



**Annual Comprehensive Financial Report
for the year ended December 31, 2021**



CITY OF PIQUA, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended December 31, 2021

**Prepared by:
Department of Finance
Benjamin A. Goodin, Acting Director**

**CITY OF PIQUA, OHIO
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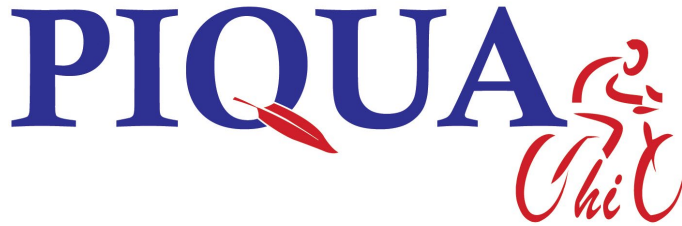
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Introductory Section





June 30, 2022

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

This Annual Comprehensive Financial Report is for the year ended December 31, 2021. We believe this report, prepared by the Department of Finance, presents financial and operating information about the City's activities during the year that should be useful to citizens, taxpayers and investors. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

Reporting Entity

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

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

Local Economic Conditions and Outlook

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

The City does not depend on one firm for local employment; as many as ten companies employ in excess of 200 people each, lending to the City's diversification. The City has four industrial parks with plenty of room for expansion. The City's emphasis on economic retention and development are significant factors affecting the future economic strength of the community. Promoting Piqua as a good place for all types of businesses, new and existing, will continue to be one of our highest priorities.

Despite the lingering effects of the pandemic, economic development activity remained steady this past year. Projects in 2021 included the expansion of an existing industrial building and manufacturing facility, along with the new construction of multiple retail food and professional service establishments. There was a total of \$20.4 million in commercial construction activity and \$3.8 million in residential construction activity during the course of the calendar year.

Major Initiatives

Current Year Projects: During 2021, the City continued efforts to enhance and expand services provided to local residents. The City continued supporting the Future Piqua Strategic Plan recommendations; including public access television and a quarterly community newsletter (financial support is shared between the City and the Chamber of Commerce).

The following significant events took place in 2021:

- Improved signage, sidewalks, and traffic signals in the City's downtown and surrounding areas.
- Implemented Downtown redevelopment grant to continue façade improvements to downtown structures
- Continued the Riverfront Redevelopment Project marketing and land acquisitions
- Continued beautification project on East Ash Street and US 36
- Continued implementation of the Parks Master Plan
- Continued construction on Wastewater treatment plant expansion
- Continued implementation of new Utility Automated Meter Infrastructure System
- Began improvements to Utility Billing customer service
- Began IT assessment and strategic plan

Future Projects: The city anticipates the following significant events to take place in 2022:

- Continue the redevelopment of the City's downtown and surrounding areas. The redevelopment includes improved signage, sidewalks, brick pavers, traffic signals, streetlights and parking
- Continue neighborhood improvements through the Neighborhood Associations, City's Neighborhood Improvement Team, Housing Enhancement League of Piqua (HELP), and CDBG Community Housing Improvement Program
- Continue the Riverfront Redevelopment efforts
- Continue monitoring long range financial plan
- Encourage tourism and recreational trail events
- Continue efforts to improve the Regional Public Safety Training facility with area educational facility
- Complete the city wide GIS Database for Utilities
- Private and public development of the Great Miami River Corridor
- Completion of the Wastewater treatment plant expansion
- Completion and adoption of a five year Capital Improvement Plan
- Hosting the sixth annual Piqua 4th Fest in the downtown district
- Complete implementation of new Utility Billing software solution
- Continue IT improvement strategic plan

Financial Information

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

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

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

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

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

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

Financial Reporting: Beginning in 2002, the City has prepared financial statements following GASB Statement 34, “Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments.” As part of this new reporting model, management is responsible for preparing a Management’s Discussion and Analysis of the City. This discussion follows the Independent Auditor’s Report, providing an assessment of the City’s finances for 2021.

General Government

General Governmental Revenues: The 2021 municipal income tax revenue of \$13,072,163 increased 11.2%. Property tax revenues and state shared revenue increased slightly in 2021. Interest revenue decreased in 2021 and is expected to be similar in 2022. Municipal income tax revenue is up through March 2022 but is expected to be similar to 2021 levels due to the extended filing deadline in 2020. Grants revenue decreased in 2021 due to one time grants received in 2020.

General Governmental Expenditures: The 2021 General Governmental expenditures and other financing uses decreased 13.4% compared with 2020 primarily due to one time grant programs being completed in 2020.

General Fund Balances: Current year activity contributed to a \$366,345 decrease in the unassigned fund balance from 2020 as assigned funds were increased for the 2022 budget.

Business-Type Funds

The City's utility operations, consisting of a power system, a water system, a wastewater system, a stormwater system, and a solid refuse system, account for over half of the total City revenues. The City also operates smaller enterprises such as a golf course and a swimming pool.

Power System: Total customer revenues were \$28.4 million with an increase in usage from 2020 levels. Revenues increased based on businesses slowly returning to normal operations in the past year. No operating grants were received in 2021. Expenses exceeded revenue by \$14,817 in 2021.

The system supplies electricity to more than 10,800 accounts within its service area. The power system, established in the 1930's, purchases power from power wholesalers, while supplementing power needs with fuel oil generation. The system is responsible for purchasing and generating power, transmitting and distributing electricity, and providing all related services.

The City of Piqua obtains its power supply from various sources. Two megawatts of Power is available from the New York Power Authority (NYPA). A twenty-year transmission agreement with the Dayton Power & Light Company guarantees supply access. Alternative contracts and projects are being considered by the Power system. During 2006, the City entered into a contract with Dayton Power & Light and AMP Ohio to provide power at an economic price. Piqua Power participates in the American Public Power Association's Reliable Public Power Provider (RP3) program. In 2021 Piqua achieved Diamond status, one of only fifty-four municipal electric systems in the country, representing less than 3% of all eligible electric systems for its superior reliability, safety, workforce development and system improvement programs.

Water System: Customer revenues of \$7.3 million were lower than 2020 levels due to overall usage being down 3.7%. Small operating and capital grants were received in 2021. Operating expenses of \$5.4 million were down due to expense decreases. Net revenue from operations was \$2,005,969 in 2021. More than 8,800 accounts are serviced by Piqua's municipal water system.

Wastewater System: Customer revenues of \$6.7 million were similar to 2020. Capital grants and contributions of \$382,538 were received in 2021. Operating expenses of \$2.8 million were down due to expense decreases. Net revenue from operations was \$4,247,398 in 2021.

Refuse System: System revenues of \$2.3 million were similar to 2020 levels. Operating expenses of \$1.4 million were down from 2020. Net revenues from operations was \$833,157. Refuse service is provided to more than 8,200 customers.

Stormwater System: Customer revenues of \$1.2 million and were similar to 2020 levels. Capital grants of \$40,132 were received in 2021. Operating expenses of \$699,301 were down due to projects completed in 2020. Net revenues from operations was \$526,239 in 2021. Stormwater service is provided to approximately 7,900 customers.

The Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark Schaefer Hackett has completed an audit of the 2021 financial statements. The 2020 audit was also completed by Clark Schaefer Hackett. All State of Ohio compliance and federal grant audit requirements are included as part of the independent annual engagement. See page 9 of the Financial Section of this report for their unmodified opinions.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded for the thirty-first consecutive year a Certificate of Achievement for Excellence in Financial Reporting to the City of Piqua, Ohio, for its annual comprehensive financial report for the fiscal year ended December 31, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

Acknowledgments

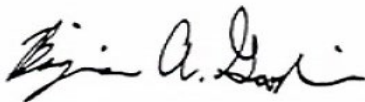
To the many conscientious people who have contributed so much of their time and effort to the preparation of this report our sincere appreciation is extended. The Finance Department staff is commended for their commitment to professional excellence once again exemplified by the contents of this report.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

Respectfully submitted,

Paul Oberdorfer
City Manager



Benjamin A. Goodin,
Acting Director of Finance



Department of Finance Staff: Stacy Burton-Finance/Tax Manager, Jamie Richard, Beverly Yount, Kelley McGlinch and Kayla Hamilton

CITY OF PIQUA, OHIO

**2021
CITY OFFICIALS**

Kris E. Lee, Mayor
Thomas S. Fogt, Commissioner
Cindy J. Pearson, Commissioner
James C. Grissom, Commissioner
Kathryn B. Hinds, Commissioner

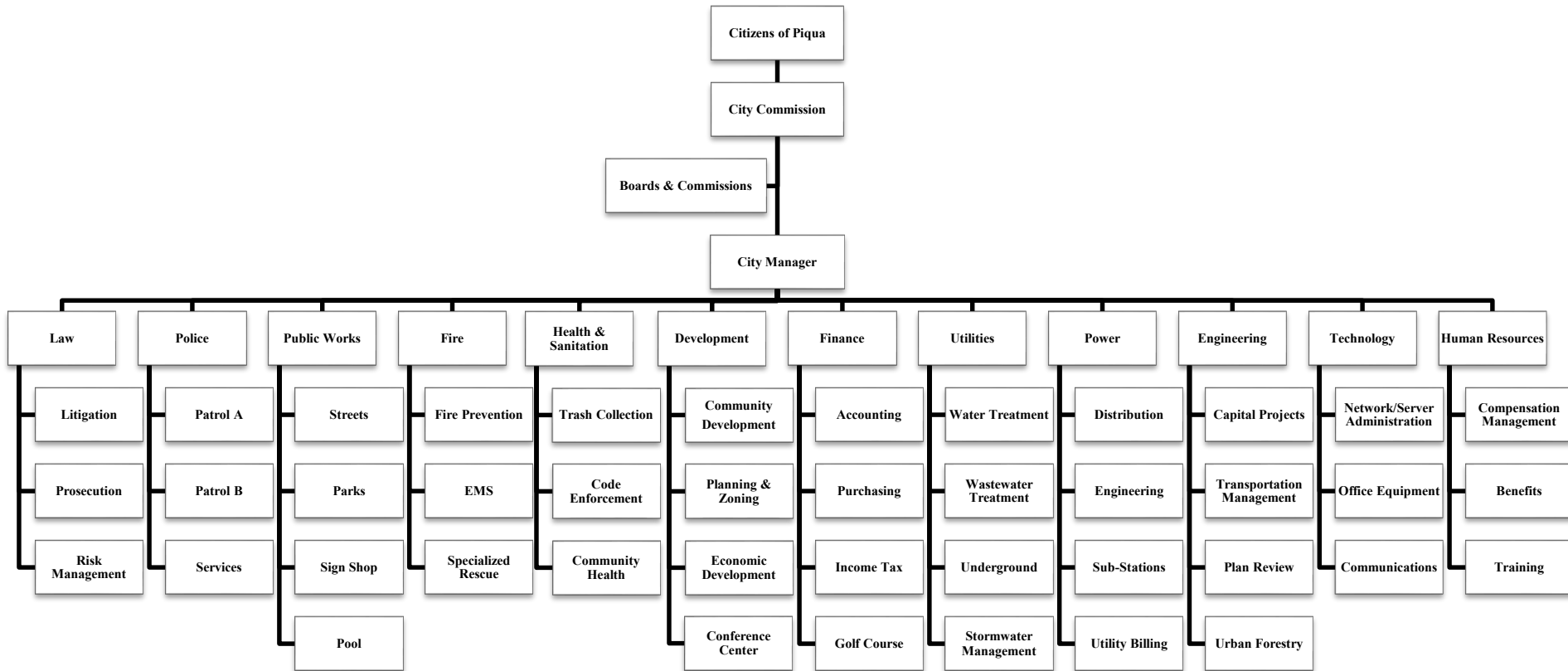
CITY MANAGER

L. Paul Oberdorfer

INDEPENDENT AUDITORS

Clark Schaefer Hackett & Co

City of Piqua 2021 Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Piqua
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

City Commission
City of Piqua, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Piqua, Ohio (the "City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and the required pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 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 fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 28, 2022

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

The discussion and analysis of the City of Piqua's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2021 by \$142.5 million (net position).
- The City's total net position increased by \$11.4 million or 8.7 percent in 2021. Net position of the governmental activities increased \$3.6 million, which represents a 6.3 percent increase from 2020. Net position of the business-type activities increased \$7.8 million which represents a 10.5 percent increase from 2020.
- The total cost of the City's programs decreased \$7.4 million or 11.7 percent. The cost of governmental activities decreased \$2.6 million or 13.4 percent, while the cost of business-type activities decreased \$4.8 million or 10.9 percent.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$24.9 million. The combined governmental funds fund balance increased \$2.9 million from the prior year's ending fund balance. Approximately \$7.7 million of the \$24.9 million fund balance is considered unassigned at December 31, 2021.
- The general fund reported a fund balance of \$13.5 million at the end of the current fiscal year. The unassigned fund balance for the general fund was \$7.8 million or 59.3 percent of total general fund expenditures (including transfers out). There was a \$1.1 million increase in the total general fund balance for the year ended December 31, 2021.
- The City had \$2.4 million less in debt outstanding at December 31, 2021 than at December 31, 2020.
- Total costs of governmental services increased by \$1.0 million, while net costs of services for governmental activities increased by \$4.8 million with the effects of net pension and OPEB assets and liabilities removed (see Table 4).

