- 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) the municipal bond rate was changed to 3.38%.

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Combining Statements and Schedules

**COMBINING STATEMENTS
AND SCHEDULES**

CITY OF DAYTON, 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	Variance with
	Original	Final	Budgetary Basis	Final Budget - Over (Under) Actual Amounts
Budgetary revenues:				
Municipal income taxes.	\$ 154,994,600	\$ 165,225,200	\$ 165,177,409	\$ (47,791)
Property and other taxes.	8,690,200	8,690,200	8,373,962	(316,238)
State shared taxes	1,245,500	633,500	912,996	279,496
Charges for services.	30,364,800	32,419,500	32,411,388	(8,112)
Licenses and permits	3,349,500	3,349,500	3,644,168	294,668
Fines and forfeitures	1,878,100	1,878,100	4,878,129	3,000,029
Intergovernmental.	4,442,500	4,442,500	4,765,351	322,851
Special assessments	1,231,900	1,231,900	910,034	(321,866)
Investment income.	4,379,500	7,241,400	8,208,676	967,276
Other	3,048,100	3,078,100	4,175,060	1,096,960
ARPA 2023 revenue loss	2,717,500	36,038,000	36,037,927	(73)
Total budgetary revenues	216,342,200	264,227,900	269,495,100	5,267,200
Budgetary expenditures:				
General operating:				
Clerk of commission	1,541,400	1,410,400	1,399,360	(11,040)
Civil service board	2,125,500	1,946,100	1,906,710	(39,390)
Human relations council	1,113,300	715,300	655,157	(60,143)
City manager's office	1,638,200	1,517,500	1,500,209	(17,291)
Office of sustainability	248,900	248,900	226,496	(22,404)
Office of public affairs.	1,373,500	1,373,500	1,335,930	(37,570)
Department of planning & community development. . .	11,273,100	9,879,700	9,744,299	(135,401)
Clerk of courts	4,450,100	4,450,100	4,392,654	(57,446)
Municipal court.	5,844,600	5,589,300	5,555,534	(33,766)
Department of procurement, management and budget .	1,711,800	1,356,100	1,325,214	(30,886)
Department of water	126,800	126,800	122,126	(4,674)
Department of law	3,417,000	3,288,000	3,114,102	(173,898)
Department of finance	5,710,200	4,999,800	4,855,368	(144,432)
Department of human resources	1,361,500	1,633,400	1,534,449	(98,951)
Department of information technology.	7,286,200	6,792,200	6,772,062	(20,138)
Department of police.	58,716,000	60,623,600	59,928,540	(695,060)
Department of fire	47,238,800	48,946,300	48,237,011	(709,289)
Department of public works	33,263,700	33,132,700	32,732,655	(400,045)
Department of recreation.	4,190,900	3,395,100	3,340,032	(55,068)
Non-departmental	3,084,000	1,617,700	1,488,899	(128,801)
Special projects	22,410,728	32,339,928	21,384,021	(10,955,907)
Total budgetary expenditures	218,126,228	225,382,428	211,550,828	(13,831,600)
Budgetary excess (deficiency) of revenues over (under) expenditures	(1,784,028)	38,845,472	57,944,272	19,098,800
Budgetary other financing sources (uses):				
Transfers (out)	(12,088,000)	(48,799,400)	(47,137,958)	(1,661,442)
Total budgetary other financing sources (uses)	(12,088,000)	(48,799,400)	(47,137,958)	(1,661,442)
Net change in fund balances	(13,872,028)	(9,953,928)	10,806,314	20,760,242
Budgetary fund balances at beginning of year	106,425,425	106,425,425	106,425,425	-
Prior year encumbrances appropriated.	8,474,267	8,474,267	8,474,267	-
Balance sheet adjustments	(236,368)	(236,368)	(236,368)	-
Budgetary fund balance at end of year	<u>\$ 100,791,296</u>	<u>\$ 104,709,396</u>	<u>\$ 125,469,638</u>	<u>\$ 20,760,242</u>

CITY OF DAYTON, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Dayton operates:

Street

To account for monies for all street and road repairs and for the general upkeep to ensure a safe and smooth transportation for all users of Dayton roadways. Funds are provided by shared tax revenues and registration fees from the State of Ohio and Montgomery County, respectively.

Highway Maintenance

To account for lighting the freeways throughout Dayton. Funds are provided by shared tax revenues and registration fees from the State of Ohio and Montgomery County, respectively.

Other Special Revenue

To account for monies restricted by City Ordinance to finance various special projects undertaken by the City.

HUD Programs

To account for various program funds administered by the Department of Housing and Urban Development. Such monies are appropriated on a project level with specific identification of each project being budgeted. Budget basis financial statements for these funds are not presented in this report because such statements would not be meaningful. The first three programs listed below are entitlement grants. Funds are granted annually using a statutory formula.

The Community Development Block Grant Program (CDBG) was established in 1974 to assist in the development of viable urban communities, to conserve and renew older urban areas, to improve the living environment of low and moderate income families, and to develop opportunities for economic growth.

Emergency Shelter Grant Program (ESG) was established in 1987 to provide for the creation and operations of emergency shelters for the homeless.

HOME Program was established in 1990 to expand the supply of decent and affordable housing for low income families.

Urban Development Action Grants (UDAG) are granted on a project basis. The City has used these funds for projects such as the renovation of the Arcade and The Landing rental housing downtown.

Miscellaneous Grants

To account for miscellaneous grant projects. These projects include food service for children at child care and recreation centers, additional police patrol in high density traffic areas, juvenile court mediation services, and drug rehabilitation programs. Funding sources include the United States Departments of Justice, Housing and Urban Development, Agriculture, Education, Interior, Transportation, Ohio Departments of Education and Workforce, Development, Highway Safety, the Department of Treasury and Natural Resources.

Nonmajor Permanent Fund

Permanent funds are used to account for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support City programs. Included in the permanent fund is the Schantz Waldruhe Park Trust which accounts for interest earned on Dayton Power & Light stock that is used for the improvement, care and maintenance of Waldruhe Park and the Forrest B. Lucas Foundation which accounts for interest earned on a contribution made by Forrest B. Lucas that is to be used for fire department training purposes.

The City reports only one permanent fund to account for the above activity. No combining schedules are required.

CITY OF DAYTON, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 30,385,938	\$ 188,860	\$ 30,574,798
Receivables:			
Accounts.	2,774,830	-	2,774,830
Accrued interest	51,898	313	52,211
Due from other governments.	10,318,563	-	10,318,563
Loans receivable.	2,272,699	-	2,272,699
Materials and supplies inventory	715,000	-	715,000
Prepayments	5,998	-	5,998
Total assets.	<u>\$ 46,524,926</u>	<u>\$ 189,173</u>	<u>\$ 46,714,099</u>
Liabilities:			
Accounts payable.	\$ 508,788	\$ -	\$ 508,788
Contracts payable.	4,195,727	-	4,195,727
Accrued wages and benefits payable	275,554	-	275,554
Retainage payable	220,215	-	220,215
Advances from other funds.	776,000	-	776,000
Due to other governments	112,875	-	112,875
Total liabilities	<u>6,089,159</u>	<u>-</u>	<u>6,089,159</u>
Deferred inflows of resources:			
Accrued interest not available	25,795	156	25,951
Miscellaneous revenue not available	2,716,968	-	2,716,968
Intergovernmental revenue not available	8,888,740	-	8,888,740
Total deferred inflows of resources	<u>11,631,503</u>	<u>156</u>	<u>11,631,659</u>
Fund Balances:			
Nonspendable	720,998	102,228	823,226
Restricted.	28,701,968	86,789	28,788,757
Unassigned	(618,702)	-	(618,702)
Total fund balances.	<u>28,804,264</u>	<u>189,017</u>	<u>28,993,281</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,524,926</u>	<u>\$ 189,173</u>	<u>\$ 46,714,099</u>

CITY OF DAYTON, 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 Permanent Fund	Total Nonmajor Governmental Funds
Revenues:			
State shared taxes.	\$ 7,633,944	\$ -	\$ 7,633,944
Charges for services.	836,886	-	836,886
Licenses and permits	5,147	-	5,147
Fines, forfeitures and settlements	7,415,855	-	7,415,855
Intergovernmental.	25,033,846	-	25,033,846
Special assessments	73,602	-	73,602
Investment income	238,045	1,435	239,480
Increase in fair value of investments.	143,043	628	143,671
Other	4,937,526	-	4,937,526
Total revenues	<u>46,317,894</u>	<u>2,063</u>	<u>46,319,957</u>
Expenditures:			
Current:			
General government:			
Community development and neighborhoods.	8,871,385	-	8,871,385
Economic development	2,662,608	-	2,662,608
Leadership and quality of life	13,118,437	-	13,118,437
Corporate responsibility.	981,065	-	981,065
Public safety and justice.	13,067,286	-	13,067,286
Total expenditures.	<u>38,700,781</u>	<u>-</u>	<u>38,700,781</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>7,617,113</u>	<u>2,063</u>	<u>7,619,176</u>
Other financing sources:			
Transfers in	71,207	-	71,207
Total other financing sources	<u>71,207</u>	<u>-</u>	<u>71,207</u>
Net change in fund balances	7,688,320	2,063	7,690,383
Fund balances at beginning of year	<u>21,115,944</u>	<u>186,954</u>	<u>21,302,898</u>
Fund balances at end of year	<u><u>\$ 28,804,264</u></u>	<u><u>\$ 189,017</u></u>	<u><u>\$ 28,993,281</u></u>

CITY OF DAYTON, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2024

	<u>Street</u>	<u>Highway Maintenance</u>	<u>Other Special Revenue</u>
Assets:			
Equity in pooled cash and investments	\$ 2,815,086	\$ 745,100	\$ 20,956,336
Receivables:			
Accounts.	73,473	-	2,693,332
Accrued interest	-	-	40,956
Due from other governments.	3,256,065	309,884	108,340
Loans receivable	-	-	-
Materials and supplies inventory	715,000	-	-
Prepayments	-	-	2,727
Total assets	<u>\$ 6,859,624</u>	<u>\$ 1,054,984</u>	<u>\$ 23,801,691</u>
Liabilities:			
Accounts payable.	\$ 64,532	\$ -	\$ 310,468
Contracts payable.	-	-	512,635
Accrued wages and benefits payable	191,971	624	21,372
Retainage payable	-	-	-
Interfund loans payable	-	-	-
Advances from other funds.	-	-	-
Due to other governments.	67,114	-	43,042
Total liabilities	<u>323,617</u>	<u>624</u>	<u>887,517</u>
Deferred inflows of resources:			
Accrued interest not available	-	-	20,356
Miscellaneous revenue not available	72,405	-	2,636,538
Intergovernmental revenue not available	2,128,643	222,592	22,500
Total deferred inflows of resources	<u>2,201,048</u>	<u>222,592</u>	<u>2,679,394</u>
Fund Balances:			
Nonspendable	715,000	-	2,727
Restricted.	3,619,959	831,768	20,232,053
Unassigned (deficit)	-	-	-
Total fund balances.	<u>4,334,959</u>	<u>831,768</u>	<u>20,234,780</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,859,624</u>	<u>\$ 1,054,984</u>	<u>\$ 23,801,691</u>

HUD Programs	Miscellaneous Grants	Total
\$ 1,693,906	\$ 4,175,510	\$ 30,385,938
8,025	-	2,774,830
-	10,942	51,898
2,131,721	4,512,553	10,318,563
2,272,699	-	2,272,699
-	-	715,000
2,343	928	5,998
<u>\$ 6,108,694</u>	<u>\$ 8,699,933</u>	<u>\$ 46,524,926</u>
\$ 40,996	\$ 92,792	\$ 508,788
3,651,180	31,912	4,195,727
26,184	35,403	275,554
-	-	-
220,215	-	220,215
776,000	-	776,000
-	2,719	112,875
<u>4,714,575</u>	<u>162,826</u>	<u>6,089,159</u>
-	5,439	25,795
8,025	-	2,716,968
<u>2,002,453</u>	<u>4,512,552</u>	<u>8,888,740</u>
<u>2,010,478</u>	<u>4,517,991</u>	<u>11,631,503</u>
2,343	928	720,998
-	4,018,188	28,701,968
<u>(618,702)</u>	<u>-</u>	<u>(618,702)</u>
<u>(616,359)</u>	<u>4,019,116</u>	<u>28,804,264</u>
<u>\$ 6,108,694</u>	<u>\$ 8,699,933</u>	<u>\$ 46,524,926</u>

CITY OF DAYTON, OHIO

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

	<u>Street</u>	<u>Highway Maintenance</u>	<u>Other Special Revenue</u>
Revenues:			
State shared taxes.	\$ 7,103,356	\$ 530,588	\$ -
Charges for services.	-	-	379,068
Licenses and permits	-	-	5,147
Fines and forfeitures	-	-	7,094,016
Intergovernmental.	-	-	1,168,412
Special assessments	-	-	61,250
Investment income	-	-	185,514
Increase in fair value of investments.	-	-	115,524
Other	91,328	-	1,499,041
Total revenues	<u>7,194,684</u>	<u>530,588</u>	<u>10,507,972</u>
Expenditures:			
Current:			
General government:			
Community development and neighborhoods.	-	-	5,665
Economic development	-	-	1,263,818
Leadership and quality of life	7,334,873	471,314	2,089,134
Corporate responsibility.	1,814	-	979,251
Public safety and justice.	-	-	4,670,656
Total expenditures.	<u>7,336,687</u>	<u>471,314</u>	<u>9,008,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(142,003)</u>	<u>59,274</u>	<u>1,499,448</u>
Other financing sources:			
Transfers in	-	-	25,000
Total other financing sources	-	-	25,000
Net change in fund balances	(142,003)	59,274	1,524,448
Fund balances at beginning of year	<u>4,476,962</u>	<u>772,494</u>	<u>18,710,332</u>
Fund balances at end of year	<u><u>\$ 4,334,959</u></u>	<u><u>\$ 831,768</u></u>	<u><u>\$ 20,234,780</u></u>

HUD Programs	Miscellaneous Grants	Total
\$ -	\$ -	\$ 7,633,944
34,617	423,201	836,886
-	-	5,147
-	321,839	7,415,855
8,860,707	15,004,727	25,033,846
12,352	-	73,602
-	52,531	238,045
-	27,519	143,043
577,727	2,769,430	4,937,526
9,485,403	18,599,247	46,317,894
7,988,933	876,787	8,871,385
-	1,398,790	2,662,608
3,105,215	117,901	13,118,437
-	-	981,065
-	8,396,630	13,067,286
11,094,148	10,790,108	38,700,781
(1,608,745)	7,809,139	7,617,113
-	46,207	71,207
-	46,207	71,207
(1,608,745)	7,855,346	7,688,320
992,386	(3,836,230)	21,115,944
\$ (616,359)	\$ 4,019,116	\$ 28,804,264