Using This Annual Financial Report

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City of Piqua's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and the Statement of Activities (on pages 24-25) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail and start on page 26. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Reporting the City of Piqua as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and asks the question, "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- **Governmental Activities** – Most of the City's programs and services are reported here, including general government, public safety, street and maintenance, parks and recreation, Fort Piqua Plaza, community development and the public health district which became a blended component unit in 2019. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's electric, water, refuse, wastewater, stormwater, golf and municipal pool activities are reported here.

Reporting the City of Piqua's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 26 and provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Funds are established to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other money. The City of Piqua's three kinds of funds – *governmental, proprietary, and fiduciary* – use different accounting approaches.

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

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

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

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

Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 34 through 64 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget, proportionate share of net pension and OPEB assets and liabilities, and pension and OPEB contributions. The City adopts an annual appropriation budget for its general fund and other funds. A budgetary comparison schedule has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Also provided are the schedules of the City's proportionate share of the net pension and OPEB assets and liabilities for OPERS and Ohio Police and Fire and schedules of the City contributions for pension and OPEB plans to OPERS and Ohio Police and Fire. Required supplementary information can be found on pages 65 through 75 of this report.

The combining statements in connection with non-major governmental and enterprise funds and internal service funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 78 through 91 of this report.

The City of Piqua as a Whole

Recall that the analysis of the Statement of Net Position looks at the City as a whole. One of the most important questions to consider is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information to help answer this question. The Net Position statement shows the difference between assets with deferred outflows and liabilities with deferred inflows, which is one way to measure the City's financial position. As reviewed over time, increases or decreases in the City's net position are an indicator of whether the City's financial health is improving or deteriorating. However, other non-financial factors must also be considered such as changes in the property tax base of the city, the condition of the City's roads and neighborhoods, and the reputation of the public schools in order to assess the overall health of the City. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities for both 2021 and 2020.

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Table 1
Net Position

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	\$ 33,703,939	\$ 29,225,052	\$ 40,561,525	\$ 38,679,248	\$ 74,265,464	\$ 67,904,300
Capital assets	53,118,986	54,805,038	153,696,256	155,589,514	206,815,242	210,394,552
<i>Total Assets</i>	86,822,925	84,030,090	194,257,781	194,268,762	281,080,706	278,298,852
Deferred outflows of resources						
Pension	2,905,583	3,241,914	824,692	1,275,313	3,730,275	4,517,227
OPEB	2,076,133	2,409,768	355,922	862,839	2,432,055	3,272,607
<i>Total Deferred outflows of resources</i>	4,981,716	5,651,682	1,180,614	2,138,152	6,162,330	7,789,834
Liabilities						
Long-term liabilities	21,820,179	24,864,649	101,661,578	111,550,929	123,481,757	136,415,578
Other liabilities	2,373,874	1,245,972	6,760,074	7,623,418	9,133,948	8,869,390
<i>Total Liabilities</i>	24,194,053	26,110,621	108,421,652	119,174,347	132,615,705	145,284,968
Deferred Inflows of Resources						
Property Taxes	1,379,197	1,348,617	-	-	1,379,197	1,348,617
Pension	3,526,002	3,696,820	2,688,732	1,985,465	6,214,734	5,682,285
OPEB	2,397,605	1,815,955	2,166,743	876,090	4,564,348	2,692,045
<i>Total Deferred Inflows of Resources</i>	7,302,804	6,861,392	4,855,475	2,861,555	12,158,279	9,722,947
Net position						
Net investment in capital assets	53,118,986	54,805,038	56,418,638	55,875,007	109,537,624	110,680,045
Restricted for other purposes	9,489,348	6,865,980	-	-	9,489,348	6,865,980
Restricted for debt service	397,939	396,496	-	-	397,939	396,496
Unrestricted	(2,698,489)	(5,357,755)	25,741,945	18,496,005	23,043,456	13,138,250
<i>Total Net Position</i>	\$ 60,307,784	\$ 56,709,759	\$ 82,160,583	\$ 74,371,012	\$ 142,468,367	\$ 131,080,771

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." In 2018, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

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

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

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

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

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

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

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

The amount by which the City’s assets and deferred outflows exceed its liabilities and deferred inflows is called net position. Net position may serve over time as a useful indicator of a government’s financial position. At year-end, the City’s net position was \$142.5 million compared to \$131.1 million in 2020, an increase of \$11.4 million. Net Position for governmental activities increased \$3.6 million, while business-type activities increased \$7.8 million.

Of that amount, in 2021 approximately \$109.5 million (76.9%) was invested in capital assets, net of debt related to those assets. At year-end 2020 that amount was approximately \$110.7 million (84.4%). The largest portion of the City’s net position (76.9%) reflects investments in net capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

For 2021 another \$9.9 million (6.9%) was subject to legislative and external restrictions upon its use. For 2020 \$7.3 million (5.5%) was subject to external restrictions.

Our total net position of the City’s governmental activities increased \$3.6 million during the current year; \$1,686,052 decrease in net investment in capital assets and \$2.7 million increase in unrestricted net position. Restricted net position increased by \$2.6 million.

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Total net position of the City's business-type activities increased \$7.7 million during the current year; \$0.5 million due to a increase in net investment in capital assets and \$7.2 million due to an increase in unrestricted net position. In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for Services	\$ 1,488,584	\$ 2,178,738	\$ 46,457,079	\$ 45,951,999	\$ 47,945,663	\$ 48,130,737
Operating Grants/Contributions	302,635	2,178,563	46,992	6,878	349,627	2,185,441
Capital Grants/Contributions	121,094	1,333,209	540,786	192,666	661,880	1,525,875
General revenues:						
Property Taxes	1,314,466	1,295,579			1,314,466	1,295,579
Income Taxes	13,072,163	11,755,500			13,072,163	11,755,500
Other Taxes	3,653,358	3,257,618			3,653,358	3,257,618
Investment Earnings & Misc.	423,188	286,949	142,543	401,570	565,731	688,519
Total Revenues	20,375,488	22,286,156	47,187,400	46,553,113	67,562,888	68,839,269
Program Expenses						
General Government	2,163,147	2,683,524			2,163,147	2,683,524
Public Safety	10,207,050	10,866,935			10,207,050	10,866,935
Street and Maintenance	3,501,045	4,370,557			3,501,045	4,370,557
Parks and Recreation	549,329	647,360			549,329	647,360
Community Development	180,811	202,377			180,811	202,377
Public Health and Welfare	119,081	532,993			119,081	532,993
Electric			28,461,846	29,201,513	28,461,846	29,201,513
Wastewater			2,820,704	4,218,936	2,820,704	4,218,936
Water			5,438,144	7,067,226	5,438,144	7,067,226
Refuse			1,427,657	1,887,641	1,427,657	1,887,641
Storm Water			699,301	1,139,818	699,301	1,139,818
Golf			628,514	730,064	628,514	730,064
Pool			(21,337)	49,585	(21,337)	49,585
Total Expenses	16,720,463	19,303,746	39,454,829	44,294,783	56,175,292	63,598,529
Increase in Net Position before Transfers & Proceeds	3,655,025	2,982,410	7,732,571	2,258,330	11,387,596	5,240,740
Transfers	(57,000)	(305,685)	57,000	305,685	-	-
Increase(Decrease) in Net Position	3,598,025	2,676,725	7,789,571	2,564,015	11,387,596	5,240,740
Net Position Beginning	56,709,759	54,033,034	74,371,012	71,806,997	131,080,771	125,840,031
Net Position Ending	\$ 60,307,784	\$ 56,709,759	\$ 82,160,583	\$ 74,371,012	\$ 142,468,367	\$ 131,080,771

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Governmental Activities

Governmental activities increased the City's net position by \$3,598,025 in 2021. Total revenues decreased by \$1,910,668 as a result of CARES revenue recognized in 2020 and ARPA funds received as unearned revenue in 2021. The breakdown of the decrease is operating grants by \$1,875,928 and capital grants by \$1,212,115, while income taxes increased by \$1,316,663 and property taxes by \$18,887. Our program expenses decreased in 2021 by \$2,583,283 primarily due to a decrease in Public Safety by \$659,885, a decrease in General Government by \$520,377, a decrease in Parks and Recreation by \$98,031, a decrease in Street Maintenance projects by \$869,512, and a decrease in Community Development by \$21,566.

Several types of revenues fund our governmental activities with city income tax being the largest contributor. The income tax revenue for 2021 was up at \$13,072,163 compared to \$11,755,500 in 2020, an increase of 11.2 percent. The City's income tax rate was 2.0 percent for 2021, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 2.00 percent for those who pay income tax to another city.

Program revenues saw an decrease of \$690,154 in charges for services. Operating and capital grants decreased \$3,088,043 mainly due to one time grants received in 2020. General revenues from other taxes, such as Kilowatt-hour tax and Local Government Funds, increased in 2021, we received \$395,740 more than in 2020, a 12.1% increase mostly due to increased intergovernmental shared revenue collections. Overall decreases in program revenues totaled \$3,778,197 or 66.4% due to one time operational grants received in 2020. With the combination of program revenues, property tax, income tax, intergovernmental funding, investment earnings and existing net position, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

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

Table 3
Government Activities with GASB 68 and 75 costs

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2021	2020	2021	2020	2021	2020
General Government	\$ 2,163,147	\$ 2,683,524	\$ 672,733	\$ 635,817	\$ 1,490,414	\$ 2,047,707
Public Safety	10,207,050	10,866,935	828,619	3,206,822	9,378,431	7,660,113
Street and Maintenance	3,501,045	4,370,557	34,708	1,111,428	3,466,337	3,259,129
Parks and Recreation	549,329	647,360	16,301	297,811	533,028	349,549
Community Development	180,811	202,377	205,060	92,003	(24,249)	110,374
Public Health and Welfare	119,081	532,993	154,892	346,629	(35,811)	186,364
Total	\$ 16,720,463	\$ 19,303,746	\$ 1,912,313	\$ 5,690,510	\$ 14,808,150	\$ 13,613,236

As explained above, the provisions of GASB Statements 68 and 75 distort the true financial position of the City. The same provisions require the City to recognize a pension/OPEB adjustment that decreased expenses by \$2.2 million in 2021 compared to a increase in expenses of \$1.4 million in 2020. This caused an \$3.6 million swing in expense from one year to the next. As a result, it is very difficult to ascertain the true operational cost of services and the change in cost of services from year to year. The chart below shows total costs of services and net cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed and will be used in Financial Highlights.

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Table 4
Government Activities with GASB 68 and 75 costs removed

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2021	2020	2021	2020	2021	2020
General Government	\$ 3,034,897	\$ 2,505,117	\$ 672,733	\$ 635,817	\$ 2,362,164	\$ 1,869,300
Public Safety	10,289,415	8,170,034	828,619	3,206,822	9,460,796	4,963,212
Street and Maintenance	4,326,050	4,136,626	34,708	1,111,428	4,291,342	3,025,198
Parks and Recreation	761,427	604,950	16,301	297,811	745,126	307,139
Community Development	247,755	1,984,436	205,060	92,003	42,695	1,892,433
Public Health and Welfare	262,054	489,682	154,892	346,629	107,162	143,053
Total	\$ 18,921,598	\$ 17,890,845	\$ 1,912,313	\$ 5,690,510	\$ 17,009,285	\$ 12,200,335

Using Table 4, the largest program function for the City relates to Public Safety, which accounts for 54.4 percent of total program expenses in 2021. Street Maintenance accounts for 22.9 percent of total program expenses, while General Government accounts for 16.0 percent. Public Safety net cost of services increased because of CARES Act funding received due to the COVID-19 public health emergency in 2020, which were used primarily to fund safety personnel costs. Street and Maintenance net cost of services increased as significant street projects were completed 2021. Community Development net cost of services decreased due to a decrease in operational grant activity.

Business-Type Activities

The Business-Type activities of the City, which include the City's Electric, Wastewater, Water, Refuse and Stormwater operations as well as Golf and Pool activities, increased the City's net position by \$7,789,571 in 2021.

Table 5
Business-type Activities

	Total Cost of Services		Program Revenues		Net Revenue (Expense) from Operations	
	2021	2020	2021	2020	2021	2020
Electric	\$ 28,461,846	\$ 29,201,513	\$ 28,447,029	\$ 27,762,133	\$ (14,817)	\$ (1,439,380)
Wastewater	2,820,704	4,218,936	7,068,102	6,839,130	4,247,398	2,620,194
Water	5,438,144	7,067,226	7,444,113	7,480,884	2,005,969	413,658
Refuse	1,427,657	1,887,641	2,260,814	2,169,647	833,157	282,006
Stormwater	699,301	1,139,818	1,225,540	1,328,989	526,239	189,171
Golf	628,514	730,064	599,253	570,748	(29,261)	(159,316)
Pool	(21,337)	49,585	6	12	21,343	(49,573)
Total	\$ 39,454,829	\$ 44,294,783	\$ 47,044,857	\$ 46,151,543	\$ 7,590,028	\$ 1,856,760

For 2021 the Wastewater, Water, Refuse, Stormwater, and Pool had program revenues in excess of expenses. For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Electric saw expenses in excess of revenues of \$14,817. Golf activity funds also had expenses in excess of program revenues of \$29,261 in 2021 as compared to \$159,316 in 2020. The Pool did not open in 2021 but due to GASB 68 and 75 calculations, the Pool fund recognized a negative expense creating the illusion of net revenue for the year. Removing GASB 68 and 75 costs, the Pool had expenses exceeding revenue by \$29,414.

The City's Funds

Information about the City's major governmental funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues in 2021 of \$19.7 million compared to \$21.9 million in 2020. All governmental funds had expenditures in 2021 of \$17.1 million compared to \$17.7 million in 2020. The most significant fund is our general fund, which had an unassigned fund balance at year-end of \$7.8 million in 2021 compared to \$8.2 million in 2020. The General fund accounts for such activities as Police and

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Fire protection, and parks and recreation along with city administration. Within the General fund, revenues exceeded expenditures by \$1,092,359 in 2021 as compared to \$2,500,524 in 2020. The funds are monitored consistently with adjustments made to the budgets to accommodate yearly revenues.

Within the Street Maintenance Fund, revenues exceeded expenditures by \$1,139,644 in 2021 as compared to \$1,056,625 in 2020 as fewer street maintenance projects were completed. Fund balance at year-end in 2021 was \$5,081,790 as compared to \$3,817,743 in 2020, a 33.1 percent increase.

Within the Street Levy Construction Fund, revenues exceeded expenditures by \$444,827 in 2021 compared to \$784,635 in 2020 as more street repair projects were completed. Fund balance at year-end in 2021 was \$5,568,882 as compared to \$5,124,055 in 2020. The City was able to increase the level of fund balance in anticipation of increased street maintenance needs in 2022.

Information about the Enterprise Funds starts on the Balance Sheet on page 29. These funds are accounted for on an accrual basis. All business type funds had operating revenues of \$46.2 million in 2021 and \$45.4 million in 2020. Operating expenses were \$37.7 million in 2021 and \$42.4 million in 2020.

The enterprise fund balances increased \$7.6 million with the Electric fund decreasing \$45,202, Wastewater increasing \$4.2 million, Water increasing \$2.0 million and Refuse increasing \$0.8 million in 2021. Stormwater increased its 2021 fund net position by \$0.5 million. The Pool fund increased by \$26,491 its 2021 net position. The Golf fund net position was up \$23,306 compared to 2020. The City is consistent with reviews of these funds, and the necessary adjustments are made to ensure strength in our enterprise funds.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the same basis as the entity reports. The most significant governmental budgeted fund is the General Fund. The Commission is provided with a detailed line item budget for all departments and after a discussion at a regularly held commission meeting, which is open to the public; the budget is adopted at an object level by City commission. Within each object, appropriations can be transferred between line items with the approval of the Finance Director and the respective department head. The Commission must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2021, the City amended its general fund budget at the end of the fiscal year. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the 2021 general fund, original budgeted revenues were \$12.7 million. The final budgeted revenue amount was \$13.0 million. Actual revenues were \$14.1 million. Actual revenues were higher than the original budget amounts due to increased income taxes and property taxes, while licenses/fees and capital grants decreased. For the 2020 general fund, original budgeted revenues were \$13.7 million. The final budgeted revenue amount was \$12.5 million. Actual revenues collected were \$13.8 million.

For 2021, original general fund appropriations were budgeted at \$15.1 million. Final budgeted appropriations were \$15.2 million. Actual expenditures were \$13.0 million. This increase was primarily driven by one time capital expenditures. For 2020, original general fund appropriations were budgeted at \$17.2 million. Final budgeted appropriations were \$15.2 million. Actual expenditures were \$11.3 million. This decrease was achieved through continued lower personnel costs and general government operating expenditures especially in light of the unknown effects of the COVID-19 pandemic.

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Capital Asset and Debt Administration

Table 6
Capital Assets, Net of Depreciation at December 31

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
Land and Land Improvements	\$ 5,354,101	\$ 5,448,679	\$ 2,756,304	\$ 2,772,088
Infrastructure Land	2,556,177	2,556,177	-	-
Construction in Progress	487,378	474,547	51,598,267	50,800,938
Buildings and Improvements	15,242,907	15,620,777	59,043,517	60,882,649
Furniture, Fixtures and Equipment	3,617,855	4,062,596	28,148,082	29,085,061
Infrastructure	25,860,568	26,642,262	-	-
Underground Piping	-	-	11,398,546	11,221,934
Intangible Assets	-	-	751,540	826,844
Total Capital Assets	<u>\$53,118,986</u>	<u>\$54,805,038</u>	<u>\$ 153,696,256</u>	<u>\$ 155,589,514</u>

Total Capital Assets for the City of Piqua for the year ended December 31, 2021 were \$206,815,242, a decrease of \$3,579,310 over 2020. The total change in 2021 was \$5,478,014 less than in 2020 based on the completion of large utility and street projects in 2020. The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. Additional information concerning the City's capital assets can be found in Note F of the financial statements.

Debt

At December 31, 2021, the City of Piqua had \$2.4 million less in debt of loans at \$97.3 million compared to \$99.7 million in debt outstanding at December 31, 2020.

Table 7
Outstanding Debt at December 31

	Business-type Activities	
	2021	2020
OWDA Loans	\$ 96,235,060	\$ 98,635,252
OPWC Loans	1,042,558	1,079,255
Total	<u>\$ 97,277,618</u>	<u>\$ 99,714,507</u>

The Ohio Water Development Authority ("OWDA") Loans from direct borrowings are paid semi-annually from wastewater and water revenues. Loan funds were used for construction, maintenance and operation of the city's wastewater system, the City's hydropillar water tower, and engineering design and construction of a new water treatment plant.

During 2009, \$3,919,940 was borrowed from the Ohio Water Development Authority ("OWDA 2009") to fund the Wastewater Sewer Equalization tank. In 2010 an additional \$409,936 was borrowed for the same project. The Wastewater Sewer project notes are paid with sewer utility revenues.

During 2014, \$44,879,845 was borrowed from the Ohio Water Development Authority ("OWDA 2014") for construction of a new Water Treatment Plant and to repay the design loan. Construction was completed in 2018. The Water Treatment Plant notes are paid with water utility revenues.

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(Unaudited)

During 2015, \$3,854,485 was borrowed from the Ohio Water Development Authority ("OWDA 2015") under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines. Construction was completed in 2018. The Water pipeline notes are paid with Water utility revenues.

During 2016, \$3,288,841 was borrowed from the Ohio Water Development Authority ("OWDA 2016") for construction of a new 1-million-gallon water tower, water main, and demolition of an old water tower. Construction began in 2016 and was completed in 2018. The water tower notes are paid with water utility revenue.

During 2017, \$53,224,030 of borrowing was approved by the Ohio Water Development Authority ("OWDA 2017") to expand and upgrade the existing Wastewater Treatment Plant and to repay the design loan. A principal forgiveness of \$50,000 was also awarded. Construction began in 2017 and was completed in the beginning of 2022. The Wastewater upgrade notes are paid with wastewater utility revenue.

During 2017, \$98,320 was borrowed from the Ohio Public Works Commission ("OPWC 2017") for updating Stormwater drainage. Construction was completed in 2018. The Stormwater drainage notes are paid with the Stormwater Utility Revenue.

During 2019, \$1,002,560 of borrowing was issued under a cooperative agreement with Ohio Public Works Commission ("OPWC 2019") for assisting in the cost of updating five lift stations throughout the City. The Wastewater Lift Station notes are paid with the Wastewater Utility Revenue.

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$34,830,468 on December 31, 2021.

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

Economic Factors and the 2022 General Fund Budget

The City's key objectives set for the 2022 budget were Economic development, job creation, enhancements to public safety, and long-term fiscal stability. With the uncertainty surrounding the economy, the City closely monitors and takes into consideration the impact on two primary revenue sources: income tax revenue and state shared revenue.

In the 2022 budget process City Commission decided that it was important to: 1) continue the City's investment in Economic development and job creation; 2) safety for the citizens of Piqua and City employees; and 3) adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2022 budget, the City recognized the need to continue its pattern of cost containment while pursuing new revenue sources.

General fund expenditure appropriations for 2022 have been approved by City Commission in the amount of \$18.1 million. This appropriation level is approximately \$5.1 million more than actual 2021 general fund budgetary basis expenditures. The appropriation level was set based on similar estimated revenues in the General Fund compared to 2022 levels.

The United States, the State of Ohio and the City all declared a state of emergency in March 2020 due to global Coronavirus Disease 2019 (COVID-19) pandemic. The City of Piqua experienced higher operating costs in Fire and Police services; however the impact was lessened with the CARES Act emergency federal funding. Additional federal funding from the American Rescue Plan Act has been approved to assist in the economic recovery from the pandemic. The financial impact of COVID-19 will continue to impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated at this time but are being closely monitored for current and future budgets.

CITY OF PIQUA, OHIO
Management's Discussion and Analysis
For The Year Ended December 31, 2021
(Unaudited)

Current Financial Related Activities

The City anticipates the following significant events to take place in 2022:

- Private and public development of the Great Miami River Corridor
- Lock-9 Park Improvement Construction
- Community Housing Improvement and Streetscaping programs
- Continue Parks and City-wide beautification programs
- Implementation of a new Utility Billing software

The City of Piqua has committed itself to financial excellence. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence for thirty-one consecutive years.