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET 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</u>	<u>Final Budget -</u>
			<u>Basis</u>	<u>Over (Under)</u>
				<u>Actual Amounts</u>
Budgetary revenues:				
State shared taxes	\$ 6,918,300	\$ 6,918,300	\$ 7,098,077	\$ 179,777
Other	200,000	200,000	114,538	(85,462)
Total budgetary revenues	<u>7,118,300</u>	<u>7,118,300</u>	<u>7,212,615</u>	<u>94,315</u>
Budgetary expenditures:				
Department of public works	<u>7,506,800</u>	<u>7,806,800</u>	<u>7,409,287</u>	<u>(397,513)</u>
Total budgetary expenditures	<u>7,506,800</u>	<u>7,806,800</u>	<u>7,409,287</u>	<u>(397,513)</u>
Net change in fund balance	(388,500)	(688,500)	(196,672)	491,828
Budgetary fund balances at beginning of year	3,750,464	3,750,464	3,750,464	-
Prior year encumbrances appropriated.	<u>(216,013)</u>	<u>(216,013)</u>	<u>(216,013)</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 3,145,951</u>	<u>\$ 2,845,951</u>	<u>\$ 3,337,779</u>	<u>\$ 491,828</u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HIGHWAY MAINTENANCE 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:				
State shared taxes	\$ 523,000	\$ 523,000	\$ 531,057	\$ 8,057
Total budgetary revenues	<u>523,000</u>	<u>523,000</u>	<u>531,057</u>	<u>8,057</u>
Budgetary expenditures:				
Department of public works	607,100	657,100	601,233	(55,867)
Total budgetary expenditures	<u>607,100</u>	<u>657,100</u>	<u>601,233</u>	<u>(55,867)</u>
Net change in fund balance	(84,100)	(134,100)	(70,176)	63,924
Budgetary fund balances at beginning of year	685,765	685,765	685,765	-
Prior year encumbrances appropriated. . . .	<u>129,487</u>	<u>129,487</u>	<u>129,487</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 731,152</u></u>	<u><u>\$ 681,152</u></u>	<u><u>\$ 745,076</u></u>	<u><u>\$ 63,924</u></u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER SPECIAL REVENUE 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</u>	<u>Final Budget -</u>
			<u>Basis</u>	<u>Over (Under)</u>
				<u>Actual Amounts</u>
Budgetary revenues:				
Charges for services.	\$ 204,900	\$ 204,900	\$ 334,320	\$ 129,420
Fines and forfeitures	22,000	22,000	18,531	(3,469)
Special assessments	-	-	61,250	61,250
Other	8,356,600	8,356,600	10,133,262	1,776,662
Total budgetary revenues	8,583,500	8,583,500	10,547,363	1,963,863
Budgetary expenditures:				
Various departments	13,725,970	16,226,670	13,467,000	(2,759,670)
Total budgetary expenditures	13,725,970	16,226,670	13,467,000	(2,759,670)
Budgetary excess of expenditures over revenues	(5,142,470)	(7,643,170)	(2,919,637)	4,723,533
Budgetary other financing sources:				
Transfers in	-	25,000	25,000	-
Total budgetary other financing sources	-	25,000	25,000	-
Net change in fund balance.	(5,142,470)	(7,618,170)	(2,894,637)	4,723,533
Budgetary fund balances at beginning of year	20,580,747	20,580,747	20,580,747	-
Prior year encumbrances appropriated.	5,130,017	5,130,017	5,130,017	-
Budgetary fund balance at end of year	<u>\$ 20,568,294</u>	<u>\$ 18,092,594</u>	<u>\$ 22,816,127</u>	<u>\$ 4,723,533</u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS GRANTS 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	\$ 25,572,665	\$ 30,560,679	\$ 15,511,744	\$ (15,048,935)
Fines and forfeitures	288,721	288,721	321,839	33,118
Charges for services	428,507	836,007	423,201	(412,806)
Other	<u>5,688,859</u>	<u>4,593,346</u>	<u>2,822,573</u>	<u>(1,770,773)</u>
Total budgetary revenues	<u>31,978,752</u>	<u>36,278,753</u>	<u>19,079,357</u>	<u>(17,199,396)</u>
Budgetary expenditures:				
Other grants	<u>26,293,729</u>	<u>30,593,739</u>	<u>20,543,877</u>	<u>(10,049,862)</u>
Total budgetary expenditures	<u>26,293,729</u>	<u>30,593,739</u>	<u>20,543,877</u>	<u>(10,049,862)</u>
Budgetary excess (deficiency) of revenues over (under) expenditures	<u>5,685,023</u>	<u>5,685,014</u>	<u>(1,464,520)</u>	<u>(7,149,534)</u>
Budgetary other financing sources:				
Transfers in	<u>25,000</u>	<u>117,600</u>	<u>46,207</u>	<u>(71,393)</u>
Total budgetary other financing sources	<u>25,000</u>	<u>117,600</u>	<u>46,207</u>	<u>(71,393)</u>
Net change in fund balances	5,710,023	5,802,614	(1,418,313)	(7,220,927)
Budgetary fund balances at beginning of year	(4,019,642)	(4,019,642)	(4,019,642)	-
Prior year encumbrances appropriated.	<u>9,612,876</u>	<u>9,612,876</u>	<u>9,612,876</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 11,303,257</u>	<u>\$ 11,395,848</u>	<u>\$ 4,174,921</u>	<u>\$ (7,220,927)</u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT 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</u>	<u>Final Budget -</u>
			<u>Basis</u>	<u>Over (Under)</u>
				<u>Actual Amounts</u>
Budgetary revenues:				
Other	\$ -	\$ -	\$ 1,405	\$ 1,405
Total budgetary revenues	<u>-</u>	<u>-</u>	<u>1,405</u>	<u>1,405</u>
Budgetary expenditures:				
Other	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Total budgetary expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	(50,000)	(50,000)	1,405	51,405
Budgetary fund balances at beginning of year	<u>253,019</u>	<u>253,019</u>	<u>253,019</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 203,019</u></u>	<u><u>\$ 203,019</u></u>	<u><u>\$ 254,424</u></u>	<u><u>\$ 51,405</u></u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE 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</u>	<u>Final Budget -</u>
			<u>Basis</u>	<u>Over (Under)</u>
				<u>Actual Amounts</u>
Budgetary revenues:				
Property and other taxes.	\$ 10,621,300	\$ 10,621,300	\$ 10,234,728	\$ (386,572)
Intergovernmental.	963,300	963,300	1,160,148	196,848
Other	410,000	410,000	2,908,925	2,498,925
Total budgetary revenues	11,994,600	11,994,600	14,303,801	2,309,201
Budgetary expenditures:				
Department of finance	10,964,600	10,964,600	13,372,977	2,408,377
Total budgetary expenditures	10,964,600	10,964,600	13,372,977	(2,408,377)
Budgetary excess (deficiency) of revenues:	1,030,000	1,030,000	930,824	(99,176)
Budgetary other financing sources:				
Transfers in	926,600	926,600	926,461	(139)
Total budgetary other financing sources:	926,600	926,600	926,461	(139)
Net change in fund balance	1,956,600	1,956,600	1,857,285	(99,315)
Budgetary fund balances at beginning of year	34,067,975	34,067,975	34,067,975	-
Balance sheet adjustments.	33,859	33,859	33,859	-
Budgetary fund balance at end of year	<u>\$ 36,058,434</u>	<u>\$ 36,058,434</u>	<u>\$ 35,959,119</u>	<u>\$ (99,315)</u>

CITY OF DAYTON, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL FISCAL RECOVERY 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:				
Other	\$ -	\$ -	\$ 2,311,241	\$ 2,311,241
Total budgetary revenues	<u>-</u>	<u>-</u>	<u>2,311,241</u>	<u>2,311,241</u>
Budgetary expenditures:				
Other	97,190,153	61,152,200	97,905,281	36,753,081
Total budgetary expenditures	<u>97,190,153</u>	<u>61,152,200</u>	<u>97,905,281</u>	<u>36,753,081</u>
Budgetary excess (deficiency) of revenues:	<u>(97,190,153)</u>	<u>(61,152,200)</u>	<u>(95,594,040)</u>	<u>34,441,840</u>
Budgetary other financing sources (uses):				
Transfers in	-	25,455,100	25,455,100	-
Transfers out	<u>-</u>	<u>(36,038,000)</u>	<u>-</u>	<u>(36,038,000)</u>
Total budgetary other financing sources (uses)	<u>-</u>	<u>(10,582,900)</u>	<u>25,455,100</u>	<u>(36,038,000)</u>
Net change in fund balance	(97,190,153)	(71,735,100)	(70,138,940)	1,596,160
Budgetary fund balances at beginning of year	99,973,563	99,973,563	99,973,563	-
Prior year encumbrances appropriated.	<u>44,918,683</u>	<u>44,918,683</u>	<u>44,918,683</u>	<u>-</u>
Budgetary fund balance at end of year	<u>\$ 47,702,093</u>	<u>\$ 73,157,146</u>	<u>\$ 74,753,306</u>	<u>\$ 1,596,160</u>

CITY OF DAYTON, OHIO

COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

The internal service funds account for the financing of goods or services provided by one department or agency to other departments of the City of Dayton on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

Fleet Management

To account for the maintenance of City vehicles. Revenues are derived from direct charges to other departments for fuel usage and repairs. General maintenance is charged to the other funds on a pro-rated basis.

Fire Fleet Management

To account for the maintenance of City fire vehicles and to charge for maintenance of fire vehicles from other municipalities. A majority of the maintenance will be provided to City fire vehicles. Revenues are derived from direct charges to the fire department within the general fund and from fees charged to other municipalities.

Stores and Reproduction

Stores is used in purchasing and storage of office materials and supplies for the entire organization. The other departments are charged the cost of the materials and supplies plus an average of fifteen percent markup to cover the overhead cost of operating this fund. Reproduction is used to account for the reproducing of written material, and the print, binding and distribution of the City's various publications. All costs are recouped from charges to other departments within the organization on a per-job basis.

Health Insurance

To account for claims and administrative payments to cover the cost of servicing the City's self-insured insurance program for medical and prescription drug benefits.

Workers' Compensation

To account for claims and administrative payments to cover risks due to job-related injuries to City employees. Revenues are derived from pro-rated charges against personnel costs of each department to cover claim payments and costs of administering the fund.

Plumbing Shop

To account for plumbing services to departments within the City.

CITY OF DAYTON, OHIO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2024

	Fleet Management	Fire Fleet Management	Stores and Reproduction	Health Insurance
Assets:				
Current assets:				
Equity in pooled cash and investments.	\$ 717,909	\$ 185,604	\$ 849,641	\$ 14,997,655
Receivables:				
Accounts.	18,930	-	-	-
Accrued interest	-	-	-	-
Due from other governments.	50,233	24,546	-	-
Inventory held for resale	352,803	262,062	-	-
Prepayments	2,083	13,665	1,826	-
Advances to other funds	-	-	-	-
Total current assets.	<u>1,141,958</u>	<u>485,877</u>	<u>851,467</u>	<u>14,997,655</u>
Noncurrent assets:				
Net pension asset	44,884	9,953	2,063	4,777
Net OPEB asset	124,103	27,521	5,704	13,209
Capital assets:				
Land	-	75,000	-	-
Depreciable capital assets, net	<u>246,290</u>	<u>543,895</u>	<u>6,581</u>	<u>-</u>
Total noncurrent assets.	<u>415,277</u>	<u>656,369</u>	<u>14,348</u>	<u>17,986</u>
Total assets.	<u>1,557,235</u>	<u>1,142,246</u>	<u>865,815</u>	<u>15,015,641</u>
Deferred outflows of resources:				
Asset retirement obligation	2,070,000	-	-	-
Pension	1,220,237	646,720	84,875	143,155
OPEB	<u>114,366</u>	<u>97,913</u>	<u>5,277</u>	<u>11,980</u>
Total deferred outflows of resources	<u>3,404,603</u>	<u>744,633</u>	<u>90,152</u>	<u>155,135</u>
Total assets and deferred outflows of resources	<u>4,961,838</u>	<u>1,886,879</u>	<u>955,967</u>	<u>15,170,776</u>
Liabilities:				
Current liabilities:				
Accounts payable.	38,158	25,665	-	-
Contracts payable.	-	-	-	22,765
Accrued wages and benefits payable.	182,832	62,763	5,055	14,294
Due to other governments	71,990	24,216	1,772	-
Asset retirement obligation	2,070,000	-	-	-
Compensated absences payable - current.	163,097	59,515	2,247	13,199
Claims and judgments payable - current	-	-	-	2,504,339
Total current liabilities	<u>2,526,077</u>	<u>172,159</u>	<u>9,074</u>	<u>2,554,597</u>
Long-term liabilities:				
Compensated absences payable	400,584	146,176	5,520	32,419
Net OPEB liability	-	44,702	-	-
Net pension liability	3,616,526	1,393,493	166,232	384,937
Claims and judgements payable	-	-	-	-
Total long-term liabilities	<u>4,017,110</u>	<u>1,584,371</u>	<u>171,752</u>	<u>417,356</u>
Total liabilities	<u>6,543,187</u>	<u>1,756,530</u>	<u>180,826</u>	<u>2,971,953</u>
Deferred inflows of resources:				
OPEB.	71,011	101,178	4,721	8,461
Pension.	51,928	50,270	198	560
Total deferred inflows of resources.	<u>122,939</u>	<u>151,448</u>	<u>4,919</u>	<u>9,021</u>
Total liabilities and deferred inflows of resources	<u>6,666,126</u>	<u>1,907,978</u>	<u>185,745</u>	<u>2,980,974</u>
Net position:				
Net investment in capital assets	246,290	618,895	6,581	-
Restricted for pension & OPEB	168,587	37,474	7,767	17,986
Unrestricted (deficit).	<u>(2,119,165)</u>	<u>(677,468)</u>	<u>755,874</u>	<u>12,171,816</u>
Total net position (deficit)	<u>\$ (1,704,288)</u>	<u>\$ (21,099)</u>	<u>\$ 770,222</u>	<u>\$ 12,189,802</u>