Contacting the City's Finance Department

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

CITY OF PIQUA, OHIO

STATEMENT OF NET POSITION DECEMBER 31, 2021

	Government Activities	Business-type Activities	Total Activities
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 26,748,636	\$ 31,029,277	\$ 57,777,913
Equity in pooled investments	1,023,070	609,492	1,632,562
Restricted cash	18,506	6,535	25,041
Accounts receivable	5,956,674	6,675,148	12,631,822
Allowance for bad debts	-	(1,157,146)	(1,157,146)
Interfund balances	(602,369)	602,369	-
Inventories	-	977,153	977,153
Prepaid items and other assets	207,610	88,100	295,710
Loans receivable, net of allowance	7,146	-	7,146
Recoverable purchased power	-	1,022,897	1,022,897
Capital assets not being depreciated	8,397,656	53,804,230	62,201,886
Capital assets being depreciated, net	44,721,330	99,892,026	144,613,356
Net OPEB asset	344,666	707,015	1,051,681
Total assets	<u>86,822,925</u>	<u>194,257,096</u>	<u>281,080,021</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred by pensions	2,905,583	824,692	3,730,275
Deferred by OPEB	2,076,133	355,922	2,432,055
Total deferred outflow of resources	<u>4,981,716</u>	<u>1,180,614</u>	<u>6,162,330</u>
LIABILITIES:			
Accounts payable	113,798	2,160,335	2,274,133
Salary and benefits payable	200,242	116,041	316,283
Other accruals	120,852	576,010	696,862
Unearned revenue	1,117,275	-	1,117,275
Long-term liabilities:			
Due within one year	821,707	3,908,102	4,729,809
Due in more than one year:			
Net pension liability	18,174,118	6,239,592	24,413,710
Net OPEB liability	2,421,369	-	2,421,369
Other amounts due in more than one year	1,224,692	95,421,572	96,646,264
Total liabilities	<u>24,194,053</u>	<u>108,421,652</u>	<u>132,615,705</u>
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	1,379,197	-	1,379,197
Deferred by pension	3,526,002	2,688,732	6,214,734
Deferred by OPEB	2,397,605	2,166,743	4,564,348
Total deferred inflows of resources	<u>7,302,804</u>	<u>4,855,475</u>	<u>12,158,279</u>
NET POSITION:			
Net investment in capital assets	53,118,986	56,418,638	109,537,624
Restricted by: legislation	9,489,348	-	9,489,348
Restricted by: debt covenants	397,939	-	397,939
Unrestricted	(2,698,489)	25,741,945	23,043,456
Total net position	<u>\$ 60,307,784</u>	<u>\$ 82,160,583</u>	<u>\$ 142,468,367</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	\$ 2,163,147	\$ 556,381	\$ 1,504	\$ 114,848	\$ (1,490,414)	\$ -	\$ (1,490,414)
Public safety	10,207,050	777,228	51,391	-	(9,378,431)	-	(9,378,431)
Streets and maintenance	3,501,045	27,667	7,041	-	(3,466,337)	-	(3,466,337)
Parks and recreation	549,329	9,976	79	6,246	(533,028)	-	(533,028)
Community development	180,811	41,648	163,412	-	24,249	-	24,249
Public health and welfare	119,081	75,684	79,208	-	35,811	-	35,811
Total governmental activities	<u>16,720,463</u>	<u>1,488,584</u>	<u>302,635</u>	<u>121,094</u>	<u>(14,808,150)</u>	<u>-</u>	<u>(14,808,150)</u>
BUSINESS-TYPE ACTIVITIES:							
Electric	28,461,846	28,437,946	-	9,083	-	(14,817)	(14,817)
Wastewater	2,820,704	6,685,564	-	382,538	-	4,247,398	4,247,398
Refuse	1,427,657	2,260,814	-	-	-	833,157	833,157
Water	5,438,144	7,290,268	44,812	109,033	-	2,005,969	2,005,969
Storm Water	699,301	1,185,408	-	40,132	-	526,239	526,239
Golf	628,514	597,073	2,180	-	-	(29,261)	(29,261)
Municipal Pool	(21,337)	6	-	-	-	21,343	21,343
Total business-type activities	<u>39,454,829</u>	<u>46,457,079</u>	<u>46,992</u>	<u>540,786</u>	<u>-</u>	<u>7,590,028</u>	<u>7,590,028</u>
Total	<u>\$ 56,175,292</u>	<u>\$ 47,945,663</u>	<u>\$ 349,627</u>	<u>\$ 661,880</u>	<u>\$ (14,808,150)</u>	<u>\$ 7,590,028</u>	<u>(7,218,122)</u>
GENERAL REVENUES:							
Property taxes					1,314,466	-	1,314,466
Shared revenues unrestricted					2,516,732	-	2,516,732
Income tax					13,072,163	-	13,072,163
Locally levied taxes					1,136,626	-	1,136,626
Investment earnings					106,554	142,543	249,097
Miscellaneous					316,634	-	316,634
Total general revenues					<u>18,463,175</u>	<u>142,543</u>	<u>18,605,718</u>
Transfers, in (out)					<u>(57,000)</u>	<u>57,000</u>	<u>-</u>
Change in net position					3,598,025	7,789,571	11,387,596
Total net position:							
Beginning of year					<u>56,709,759</u>	<u>74,371,012</u>	<u>131,080,771</u>
End of year					<u>\$ 60,307,784</u>	<u>\$ 82,160,583</u>	<u>\$ 142,468,367</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General Fund	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total Governmental
ASSETS							
Equity in pooled cash and cash equivalents	\$ 12,481,045	\$ 4,704,548	\$ 5,405,677	\$ 1,615	\$ 397,939	\$ 1,588,404	\$ 24,579,228
Restricted cash	18,506						18,506
Accounts receivable	4,082,150	1,040,332	232,343	-	13,940	168,714	5,537,479
Interfund receivable	112,912	-	64,562	-	-	-	177,474
Prepaid items and other assets	8,991	-	-	-	-	-	8,991
Loans receivable, net of allowance	-	-	-	-	-	7,146	7,146
Total Assets	<u>\$ 16,703,604</u>	<u>\$ 5,744,880</u>	<u>\$ 5,702,582</u>	<u>\$ 1,615</u>	<u>\$ 411,879</u>	<u>\$ 1,764,264</u>	<u>\$ 30,328,824</u>
LIABILITIES							
Accounts payable	\$ 89,229	\$ 8,389	\$ -	\$ 1,615	\$ -	\$ 133	\$ 99,366
Interfund payable	-	-	-	-	-	278,159	278,159
Salaries and benefits payable	178,119	13,492	-	-	-	2,479	194,090
Other accruals	88,902	-	31,950	-	-	-	120,852
Unearned income	-	-	-	-	-	1,117,275	1,117,275
Restricted deposits	32,406	-	-	-	-	-	32,406
Total Liabilities	388,656	21,881	31,950	1,615	-	1,398,046	1,842,148
DEFERRED INFLOWS OF RESOURCES							
Property taxes	1,881,249	-	-	-	13,940	52,197	1,947,386
State shared taxes	270,012	527,249	-	-	-	3,149	800,410
Income taxes	598,290	113,960	101,750	-	-	-	814,000
Other unavailable revenue	67,622	-	-	-	-	-	67,622
Total deferred inflows of resources	2,817,173	641,209	101,750	-	13,940	55,346	3,629,418
FUND BALANCES							
Nonspendable fund balance	8,991	-	-	-	-	-	8,991
Restricted fund balance	10,560	5,081,790	5,568,882	-	397,939	475,650	11,534,821
Assigned fund balance	5,661,202	-	-	-	-	-	5,661,202
Unassigned fund balance	7,817,022	-	-	-	-	(164,778)	7,652,244
Total fund balances	<u>13,497,775</u>	<u>5,081,790</u>	<u>5,568,882</u>	<u>-</u>	<u>397,939</u>	<u>310,872</u>	<u>24,857,258</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,703,604</u>	<u>\$ 5,744,880</u>	<u>\$ 5,702,582</u>	<u>\$ 1,615</u>	<u>\$ 411,879</u>	<u>\$ 1,764,264</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	53,118,986
Net OPEB Asset	344,666
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	2,250,221
The net unamortized portion of pension liability deferred inflows and outflows are	(620,419)
The net unamortized portion of OPEB liability/(asset) deferred inflows and outflows are	(321,472)
The following long-term liabilities are not due and payable in the current period and therefore are not reported as expenditures in the funds	
Vacation and Sick leave compensated balances	(2,013,993)
Net Pension Liability	(18,174,118)
Net OPEB Liability	(2,421,369)
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	3,288,024
Net position of governmental activities	<u>\$ 60,307,784</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-- GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total Governmental
REVENUES:							
Municipal income tax	\$ 9,493,130	\$ 1,809,318	\$ 1,617,715	\$ -	\$ -	\$ -	\$ 12,920,163
Property taxes	1,264,164	-	-	-	1,266	49,036	1,314,466
State shared revenues	765,781	1,587,614	-	-	-	6,328	2,359,723
Locally levied taxes	1,136,626	-	-	-	-	-	1,136,626
Licenses and permits, fees	951,377	3,665	-	75,664	-	1,180	1,031,886
Grants: capital	114,848	-	-	-	-	-	114,848
Grants: operating	31,341	-	7,041	79,208	-	163,412	281,002
Investment income	5,950	1,129	1,436	-	249	4,146	12,910
Donations: capital	6,246	-	-	-	-	-	6,246
Donations: operating	21,633	-	-	-	-	-	21,633
Other fines, rents, and reimbursements	305,489	23,252	750	20	-	134,892	464,403
Total revenues	<u>14,096,585</u>	<u>3,424,978</u>	<u>1,626,942</u>	<u>154,892</u>	<u>1,515</u>	<u>358,994</u>	<u>19,663,906</u>
EXPENDITURES:							
General government administration	1,850,395	-	-	-	-	-	1,850,395
Public safety	9,700,634	-	-	-	-	-	9,700,634
Public health	-	-	-	323,596	-	37,600	361,196
Street repairs and maintenance	-	2,004,234	944,618	-	-	-	2,948,852
Parks and recreation	585,233	-	-	-	-	-	585,233
Fort Piqua Plaza	248,768	-	-	-	-	-	248,768
Community planning and development	80,366	-	-	-	-	166,874	247,240
Other	-	-	-	-	72	52,185	52,257
Capital costs	538,830	281,100	237,497	-	-	-	1,057,427
Total expenditures	<u>13,004,226</u>	<u>2,285,334</u>	<u>1,182,115</u>	<u>323,596</u>	<u>72</u>	<u>256,659</u>	<u>17,052,002</u>
Excess (deficiency) of revenues over expenditures	<u>1,092,359</u>	<u>1,139,644</u>	<u>444,827</u>	<u>(168,704)</u>	<u>1,443</u>	<u>102,335</u>	<u>2,611,904</u>
OTHER FINANCING SOURCES (USES):							
Proceeds from sale of capital assets	223,833	124,403	-	41,875	-	-	390,111
Transfers, in	-	-	-	126,829	-	-	126,829
Transfers, out	(183,829)	-	-	-	-	-	(183,829)
Total other financing sources (uses)	<u>40,004</u>	<u>124,403</u>	<u>-</u>	<u>168,704</u>	<u>-</u>	<u>-</u>	<u>333,111</u>
Net change in fund balance	1,132,363	1,264,047	444,827	-	1,443	102,335	2,945,015
Fund balance-beginning of year	12,365,412	3,817,743	5,124,055	-	396,496	208,537	21,912,243
Fund balance-end of year	<u>\$ 13,497,775</u>	<u>\$ 5,081,790</u>	<u>\$ 5,568,882</u>	<u>\$ -</u>	<u>\$ 397,939</u>	<u>\$ 310,872</u>	<u>\$ 24,857,258</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2021

Total net change in fund balances Governmental funds	\$ 2,945,015
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures; however in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense (\$2,309,566) exceeds capital outlay (\$1,057,427)	(1,252,139)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds: (Income Tax \$157,009, State shared taxes \$152,000, and Ems billings (\$7,705))	301,304
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Vacation and sick leave compensated balances	(73,751)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$1,535,907). Except for these amounts, changes in the net pension liability are reported as pension expense in the statement of activities (\$1,086,961).	448,946
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows (\$28,340). Except for these amounts, changes in the net OPEB liability or asset are reported as positive or negative OPEB expense in the statement of activities (\$1,642,609).	1,670,949
The net book value of assets retired (the difference of original cost (\$1,186,609) and accumulated depreciation (\$759,132) is not recorded on the Governmental Fund Statements, but is recorded as an expense on the Statement of Activities	(427,477)
An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service fund related to governmental activities is reported with governmental activities	(14,822)
Change in the net position of governmental activities on the Statement of Activities	<u>\$ 3,598,025</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2021**

	Business-type Activities							Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds	Total	
ASSETS								
CURRENT ASSETS:								
Equity in pooled cash and cash equivalents	\$ 6,675,547	\$ 10,921,109	\$ 2,663,898	\$ 9,463,015	\$ 1,235,381	\$ 70,327	\$ 31,029,277	\$ 2,169,408
Equity in pooled investments	-	489,770	119,722	-	-	-	609,492	1,023,070
Restricted cash	6,535	-	-	-	-	-	6,535	-
Accounts receivable	4,192,839	952,572	314,455	1,132,040	82,817	425	6,675,148	419,195
Interfund receivable	-	3,100	-	63,247	34,338	-	100,685	-
Allowance for uncollectible accounts	(720,933)	(165,544)	(87,965)	(158,496)	(24,208)	-	(1,157,146)	-
Inventories	832,002	-	-	124,724	12,466	7,961	977,153	-
Prepaid items and other assets	-	2,500	78,000	500	7,100	-	88,100	198,619
Total Current Assets	10,985,990	12,203,507	3,088,110	10,625,030	1,347,894	78,713	38,329,244	3,810,292
NONCURRENT ASSETS:								
Recoverable purchased power	1,022,897	-	-	-	-	-	1,022,897	-
Capital assets not being depreciated	728,849	50,809,557	56,958	1,032,829	805,694	370,344	53,804,231	-
Capital assets being depreciated	28,728,353	9,479,294	316,552	57,986,192	2,722,621	659,013	99,892,025	48,502
Net OPEB Asset	282,401	130,280	67,058	155,567	48,560	23,149	707,015	33,083
Total Noncurrent Assets	30,762,500	60,419,131	440,568	59,174,588	3,576,875	1,052,506	155,426,168	81,585
Total Assets	41,748,490	72,622,638	3,528,678	69,799,618	4,924,769	1,131,219	193,755,412	3,891,877
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred by pensions	404,009	171,426	52,614	133,089	15,130	48,424	824,692	23,532
Deferred by OPEB	140,129	76,151	23,420	90,663	14,395	11,164	355,922	14,885
Total Deferred Outflows of Resources	544,138	247,577	76,034	223,752	29,525	59,588	1,180,614	38,417
Total Assets and deferred outflows of resources	\$ 42,292,628	\$ 72,870,215	\$ 3,604,712	\$ 70,023,370	\$ 4,954,294	\$ 1,190,807	\$ 194,936,026	\$ 3,930,294