Workers' Compensation	Plumbing Shop	Total
\$ 18,681,252	\$ 421,937	\$ 35,853,998
-	-	18,930
105,756	-	105,756
-	-	74,779
-	-	614,865
1,434	-	19,008
4,645,000	-	4,645,000
<u>23,433,442</u>	<u>421,937</u>	<u>41,332,336</u>
7,413	5,310	74,400
20,498	14,682	205,717
-	-	75,000
-	199,129	995,895
<u>27,911</u>	<u>219,121</u>	<u>1,351,012</u>
<u>23,461,353</u>	<u>641,058</u>	<u>42,683,348</u>
-	-	2,070,000
197,205	139,026	2,431,218
20,522	15,551	265,609
<u>217,727</u>	<u>154,577</u>	<u>4,766,827</u>
<u>23,679,080</u>	<u>795,635</u>	<u>47,450,175</u>
-	24,759	88,582
-	-	22,765
15,799	27,658	308,401
1,046	11,995	111,019
-	-	2,070,000
12,489	26,016	276,563
767,072	-	3,271,411
<u>796,406</u>	<u>90,428</u>	<u>6,148,741</u>
30,673	63,898	679,270
-	-	44,702
597,329	427,841	6,586,358
3,301,114	-	3,301,114
<u>3,929,116</u>	<u>491,739</u>	<u>10,611,444</u>
<u>4,725,522</u>	<u>582,167</u>	<u>16,760,185</u>
11,728	8,527	205,626
32,634	41,522	177,112
<u>44,362</u>	<u>50,049</u>	<u>382,738</u>
<u>4,769,884</u>	<u>632,216</u>	<u>17,142,923</u>
-	199,129	1,070,895
27,911	19,992	279,717
18,881,285	(55,702)	28,956,640
<u>\$ 18,909,196</u>	<u>\$ 163,419</u>	<u>\$ 30,307,252</u>

CITY OF DAYTON, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Fleet Management	Fire Fleet Management	Stores and Reproduction	Health Insurance
Operating revenues:				
Charges for services.	\$ 11,150,449	\$ 1,820,936	\$ 174,225	\$ 29,530,006
Other operating revenues	194,130	144	315,931	-
Total operating revenues.	<u>11,344,579</u>	<u>1,821,080</u>	<u>490,156</u>	<u>29,530,006</u>
Operating expenses:				
Personnel services	2,710,353	691,226	124,618	336,934
Fringe benefits.	1,267,312	464,439	48,713	134,819
Contract services.	1,752,814	310,553	137,618	285,697
Materials and supplies	117,305	-	6,790	3,995
Cost of sales	5,172,660	492,571	40,600	-
Utilities	3,490	23,885	-	-
Claims expense	-	-	-	27,523,019
Depreciation	32,270	14,331	-	-
Other.	12,682	3,028	7,855	157,582
Total operating expenses.	<u>11,068,886</u>	<u>2,000,033</u>	<u>366,194</u>	<u>28,442,046</u>
Operating income (loss)	<u>275,693</u>	<u>(178,953)</u>	<u>123,962</u>	<u>1,087,960</u>
Nonoperating revenues:				
(Loss) on disposal of fixed assets.	(9,473)	-	-	-
Interest income.	-	-	-	-
Increase in fair value of investments	-	-	-	-
Total nonoperating revenues.	<u>(9,473)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position.	266,220	(178,953)	123,962	1,087,960
Net position (deficit) at beginning of year, as previously reported	(1,662,077)	289,117	647,701	11,124,442
Restatement - change in accounting principle	<u>(308,431)</u>	<u>(131,263)</u>	<u>(1,441)</u>	<u>(22,600)</u>
Net position (deficit) at beginning of year, restated	(1,970,508)	157,854	646,260	11,101,842
Net position (deficit) at end of year . .	<u><u>\$ (1,704,288)</u></u>	<u><u>\$ (21,099)</u></u>	<u><u>\$ 770,222</u></u>	<u><u>\$ 12,189,802</u></u>

Workers' Compensation	Plumbing Shop	Total
\$ 3,446,757	\$ 709,310	\$ 46,831,683
-	-	510,205
3,446,757	709,310	47,341,888
452,523	324,789	4,640,443
123,616	118,207	2,157,106
734,336	7,207	3,228,225
85,832	24,759	238,681
-	-	5,705,831
-	-	27,375
2,811,215	-	30,334,234
-	12,875	59,476
91,499	148,982	421,628
4,299,021	636,819	46,812,999
(852,264)	72,491	528,889
-	-	(9,473)
564,542	-	564,542
239,580	-	239,580
804,122	-	794,649
(48,142)	72,491	1,323,538
18,944,105	129,620	29,472,908
13,233	(38,692)	(489,194)
18,957,338	90,928	28,983,714
\$ 18,909,196	\$ 163,419	\$ 30,307,252

CITY OF DAYTON, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Fleet Management	Fire Fleet Management	Stores and Reproduction	Health Insurance
Cash flows from operating activities:				
Cash received from interfund services provided . . .	\$ 11,110,561	\$ 1,806,664	\$ 174,225	\$ 29,530,006
Cash received from other operations	194,130	144	315,931	-
Cash payments for personnel services	(2,637,397)	(662,077)	(121,145)	(330,118)
Cash payments for fringe benefits.	(1,018,558)	(305,505)	(33,555)	(124,159)
Cash payments for contractual services	(1,819,290)	(298,553)	(141,308)	(288,374)
Cash payments for materials and supplies	(114,629)		(6,790)	(3,995)
Cash payments for cost of goods sold	(5,311,849)	(488,601)	(40,600)	-
Cash payments for utilities.	(3,490)	(23,885)	-	-
Cash payments for claims.	-	-	-	(27,302,394)
Cash payments for other expenses	(12,682)	(3,028)	(7,855)	(157,582)
Net cash provided by (used in) operating activities. .	386,796	25,159	138,903	1,323,384
Cash flows from noncapital financing activities:				
Cash received from interfund loans.	-	-	-	-
Cash used for interfund loans.	-	-	-	-
Net cash provided by noncapital financing activities	-	-	-	-
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(58,400)	-	(6,581)	-
Net cash used in capital and related financing activities	(58,400)	-	(6,581)	-
Cash flows from investing activities:				
Interest received and fair value adjustment	-	-	-	-
Net cash provided by investing activities	-	-	-	-
Net increase (decrease) in cash and cash equivalents. . . .	328,396	25,159	132,322	1,323,384
Cash and cash equivalents at beginning of year.	389,513	160,445	717,319	13,674,271
Cash and cash equivalents at end of year	\$ 717,909	\$ 185,604	\$ 849,641	\$ 14,997,655
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 275,693	\$ (178,953)	\$ 123,962	\$ 1,087,960
Adjustments:				
Depreciation	32,270	14,331	-	-
Changes in assets, deferred inflows, liabilities and deferred outflows:				
Net pension asset.	(12,203)	(4,549)	(1,206)	(1,775)
Net OPEB asset.	(124,103)	(27,521)	(5,704)	(13,209)
Deferred outflows for OPEB.	159,328	65,997	2,115	13,212
Deferred outflows for pension.	727,449	111,667	(37,930)	17,815
Accounts receivable.	(17,547)	-	-	-
Due from other governments.	(22,341)	(14,272)	-	-
Prepayments.	1,647	(13,665)	(1,826)	-
Inventory held for resale.	(139,189)	3,970	-	-
Accounts payable.	(18,642)	25,665	(1,864)	(25,442)
Contracts payable.	-	-	-	22,765
Accrued wages and benefits.	56,427	27,488	3,407	2,860
Due to other governments.	(7,225)	16,087	935	(2,810)
Net pension liability.	(577,454)	82,971	56,197	(297)
Net OPEB liability.	(88,920)	(16,248)	(2,333)	(8,168)
Deferred inflows - pension.	41,685	(49,926)	3,566	(171)
Deferred inflows - OPEB.	47,396	(37,050)	(1,140)	5,768
Compensated absences payable.	52,525	19,167	724	4,251
Claims payable.	-	-	-	220,625
Net cash provided by (used in) operating activities . . .	\$ 386,796	\$ 25,159	\$ 138,903	\$ 1,323,384

Workers' Compensation	Plumbing Shop	Total
\$ 3,446,757	\$ 709,310	\$ 46,777,523
-	-	510,205
(447,233)	(313,901)	(4,511,871)
(141,703)	(135,869)	(1,759,349)
(744,913)	(7,207)	(3,299,645)
(85,832)	-	(211,246)
-	-	(5,841,050)
-	-	(27,375)
(3,275,581)	-	(30,577,975)
(91,499)	(148,982)	(421,628)
(1,340,004)	103,351	637,589
1,590,000	-	1,590,000
(3,010,000)	-	(3,010,000)
(1,420,000)	-	(1,420,000)
-	(135,000)	(199,981)
-	(135,000)	(199,981)
779,480	-	779,480
779,480	-	779,480
(1,980,524)	(31,649)	(202,912)
20,661,776	453,586	36,056,910
<u>\$ 18,681,252</u>	<u>\$ 421,937</u>	<u>\$ 35,853,998</u>
\$ (852,264)	\$ 72,491	\$ 528,889
-	12,875	59,476
(1,509)	(725)	(21,967)
(20,498)	(14,682)	(205,717)
28,138	22,101	290,891
132,875	109,433	1,061,309
-	-	(17,547)
-	-	(36,613)
(1,434)	-	(15,278)
-	-	(135,219)
(9,143)	24,759	(4,667)
-	-	22,765
(1,695)	8,757	97,244
(5,120)	7,285	9,152
(160,345)	(160,550)	(759,478)
(16,064)	(12,475)	(144,208)
22,534	24,437	42,125
4,865	1,266	21,105
4,022	8,379	89,068
(464,366)	-	(243,741)
<u>\$ (1,340,004)</u>	<u>\$ 103,351</u>	<u>\$ 637,589</u>

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CITY OF DAYTON, OHIO

COMBINING STATEMENTS - FIDUCIARY FUNDS

Custodial Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units.

Municipal Courts

Executive Severance

Miami Township-Dayton JEDD

Building Permit Surcharge

Butler Township-Dayton JEDD

Special Improvement District

Energy Special Improvement District

Police Property Room Deposits

CITY OF DAYTON, OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2024

	Municipal Court	Executive Severance	Miami Township Dayton JEDD	Building Permit Surcharge
Assets:				
Equity in pooled cash and investments.	\$ -	\$ -	\$ 1,695,290	\$ 172,593
Cash with fiscal agent	820,454	-	-	-
Investments	-	1,615,414	-	-
Receivables:				
Taxes - current.	-	-	-	-
Income taxes	-	-	69,349	-
Total assets	<u>\$ 820,454</u>	<u>\$ 1,615,414</u>	<u>\$ 1,764,639</u>	<u>\$ 172,593</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,794
Due to other governments	31,008	-	-	-
Due to other funds	178,500	-	-	-
Total liabilities	<u>209,508</u>	<u>-</u>	<u>-</u>	<u>5,794</u>
Net Position:				
Restricted for individuals, organizations and other governments .	<u>610,946</u>	<u>1,615,414</u>	<u>1,764,639</u>	<u>166,799</u>
Total net position	<u>\$ 610,946</u>	<u>\$ 1,615,414</u>	<u>\$ 1,764,639</u>	<u>\$ 166,799</u>

Butler Township Dayton JEDD	Special Improvement District	Engergy Special Improvement District	Police Property Room Deposits	Total Custodial Funds
\$ 101,726	\$ -	\$ 453,061	\$ 3,132,851	\$ 5,555,521
-	-	-	-	820,454
-	-	-	-	1,615,414
-	1,766,101	14,684,211	-	16,450,312
584	-	-	-	69,933
<u>\$ 102,310</u>	<u>\$ 1,766,101</u>	<u>\$ 15,137,272</u>	<u>\$ 3,132,851</u>	<u>\$ 24,511,634</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,794
-	-	-	-	31,008
-	-	-	-	178,500
-	-	-	-	215,302
<u>102,310</u>	<u>1,766,101</u>	<u>15,137,272</u>	<u>3,132,851</u>	<u>24,296,332</u>
<u>\$ 102,310</u>	<u>\$ 1,766,101</u>	<u>\$ 15,137,272</u>	<u>\$ 3,132,851</u>	<u>\$ 24,296,332</u>

CITY OF DAYTON, OHIO
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Municipal Court	Executive Severance	Miami Township Dayton JEDD
Additions:			
Amounts received as fiscal agent	\$ -	\$ 465,788	\$ -
Licenses, permits and fees for other governments	-	-	-
Fines and forfeitures for other governments	5,154,541	-	-
Property tax collection for other governments	-	-	901,046
Earnings on investments	-	56,699	-
Fair value adjustment.	-	(28,948)	-
Total additions	<u>5,154,541</u>	<u>493,539</u>	<u>901,046</u>
Deductions:			
<i>Current:</i>			
Distributions to the State of Ohio	422,798	-	-
Distributions of state funds to other governments	4,606,479	-	-
Distributions as fiscal agent	-	-	-
Distributions to individuals	-	221,853	-
Licenses, permits and fees distributions to other governments	-	-	-
Property tax distributions to other governments	-	-	727,729
Special assessment distributions to other governments	-	-	-
Other custodial fund disbursements	-	11,082	-
Total deductions	<u>5,029,277</u>	<u>232,935</u>	<u>727,729</u>
Net change in fiduciary net position	125,264	260,604	173,317
Net position at beginning of year	<u>485,682</u>	<u>1,354,810</u>	<u>1,591,322</u>
Net position at end of year	<u><u>\$ 610,946</u></u>	<u><u>\$ 1,615,414</u></u>	<u><u>\$ 1,764,639</u></u>

Building Permit Surcharge	Butler Township Dayton JEDD	Special Improvement District	Engergy Special Improvement District	Police Property Room Deposits	Total Custodial Funds
\$ -	\$ -	\$ -	\$ -	\$ 673,754	\$ 1,139,542
82,605	-	-	-	-	82,605
-	-	-	-	-	5,154,541
-	19,503	-	-	-	920,549
-	-	-	-	-	56,699
-	-	-	-	-	(28,948)
<u>82,605</u>	<u>19,503</u>	<u>-</u>	<u>-</u>	<u>673,754</u>	<u>7,324,988</u>
-	-	-	-	-	422,798
-	-	-	-	-	4,606,479
-	-	-	-	167,134	167,134
-	-	-	-	-	221,853
51,798	-	-	-	-	51,798
-	54,535	-	-	-	782,264
-	-	1,723,025	1,027,610	-	2,750,635
-	-	-	-	-	11,082
<u>51,798</u>	<u>54,535</u>	<u>1,723,025</u>	<u>1,027,610</u>	<u>167,134</u>	<u>9,014,043</u>
30,807	(35,032)	(1,723,025)	(1,027,610)	506,620	(1,689,055)
<u>135,992</u>	<u>137,342</u>	<u>3,489,126</u>	<u>16,164,882</u>	<u>2,626,231</u>	<u>25,985,387</u>
<u>\$ 166,799</u>	<u>\$ 102,310</u>	<u>\$ 1,766,101</u>	<u>\$ 15,137,272</u>	<u>\$ 3,132,851</u>	<u>\$ 24,296,332</u>

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CITY OF DAYTON, OHIO

STATISTICAL SECTION

This part of the City of Dayton'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.