See accompanying notes to the basic financial statements

Continued

CITY OF PIQUA, OHIO

**BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2021**

	Business-type Activities							Governmental Activities - Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds	Total	
LIABILITIES								
CURRENT LIABILITIES:								
Accounts payable	\$ 1,944,454	\$ 119,878	\$ 51,024	\$ 10,732	\$ 24,879	\$ 9,368	\$ 2,160,335	\$ 14,432
Salaries and benefits	35,301	19,899	13,104	22,437	18,767	6,533	116,041	6,152
Accrued vacation, personal, and sick leave	208,000	119,611	43,118	57,191	12,459	37,283	477,662	34,593
Accruals and prepaid memberships	481,035	-	-	85,869	8,246	860	576,010	-
Current portion of long term debt	-	2,106,822	-	1,320,341	3,277	-	3,430,440	-
Total Current Liabilities	2,668,790	2,366,210	107,246	1,496,570	67,628	54,044	6,760,488	55,177
LONG-TERM LIABILITIES:								
Accrued vacation, personal, and sick leave	256,266	110,826	73,868	92,462	17,405	670	551,497	4,589
Net Pension Liability	2,694,047	1,216,446	463,767	1,315,674	274,757	274,901	6,239,592	267,660
Long term liabilities	1,022,897	48,423,961	-	45,336,368	86,849	-	94,870,075	-
Total Long-Term Liabilities	3,973,210	49,751,233	537,635	46,744,504	379,011	275,571	101,661,164	272,249
Total Liabilities	6,642,000	52,117,443	644,881	48,241,074	446,639	329,615	108,421,652	327,426
DEFERRED INFLOWS OF RESOURCES:								
Deferred by pensions	1,071,134	514,187	232,768	628,389	161,161	81,093	2,688,732	123,293
Deferred by OPEB	861,569	408,475	195,342	491,108	141,237	69,012	2,166,743	100,346
Total deferred inflows of resources	1,932,703	922,662	428,110	1,119,497	302,398	150,105	4,855,475	223,639
NET POSITION								
Net investment in capital assets	29,457,202	9,758,068	373,510	12,362,312	3,438,189	1,029,357	56,418,638	48,502
Unrestricted	4,260,723	10,072,042	2,158,211	8,300,487	767,068	(318,270)	25,240,261	3,330,727
Total Net Position	33,717,925	19,830,110	2,531,721	20,662,799	4,205,257	711,087	81,658,899	3,379,229
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 42,292,628	\$ 72,870,215	\$ 3,604,712	\$ 70,023,370	\$ 4,954,294	\$ 1,190,807		\$ 3,930,294
Adjustment to consolidate the internal service fund activities							501,684	
Total net position per the government-wide Statement of Net Position							\$ 82,160,583	

CITY OF PIQUA, OHIO

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities						Total	Governmental Activities- Internal Service Funds
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise Funds		
OPERATING REVENUES:								
Customer services	\$ 28,163,182	\$ 6,604,378	\$ 2,230,353	\$ 7,135,260	\$ 1,172,854	\$ 595,728	\$ 45,901,755	\$ 773,073
Penalty charges	179,670	58,150	23,087	65,805	6,726	-	333,438	-
Total operating revenues	<u>28,342,852</u>	<u>6,662,528</u>	<u>2,253,440</u>	<u>7,201,065</u>	<u>1,179,580</u>	<u>595,728</u>	<u>46,235,193</u>	<u>773,073</u>
OPERATING EXPENSES:								
Fossil fuels used for production	139,475	-	-	-	-	-	139,475	-
Purchased power	23,499,688	-	-	-	-	-	23,499,688	-
Salaries and employee benefits	(64,498)	154,290	229,631	183,286	169,214	68,057	739,980	394,852
Depreciation	1,910,534	758,724	66,551	1,670,734	197,555	126,243	4,730,341	14,131
Materials and supplies	591,701	234,602	165,430	413,745	61,476	170,450	1,637,404	22,422
Utilities	30,660	336,879	8,077	289,383	12,313	73,273	750,585	15,158
Outside services	1,402,538	454,411	804,665	769,643	189,908	83,666	3,704,831	168,790
Billing costs	556,907	290,995	149,810	340,111	46,095	-	1,383,918	-
Chemicals	-	68,485	-	261,863	-	49,277	379,625	-
Other	427,312	45,327	9,645	142,072	26,579	35,501	686,436	202,336
Total operating expenses	<u>28,494,317</u>	<u>2,343,713</u>	<u>1,433,809</u>	<u>4,070,837</u>	<u>703,140</u>	<u>606,467</u>	<u>37,652,283</u>	<u>817,689</u>
Operating income (loss)	(151,465)	4,318,815	819,631	3,130,228	476,440	(10,739)	8,582,910	(44,616)
NON-OPERATING REVENUES (EXPENSES):								
Interest on debt	-	(486,209)	-	(1,380,188)	-	-	(1,866,397)	-
Interest income	2,086	3,094	919	2,505	612	5	9,221	9,837
Other, net	95,094	23,036	7,374	89,203	5,828	1,351	221,886	217,129
Operating grants	-	-	-	44,812	-	2,180	46,992	-
Net non-operating revenues (expenses)	<u>97,180</u>	<u>(460,079)</u>	<u>8,293</u>	<u>(1,243,668)</u>	<u>6,440</u>	<u>3,536</u>	<u>(1,588,298)</u>	<u>226,966</u>
Capital grants	9,083	382,538	-	109,033	40,132	-	540,786	-
Transfers, in	-	-	-	-	-	57,000	57,000	-
Change in net position	<u>(45,202)</u>	<u>4,241,274</u>	<u>827,924</u>	<u>1,995,593</u>	<u>523,012</u>	<u>49,797</u>	<u>7,592,398</u>	<u>182,350</u>
Total net position-beginning of year	<u>33,763,127</u>	<u>15,588,836</u>	<u>1,703,797</u>	<u>18,667,206</u>	<u>3,682,245</u>	<u>661,290</u>		<u>3,196,879</u>
Total net position-end of year	<u>\$ 33,717,925</u>	<u>\$ 19,830,110</u>	<u>\$ 2,531,721</u>	<u>\$ 20,662,799</u>	<u>\$ 4,205,257</u>	<u>\$ 711,087</u>		<u>\$ 3,379,229</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds							197,173	
Change in net position of business-type activities							<u>\$ 7,789,571</u>	

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-type Activities						Governmental Activities- Internal Service Funds	
	Electric	Wastewater	Refuse	Water	Storm Water	Nonmajor Enterprise		Total
OPERATING ACTIVITIES:								
Receipts from customers	\$ 28,328,549	\$ 6,738,605	\$ 2,284,643	\$ 7,377,292	\$ 1,223,228	\$ 611,881	\$ 46,564,198	\$ -
Receipts from interfund charges	-	-	-	-	-	-	-	946,383
Payments to suppliers and service providers	(26,737,199)	(1,335,031)	(1,133,517)	(2,208,667)	(321,561)	(400,584)	(32,136,559)	(612,818)
Payments to employees for salaries and benefits	(2,292,457)	(1,763,016)	(633,351)	(1,428,622)	(448,545)	(240,242)	(6,806,233)	(439,745)
Net cash provided by (used in) operating activities	(701,107)	3,640,558	517,775	3,740,003	453,122	(28,945)	7,621,406	(106,180)
NONCAPITAL FINANCING ACTIVITIES:								
Transfers, in	-	-	-	-	-	59,180	59,180	-
Net cash (used in) noncapital financing activities	-	-	-	-	-	59,180	59,180	-
CAPITAL AND RELATED FINANCING ACTIVITIES:								
Proceeds from issuance of bonds and notes	-	1,065,891	-	-	-	-	1,065,891	-
Principal paid on bonds and notes	-	(2,214,558)	-	(1,284,944)	(3,278)	-	(3,502,780)	-
Interest paid on bonds and notes	-	(486,209)	-	(1,380,188)	-	-	(1,866,397)	-
Acquisition and construction of capital	(750,368)	(751,643)	(8,914)	(176,997)	(765,911)	(95,400)	(2,549,233)	(7,694)
Proceeds from the sale of capital assets	124,620	-	-	32,630	-	-	157,250	-
Net cash provided by capital & related financing activities	(625,748)	(2,386,519)	(8,914)	(2,809,499)	(769,189)	(95,400)	(6,695,269)	(7,694)
INVESTING ACTIVITIES:								
Purchases of investment securities	-	(489,770)	(119,722)	-	-	-	(609,492)	(1,023,070)
Proceeds from sale or maturity of investment securities	-	488,795	119,483	-	-	-	608,278	1,021,034
Interest received	2,086	3,332	978	2,505	612	5	9,518	9,968
Net cash provided by (used in) investing activities	2,086	2,357	739	2,505	612	5	8,304	7,932
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,324,769)	1,256,396	509,600	933,009	(315,455)	(65,160)	993,621	(105,942)
CASH AND CASH EQUIVALENTS - Beginning of year	8,006,851	9,664,713	2,154,298	8,530,006	1,550,836	135,487	30,042,191	2,275,350
CASH AND CASH EQUIVALENTS - End of year	\$ 6,682,082	\$ 10,921,109	\$ 2,663,898	\$ 9,463,015	\$ 1,235,381	\$ 70,327	\$ 31,035,812	\$ 2,169,408
OPERATING INCOME (LOSS)	\$ (151,465)	\$ 4,318,815	\$ 819,631	\$ 3,130,228	\$ 476,440	\$ (10,739)	\$ 8,582,910	\$ (44,616)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:								
Depreciation	1,910,534	758,724	66,551	1,670,734	197,555	126,243	4,730,341	14,131
Net (Increase)/Decrease in Other Operating Net Position	95,094	23,036	7,374	134,015	5,828	1,351	266,698	217,129
(Increase)/Decrease in Accounts Receivable	(109,397)	53,041	23,829	42,212	37,820	16,378	63,883	(43,819)
(Increase)/Decrease in Inventory	(82,481)	-	-	18,751	(5,600)	2,820	(66,510)	-
(Increase)/Decrease in Prepaids	29,112	-	-	-	-	-	29,112	20,218
(Increase)/Decrease in Net OPEB Asset	(282,401)	(130,280)	(67,058)	(155,567)	(48,560)	(23,149)	(707,015)	(33,083)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	382,465	176,443	90,819	210,691	65,766	31,354	957,538	44,805
Increase/(Decrease) in Accounts Payable	(35,549)	(407,604)	4,110	(10,601)	20,410	8,763	(420,471)	(5,526)
Increase/(Decrease) in Accrued Wages and Benefits	(166,632)	(92,282)	12,457	(48,172)	1,110	12,976	(280,543)	(36,328)
Increase/(Decrease) in Deferred Revenues	-	-	-	-	-	(1,576)	(1,576)	-
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	(3,086,813)	(1,426,751)	(629,055)	(1,691,017)	(434,593)	(258,652)	(7,526,881)	(332,392)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	796,426	367,416	189,117	438,729	136,946	65,286	1,993,920	93,301
Net cash provided by (used in) operating activities	\$ (701,107)	\$ 3,640,558	\$ 517,775	\$ 3,740,003	\$ 453,122	\$ (28,945)	\$ 7,621,406	\$ (106,180)
SUPPLEMENTAL INFORMATION - Noncash activities:								
Capital assets financed through payables	\$ 1,134	\$ 108,970	\$ -	\$ -	\$ 8,246	\$ -	\$ 118,350	\$ -
Donated Capital	\$ 9,083	\$ 382,538	\$ -	\$ 109,033	\$ 40,132	\$ -	\$ 540,786	\$ -
Recoverable purchased power contract	\$ 9,351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,351	\$ -

CITY OF PIQUA, OHIO

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021**

	<u>Private Purpose Centennial Trust</u>
ASSETS:	
Equity in pooled cash	\$ 480
Total Assets	<u>\$ 480</u>
LIABILITIES:	
Accounts payable	<u>\$ -</u>
Total Liabilities	\$ -
NET POSITION:	
Restricted for:	
Individuals, organization, or other governments	<u>\$ 480</u>
Total Net Position	<u>\$ 480</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

ADDITIONS:	
Interest income	<u>\$ 1</u>
Total additions	<u>1</u>
Change in net position	1
Total net position-beginning of year	<u>479</u>
Total net position-end of year	<u>\$ 480</u>

See accompanying notes to the basic financial statements

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Beginning 2019, it was determined that the City of Piqua Health District (the District) was a legally separate entity under GASB Statement 61, *The Financial Reporting Entity*, updated for GASB 80, *Blending Requirements for Certain Component Units*. The District provides public health services, and is a body corporate and politic. A five-member Board and a Health Commissioner govern the District. Since the District provides services entirely to the City, it is reported as a blended component unit. It is included as a major fund in the governmental statements.

BASIS OF PRESENTATION

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

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

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

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

The City reports the following major governmental funds:

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

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

Street Levy Construction Fund accounts for a .25% levied income tax restricted for the specific purpose of street construction.

Health District accounts for the City of Piqua Health District that provides public health services and is a body politic and corporate, whose operations are supported by the City's General Fund.

Debt Service Fund is used to account for the resources received and used to pay principal and interest on long-term general obligation debt of governmental funds. Revenues and financing resources are derived primarily from property taxes.

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

Other enterprise funds of the City are used to account for the operations of the City's golf course and municipal pool. These funds are non-major funds whose activity has been aggregated and presented in a single column as non-major enterprise funds.

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

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

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

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

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

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

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

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

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

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

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

Inventory—Inventory is valued at average cost. The business-type fund inventories are capitalized or expensed when used.

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

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

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

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

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

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

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

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

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

The City applies restricted resources first when expenditures are incurred for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The City has not adopted a formal fund balance policy.

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund balance sheet. Unavailable revenue is reported on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes property, income, and state shared taxes and other unavailable revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position and the proprietary statements which are further explained in Note J for pension and Note K for OPEB.

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

Pensions and Other Postemployment Benefits (OPEB)—For purpose of measuring the net pension and the net OPEB assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the pension and OPEB plans and addition to/deductions from their fiduciary net position have been determined

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

on the same basis as they are reported by the pension and OPEB plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension and OPEB plans report investments at fair value.

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

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

B. POOLED CASH DEPOSITS AND INVESTMENTS

Deposits—Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. Any public depository in which the City places deposits must provide pledged collateral for the amount of deposits not covered by the Federal Deposit Insurance Corporation (FDIC) by (1) maintaining eligible securities pledged to the City which are deposited with a qualified trustee by the public depository as security for repayment whose market value at all times shall be 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of the State of Ohio to secure the repayment of all public monies deposited in the public depository. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured, or at a lower rate if so established by the Treasurer of State. At December 31, 2021, the carrying amount of the City's deposits was \$47,232,750 while the balance as shown by the bank statements was \$48,089,489. As of December 31, 2021, \$45,456,657 of the City's bank balance was exposed to custodial risk as discussed above, while \$2,632,832 was covered by Federal Deposit Insurance.

Investments—The ORC, the City's charter, and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio (STAR Ohio), certificates of deposit, repurchase agreements, United States treasury bills and notes, notes issued by United States agencies, bankers' acceptances and commercial paper of the highest rating. All investments are reported at fair value which is based on quoted market prices.

Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements. Investments are reported at fair value. The City's investments in STAR Ohio and open-end mutual funds are determined by the share price. There are no limitations or restrictions on withdrawals from these investments due to redemption notice periods, liquidity fees, or redemption gates. STAR Ohio does require notice to be given 24 hours in advance for all deposits or withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transactions to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the STAR Ohio Investors will be combined for these purposes. STAR Ohio is not registered with the Securities and Exchange Commission but has adopted Governmental Accounting Standards Board ("GASB"), Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, and is managed by the State Treasurer's office.

CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
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Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments or collateral securities in the possession of an outside party. Except in regards to repurchase agreements, the City’s investment policy does not address custodial credit risk. At December 31, 2021, all investments were registered in the name of the City.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The City does not have a formal investment policy regarding exposure to credit risk. The City’s exposure to credit risk, based on both Moody’s and Standard & Poor’s Credit Ratings, is as follows:

<u>Investment Type</u>	<u>Quality Rating</u>	<u>Measurement Value</u>
STAR Ohio	AAAm	\$ 12,199,396

Concentration of Credit Risk – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by lack of diversification. The following table includes the percentage to total of each investment type held by the City at December 31, 2021.

<u>Investment Type</u>	<u>Measurement Value</u>	<u>% of Total</u>
STAR Ohio	\$ 12,199,396	100.00%

Interest Rate Risk – Interest rate risk is the risk that an interest rate change could adversely affect an investment’s fair value. According to the City’s investment policy, the maximum maturity for any single security may not exceed 5 years.

<u>Investment Type</u>	<u>Investment Maturities (in years)</u>			<u>Measurement Value</u>
	<u>Less than 1</u>	<u>1 – 5</u>	<u>Greater than 5</u>	
STAR Ohio	\$ 12,199,396	-	-	\$ 12,199,396

C. PROPERTY TAXES

Property tax revenues include amounts collected for all real, and public utility property located in the City. Property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor for real and public utility property at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. A revaluation was completed in 2017.

The property tax calendar is as follows:

Levy date	January 1, 2020
Lien date	January 1, 2021
Tax bill mailed	January 20, 2021
First installment payment due	February 20, 2021
Second installment payment due	July 20, 2021

The assessed value for real estate in the City at January 1, 2021 is \$ 331,718,740.

The County Treasurer collects property taxes on behalf of taxing districts, including the City of Piqua. The County Auditor periodically remits to the City its portion of taxes collected. Property taxes may be paid on either an annual or semiannual basis. Although total property tax collections for the next fiscal year are measurable, amounts to be received are not available at December 31, 2021, nor are they intended to finance 2021 operations. Therefore, the City has recorded property taxes receivable with a corresponding amount as deferred inflows of resources.

Ohio law prohibits taxation of property in excess of \$10 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. The City’s share is currently \$3.70 (3.70 mills) of assessed value. In 2017, the City also

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received an additional 0.60 mills to fund safety pension costs and 0.20 mills for costs of the Miami Conservancy District.

D. INCOME TAXES

The City levies a 2.00% income tax on all income earned within the City. Income tax in excess of 1% is voter approved. During 2014, the citizens of Piqua passed an additional .25% income tax levy effective January 1, 2015. Income tax is allocated by fund in accordance with voter and commission authorizations. In addition, City residents pay City tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities.

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

E. RECEIVABLES

Governmental receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investment, accounts and notes receivable. Loans receivable represent real estate second mortgages which are partially forgivable over five to fifteen year periods netted by an estimated allowance for forgiveness or amounts uncollectible. The real estate second mortgages are \$610,564 with an estimated allowance for forgiveness of \$603,418.

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

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CITY OF PIQUA, OHIO
Notes to the Basic Financial Statements
December 31, 2021

F. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 5,448,679	\$ 82,832	\$ (354,000)	\$ 176,590	\$ 5,354,101
Infrastructure land	2,556,177	-	-	-	2,556,177
Construction in progress	<u>474,547</u>	<u>407,635</u>	<u>-</u>	<u>(394,804)</u>	<u>487,378</u>
Assets not depreciated	<u>8,479,403</u>	<u>490,467</u>	<u>(354,000)</u>	<u>(218,214)</u>	<u>8,397,656</u>
Capital assets being depreciated:					
Buildings and improvements	22,109,440	110,728	-	-	22,220,168
Furniture, fixtures and equipment	14,252,729	463,928	(934,072)	64,207	13,846,792
Infrastructure	<u>42,383,803</u>	<u>-</u>	<u>-</u>	<u>154,007</u>	<u>42,537,810</u>
Depreciated capital assets	78,745,972	574,656	(934,072)	218,214	78,604,770
Accumulated depreciation:					
Buildings and improvements	(6,488,663)	(488,598)	-	-	(6,977,261)
Furniture, fixtures and equipment	(10,190,133)	(899,398)	860,594	-	(10,228,937)
Infrastructure	<u>(15,741,541)</u>	<u>(935,701)</u>	<u>-</u>	<u>-</u>	<u>(16,677,242)</u>
Total accumulated depreciation	<u>(32,420,337)</u>	<u>(2,323,697)</u>	<u>860,594</u>	<u>-</u>	<u>(33,883,440)</u>
Net capital assets being depreciated	<u>\$ 46,325,635</u>	<u>\$ (1,749,041)</u>	<u>\$ (73,478)</u>	<u>\$ 218,214</u>	<u>\$ 44,721,330</u>
Net capital assets	<u>\$ 54,805,038</u>	<u>\$ (1,258,574)</u>	<u>\$ (427,478)</u>	<u>\$ -</u>	<u>\$ 53,118,986</u>

* Depreciation expense was charged to governmental functions as follows:

General governmental	\$ 459,088
Public safety	417,205
Street repairs and maintenance	1,336,235
Parks	<u>97,038</u>
Governmental functions depreciation expense	2,309,566
Information technology (internal service fund)	<u>14,131</u>
Total depreciation expense	<u>\$ 2,323,697</u>

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

	Beginning Balance	Increases	Decreases	Construction In Progress Placed in Service	Ending Balance
Capital assets not being depreciated:					
Land and licenses	\$ 2,205,963	\$ -	\$ -	\$ -	\$ 2,205,963
Construction in progress	<u>50,800,938</u>	<u>2,752,640</u>	<u>-</u>	<u>(1,955,311)</u>	<u>51,598,267</u>
Assets not depreciated	<u>53,006,901</u>	<u>2,752,640</u>	<u>-</u>	<u>(1,955,311)</u>	<u>53,804,230</u>
Capital assets being depreciated:					
Land improvements	1,100,954	-	-	-	1,100,954
Buildings and improvements	84,246,892	22,827	-	-	84,269,719
Underground piping	29,753,456	-	(69,442)	675,799	30,359,813
Furniture, fixtures and equipment	86,248,049	218,865	(1,318,466)	1,279,512	86,427,960
Intangible assets	<u>2,559,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,559,922</u>
Depreciated capital assets	203,909,273	241,692	(1,387,908)	1,955,311	204,718,368
Accumulated depreciation:					
Land improvements	(534,829)	(15,784)	-	-	(550,613)
Buildings and improvements	(23,364,243)	(1,861,959)	-	-	(25,226,202)
Underground piping	(18,531,522)	(499,188)	69,443	-	(18,961,267)
Furniture, fixtures and equipment	(57,162,988)	(2,278,106)	1,161,216	-	(58,279,878)
Intangible assets	<u>(1,733,078)</u>	<u>(75,304)</u>	<u>-</u>	<u>-</u>	<u>(1,808,382)</u>
Total accumulated depreciation	<u>(101,326,660)</u>	<u>(4,730,341)</u>	<u>1,230,659</u>	<u>-</u>	<u>(104,826,342)</u>
Net capital assets being depreciated	<u>\$102,582,613</u>	<u>\$ (4,488,649)</u>	<u>\$ (157,249)</u>	<u>\$ 1,955,311</u>	<u>\$ 99,892,026</u>
Net capital assets	<u>\$155,589,514</u>	<u>\$ (1,736,009)</u>	<u>\$ (157,249)</u>	<u>\$ -</u>	<u>\$153,696,256</u>

* Depreciation expense was charged to enterprise functions as follows:

Electric	\$ 1,910,534
Water	1,670,734
Wastewater	758,724
Refuse	66,551
Storm Water	197,555
Golf	118,601
Municipal Pool	7,642
Total depreciation expense	<u>\$ 4,730,341</u>

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G. LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2021 was as follows:

	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:						
Compensated absences		\$ 1,977,922	\$ 82,857	\$ 46,786	\$ 2,013,993	\$ 789,301
Restricted deposits		60,891	11,357	39,842	32,406	32,406
Net Pension Liability						
OPERS		3,583,213	-	988,509	2,594,704	-
OP&F		15,246,255	333,159	-	15,579,414	-
Total Net Pension Liability		<u>18,829,468</u>	<u>333,159</u>	<u>988,509</u>	<u>18,174,118</u>	<u>-</u>
Net OPEB Liability						
OPERS		2,613,863	-	2,613,863	-	-
OP&F		2,235,552	185,817	-	2,421,369	-
Total Net OPEB Liability		<u>4,849,415</u>	<u>185,817</u>	<u>2,613,863</u>	<u>2,421,369</u>	<u>-</u>
Total governmental long-term liabilities		<u>\$ 25,717,696</u>	<u>\$ 613,190</u>	<u>\$ 3,689,000</u>	<u>\$ 22,641,886</u>	<u>\$ 821,707</u>
Business-Type Activities:						
OWDA Loan-2009, 3.52%, Direct Borrowing	1/1/2030	\$ 2,322,959	\$ -	\$ 223,574	\$ 2,099,385	\$ 231,513
OWDA Loan-2014, 2.54%-3.54%, Direct Borrowing	7/1/2047	41,497,541	-	1,033,984	40,463,557	1,065,772
OWDA Loan-2015, 2.53%, Direct Borrowing	7/1/2047	3,539,613	-	95,171	3,444,442	97,594
OWDA Loan-2016, 0.76%, Direct Borrowing	7/1/2038	2,904,499	-	155,789	2,748,710	156,975
OWDA Loan-2017, 0.80%, Direct Borrowing	7/1/2045	48,370,640	1,065,891	1,957,565	47,478,966	1,841,890
OPWC Loan-2017, 0.0%, Direct Borrowing	7/1/2048	93,404	-	3,278	90,126	3,277
OPWC Loan-2019, 0.0%, Direct Borrowing	7/1/2049	985,851	-	33,419	952,432	33,419
AMP-Ohio stranded cost payable		1,013,546	9,351	-	1,022,897	-
Compensated Absences		1,265,979	155,914	392,734	1,029,159	477,662
Net Pension Liability - OPERS		8,267,344	-	2,027,752	6,239,592	-
Net OPEB Liability - OPERS		5,499,129	-	5,499,129	-	-
Total Business-type long-term liabilities		<u>\$ 115,760,505</u>	<u>\$ 1,231,156</u>	<u>\$ 11,422,395</u>	<u>\$ 105,569,266</u>	<u>\$ 3,908,102</u>

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

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

Ohio Water Development Authority ("OWDA 2009") Wastewater Sewer Project Note in the overall amount of \$4,329,876 was issued under a cooperative agreement for construction, maintenance and operation of a state sewer project. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$2,378,717. Principal and interest paid for the current year and total customer net revenues were \$291,600 and \$5,077,539, respectively.

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Ohio Water Development Authority (OWDA 2014) Water Plant Construction note in the overall amount of \$44,879,845 was issued under a cooperative agreement to construct a 7 million gallon per day raw water treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$58,737,695. Principal and interest paid for the current year and total customer net revenues were \$2,303,439 and \$4,800,962, respectively.