Contents

Page

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.

S 4 - S 13

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources: the income tax, property tax and special assessments.

S 14 - S 21

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.

S 22 - S 32

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.

S 33 - S 44

Operating Information

This schedule 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.

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CITY OF DAYTON, OHIO

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2015	2016 (1)	2017	2018
Governmental activities				
Net investment in capital assets	\$ 378,194,645	\$ 372,458,561	\$ 398,432,088	\$ 395,757,572
Restricted	63,381,287	57,403,783	46,244,345	38,778,126
Unrestricted	(28,570,356)	(29,568,811)	(55,083,379)	(189,850,322)
Total governmental activities net position	<u>\$ 413,005,576</u>	<u>\$ 400,293,533</u>	<u>\$ 389,593,054</u>	<u>\$ 244,685,376</u>
Business-type activities				
Net investment in capital assets	\$ 451,108,014	\$ 461,538,909	\$ 481,494,371	\$ 462,984,698
Restricted	-	9,514,757	9,737,907	11,039,351
Unrestricted	149,357,573	145,505,912	122,254,672	94,581,275
Total business-type activities net position	<u>\$ 600,465,587</u>	<u>\$ 616,559,578</u>	<u>\$ 613,486,950</u>	<u>\$ 568,605,324</u>
Primary government				
Net investment in capital assets	\$ 829,302,659	\$ 833,997,470	\$ 879,926,459	\$ 858,742,270
Restricted	63,381,287	66,918,540	55,982,252	49,817,477
Unrestricted	120,787,217	115,937,101	67,171,293	(95,269,047)
Total primary government net position	<u>\$ 1,013,471,163</u>	<u>\$ 1,016,853,111</u>	<u>\$ 1,003,080,004</u>	<u>\$ 813,290,700</u>

(1) Amounts have been restated from prior year's ACFR.

(2) Amounts have been restated to reflect the implementation of GASB Statements No. 68 and 71, which were implemented in 2015.

(3) Amounts have been restated to reflect the implementation of GASB Statement No. 96, which was implemented in 2023.

Source: City of Dayton financial records

2019	2020	2021	2022 (3)	2023	2024
\$ 401,873,312	\$ 405,787,507	\$ 421,566,784	\$ 422,660,216	\$ 417,567,275	\$ 455,508,553
45,569,063	76,866,903	76,598,587	101,513,886	88,678,231	81,370,699
(114,059,783)	(124,725,645)	(58,065,897)	(7,199,250)	56,512,984	76,850,302
<u>\$ 333,382,592</u>	<u>\$ 357,928,765</u>	<u>\$ 440,099,474</u>	<u>\$ 516,974,852</u>	<u>\$ 562,758,490</u>	<u>\$ 613,729,554</u>
\$ 457,088,828	\$ 427,503,269	\$ 460,888,412	\$ 444,340,977	\$ 438,224,270	\$ 458,864,645
12,324,022	12,170,942	33,465,120	14,038,741	14,994,727	17,249,213
91,104,171	122,758,990	110,048,573	159,680,572	196,959,300	197,432,257
<u>\$ 560,517,021</u>	<u>\$ 562,433,201</u>	<u>\$ 604,402,105</u>	<u>\$ 618,060,290</u>	<u>\$ 650,178,297</u>	<u>\$ 673,546,115</u>
\$ 858,962,140	\$ 833,290,776	\$ 882,455,196	\$ 867,001,193	\$ 855,791,545	\$ 914,373,198
57,893,085	89,037,845	110,063,707	115,552,627	103,672,958	98,619,912
(22,955,612)	(1,966,655)	51,982,676	152,481,322	253,472,284	274,282,559
<u>\$ 893,899,613</u>	<u>\$ 920,361,966</u>	<u>\$ 1,044,501,579</u>	<u>\$ 1,135,035,142</u>	<u>\$ 1,212,936,787</u>	<u>\$ 1,287,275,669</u>

CITY OF DAYTON, OHIO

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

	2015	2016	2017	2018
Expenses				
Governmental activities:				
Downtown	\$ 3,796,899	\$ 3,653,125	\$ 3,204,951	\$ 3,248,268
Youth, education and human services	550,914	120,375	219,529	3,619
Community development and neighbors	23,517,538	20,766,486	20,646,893	25,798,079
Economic development	15,401,684	10,273,961	26,135,222	10,043,435
Leadership and quality of life	46,597,492	43,181,443	43,843,557	50,250,202
Corporate responsibility	15,284,297	16,482,483	18,800,773	19,535,052
Public safety and justice	97,757,003	107,505,250	110,670,677	124,347,547
Interest and fiscal charges	2,942,225	3,074,675	2,845,159	2,860,206
Total governmental activities expenses	<u>205,848,052</u>	<u>205,057,798</u>	<u>226,366,761</u>	<u>236,086,408</u>
Business type activities:				
Dayton International Airport	42,627,742	39,640,671	45,920,196	68,544,041
Water	45,493,204	49,944,784	56,194,400	55,222,198
Sewer	28,009,025	30,326,605	32,211,627	33,486,248
Golf (1)	3,026,642	2,991,868	3,114,227	3,192,165
Storm Water	<u>5,662,740</u>	<u>5,700,888</u>	<u>7,110,595</u>	<u>7,633,423</u>
Total business-type activities expenses	<u>124,819,353</u>	<u>128,604,816</u>	<u>144,551,045</u>	<u>168,078,075</u>
Total primary government expenses	<u>\$ 330,667,405</u>	<u>\$ 333,662,614</u>	<u>\$ 370,917,806</u>	<u>\$ 404,164,483</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Downtown	\$ 659,723	\$ 625,740	\$ 472,445	\$ 425,925
Youth, education and human services	27,903	18,846	15,681	7,987
Community development and neighbors	2,675,576	2,394,632	2,210,260	2,299,222
Economic development	2,769,150	2,237,230	2,821,264	1,706,782
Leadership and quality of life	5,811,184	7,049,529	5,968,710	7,571,863
Corporate responsibility	2,834,131	2,738,963	2,558,164	2,739,745
Public safety and justice	20,823,804	18,653,411	17,943,019	20,355,926
Interest and fiscal charges	168,771	-	-	-
Operating grants and contributions	21,715,944	15,921,133	14,355,175	17,511,214
Capital grants and contributions	8,771,868	13,275,111	12,766,815	6,064,308
Total governmental activities program revenue	<u>66,258,054</u>	<u>62,914,595</u>	<u>59,111,533</u>	<u>58,682,972</u>
Business type activities:				
Charges for services:				
Dayton International Airport	24,974,019	26,086,061	27,065,242	23,842,686
Water	47,377,507	49,912,404	48,891,167	51,561,435
Sewer	33,960,790	32,309,554	33,845,779	32,627,154
Golf (1)	2,923,295	2,780,282	2,746,574	2,733,253
Storm Water	7,432,885	7,359,366	7,534,843	7,781,552
Operating grants and contributions	-	-	-	-
Capital grants and contributions	<u>14,318,883</u>	<u>13,605,971</u>	<u>6,176,726</u>	<u>13,758,080</u>
Total business-type activities program revenue	<u>130,987,379</u>	<u>132,053,638</u>	<u>126,260,331</u>	<u>132,304,160</u>
Total primary government program revenue	<u>\$ 197,245,433</u>	<u>\$ 194,968,233</u>	<u>\$ 185,371,864</u>	<u>\$ 190,987,132</u>

	2019	2020	2021	2022	2023	2024
\$	2,726,408	\$ 2,128,879	\$ 560,443	\$ 69,808	\$ 173,790	\$ 205,809
	54,866	4,014	28,886	27,506	50,002	51,992
	25,254,863	22,154,456	15,369,506	23,938,856	25,972,299	28,551,312
	8,674,622	11,237,840	8,118,338	14,075,369	13,668,046	11,633,116
	49,329,265	60,544,385	40,717,452	41,544,959	96,071,386	105,593,490
	20,580,700	19,467,597	12,141,683	15,269,428	23,548,118	21,394,162
	38,043,371	125,260,086	109,349,041	114,040,610	138,484,403	146,742,836
	2,981,938	2,694,531	2,183,217	2,375,389	2,848,225	3,300,483
	<u>147,646,033</u>	<u>243,491,788</u>	<u>188,468,566</u>	<u>211,341,925</u>	<u>300,816,269</u>	<u>317,473,200</u>
	43,623,230	40,744,537	31,775,566	36,580,249	39,686,041	41,411,933
	65,547,601	57,012,675	39,923,711	49,184,442	55,028,694	61,129,316
	38,112,769	33,613,614	25,547,369	36,513,792	38,737,619	42,740,321
	3,508,726	585,719	-	-	-	-
	8,595,536	7,770,296	3,487,403	7,223,546	7,034,888	7,689,825
	<u>159,387,862</u>	<u>139,726,841</u>	<u>100,734,049</u>	<u>129,502,029</u>	<u>140,487,242</u>	<u>152,971,395</u>
\$	<u>307,033,895</u>	<u>\$ 383,218,629</u>	<u>\$ 289,202,615</u>	<u>\$ 340,843,954</u>	<u>\$ 441,303,511</u>	<u>\$ 470,444,595</u>
\$	397,109	\$ 266,479	\$ 128,476	\$ 378	\$ 13,932	\$ 21,340
	8,736	7,935	11,315	6,162	8,697	10,470
	2,905,272	2,758,521	3,249,846	3,543,283	4,189,717	4,732,443
	1,696,878	2,641,536	1,713,595	2,208,754	2,743,486	3,900,459
	12,126,655	9,647,147	7,720,438	6,098,456	7,475,407	11,227,094
	2,746,217	2,866,338	3,932,288	4,065,086	4,344,973	5,443,944
	21,739,918	23,164,177	22,346,697	26,250,227	28,262,931	39,472,733
	-	-	-	-	-	-
	13,610,856	39,311,609	43,953,799	59,510,561	68,454,352	62,821,853
	4,755,050	10,370,526	5,151,276	6,437,120	8,202,946	5,409,574
	<u>59,986,691</u>	<u>91,034,268</u>	<u>88,207,730</u>	<u>108,120,027</u>	<u>123,696,441</u>	<u>133,039,910</u>
	24,446,146	14,326,887	18,720,432	19,894,551	25,541,278	23,488,781
	50,886,932	51,143,602	54,546,618	51,407,290	55,638,873	65,412,520
	32,593,511	34,921,059	35,964,030	38,626,803	41,157,625	45,004,678
	3,043,272	730,063	-	-	-	-
	7,700,065	8,223,565	8,703,178	8,093,270	8,563,721	8,864,929
	-	7,906,697	6,204,905	-	-	-
	10,379,327	10,484,424	7,591,007	14,537,051	18,943,007	15,527,548
	<u>129,049,253</u>	<u>127,736,297</u>	<u>131,730,170</u>	<u>132,558,965</u>	<u>149,844,504</u>	<u>158,298,456</u>
\$	<u>189,035,944</u>	<u>\$ 218,770,565</u>	<u>\$ 219,937,900</u>	<u>\$ 240,678,992</u>	<u>\$ 273,540,945</u>	<u>\$ 291,338,366</u>

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CITY OF DAYTON, OHIO

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

	2015	2016	2017	2018
Net (Expense)/Revenue				
Governmental activities	\$ (139,589,998)	\$ (142,143,203)	\$ (167,255,228)	\$ (177,403,436)
Business-type activities	6,168,026	3,448,822	(18,290,714)	(35,773,915)
Total primary government net expense	<u>\$ (133,421,972)</u>	<u>\$ (138,694,381)</u>	<u>\$ (185,545,942)</u>	<u>\$ (213,177,351)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes	\$ 12,155,647	\$ 12,530,977	\$ 9,749,960	\$ 12,108,678
Income taxes	107,633,425	109,275,331	125,253,442	128,707,187
Payments in lieu of taxes	1,599,086	1,639,517	1,997,895	1,816,290
Grants and entitlements	14,236,917	14,475,022	13,618,351	12,253,756
Investment earnings and fair value adjustment	1,852,285	2,258,330	2,118,284	3,247,089
Miscellaneous	3,598,806	3,399,230	4,334,317	4,916,381
Special item	-	-	-	-
Transfers	-	(501,000)	(517,500)	(641,200)
Total governmental activities general revenues	<u>141,076,166</u>	<u>143,077,407</u>	<u>156,554,749</u>	<u>162,408,181</u>
Business type activities:				
Investment earnings	535,994	863,088	1,552,267	2,979,857
Miscellaneous	11,606,143	12,535,999	13,148,319	14,653,243
Special item	-	-	-	-
Transfers	-	501,000	517,500	641,200
Total business-type activities	<u>12,142,137</u>	<u>13,900,087</u>	<u>15,218,086</u>	<u>18,274,300</u>
Total primary government	<u>\$ 153,218,303</u>	<u>\$ 156,977,494</u>	<u>\$ 171,772,835</u>	<u>\$ 180,682,481</u>
Changes in Net Position				
Governmental activities	\$ 1,486,168	\$ 934,204	\$ (10,700,479)	\$ (14,995,255)
Business-type activities	18,310,163	17,348,909	(3,072,628)	(17,499,615)
Total primary government	<u>\$ 19,796,331</u>	<u>\$ 18,283,113</u>	<u>\$ (13,773,107)</u>	<u>\$ (32,494,870)</u>

(1) The City closed the Golf enterprise fund in 2020 and transferred operations to the general fund.

Source: City of Dayton financial records

2019	2020	2021	2022	2023	2024
\$ (87,659,342)	\$ (152,457,520)	\$ (100,260,836)	\$ (103,221,898)	\$ (177,119,828)	\$ (184,433,290)
(30,338,609)	(11,990,544)	30,996,121	3,056,936	9,357,262	5,327,061
\$ (117,997,951)	\$ (164,448,064)	\$ (69,264,715)	\$ (100,164,962)	\$ (167,762,566)	\$ (179,106,229)
\$ 12,690,158	\$ 13,989,145	\$ 14,240,066	\$ 13,685,283	\$ 14,704,042	\$ 20,653,269
134,065,969	133,827,851	147,325,533	153,481,195	153,226,419	162,417,934
1,473,194	2,046,235	1,735,177	1,645,403	3,143,434	1,882,008
14,796,558	12,900,243	14,736,982	17,997,082	9,524,381	9,836,233
5,007,325	2,932,744	(229,581)	(10,649,360)	11,616,808	12,088,386
5,093,872	8,547,703	4,623,368	3,376,795	30,688,382	38,529,033
-	2,809,772	-	-	-	-
(296,400)	(50,000)	-	-	-	-
172,830,676	177,003,693	182,431,545	179,536,398	222,903,466	245,406,863
5,084,705	2,501,826	(1,396,863)	(4,706,412)	11,053,017	9,779,025
16,869,201	14,164,670	12,369,646	15,297,807	11,707,728	12,229,244
-	(2,809,772)	-	-	-	-
296,400	50,000	-	-	-	-
22,250,306	13,906,724	10,972,783	10,591,395	22,760,745	22,008,269
\$ 195,080,982	\$ 190,910,417	\$ 193,404,328	\$ 190,127,793	\$ 245,664,211	\$ 267,415,132
\$ 85,171,334	\$ 24,546,173	\$ 82,170,709	\$ 76,314,500	\$ 45,783,638	\$ 60,973,573
(8,088,303)	1,916,180	41,968,904	13,648,331	32,118,007	27,335,330
\$ 77,083,031	\$ 26,462,353	\$ 124,139,613	\$ 89,962,831	\$ 77,901,645	\$ 88,308,903

CITY OF DAYTON, OHIO

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

	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 10,582,684	\$ 11,130,189	\$ 4,204,941	\$ 4,117,426
Restricted	-	-	-	-
Committed	2,551,240	1,765,917	2,796,237	1,586,680
Assigned	20,365,988	26,532,688	22,539,046	13,181,363
Unassigned	28,939,568	23,499,869	32,724,803	47,225,412
Total general fund	<u>\$ 62,439,480</u>	<u>\$ 62,928,663</u>	<u>\$ 62,265,027</u>	<u>\$ 66,110,881</u>
Other Special Revenue				
Nonspendable	\$ 3,163	\$ -	\$ -	\$ -
Restricted	5,782,016	-	-	-
Total other special revenue	<u>\$ 5,785,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local Fiscal Recovery				
Committed	\$ -	\$ -	\$ -	\$ -
Total Local Fiscal Recovery	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service Fund				
Restricted	\$ 27,686,642	\$ 28,459,284	\$ 28,241,475	\$ 26,744,173
Committed	408,494	416,466	422,416	443,573
Total debt service fund	<u>\$ 28,095,136</u>	<u>\$ 28,875,750</u>	<u>\$ 28,663,891</u>	<u>\$ 27,187,746</u>
Capital Improvement Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 97,664
Restricted	9,434,711	17,575,596	5,126,467	7,714,094
Committed	7,302,188	7,875,468	7,284,916	9,701,058
Assigned	10,779,323	6,301,554	7,070,596	8,469,143
Total capital improvement fund	<u>\$ 27,516,222</u>	<u>\$ 31,752,618</u>	<u>\$ 19,481,979</u>	<u>\$ 25,981,959</u>
Other governmental Funds				
Nonspendable	\$ 102,228	\$ 914,376	\$ 756,993	\$ 1,343,739
Restricted	8,216,413	13,151,325	13,468,783	11,666,032
Unassigned (deficit), reported in: Special revenue funds	(209,996)	-	-	-
Total other governmental funds	<u>\$ 8,108,645</u>	<u>\$ 14,065,701</u>	<u>\$ 14,225,776</u>	<u>\$ 13,009,771</u>
Total Fund Balances, Governmental Funds	<u><u>\$ 131,944,662</u></u>	<u><u>\$ 137,622,732</u></u>	<u><u>\$ 124,636,673</u></u>	<u><u>\$ 132,290,357</u></u>

Source: City of Dayton financial records

2019	2020	2021	2022	2023	2024
\$ 16,099,839	\$ 15,387,882	\$ 15,363,267	\$ 15,862,644	\$ 17,215,493	\$ 18,571,509
1,513,207	1,398,122	1,405,379	1,595,150	1,761,361	1,971,566
2,125,347	1,647,920	4,102,514	3,685,119	4,257,365	4,391,856
24,131,684	25,470,674	41,830,696	36,030,559	34,402,674	39,448,359
33,406,326	31,411,557	23,488,527	41,441,880	53,804,966	67,746,590
<u>\$ 77,276,403</u>	<u>\$ 75,316,155</u>	<u>\$ 86,190,383</u>	<u>\$ 98,615,352</u>	<u>\$ 111,441,859</u>	<u>\$ 132,129,880</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 25,022,443	\$ 43,582,156	\$ 59,491,136	\$ 67,059,871
\$ -	\$ -	\$ 25,022,443	\$ 43,582,156	\$ 59,491,136	\$ 67,059,871
\$ 24,407,460	\$ 24,761,009	\$ 25,808,501	\$ 27,531,340	\$ 26,383,625	\$ 27,650,172
452,758	457,950	476,268	496,016	508,891	514,502
<u>\$ 24,860,218</u>	<u>\$ 25,218,959</u>	<u>\$ 26,284,769</u>	<u>\$ 28,027,356</u>	<u>\$ 26,892,516</u>	<u>\$ 28,164,674</u>
\$ 114,327	\$ 26,242	\$ 31,467	\$ 98,234	\$ 9,740	\$ -
924,888	11,051,244	6,164,048	20,233,743	19,749,293	30,669,506
10,158,119	7,849,429	18,595,418	31,514,731	45,879,875	35,141,870
8,983,360	15,199,275	23,417,915	20,581,422	16,506,989	31,435,539
<u>\$ 20,180,694</u>	<u>\$ 34,126,190</u>	<u>\$ 48,208,848</u>	<u>\$ 72,428,130</u>	<u>\$ 82,145,897</u>	<u>\$ 97,246,915</u>
\$ 1,348,573	\$ 1,549,326	\$ 1,148,979	\$ 921,109	\$ 599,128	\$ 823,226
18,431,205	32,919,574	25,921,971	23,331,875	24,542,009	28,788,757
-	-	-	(654,438)	(3,838,239)	(618,702)
<u>\$ 19,779,778</u>	<u>\$ 34,468,900</u>	<u>\$ 27,070,950</u>	<u>\$ 23,598,546</u>	<u>\$ 21,302,898</u>	<u>\$ 28,993,281</u>
<u>\$ 142,097,093</u>	<u>\$ 169,130,204</u>	<u>\$ 212,777,393</u>	<u>\$ 266,251,540</u>	<u>\$ 301,274,306</u>	<u>\$ 353,594,621</u>

CITY OF DAYTON, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018
Revenues				
Taxes	\$ 134,876,542	\$ 134,469,794	\$ 149,848,719	\$ 153,774,390
Charges for services	28,978,808	28,108,799	26,429,834	26,759,391
Licenses and permits	1,549,259	1,580,745	1,781,833	2,960,263
Fines and forfeits	2,737,317	1,383,357	900,272	3,669,384
Intergovernmental	27,257,994	34,659,554	30,456,805	20,504,272
Special assessments	2,778,402	3,016,394	2,971,185	3,433,417
Payments in lieu of taxes	1,757,149	1,687,149	2,919,537	1,816,290
Investment income	1,675,558	2,636,156	2,451,887	2,943,134
Increase (decrease) in fair value of investments	(16,440)	(470,837)	(486,307)	59,611
Other	5,878,638	5,807,497	6,885,769	7,711,233
Total revenues	207,473,227	212,878,608	224,159,534	223,631,385
Expenditures				
Current:				
Downtown	3,500,198	3,468,162	2,842,200	2,733,701
Youth, education and human services	493,757	104,913	94,338	51,264
Community development and neighborhoods	23,458,563	21,967,449	21,003,433	24,152,389
Economic development	14,864,797	9,646,066	17,984,798	9,063,098
Leadership and quality life	36,273,704	36,858,771	36,259,335	39,832,359
Corporate responsibility	14,800,055	15,410,341	15,838,901	17,924,225
Public safety and justice	94,684,266	98,253,686	101,559,290	105,696,870
Capital outlay	15,878,315	20,836,262	30,667,930	19,169,413
Debt service:				
Principal retirement	7,062,185	8,583,778	7,422,744	7,601,277
Interest and fiscal charges	3,052,165	2,844,231	3,072,686	2,840,393
Bond issuance costs	-	323,854	-	191,897
Total expenditures	214,068,005	218,297,513	236,745,655	229,256,886
Excess(deficiency) of revenues over expenditures	(6,594,778)	(5,418,905)	(12,586,121)	(5,625,501)
Other Financing Sources (Uses)				
Transfers in	9,500,959	5,504,550	9,699,537	12,491,885
Transfers out	(9,383,214)	(5,892,656)	(10,099,475)	(13,012,845)
Bond issuance	-	12,210,000	-	14,405,000
Issuance of loans	-	1,099,888	-	-
Payment of refunded bond escrow agent	-	(2,876,310)	-	(1,211,639)
Premium (discount) on bond issuance	-	1,051,503	-	606,784
(Discount) on note issuance	-	-	-	-
Lease transactions	-	-	-	-
SBITA transaction	-	-	-	-
Total other financing sources (uses)	117,745	11,096,975	(399,938)	13,279,185
Net change in fund balance	\$ (6,477,033)	\$ 5,678,070	\$ (12,986,059)	\$ 7,653,684
Capital expenditures	\$ 15,725,633	\$ 29,324,228	\$ 31,630,721	\$ 21,227,738
Debt service as a percentage of noncapital expenditures	5.10%	6.05%	5.12%	5.02%

Source: City of Dayton financial records

2019	2020	2021	2022	2023	2024
\$ 161,579,677	\$ 161,012,016	\$ 176,110,210	\$ 182,493,881	\$ 179,731,768	\$ 187,866,662
27,771,388	27,496,031	29,511,502	30,431,660	31,862,707	38,025,758
3,048,391	2,288,432	3,022,276	3,697,730	3,747,296	3,648,815
2,795,582	1,979,932	4,208,969	4,676,281	6,319,323	12,305,846
19,293,774	38,088,195	51,784,930	63,525,015	63,309,907	73,968,187
3,502,218	3,147,171	709,870	507,499	825,170	622,024
1,473,194	2,046,235	1,735,177	1,645,403	3,143,434	1,882,008
3,223,585	2,492,105	1,802,988	2,937,193	8,288,650	11,109,844
1,301,183	741,994	(2,206,730)	(12,700,922)	7,928,458	3,908,471
12,311,516	17,215,672	6,876,444	5,882,527	35,222,613	44,020,086
236,300,508	256,507,783	273,555,636	283,096,267	340,379,326	377,357,701
2,493,895	1,679,149	609,816	2,064	79,400	103,890
54,865	49,999	53,647	33,683	49,566	50,969
22,009,086	20,446,273	20,944,475	26,568,292	24,943,549	27,441,571
7,411,662	12,840,968	9,273,883	14,309,055	13,022,697	10,925,251
43,342,457	47,512,651	39,875,908	39,684,459	79,333,544	101,119,025
17,174,472	17,531,017	17,780,001	18,179,522	23,080,074	20,971,942
111,002,549	118,410,502	115,272,534	121,929,410	129,352,655	139,118,675
15,242,068	20,873,490	17,037,586	22,039,182	25,183,646	35,312,652
7,842,451	6,242,680	6,654,095	7,014,197	8,546,275	8,401,399
3,269,857	2,477,806	2,657,940	2,469,822	3,400,850	3,469,266
-	241,655	-	285,846	-	272,005
229,843,362	248,306,190	230,159,885	252,515,532	306,992,256	347,186,645
6,457,146	8,201,593	43,395,751	30,580,735	33,387,070	30,171,056
9,083,011	13,745,794	49,587,214	83,547,188	43,105,148	47,483,568
(9,259,303)	(13,795,794)	(49,587,214)	(83,547,188)	(43,105,148)	(47,483,568)
-	39,850,000	-	21,710,000	-	21,595,000
-	739,155	251,438	-	-	-
-	(23,863,009)	-	-	-	(2,230,000)
-	2,155,372	-	1,183,412	-	1,897,159
-	-	-	-	-	-
-	-	-	-	161,332	30,400
-	-	-	-	1,474,364	856,700
(176,292)	18,831,518	251,438	22,893,412	1,635,696	22,149,259
\$ 6,280,854	\$ 27,033,111	\$ 43,647,189	\$ 53,474,147	\$ 35,022,766	\$ 52,320,315
\$ 21,789,083	\$ 28,930,054	\$ 21,202,091	\$ 26,711,734	\$ 26,633,006	\$ 29,317,451
5.34%	3.98%	4.46%	4.20%	4.26%	3.73%

CITY OF DAYTON, OHIO

**GROSS INCOME TAX REVENUE BY PAYER TYPE
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Withholding</u>	<u>% of withholding to total</u>	<u>Total Non- withholding</u>	<u>% of non- withholding to total</u>	<u>Total</u>	<u>Individual Accounts</u>	<u>% of individual to total</u>	<u>Business Accounts</u>	<u>% of Business to total</u>	<u>Total</u>
2015	93,006,624	85.30%	16,028,674	14.70%	109,035,298	4,274,278	3.92%	11,754,396	10.78%	109,035,298
2016	95,785,501	86.31%	15,193,511	13.69%	110,979,012	4,528,649	4.08%	10,664,862	9.61%	110,979,012
2017	108,269,956	87.43%	15,564,839	12.57%	123,834,795	5,280,807	4.26%	10,284,031	8.30%	123,834,795
2018	115,647,959	87.47%	16,568,134	12.53%	132,216,093	5,036,463	3.81%	11,531,671	8.72%	132,216,093
2019	116,866,344	86.23%	18,660,633	13.77%	135,526,977	5,047,544	3.72%	13,613,089	10.04%	135,526,977
2020	117,350,299	86.68%	18,026,980	13.32%	135,377,279	4,777,189	3.53%	13,249,791	9.79%	135,377,279
2021	123,807,815	84.64%	22,473,559	15.36%	146,281,374	5,011,497	3.43%	17,462,062	11.94%	146,281,374
2022	128,338,623	81.80%	28,557,949	18.20%	156,896,572	5,235,699	3.34%	23,322,251	14.86%	156,896,572
2023	134,219,156	86.84%	20,337,533	13.16%	154,556,689	5,048,298	3.27%	15,289,236	9.89%	154,556,689
2024	139,253,207	83.76%	26,998,702	16.24%	166,251,909	4,857,167	2.92%	22,141,535	13.32%	166,251,909