Ohio Water Development Authority (OWDA 2015) Water Plant Offsite Pipelines note in the overall amount of \$3,854,485 was issued under a cooperative agreement to install new raw and finished pipelines from the new water plant to the existing lines located at the existing water plant location. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$4,695,189. Principal and interest paid for the current year and total customer net revenues were \$184,125 and \$4,800,962, respectively.

Ohio Water Development Authority (OWDA 2016) New Central Water Tower note in the overall amount of \$3,288,841 was issued under a cooperative agreement to construct a 1 million gallon elevated storage tank with approximately 5,300 linear feet of 12-inch water main and demolition of two – 250,000 gallon, legged storage tanks constructed in the 1950's. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal and interest to be repaid is \$2,929,868. Principal and interest paid for the current year and total customer net revenues were \$177,568 and \$4,800,962, respectively.

Ohio Water Development Authority (OWDA 2017) Wastewater Plant Expansion note in the overall amount of \$53,224,030 was issued under a cooperative agreement to expand and upgrade the existing wastewater treatment plant. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal issued to date is \$49,849,255. Within the terms of the loan were the repayment of the (OWDA 2012) note of \$4,392,539 and a principal forgiveness of \$50,000. Construction of the wastewater plant expansion began in October 2017 and will be completed in 2022. Payments to the OWDA will be made from the utility's pledged future revenues. Total outstanding principal issued to date and interest to be repaid is \$52,245,962. Principal and interest paid for the current year and total customer net revenues were \$2,375,748 and \$5,077,539, respectively.

Ohio Public Works Commission (OPWC 2017) Shawnee Stormwater Diversion note in the amount of \$98,320 was issued under a cooperative agreement to assist in the cost for updating stormwater drainage in the Shawnee neighborhood area. Payments to the OPWC will be made from the utility's pledged future revenues. The OPWC 2017 note is 0% interest bearing with an outstanding principal balance of \$90,126. Principal paid for the current year were \$3,277 and \$673,995, respectively.

Ohio Public Works Commission (OPWC 2019) Wastewater Lift Station note in the amount of \$1,002,560 was issued under a cooperative agreement to assist in the cost for updating five lift stations throughout the city. Payments to OPWC will be made from the utility's pledged future revenues. The OPWC 2019 note is 0% interest bearing with outstanding principal balance of \$952,432. Principal paid for the current year and customer net revenues were \$33,419 and \$5,077,539, respectively.

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

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

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

AMP Ohio Stranded Cost – The City is a participant in both American Municipal Power (AMP) and the American Municipal Power Generating Station Project (AMPGS). This project intended to develop a pulverized coal power plant in Meigs County, Ohio. The AMPGS Project required participants to sign

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“take or pay” contracts with AMP. As such, the participants are obligated to pay any costs incurred for the project. The City’s share of the project was 20,000 kW of a total capacity of 771,281 kW, giving the City a 2.59 percent share of the project. In November 2009, the participants in the project voted to terminate the AMPGS project due to projected escalating costs. These costs were therefore deemed impaired and the participants are obligated to pay contract costs already incurred.

As a result of a March 31, 2014 legal ruling, the AMP Board of Trustees on April 15, 2014 and the AMPGS participants on April 16, 2014 approved the collection of the impaired costs and provided the participants with an estimate of their liability. The City’s estimated share at March 31, 2014 of the impaired costs is \$3,466,911. The City received a credit of \$1,067,635 related to their participation in the AMP Fremont Energy Center (AFEC) Project, and another credit of \$904,497 related to the AMPGS costs deemed to have future benefit for the project participants, leaving a net impaired cost estimate of \$1,494,779. Because payment is now probable and reasonably estimable, the City is reporting a payable to AMP in its business-type activities and in its electric enterprise fund for these impaired costs. AMP financed these costs on its revolving line of credit. Any additional costs (including line-of-credit interest and legal fees) or amounts received related to the project will impact the City’s liability. These amounts will be recorded as they become estimable. The City made payments in 2021 totaling \$9,351. The remaining stranded cost is \$1,022,897. This incurred cost has been previously capitalized and reported as a regulated asset, as allowed by GASB Codification Re10.

The annual requirements to pay principal and interest on long-term obligations at December 31, 2021 are listed as follows:

Year Ending December 31	Notes Payable-Direct Borrowings	
	Business Type	
	Activities	
	Principal	Interest
2022	\$ 3,430,440	\$ 1,787,393
2023	3,490,097	1,728,951
2024	3,550,293	1,670,013
2025	3,613,996	1,607,611
2026	3,678,340	1,544,617
2027-2031	18,792,873	6,734,695
2032-2036	19,533,997	5,091,305
2037-2041	20,715,331	3,288,482
2042-2046	19,122,034	1,280,579
2047-2050	1,350,217	18,724
	\$ 97,277,618	\$ 24,752,370

H. INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions among funds which caused interfund balances from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivable and payable balances at December 31, 2021 are as follows:

	Due To Other Funds	Due From Other Funds
General Fund	\$ -	\$ 112,912
Street Levy Construction Fund	-	64,562
Non-major Governmental Funds	278,159	-
Water Fund	-	63,247
Wastewater Fund	-	3,100
Stormwater Fund	-	34,338
	\$ 278,159	\$ 278,159

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Transfers are used to move revenues; from the fund that statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; or moving unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; or to provide additional resources for current operations or debt service. Interfund transfers for the year ended December 31, 2021 consisted of the following:

Governmental	Transfers In	Transfers Out
General Fund	\$ -	\$ 183,829
Health Department	126,829	
Proprietary		
Golf	50,000	-
Municipal Pool	7,000	-
	\$ 183,829	\$ 183,829

I. CHANGE IN ACCOUNTING PRINCIPLES

For 2021, the City implemented GASB Statement No. 91, *Conduit Debt Obligations*, Statement No. 92, *Omnibus 2020*, Statement No. 93, *Replacement of Interbank Offered Rates* and Statement No. 98, *The Annual Comprehensive Financial Report*.

GASB Statement No. 91 clarifies the existing definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments extended by issuers and arrangements associated with conduit debt obligations and improving required note disclosures. The implementation of this statement did not affect the City’s financial statements.

GASB Statement No. 92 addresses a variety of topics and includes specific provisions about reporting of intra-entity transfers of assets between a primary government employer and a component unity defined benefit pension plan or defined benefit other postemployment benefit plan, the applicability of Statements No. 73 and 74, the applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements, Measurement of liabilities related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. The implementation of this statement did not affect the City’s financial statements.

GASB Statement No. 93 provides accounting and financial reporting guidance for those agreements that are dependent on the London Interbank Offered Rate (LIBOR), which is expected to cease to exist at the end of 2021. The implementation of this statement did not affect the City’s financial statements.

GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR and replaces instances of comprehensive annual financial report and its acronym in general accepted accounting principles for state and local governments. The implementation of this statement affected terminology used in this financial report.

J. DEFINED BENEFIT PENSION PLANS

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

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

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

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

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

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

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

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

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Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local Employees		
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
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 years	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 years	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 years

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

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

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

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

	State and Local
2021 Statutory Maximum Contribution Rates:	
Employer	14.0%
Employee	10.0%
2021 Actual Contribution Rates:	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.0%
Total Employer	<u>14.0%</u>
Employee	<u>10.0%</u>

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required pension contribution was \$1,030,023 for 2021 and \$21,518 is reported as a salaries and benefits payable.

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

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

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

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

	Police	Firefighters
2021 Statutory Maximum Contribution Rates:		
Employer	19.50%	24.00%
Employee:		
January 1, 2021 through December 31, 2021	12.25%	12.25%
2021 Actual Contribution Rates:		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	0.50%	0.50%
Total Employer	19.50%	24.00%
Employee:		
January 1, 2021 through December 31, 2021	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,230,740 for 2021 and \$18,002 is reported as a salaries and benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability for OPERS was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020 to December 31, 2020. The City's proportion of the net pension liability was based on the City's share of contributions to the

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pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 8,834,252	\$ 15,579,458	\$ 24,413,710
Proportion of the net pension liability	0.0601997%	0.2285353%	
Change in proportionate share	(0.0000419%)	0.0022129%	
Pension expense	\$ (269,848)	\$ 1,166,910	\$ 897,062

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 651,274	\$ 651,274
Change in assumptions	4,997	261,276	266,273
Change in City's proportionate share	-	551,965	551,965
City contributions subsequent to the measurement date	<u>1,030,023</u>	<u>1,230,740</u>	<u>2,260,763</u>
Total	<u>\$ 1,035,020</u>	<u>\$ 2,695,255</u>	<u>\$ 3,730,275</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (387,986)	\$ (606,930)	\$ (994,916)
Net difference between projected and actual earnings on pension plan investments	(3,486,421)	(755,706)	(4,242,127)
Change in City's proportionate share	<u>(215,825)</u>	<u>(761,866)</u>	<u>(977,691)</u>
Total	<u>\$ (4,090,232)</u>	<u>\$ (2,124,502)</u>	<u>\$ (6,214,734)</u>

City contributions subsequent to the measurement date of \$2,260,763 are reported as deferred outflows of resources related to pension and will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2022	\$ (1,648,111)	\$ (160,487)	\$ (1,808,598)
2023	(525,553)	267,025	(258,528)
2024	(1,424,631)	(723,688)	(2,148,319)
2025	(478,757)	(83,774)	(562,531)
2026	(3,186)	40,937	37,751
After	<u>(4,997)</u>	<u>-</u>	<u>(4,997)</u>
	<u>\$ (4,085,235)</u>	<u>\$ (659,987)</u>	<u>\$ (4,745,222)</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

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amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75%
COLA or Ad Hoc COLA	
Pre - January 7, 2013 retirees	3.00%, simple
Post - January 7, 2013 retirees	0.5% simple through 2021, then 2.15% simple
Investment rate of return:	7.20%
Actuarial cost method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

Post-retirement mortality rates are based on the RP-2014 Health Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board of Trustees in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic 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, 2020, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	1.33%
Domestic Equities	21.00%	5.64%
Real Estate	10.00%	5.39%
Private Equity	12.00%	10.42%
International Equities	23.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.75%</u>
Total	<u>100.00%</u>	<u>5.43%</u>

Discount Rate: The discount rate used to measure the total pension liability was 7.2% for the Traditional pension plan. The projections of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The Following table represents the City’s proportionate share of the net pension liability 7.2% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$ 16,948,161	\$ 8,834,252	\$ 2,089,617

Changes Subsequent to the Measurement Date. In September 2021, the Board approved several changes to the pension plan based on the completed five-year experience study covering the period 2016-2020. In addition to other changes, the Board approved to decrease the assumed pension investment rate of return from 7.20% to 6.90%. These changes are not reflected in the current measurement period but are expected to increase the associated pension liability.

Actuarial Assumptions – OP&F: OP&F’s total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past experiences and new estimates are made about the future.

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Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020 are presented below:

	January 1, 2020 with actuarial liabilities rolled forward to December 31, 2020
Valuation date	
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	2.75% plus productivity increase rate of 0.5%
Inflation assumption	2.75%
Cost-of-living adjustments	2.20% simple per year

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

Age	Police	Fire
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016.

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

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash & Cash Equivalents	-%	-%
Domestic Equity	21.00%	4.10%
Non-U.S. Equity	14.00%	4.80%
Private Markets	8.00%	6.40%
Core Fixed Income *	23.00%	0.90%
High Yield Fixed Income	7.00%	3.00%
Private Credit	5.00%	4.50%
U.S. Inflation Linked Bonds *	17.00%	0.70%
Midstream Energy Infrastructure	5.00%	5.60%
Real Assets	8.00%	5.80%
Gold	5.00%	1.90%
Private Real Estate	<u>12.00%</u>	5.30%
Total	<u>125.00%</u>	

Note: Assumptions are geometric. *Levered 2.5x

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

Discount Rate: The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: Net Pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$ 21,688,601	\$ 15,579,458	\$ 10,466,722

K. DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

Net OPEB Liability/(Asset): The net OPEB liability/(asset) represents the City's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability/(asset) calculation is dependent on critical long-term variables, including estimated average life expectancies,

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earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

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

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

Plan Description—Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit plan; the Member-Directed Plan, a defined contribution plan; and the Combined Plan, a cost-sharing, multiple-employer defined benefit 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, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and Combined plans. This trust is also used to fund health care for Member-Directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other post employment benefit (OPEB) as described in GASB Statement No. 75. See OPERS' ACFR referenced below for additional information.

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

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

Funding Policy—The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

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Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2021. 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 2021 was 4.0%.

For the year ended December 31, 2021, OPERS did not allocate any employer contributions to postemployment health care.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B premiums to retirees, qualifying benefit recipients and their eligible dependents.

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

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

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

Funding Policy—The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5% and 24.0% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2021, the portion of the employer contributions allocated to health care was 0.5% of covered payroll. The amount of employer contributions allocated to the health care plan each year

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is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

The City's contractually required contribution to OP&F was \$28,340 for 2021. Of this amount, \$416 is reported as an accrued salaries and benefits payable.