**NET OF REFUNDS
LAST TEN FISCAL YEARS**

<u>Budget Basis</u>				<u>GAAP (Modified Accrual Basis)</u>			
<u>Year</u>	<u>General Fund</u>	<u>Total</u>	<u>% Increase (Decrease)</u>	<u>General Fund</u>	<u>Total</u>	<u>% Increase (Decrease)</u>	
2015	106,661,923	106,661,923	3.91%	107,375,864	107,375,864	3.33%	
2016	117,658,900	117,658,900	10.31%	113,461,023	113,461,023	5.67%	
2017	110,795,400	110,795,400	-5.83%	121,733,746	121,733,746	7.29%	
2018	129,988,860	129,988,860	17.32%	128,430,901	128,430,901	5.50%	
2019	131,369,199	131,369,199	1.06%	132,638,251	132,638,251	3.28%	
2020	133,730,897	133,730,897	1.80%	133,500,732	133,500,732	0.65%	
2021	145,756,560	145,756,560	8.99%	146,380,742	146,380,742	9.65%	
2022	154,563,220	154,563,220	6.04%	151,089,530	151,089,530	3.22%	
2023	153,280,053	153,280,053	-0.83%	151,986,995	151,986,995	0.59%	
2024	160,963,283	160,963,283	5.01%	150,280,053	150,280,053	-1.12%	

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Fiscal year</u>	<u>Total tax levy</u>	<u>Current tax collections</u>	<u>Percent of levy collected</u>	<u>Delinquent tax collections (1)</u>	<u>Total tax collections</u>	<u>Percent of total tax collections to tax levy</u>	<u>Outstanding delinquent taxes</u>	<u>Percent of outstanding delinquent taxes to tax levy</u>
<u>Montgomery County</u>								
2015	14,207,597	12,559,556	88.40%	1,110,059	13,669,615	96.21%	8,141,799	57.31%
2016	14,190,924	12,631,228	89.01%	1,088,396	13,719,624	96.68%	8,538,215	60.17%
2017	14,226,435	12,766,366	89.74%	980,504	13,746,870	96.63%	8,399,679	59.04%
2018	14,327,917	12,891,853	89.98%	1,396,986	14,288,839	99.73%	8,738,631	60.99%
2019	14,397,065	13,025,974	90.48%	1,111,043	14,137,017	98.19%	9,051,249	62.87%
2020	14,696,201	13,348,944	90.83%	1,300,412	14,649,356	99.68%	10,507,979	71.50%
2021	16,243,799	14,876,827	91.58%	1,223,775	16,100,602	99.12%	11,028,476	67.89%
2022	16,541,442	14,949,637	90.38%	1,538,992	16,488,629	99.68%	9,509,133	57.49%
2023	16,541,442	15,154,296	91.61%	1,347,196	16,501,493	99.76%	9,454,369	57.16%
2024	20,327,858	18,725,334	92.12%	1,981,219	20,706,554	101.86%	12,735,555	62.65%

(1) Delinquent tax records are maintained by an external agency, Montgomery County. The agency does not currently track delinquent taxes by levy year and the City is researching other options for capturing this data for future reporting.

Source: County Auditor; Montgomery County, Ohio

CITY OF DAYTON, OHIO

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Tax year	For	Real Property		Public Utilities	
		Assessed value	Estimated actual value	Assessed value	Estimated actual value
Montgomery County					
2015	2016	1,318,587,830	3,767,393,799	100,515,440	258,758,907
2016	2017	1,315,612,520	3,758,892,913	107,045,760	275,473,588
2017	2018	1,321,901,650	3,776,861,858	110,903,630	285,360,763
2018	2019	1,321,622,440	3,776,064,113	118,097,560	303,823,672
2019	2020	1,342,473,290	3,835,637,971	127,157,180	327,105,392
2020	2021	1,481,233,190	4,232,094,829	130,159,690	334,825,061
2021	2022	1,486,243,350	4,246,409,571	138,125,110	355,254,987
2022	2023	1,506,327,210	4,303,792,029	147,805,530	380,155,235
2023	2024	1,863,641,570	5,324,690,200	169,155,690	435,044,438
2024	2025	1,848,283,360	5,280,809,600	191,471,340	492,361,170

N/A - Information not available

Assessed value	Total		Percent of total assessed to total estimated actual value
	Total direct tax rate	Estimated actual value	
1,419,103,270	10.00	4,026,152,706	35.25%
1,422,658,280	10.00	4,034,366,501	35.26%
1,432,805,280	10.00	4,062,222,621	35.27%
1,439,720,000	10.00	4,079,887,785	35.29%
1,469,630,470	10.00	4,162,743,363	35.30%
1,611,392,880	10.00	4,566,919,890	35.28%
1,624,368,460	10.00	4,601,664,558	35.30%
1,654,132,740	10.00	4,683,947,264	35.31%
2,032,797,260	10.00	5,759,734,638	35.29%
2,039,754,700	10.00	5,773,170,770	35.33%

CITY OF DAYTON, OHIO

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN FISCAL YEARS**

Direct 10 Mill Limitation (By Ohio Constitution) By November 6, 1945 Charter Amendment

<u>Fiscal Year</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>Debt Service Fund</u>	<u>General</u>	<u>Total</u>
<u>Montgomery County</u>					
2015	0.40	0.40	5.10	4.50	9.60
2016	0.40	0.40	5.10	4.50	9.60
2017	0.40	0.40	5.10	4.50	9.60
2018	0.40	0.40	5.10	4.50	9.60
2019	0.40	0.40	5.10	4.50	9.60
2020	0.40	0.40	5.10	4.50	9.60
2021	0.40	0.40	5.10	4.50	9.60
2022	0.40	0.40	5.10	4.50	9.60
2023	0.40	0.40	5.10	4.50	9.60
2024	0.40	0.40	5.10	4.50	9.60

- (1) The Ohio Constitution places a ten-mill limitation upon the combined property tax levied by the County, the School District, and the City. The City has been permitted to levy only 1.5 mills of that ten-mill limitation. The Constitution permits the City to levy additional millage beyond 1.5 mills upon approval of the electorate. The City Charter also has a ten-mill limitation which prohibits the City from levying a total tax rate for all purposes in excess of ten mills.

Source: County Auditor; Montgomery County, Ohio

<u>Grand Total (1)</u>	<u>Dayton City School District</u>	<u>Montgomery County</u>	<u>Montgomery County Public Library</u>
10.00	81.35	22.94	3.31
10.00	83.35	22.94	3.31
10.00	83.35	22.94	3.31
10.00	80.05	23.14	3.31
10.00	80.05	23.14	3.15
10.00	80.05	23.14	3.15
10.00	80.05	23.14	3.09
10.00	80.55	23.14	3.04
10.00	74.92	23.14	2.78
10.00	74.56	24.14	3.72

CITY OF DAYTON, OHIO

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year 2024			Fiscal Year 2015		
	Assessed Valuation	Rank	Percentage of Total City Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total City Taxable Assessed Value
Dayton Power and Light Company	\$ 144,742,860	1	7.10%	\$ 83,822,430	1	5.91%
Vectren Energy Delivery	45,463,380	2	2.23%	15,107,170	2	1.06%
Caresource	10,696,120	3	0.52%			
GLP Capital LP	7,970,480	4	0.39%	6,531,830	4	0.46%
Norwood Medical LLC	6,911,900	5	0.34%			
Dayton Hotel II LLC	5,360,660	6	0.26%	5,171,320	5	0.36%
Cloud Park Apartment	4,657,460	7	0.23%	3,620,670	9	0.26%
KND Real Estate 29 LLC	4,633,640	8	0.23%	6,551,310	3	0.46%
Phoenix Rising Real Property	4,311,190	9	0.21%		8	2.77%
Miami Valley Hospital	4,018,400	10	0.20%	4,265,500	6	0.30%
Elizabeth Place Holdings LLC				4,006,500	7	0.28%
DUCRU SPE LLC				3,953,770	8	0.28%
Premier Plaza LP				3,567,170	10	0.25%
Total	\$ 238,766,090		11.71%	\$ 136,597,670		12.39%

(1) Formally Good Samaritan Hospital

Source: County Auditor; Montgomery, County, Ohio

CITY OF DAYTON, OHIO

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Current Assessments Due (1)	Current Assessments Collected (1)	Percent of Current Collections to Current Assessments	Delinquent Assessments Collected	Total Assessments Collected	Percent of Total Assessments Collected to Current Due (2)
2015	7,449,675	4,133,966	55.49%	709,211	4,843,177	65.01%
2016	8,225,568	4,262,189	51.82%	947,474	5,209,663	63.33%
2017	6,808,229	4,816,159	70.74%	937,030	5,753,189	84.50%
2018	5,904,149	5,443,856	92.20%	1,172,852	6,616,708	112.07%
2019	5,892,357	5,432,776	92.20%	1,509,425	6,942,201	117.82%
2020	8,903,225	6,731,885	75.61%	1,638,183	8,370,068	94.01%
2021	6,501,840	4,588,062	70.57%	1,059,470	5,647,530	86.86%
2022	6,613,808	5,092,178	76.99%	1,389,813	6,481,991	96.01%
2023	5,662,972	5,520,852	97.49%	1,416,961	6,937,813	122.51%
2024	4,247,517	3,727,400	87.75%	909,772	4,637,171	109.17%

(1) Reported on a cash basis and includes collections of delinquent utility bills.

(2) Total collections exceed Current Assessment Due because of high collection of curb, gutter and sidewalk delinquent assessments.

Note: This table reflects only those special assessments collected through the County Auditor's Office.

Source: County Auditor; Montgomery County, Ohio

CITY OF DAYTON, OHIO

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Governmental Activities								
Fiscal Year	General Obligation Bonds	Revenue Bonds	Ohio Department of Development Loan	Lease Obligations	SBITA Obligations	OPWC Loans	SIB Loans	SIB Bonds
2015	37,938,498	27,566,497	2,694,829	1,621,171	-	555,099	2,500,000	3,482,779
2016	44,237,911	25,314,060	2,440,804	-	-	1,116,405	2,568,125	3,410,526
2017	39,293,603	22,996,624	2,179,054	-	-	1,015,767	2,472,769	3,315,000
2018	44,265,275	24,445,682	1,909,341	-	-	942,441	2,374,531	3,165,000
2019	39,229,345	21,820,539	1,631,421	-	-	869,114	2,273,323	3,015,000
2020	50,951,525	19,328,033	1,489,311	-	-	1,546,968	2,169,058	2,865,000
2021	46,751,609	17,346,801	1,198,618	-	-	1,667,422	2,061,640	2,715,000
2022	59,410,186	21,340,569	894,563	5,321,462	-	1,528,057	1,950,976	2,565,000
2023	54,336,222	19,139,338	590,437	5,316,737	1,032,195	1,388,692	1,836,967	2,415,000
2024	70,924,854	16,903,105	272,404	5,237,528	1,156,959	1,249,327	1,719,511	2,255,000

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Dayton financial records

(1) Source: Bureau of Economic Analysis, US Department of Commerce. Personal Income for 2017-2024 is not available.

Business-Type Activities

General Obligation Bonds	Revenue Bonds	OWDA Loans	OPWC Loans	Lease Obligations	JOB'S Ohio Loan	SBITA Obligations	Total Primary Government	Personal Income (1)	Percentage of Personal Income	Per Capita
35,691,545	81,810,745	6,862,691	250,000	526,651	-	-	201,500,505	34,260,966,000	0.59%	1,433
39,024,368	111,772,064	6,031,338	200,000	-	5,000,000	-	241,115,601	34,966,720,000	0.69%	1,716
36,697,191	107,941,332	5,167,722	150,000	-	4,867,008	-	226,096,070	n/a	n/a	1,611
34,290,014	120,420,598	4,270,588	100,000	-	4,663,742	-	240,847,212	n/a	n/a	1,713
31,822,837	116,299,255	3,401,472	50,000	-	4,455,856	-	224,868,162	n/a	n/a	1,599
32,778,925	129,180,311	3,330,117	25,000	-	4,314,646	-	247,978,894	n/a	n/a	1,766
30,153,844	123,294,585	8,639,401	-	-	4,243,244	-	238,072,164	n/a	n/a	1,730
27,868,763	141,872,516	15,213,122	-	-	4,025,799	-	281,991,013	n/a	n/a	2,049
22,230,000	129,155,000	17,806,294	-	15,405	3,803,410	579,482	259,645,179	n/a	n/a	1,916
23,128,600	127,531,029	28,864,566	-	12,143	3,575,966	3,180,487	286,011,479	n/a	n/a	2,098

CITY OF DAYTON, OHIO

**COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assessed Value (2)	\$ 1,419,103,270	\$ 1,422,658,280	\$ 1,432,805,280	\$ 1,439,720,000
Legal debt margin:				
Debt limitation - 10.5% of Assessed Value	149,005,843	149,379,119	150,444,554	151,170,600
Total Voted and Unvoted Debt Outstanding	201,500,505	241,115,601	226,096,070	240,847,212
Less: Exempt Debt				
Airport General Obligation Bonds and Notes	(10,016,545)	(9,404,368)	(8,782,191)	(8,135,014)
Airport Revenue Bonds (1)	(52,051,403)	(80,822,459)	(79,361,332)	(77,650,932)
Water Revenue Bonds (1)	(15,720,663)	(15,133,998)	(14,542,333)	(31,139,407)
Sewer Revenue Bonds (1)	(16,428,679)	(15,815,607)	(15,197,536)	(14,554,464)
Water General Obligation Bonds (3)	(12,705,000)	(17,640,000)	(16,655,000)	(15,640,000)
Sewer General Obligation Bonds (3)	(12,970,000)	(11,980,000)	(11,260,000)	(10,515,000)
Storm Water General Obligation Bonds (3)	-	-	-	-
Economic Development Bonds	(26,200,000)	(24,055,000)	(21,845,000)	(23,245,000)
Total Exempt Debt	<u>(146,092,290)</u>	<u>(174,851,432)</u>	<u>(167,643,392)</u>	<u>(180,879,817)</u>
Total Debt Applicable to Limitation - Within 10.5% Limitations	55,408,215	66,264,169	58,452,678	59,967,395
Less: Amount Available in Debt Service Fund to pay debt applicable to limitation	<u>(12,580,136)</u>	<u>(14,255,750)</u>	<u>(14,978,891)</u>	<u>(14,482,746)</u>
Net Debt Within 10.5% Limitation	<u>42,828,079</u>	<u>52,008,419</u>	<u>43,473,787</u>	<u>45,484,649</u>
Overall Debt Margin Within 10.5% Limitations	<u>\$ 106,177,764</u>	<u>\$ 97,370,700</u>	<u>\$ 106,970,767</u>	<u>\$ 105,685,951</u>
Unvoted Debt Limitation - 5.5% of Assessed Valuation	\$ 78,050,680	\$ 78,246,205	\$ 78,804,290	\$ 79,184,600
Debt Within 5.5% Limitations	55,408,215	66,264,169	58,452,678	59,967,395
Less Amount Available in Debt Service Fund	(12,580,136)	(14,255,750)	(14,978,891)	(14,482,746)
Net Debt Within 5.5% Limitation	<u>42,828,079</u>	<u>52,008,419</u>	<u>43,473,787</u>	<u>45,484,649</u>
Unvoted Debt Margin Within 5.5% Limitation	<u>\$ 35,222,601</u>	<u>\$ 26,237,786</u>	<u>\$ 35,330,503</u>	<u>\$ 33,699,951</u>

Source: City of Dayton financial records

(1) Airport, Water, and Sewer revenue bonds are shown net of premiums.

(2) Assessed valuations have been revised to agree with the assessed valuation by each tax year as provided by the Montgomery County Auditor.

(3) Airport, Water, Storm Water and Sewer general obligation bonds are exempt debt.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$	1,469,630,470	\$ 1,611,392,880	\$ 1,624,368,460	\$ 1,654,132,740	\$ 2,032,797,260	\$ 2,039,754,700
	154,311,199	169,196,252	170,558,688	173,683,938	213,443,712	214,174,244
	224,868,162	247,978,894	238,072,164	281,991,013	259,645,179	286,011,479
	(7,497,837)	(6,855,660)	(6,198,483)	(5,516,307)	(4,814,130)	(4,086,953)
	(72,484,469)	(69,348,476)	(66,092,480)	(62,731,485)	(59,265,488)	(55,669,493)
	(29,928,391)	(28,652,375)	(27,336,359)	(50,659,000)	(48,497,968)	(46,261,935)
	(13,886,392)	(31,179,460)	(29,865,746)	(28,482,031)	(27,063,316)	(25,599,601)
	(14,590,000)	(13,564,750)	(12,555,683)	(11,736,616)	(10,892,549)	(10,033,482)
	(9,735,000)	(9,358,515)	(8,544,678)	(7,915,840)	(7,272,002)	(6,628,165)
	-	(3,000,000)	(2,855,000)	(2,700,000)	(2,540,000)	(2,380,000)
	(20,735,000)	(19,205,000)	(17,230,000)	(21,230,000)	(19,035,000)	(16,805,000)
	(168,857,089)	(181,164,236)	(170,678,429)	(190,971,279)	(179,380,453)	(167,464,629)
	56,011,073	66,814,658	67,393,735	91,019,734	80,264,726	118,546,850
	(24,860,218)	(25,218,959)	(26,284,769)	(28,027,356)	(26,892,516)	(28,164,674)
	31,150,855	41,595,699	41,108,966	62,992,378	53,372,210	90,382,176
\$	<u>123,160,344</u>	<u>\$ 127,600,553</u>	<u>\$ 129,449,722</u>	<u>\$ 110,691,560</u>	<u>\$ 160,071,502</u>	<u>\$ 123,792,068</u>
\$	80,829,676	\$ 88,626,608	\$ 89,340,265	\$ 90,977,301	\$ 111,803,849	\$ 112,186,509
	56,011,073	66,814,658	67,393,735	91,019,734	80,264,726	118,546,850
	(24,860,218)	(25,218,959)	(26,284,769)	(28,027,356)	(26,892,516)	(28,164,674)
	31,150,855	41,595,699	41,108,966	62,992,378	53,372,210	90,382,176
\$	<u>49,678,820</u>	<u>\$ 47,030,909</u>	<u>\$ 48,231,299</u>	<u>\$ 27,984,923</u>	<u>\$ 58,431,639</u>	<u>\$ 21,804,333</u>

CITY OF DAYTON, OHIO

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (3)</u>	<u>Assessed value (2)</u>	<u>Gross general bonded debt (1)</u>	<u>Less: Amounts available in Debt Service Fund (4)</u>	<u>Net general bonded debt (1)</u>	<u>Ratio of net general bonded debt to assessed value</u>	<u>Net general bonded debt per capita</u>
2015	140,599	1,419,103,270	73,630,043	12,580,136	61,049,907	4.30%	434
2016	140,489	1,422,658,280	83,262,279	14,255,750	69,006,529	4.85%	491
2017	140,371	1,432,805,280	75,990,794	14,978,891	61,011,903	4.26%	435
2018	140,640	1,439,720,000	78,555,289	14,391,004	64,164,285	4.46%	456
2019	140,640	1,469,630,470	71,052,182	24,860,218	46,191,964	3.14%	328
2020	140,407	1,611,392,880	83,730,450	14,613,959	69,116,491	4.29%	492
2021	137,644	1,624,368,460	76,905,453	16,328,501	60,576,952	3.73%	440
2022	137,644	1,654,132,740	87,278,949	36,332,356	50,946,593	3.08%	370
2023	135,512	2,032,797,260	77,598,417	26,892,516	50,705,901	2.49%	374
2024	136,346	2,039,754,700	95,210,413	22,379,674	72,830,739	3.57%	534

(1) Net general bonded debt is defined as bonded debt supported by taxes less Debt Service Fund fund balance (which does not include loans receivable).

(2) Source: County Auditor, Montgomery County, Ohio

(3) Source: U.S. Census Bureau and Miami Valley Regional Planning Commission

(4) Debt Service Fund fund balance does not include loans receivable.

CITY OF DAYTON, OHIO

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Bond issuance costs</u>	<u>Total debt service</u>	<u>Total general governmental expenditures</u>	<u>Ratio of debt service to total general governmental expenditures</u>
2015	7,062,185	3,052,165	-	10,114,350	214,068,005	4.72%
2016	8,583,778	2,844,231	323,854	11,751,863	218,297,513	5.38%
2017	7,422,744	3,072,686	-	10,495,430	236,745,655	4.43%
2018	7,601,277	2,840,393	191,897	10,633,567	229,256,886	4.64%
2019	7,842,451	3,269,857	-	11,112,308	229,843,362	4.83%
2020	6,242,680	2,477,806	241,655	8,962,141	248,306,190	3.61%
2021	6,654,095	2,657,940	-	9,312,035	230,159,885	4.05%
2022	7,014,197	2,469,822	285,846	9,769,865	252,515,532	3.87%
2023	8,546,275	3,400,850	-	11,947,125	306,992,256	3.89%
2024	8,401,399	3,469,266	272,005	12,142,670	347,186,645	3.50%

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2024**

Debt of the City, authorized by the Council but not by a vote of the electors, is subject to overlapping restrictions with each respective county and school district. Limitations apply to each county total and should not be considered cumulatively. Total debt service charges for one year of all overlapping debt must not exceed ten mills (1%) of the assessed property value. This determination is made by the respective county auditors each time a subdivision proposes to issue unvoted debt. The most recent data prepared by the county auditors for this purpose is as of December 31, 2023.

<u>Political subdivision of State of Ohio</u>	<u>2024 Debt Outstanding (1)</u>	<u>Percentage applicable to Dayton</u>	<u>Amount applicable to Dayton</u>
Direct			
City of Dayton	\$ 99,718,688	100.00%	\$ 99,718,688
Total Direct Debt	<u>99,718,688</u>		<u>99,718,688</u>
Overlapping			
Montgomery County	16,998,000	14.24%	2,420,515
Dayton City School District	130,525,076	83.52%	109,014,543
Miami Valley Career Center	<u>3,945,340</u>	2.22%	<u>87,587</u>
Total Overlapping Debt	<u>151,468,416</u>		<u>111,522,645</u>
Total Direct and Overlapping Debt	<u>\$ 251,187,104</u>		<u>\$ 211,241,333</u>

(1) Excludes Enterprise Debt

Source: County Auditor; Montgomery County, Ohio and Ohio Municipal Advisory Council (OMAC)

CITY OF DAYTON, OHIO

**SEWER DEBT LOAN PLEDGED REVENUE COVERAGE
OHIO WATER DEVELOPMENT AUTHORITY LOAN
LAST TEN FISCAL YEARS**

Year	Net Revenue Available for Debt Service (1)		Debt Service Requirements			Coverage
			Principal	Interest	Total	
2015	\$	11,760,637	\$ 800,295	\$ 287,291	\$ 1,087,586	10.81
2016		8,159,080	831,353	199,704	1,031,057	7.91
2017		8,890,092	913,616	174,525	1,088,141	8.17
2018		7,148,338	947,134	148,368	1,095,502	6.53
2019		4,491,133	931,950	121,195	1,053,145	4.26
2020		9,308,730	968,119	92,968	1,061,087	8.77
2021		18,276,844	1,005,692	71,726	1,077,418	16.96
2022		11,268,324	1,044,725	33,185	1,077,910	10.45
2023		14,632,479	998,010	31,830	1,029,840	14.21
2024		16,568,335	527,957	53,912	581,869	28.47

(1)

Net Revenue Available for Debt Service is computed by adding operating income (loss) for the reporting period to depreciation expense, interest revenue and the fair value adjustment.

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

**WATER ENTERPRISE REVENUE BOND COVERAGE
WATER REVENUE BONDS
LAST NINE FISCAL YEARS**

Year	Net Revenue Available for Debt Service (1)		Debt Service Requirements			Coverage
			Principal	Interest	Total	
2016	\$	13,303,988	\$ 555,000	\$ 519,957	\$ 1,074,957	12.38
2017		7,655,664	560,000	517,312	1,077,312	7.11
2018		13,373,581	585,000	494,912	1,079,912	12.38
2019		4,065,094	1,140,000	1,170,813	2,310,813	1.76
2020		10,766,191	1,205,000	1,097,212	2,302,212	4.68
2021		30,901,628	1,245,000	1,063,187	2,308,187	13.39
2022		21,688,661	1,280,000	1,026,288	2,306,288	9.40
2023		26,598,226	2,010,000	2,193,113	4,203,113	6.33
2024		23,727,375	2,085,000	2,115,863	4,200,863	5.65

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

SEWER ENTERPRISE REVENUE BOND COVERAGE
SEWER REVENUE BONDS
LAST NINE FISCAL YEARS

Year	Net Revenue Available for Debt Service (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2016	\$ 9,290,302	\$ 580,000	\$ 543,377	\$ 1,123,377	8.27
2017	10,017,916	585,000	540,612	1,125,612	8.90
2018	7,463,318	610,000	517,213	1,127,213	6.62
2019	4,491,133	635,000	492,813	1,127,813	3.98
2020	9,308,730	660,000	467,412	1,127,412	8.26
2021	20,506,073	1,200,000	1,061,578	2,261,578	9.07
2022	13,536,787	1,270,000	996,612	2,266,612	5.97
2023	14,632,479	1,305,000	957,800	2,262,800	6.47
2024	18,988,374	1,350,000	916,100	2,266,100	8.38

(1)

Net Revenue Available for Debt Service is computed by adding operating income (loss) for the reporting period to depreciation expense, interest revenue and the fair value adjustment. The Net Revenue Available for Debt Service also includes restricted cash held by a fiscal agent to meet the Rate Covenant as described in Section 4.02 of the Trust Agreement.

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

**DAYTON INTERNATIONAL AIRPORT ENTERPRISE REVENUE BOND COVERAGE
DAYTON INTERNATIONAL AIRPORT REVENUE REFUNDING BOND SERIES
LAST TEN FISCAL YEARS**

Year	Net Revenue Available for Debt Service (1)	Debt Service Requirements (2)			Coverage
		Principal	Interest	Total	
2015	8,714,245	1,445,000	1,237,784	2,682,784	3.25
2016	16,987,289	1,750,000	1,845,826	3,595,826	4.72
2017	9,973,531	2,480,000	3,224,168	5,704,168	1.75
2018	7,323,034	2,550,000	3,191,186	5,741,186	1.28
2019	13,599,555	2,885,000	3,090,736	5,975,736	2.28
2020	983,544	2,995,000	2,979,036	5,974,036	0.16
2021	12,579,333	3,115,000	2,862,837	5,977,837	2.10
2022	10,531,315	3,220,000	2,759,637	5,979,637	1.76
2023	15,951,742	3,325,000	2,650,981	5,975,981	2.67
2024	14,115,536	3,455,000	2,526,086	5,981,086	2.36

(1) Net Revenue Available for Debt Service is computed by adding operating income (loss) for the reporting period to depreciation expense, fair value adjustment and interest revenue. Also included in this calculation is the portion of Passenger Facility Charges (PFC) charges used for payment of debt service charges.

(2) Debt service requirements are exclusive of refunding transactions and additional principal payments made to retire bonds.

Source: City of Dayton financial records

CITY OF DAYTON, OHIO

**BUSINESS INDICATORS
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Square Mile Area City of Dayton Year End (1)</u>	<u>Air Passengers (2)</u>	<u>Scheduled Airline Freight (2)</u>
2015	56 (+/-)	2,137,085	8,542
2016	56 (+/-)	2,069,718	8,491
2017	56 (+/-)	1,896,744	8,164
2018	56 (+/-)	1,813,570	8,005
2019	56 (+/-)	1,790,770	8,199
2020	56 (+/-)	677,494	7,258
2021	56 (+/-)	1,077,297	7,829
2022	56 (+/-)	584,487	7,299
2023	56 (+/-)	621,433	7,321
2024	56 (+/-)	645,930	7,421

<u>Year</u>	<u>Active Gas Meters (3)</u>	<u>Vehicle Registrations (4)</u>
2015	76,735	124,365
2016	76,299	126,145
2017	75,886	127,888
2018	72,436	127,407
2019	64,996	126,715
2020	59,514	116,148
2021	61,002	124,333
2022	60,676	114,834
2023	60,744	114,567
2024	58,703	115,654

Source: (1) Square Miles for City of Dayton - Division of Planning, City of Dayton
(2) Dayton International Airport
(3) Vectren
(4) Bureau of Motor Vehicles

CITY OF DAYTON, OHIO

**GROWTH IN LAND AREA
SELECTED YEARS**

<u>Year</u>	<u>Square miles at December 31</u>
1955	27
1960	34
1965	36
1970	40
1975	43
1980	54
1985	55
1990	55
1995	56
2000	56
2005	56
2010	56.5
2014	56.5
2015	56.5
2016	56.5
2017	56.5
2018	56.5
2019	56.5
2020	56.7
2021	56.7
2022	56.7
2023	56.7
2024	56.7

Source: Division of Planning City of Dayton

CITY OF DAYTON, OHIO

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	Fiscal Year 2024			Fiscal Year 2015		
	Employees	Rank	Percentage of Total Dayton Labor Force	Employees	Rank	Percentage of Total Dayton Labor Force
Premier Health Partners (1)	11,738	1	19.86%	14,765	1	25.11%
Kettering Health Network (2)	9,977	2	16.88%	7,000	2	11.90%
Montgomery County	4,318	3	7.31%	3,884	3	6.61%
Dayton Children's Hospital	4,235	4	7.17%	1,517	9	2.58%
University of Dayton	3,200	5	5.41%	2,297	5	3.91%
Veterans Administration	2,969	6	5.02%	2,002	7	3.40%
Sinclair Community College	2,614	7	4.42%	2,613	4	4.44%
Dayton Public Schools	2,386	8	4.04%	2,085	6	3.55%
Care Source	2,400	9	4.06%	1,200	10	2.04%
City of Dayton	1,826	10	3.09%	1,910	8	3.25%
Total	<u>45,663</u>		<u>77.26%</u>	<u>39,273</u>		<u>66.79%</u>

Source: Dayton Business Journal

(1) Premier Health Partners includes Miami Valley Hospital and Good Samaritan Hospital

(2) Kettering Health Network includes Grandview Hospital

CITY OF DAYTON, OHIO

ESTIMATED CIVILIAN LABOR FORCE
AND ANNUAL AVERAGE UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS

Year	Montgomery County		Dayton		Ohio		U.S.
	Labor Force	Unemployment rate	Labor force	Unemployment rate	Labor force	Unemployment rate	Unemployment rate
2015	249,600	5.00%	58,800	5.80%	5,700,000	4.90%	5.30%
2016	249,500	4.80%	58,100	5.80%	5,713,000	4.90%	4.90%
2017	253,600	4.90%	59,100	5.80%	5,780,000	5.00%	4.40%
2018	250,700	4.50%	59,100	4.30%	5,755,000	4.60%	3.90%
2019	254,000	4.50%	59,000	5.20%	5,836,400	4.70%	4.50%
2020	252,800	6.30%	59,100	7.80%	5,768,594	4.70%	8.10%
2021	250,188	5.60%	58,000	7.10%	5,746,000	5.40%	5.80%
2022	251,600	3.60%	58,300	4.40%	5,850,800	3.40%	3.70%
2023	247,600	4.50%	57,300	5.30%	5,768,300	4.40%	3.60%
2024	256,800	4.60%	59,100	5.50%	5,868,200	4.20%	4.10%

Source: State of Ohio Labor Market Information

CITY OF DAYTON, OHIO

ESTIMATED PER CAPITA INCOME AND PERSONAL INCOME
LAST TEN FISCAL YEARS

Year	Dayton (MSA)			Montgomery County		Ohio		United States
	Per capita income	% of national average	Total personal income	Per capita income	% of national average	Per capita income	% of national average	Per capita income
2015	42,707	89.59%	6,004,561,493	42,223	88.58%	43,478	91.21%	47,669
2016	44,006	88.77%	6,182,358,934	43,311	87.37%	44,876	90.53%	49,571
2017	45,708	90.70%	6,416,077,668	45,039	89.38%	45,615	90.52%	50,392
2018	45,708	85.10%	6,428,373,120	46,891	87.30%	48,242	89.82%	53,712
2019	45,708	80.67%	6,428,373,120	46,891	82.75%	50,546	89.20%	56,663
2020	49,161	82.43%	6,902,548,527	44,448	74.52%	53,296	89.36%	59,642
2021	52,637	82.39%	7,245,167,228	41,618	65.14%	56,483	88.41%	63,887
2022	55,572	85.13%	7,649,152,368	54,822	83.98%	57,880	88.66%	65,280
2023	56,468	82.37%	7,676,485,792	55,114	80.40%	60,402	88.11%	68,550

CITY OF DAYTON, OHIO

DAYTON METROPOLITAN STATISTICAL AREA EMPLOYMENT (1)
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT IN SELECTED INDUSTRIES (2)
LAST TEN FISCAL YEARS
(IN THOUSANDS, EXCEPT PERCENT)

Industry	2015	2016	2017	2018
Total	379.1	384.5	389.0	390.0
Goods-Producing Industries	52.0	53.6	54.7	56.1
Natural Resources, Mining and Construction	12.0	12.4	12.6	13.1
Manufacturing	40.0	41.2	42.1	43.0
Service-Providing Industries	327.1	330.9	334.3	333.9
Trade, Transportation, and Utilities	65.8	65.3	65.5	66.3
Information	8.4	8.5	8.3	8.2
Financial Activities	17.6	17.9	18.1	18.1
Professional and Business Services	50.1	51.0	50.8	52.4
Educational and Health Services	71.0	72.5	74.4	74.1
Leisure and Hospitality	37.8	38.8	40.3	39.1
Other Services	13.8	14.0	14.4	13.8
Government	62.6	62.9	62.5	61.9

(1) Dayton Metropolitan Statistical Area includes Greene, Miami, Montgomery, and Preble Counties.

(2) Nonagricultural employment excludes farm workers, proprietors, the self-employed, unpaid family workers, and domestic workers.

Source: Bureau of Labor Market Information and Ohio Department of Job and Family Services

2019	2020	2021	2022	2023	2024	Percentage of Total 2024 employment
395.4	373.7	381.3	383.3	391.1	391.1	n/a
57.8	54.6	54.9	56.1	55.9	56.4	14.4%
13.5	13.8	14.2	14.4	14.6	15.2	3.9%
44.3	40.8	40.7	41.7	41.3	41.2	10.5%
337.6	319.1	326.4	327.2	335.2	334.7	85.6%
66.6	67.2	67.3	66.9	69.7	69.3	17.7%
7.5	6.8	6.6	6.8	5.6	5.5	1.4%
18.2	17.8	17.4	16.4	16.8	16.5	4.2%
51.5	49.8	52.7	52.4	51.5	50.7	13.0%
77.9	72.1	69.6	71.8	75.3	76.6	19.6%
39.2	32.9	38.3	38.2	40.0	40.5	10.4%
13.9	12.7	13.3	13.8	13.8	13.8	3.5%
62.8	59.8	61.2	60.9	62.5	61.8	15.8%

CITY OF DAYTON, OHIO

**FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Downtown	15	17	18	18	11	4	1	1	1	1
Youth, education and human services	-	1	1	1	1	1	1	1	1	1
Community development and neighbors	141	126	132	128	122	104	116	129	127	123
Economic development	7	33	40	31	28	30	23	27	25	26
Leadership and quality of life	214	147	141	144	138	122	233	253	241	244
Corporate responsibility	169	136	135	137	143	157	155	161	167	173
Public safety and justice	838	826	849	856	865	842	843	842	816	868
Business-type activities:										
Dayton International Airport	143	141	138	136	125	91	92	82	93	100
Water	246	373	375	375	355	316	193	196	200	201
Sewer	119	97	100	100	133	125	116	113	111	111
Golf (1)	14	12	12	13	11	4	-	-	-	-
Storm Sewer	41	36	39	33	31	27	51	50	48	53
Total Full-Time Equivalent (FTE)	<u>1,947</u>	<u>1,945</u>	<u>1,980</u>	<u>1,972</u>	<u>1,963</u>	<u>1,823</u>	<u>1,824</u>	<u>1,855</u>	<u>1,830</u>	<u>1,901</u>

Source: City of Dayton ITS and Manangement & Budget

(1) The City closed the Golf Enterprise fund during 2020 and moved the activity to the Leadership and Quality of Life Governmental Activities.

CITY OF DAYTON, OHIO

**SCHOOL ENROLLMENT TRENDS IN MONTGOMERY COUNTY
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>The University of Dayton (1)</u>	<u>Wright State University (2)</u>	<u>Sinclair Community College (3)</u>	<u>Total Colleges/ Universities</u>	<u>Dayton Public Schools (4)</u>
2015	11,271	18,059	18,452	47,782	14,060
2016	10,828	17,775	19,093	47,696	13,792
2017	10,882	17,108	17,914	45,904	13,325
2018	11,306	14,038	18,448	43,792	13,202
2019	11,474	13,742	29,560	54,776	12,537
2020	8,322	12,000	30,007	50,329	11,879
2021	12,028	11,469	31,777	55,274	11,879
2022	11,770	10,798	30,500	53,068	11,645
2023	11,378	11,036	30,500	52,914	12,565
2024	10,598	11,822	30,500	52,920	13,268

Source: (1) University of Dayton, Registrar's Office

(2) Wright State University, Budget Planning & Resource Analysis

(3) Sinclair Community College, Institute of Planning & Research

(4) Dayton City School District PK - 12

CITY OF DAYTON, OHIO

**CITY OF DAYTON AND
MONTGOMERY COUNTY, OHIO
LAND AREA
DECEMBER 31, 2024**

<u>Jurisdiction</u>	<u>Square Miles</u>
Dayton	56.67
Less portion outside of Montgomery County.	
Other incorporated areas in Montgomery County excluding Dayton	175.48
Unincorporated Townships within Montgomery County	232.15
Total approximate area of Montgomery County	<u>464.30</u>

Source: Division of Planning City of Dayton (County Land Records)

CITY OF DAYTON, OHIO

**BUILDING PERMITS ISSUED
LAST TEN FISCAL YEARS**

Year	New Construction	
	Permits issued (1)	Valuation (1)
2015	591	83,727,498
2016	567	123,859,391
2017	666	220,519,958
2018	604	289,916,362
2019	588	150,641,371
2020	567	250,623,260
2021	593	440,295,080
2022	743	329,046,238
2023	697	472,490,631
2024	901	321,038,862

CITY OF DAYTON, OHIO

**AVERAGE COST OF HOUSING CONSTRUCTION
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Units</u>	<u>Total Permit Value</u>	<u>Single-family average structure cost</u>	<u>% Change from previous year</u>	<u>% Change from 2013</u>
2015	63	8,518,038	135,674	50.75%	72.58%
2016	37	4,280,000	115,676	-14.74%	47.14%
2017	4	445,000	111,250	-3.83%	41.51%
2018	7	1,560,000	222,857	100.32%	183.48%
2019	1	230,000	230,000	3.21%	192.57%
2020	4	532,000	133,000	-42.17%	69.18%
2021	14	4,203,108	300,222	125.73%	281.90%
2022	32	4,698,538	146,829	-51.09%	86.77%
2023	86	14,027,797	163,114	11.09%	107.49%
2024	62	10,857,538	175,122	7.36%	122.76%

CITY OF DAYTON, OHIO

**OPERATING INDICATORS AND CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Service										
Highways and Streets										
Streets (miles)	1,719	1,719	1,719	1,719	1,719	1,408	1,408	1,365	1,365	1,408
Streetlights	19,720	19,976	19,976	19,976	19,976	19,976	19,976	5,349	5,349	5,435
Traffic Signals	316	316	319	319	319	319	314	314	314	314
Computerized Signals	316	316	319	319	319	319	314	314	314	314
Public Safety										
Police										
Headquarters	1	1	1	1	1	1	1	1	1	1
Training Academy	1	1	1	1	1	1	1	1	1	1
Number of Districts	5	7	7	3	3	5	5	3	3	3
Number of Employees	410	397	419	417	419	418	421	401	347	410
Fire										
Headquarters	1	1	1	1	1	1	1	1	1	1
Training Academy	1	1	1	1	1	1	1	1	1	1
Fire Stations	12	12	12	12	12	12	12	12	12	12
Number of Employees	327	318	322	320	325	316	316	325	257	349
City Fleet (public safety)										
Fire	91	88	97	90	92	97	92	92	89	99
Police	291	290	271	246	246	280	273	273	270	261
Recreation and parks										
Parks Acreage	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374
Playgrounds	39	25	19	37	35	35	35	35	35	36
Total Facilities *	162	187	129	102	100	112	106	109	109	98
Parks	60	63	63	37	35	46	44	44	44	44
Swimming Pools	4	4	4	4	4	3	3	3	3	3
Tennis Courts	41	41	9	9	9	9	9	13	13	12
Community Centers	3	-	-	-	-	3	3	-	-	-
Athletic Complexes	2	2	3	3	3	5	5	3	3	3
Specialized Facilities	1	1	1	1	1	-	-	-	-	-
Shelter Houses	37	62	35	34	35	35	35	35	35	25
Golf Courses	3	3	3	3	3	1	1	1	1	1
Spray Park Facilities	7	7	7	7	6	6	6	6	7	7
Recreation Centers	3	3	3	3	3	3	3	3	3	3
Cultural Centers	1	1	1	1	1	1	-	-	-	-
Water										
Water Mains (miles)	807.26	847.65	852.51	852.51	857.47	859.81	859.81	859.81	859.81	859.81
Maximum Daily Capacity (millions of gallons)	43.20	43.20	43.20	43.20	38.80	39.80	39.80	39.80	39.00	39.97
Sewer										
Sanitary Sewers (miles)	730.00	730.00	740.46	740.60	739.98	721.67	721.67	721.67	721.67	721.67
Storm Sewers (miles)	576.60	576.60	576.89	576.89	576.94	577.74	577.74	577.74	577.74	577.74
Maximum Daily Capacity (millions of gallons)	28.33	28.33	28.33	28.33	28.00	28.00	28.00	26.10	26.10	26.02

Source: Various Departments, City of Dayton

* 2013-2016 Recreation facilities include only those that were operational in a calendar year

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We acknowledge the following Financial Services Personnel in the preparation of the Annual Comprehensive Financial Report, Fiscal Year Ended December 31, 2024

Kena L. Brown	Finance Director
LaShawn D. Greene	Financial Services Supervisor

Saleh Asumani	Senior Financial Analyst
Benjamin Rohm	Financial Analyst I
Constance Jones	Financial Analyst I
Jennifer Hill	Financial Analyst I
Magatte Diop	Financial Analyst I
Madeline Kimble	Finance Technician II

Shelley Dickstein	City Manager
C. LaShea Lofton	Deputy City Manager
Joseph Parlette	Deputy City Manager

Appreciation is extended to our consultant, Julian and Grube, Inc. for their assistance on this project.



The Department of Finance - Mission Statement

The Department of Finance provides accurate, efficient, and quality financial services in a systematic and professional manner. We are a customer focused TEAM that thrives in an environment of continuous improvement.

www.DaytonOhio.gov

OHIO AUDITOR OF STATE KEITH FABER



CITY OF DAYTON

MONTGOMERY 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 2/17/2026

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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