OPEB Assets and Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB: The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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, 2020 and was determined by rolling forward the total OPEB liability as of January 1, 2020 to December 31, 2020. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. The following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net OPEB liability/(asset)	\$ (1,051,681)	\$ 2,421,369	\$ 1,369,688
Proportion of the net OPEB liability/(asset)	0.059030720%	0.228535320%	
Change in proportion share	0.000294540%	0.002212890%	
OPEB (Negative) Expense	\$ (6,490,797)	\$ 253,136	\$ (6,237,661)

At December 31, 2021, 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>
<u>Deferred Outflows of Resources:</u>			
Change in assumptions	\$ 517,018	\$ 1,337,675	\$ 1,854,693
Change in City's proportionate share and difference in employer contributions	25,483	523,539	549,022
City contributions subsequent to the measurement date	-	28,340	28,340
Total	\$ 542,501	\$ 1,889,554	\$ 2,432,055
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ (949,135)	\$ (399,396)	\$ (1,348,531)
Net difference between projected and actual earnings on OPEB plan investments	(560,139)	(89,982)	(650,121)
Change in assumptions	(1,704,036)	(386,013)	(2,090,049)
Change in City's proportionate share and difference in employer contributions	(47,118)	(428,529)	(475,647)
Total	\$ (3,260,428)	\$ (1,303,920)	\$ (4,564,348)

\$28,340 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an

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increase of the net OPEB asset in the year ending December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2022	\$ (1,439,261)	\$ 125,267	\$ (1,313,994)
2023	(969,250)	146,576	(822,674)
2024	(243,414)	112,982	(130,432)
2025	(66,002)	104,252	38,250
2026	-	29,712	29,712
After	-	38,505	38,505
	\$ (2,717,927)	\$ 557,294	\$ (2,160,633)

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation	3.25%
Projected salary increases	3.25% to 10.75%, including wage inflation
Single discount rate:	
Current measurement date	6.00%
Prior measurement date	3.16%
Investment rate of return	6.00%
Municipal bond rate	
Current measurement date	2.00%
Prior measurement date	2.75%
Health care cost trend rate	
Current measurement date	8.50% initial, 3.50% ultimate in 2035
Prior measurement date	10.50% initial, 3.50% ultimate in 2030
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established

CITY OF PIQUA, OHIO
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to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

The allocation of investment assets within the Health Care portfolio is approved by the OPERS 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. OPERS' 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 rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00%	1.07%
Domestic Equities	25.00%	5.64%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.02%</u>
Total	<u>100.00%</u>	<u>4.43%</u>

Discount Rate: A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. 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 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which is projected health care payments are fully funded.

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate: The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the City's proportionate share of the net OPEB asset if it were calculated using a discount rate that is 1.0% point lower (5.00%) or 1.0% point higher (7.00%) than the current rate:

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	1% Decrease 5.00%	Current Discount Rate of 6.00%	1% Increase 7.00%
City's proportionate share of the net OPEB asset	\$ (261,592)	\$ (1,051,681)	\$ (1,701,822)

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 liability. The following table presents the net OPEB liability 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 1.0% lower or 1.0% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ (1,077,663)	\$ (1,051,681)	\$ (1,023,337)

Actuarial Assumptions—OP&F: OP&F's total OPEB liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020 and rolled forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Actuarial valuation date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement date	2.96%
Prior measurement date	3.56%
Municipal bond rate:	
Current measurement date	2.12%
Prior measurement date	2.75%
Cost of living adjustments	2.2% simple per year

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68 - 77	105%	87%
78 and up	115%	120%

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash & cash equivalents	-%	-%
Domestic equity	21.00%	4.10%
Non-US equity	14.00%	4.80%
Private markets	8.00%	6.40%
Core fixed income *	23.00%	0.90%
High yield fixed income	7.00%	3.00%
Private credit	5.00%	4.50%
US inflation linked bonds *	17.00%	0.70%
Master Limited Partnerships	5.00%	5.60%
Real assets	8.00%	5.80%
Gold	5.00%	1.90%
Private real estate	<u>12.00%</u>	5.30%
Total	<u>125.00%</u>	

Note: Assumptions are geometric. *Levered 2.5x

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

Discount Rate: Total OPEB liability was calculated using the discount rate of 2.96%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.0%. 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, a municipal bond rate of 2.12% at December 31, 2020 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 2.96%.

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 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.96%) and 1% point higher (3.96%) than the current discount rate.

	1% Decrease 1.96%	Current Discount Rate of 2.96%	1% Increase 3.96%
City's proportionate share of the net OPEB liability	\$ 3,019,309	\$ 2,421,369	\$ 1,928,139

L. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

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

M. OHIO PROFESSIONAL FIRE FIGHTERS DEFERRED COMPENSATION PROGRAM

In addition to the Ohio Public Employees Deferred Compensation Program; the City offers its sworn fire officers an optional deferred compensation plan created in accordance with Internal Revenue Code ("IRC")

CITY OF PIQUA, OHIO
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Section 457. The plan, which is only available to sworn fire officers, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

N. CONTINGENCIES

The City participates in several federally assisted programs, which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

O. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. In 2002, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA, a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA for this coverage. The agreement provides that MVRMA will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The city's deductible per occurrence for all types of claims is \$2,500. During 2021, MVRMA's per occurrence retention limit for most property claims was \$250,000; exceptions include a retention of \$10,000-\$350,000 per occurrence for boiler and machinery. Liability had a per occurrence retention limit of \$500,000 with the exception of cyber and pollution liability, which had a retention limit of \$100,000. MVRMA purchases excess insurance and/or reinsurance to cover claims excess of MVRMA's self-insured retention (SIR) up to the limits stated below:

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

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

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

P. PURCHASED POWER

The City's electric distribution system during 2021 purchased wholesale electric power from American Municipal Power (AMP). AMP provides this power through a mixture of long term take or pay purchase contracts with the City. Included in these contracts with AMP are; the Prairie State Energy Campus Project (20 megawatts) generation started during 2012, Fremont Natural Gas Energy Center (13 megawatts) generation started in 2012, and the Ohio River Hydroelectric Project (8 megawatts) generation that started during Spring 2016. AMP provides the remaining power requirements with market based purchases from various sources including New York Power Authority, Blue Creek Wind Farm, and other pooled market sources.

CITY OF PIQUA, OHIO
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Q. FUND BALANCE COMPONENTS

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

Fund Balances	General	Street Maintenance	Street Levy Construction	Health District	Debt Service	Other Governmental	Total
Nonspendable:							
Prepaid Items	\$ 8,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,991
Restricted:							
Community Outreach	10,560	-	-	-	-	-	10,560
Transportation	-	5,081,790	5,568,882	-	-	-	10,650,672
Debt Service	-	-	-	-	397,939	-	397,939
Community Development	-	-	-	-	-	322,724	322,724
Held in Trust	-	-	-	-	-	102,924	102,924
Conservation	-	-	-	-	-	50,002	50,002
Assigned:							
Subsequent Appropriations	4,376,606	-	-	-	-	-	4,376,606
Unpaid Obligations	1,284,596	-	-	-	-	-	1,284,596
Unassigned	7,817,022	-	-	-	-	(164,778)	7,652,244
Total Fund Balance	<u>\$ 13,497,775</u>	<u>\$ 5,081,790</u>	<u>\$ 5,568,882</u>	<u>\$ -</u>	<u>\$ 397,939</u>	<u>\$ 310,872</u>	<u>\$ 24,857,258</u>

At December 31, 2021, the City has three funds which reported deficit ending equity positions as follows: (\$164,778) in Community Development, a nonmajor special revenue fund; (\$42,183) in the Municipal Pool, a nonmajor enterprise fund; and (\$288,184) in the Information Technology internal service fund. These deficits occurred as a result of recording certain obligations in the funds during the year. General Fund resources are utilized to eliminate deficits occurring on a cash basis, but not when liabilities are recorded.

R. TAX ABATEMENTS

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

As of December 31, 2021, the City of Piqua had 29 individual agreements under the CRA program and all were within pre-1994 established CRA’s. None of the agreements are individually significant and the total amount of taxes abated under all these agreements for calendar year 2021 was approximately \$40,000.

S. SUBSEQUENT EVENT

The City of Piqua Health District signed a contract for union of the Miami County General Health District and the City Health Districts of Troy, Tipp City and Piqua pursuant to Ohio Revised Code Section 3709.07 effective January 1, 2022. This contract states that the combined districts shall be known as the Miami County General Health District and shall be responsible for administering and/or providing all public health services authorized or required by State and Federal law. This contract is in effect until terminated by all parties upon giving at least 8 months prior notice.

Required Supplemental Information



CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN
LAST EIGHT YEARS (1)**

	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Traditional Plan	0.0601997%	0.060242%	0.061942%	0.064039%	0.059773%	0.059689%	0.059202%	0.059202%
City's Proportionate Share of the Net Pension Liability	\$ 8,834,252	\$ 11,850,524	\$ 16,932,784	\$ 10,009,518	\$ 13,573,432	\$ 10,338,908	\$ 7,130,365	\$ 6,976,403
City's Covered Payroll	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	116.30%	160.17%	233.29%	132.27%	171.82%	135.39%	96.96%	98.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Traditional Plan	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available - Will show ten years once information is available

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

Notes to Schedule:

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

In 2019, a reduction of the discount rate was made from 7.50% to 7.20%.

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability Firefighters	0.123213%	0.123537%	0.126505%	0.135633%	0.123811%	0.127186%	0.128314%	0.128314%
Police	0.105322%	0.102786%	0.106796%	0.110854%	0.100781%	0.107399%	0.102498%	0.102498%
City's Proportionate Share of the Net Pension Liability	\$ 15,579,458	\$ 15,246,288	\$ 19,043,458	\$ 15,128,021	\$ 14,225,431	\$ 15,091,006	\$ 11,957,013	\$ 11,241,259
City's Covered Payroll	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	278.71%	284.55%	361.65%	281.97%	295.69%	317.96%	264.29%	258.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available - Will show ten years once information is available

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

Notes to Schedule:

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

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN
LAST NINE YEARS (1)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 1,030,023	\$ 1,063,493	\$ 1,035,808	\$ 1,016,165	\$ 983,765	\$ 947,963	\$ 916,345	\$ 882,442	\$ 925,283
Contributions in Relation to the Contractually Required Contribution	(1,030,023)	(1,063,493)	(1,035,808)	(1,016,165)	(983,765)	(947,963)	(916,345)	(882,442)	(925,283)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available - Will show ten years once information is available

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	\$ 1,230,740	\$ 1,192,134	\$ 1,139,853	\$ 1,119,829	\$ 1,099,915	\$ 960,782	\$ 1,004,709	\$ 966,087	\$ 786,837	\$ 630,686
Contributions in Relation to the Contractually Required Contribution	(1,230,740)	(1,192,134)	(1,139,853)	(1,119,829)	(1,099,915)	(960,782)	(1,004,709)	(966,087)	(786,837)	(630,686)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890	\$ 4,224,150
Contributions as a Percentage of Covered Payroll	21.17%	21.33%	21.27%	21.27%	20.50%	19.97%	21.17%	21.35%	18.12%	14.93%

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability/(Asset)	0.0590307%	0.0587362%	0.0600989%	0.0621394%	0.0580901%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,051,681)	\$ 8,112,992	\$ 7,835,480	\$ 6,747,883	\$ 5,867,294
City's Covered Payroll	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692
City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	13.84%	109.66%	107.95%	89.17%	74.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%

Notes to Schedule:

Change in assumptions: In 2018, the single discount rate changed from 4.23% to 3.85%.

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

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2029 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.50% initial, 3.50% ultimate in 2030 to 8.50% initial, 3.50% ultimate in 2035.

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability					
Firefighters	0.1232130%	0.1235368%	0.1265045%	0.1356330%	0.1238110%
Police	0.1053224%	0.1027857%	0.1067957%	0.1108540%	0.1007810%
City's Proportionate Share of the Net OPEB Liability	\$ 2,421,369	\$ 2,235,552	\$ 2,124,556	\$ 13,965,600	\$ 10,660,878
City's Covered Payroll	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	43.32%	41.72%	40.35%	260.31%	221.60%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	47.08%	46.57%	14.13%	15.96%

Notes to Schedule:

Change in assumptions: In 2018, the single discount rate changed from 3.79% to .24%.

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

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

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

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

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

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

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ 84,943	\$ 160,556	\$ 153,959	\$ 148,692	\$ 71,176	\$ 278,322
Contributions in Relation to the Contractually Required Contribution	-	-	-	-	(84,943)	(160,556)	(153,959)	(148,692)	(71,176)	(278,322)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 7,357,307	\$ 7,596,378	\$ 7,398,629	\$ 7,258,321	\$ 7,567,423	\$ 7,899,692	\$ 7,636,208	\$ 7,353,683	\$ 7,117,562	\$ 6,958,050
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	1.12%	2.03%	2.02%	2.02%	1.00%	4.00%

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	\$ 28,340	\$ 27,473	\$ 26,232	\$ 25,789	\$ 25,300	\$ 24,068	\$ 23,731	\$ 22,711	\$ 157,168	\$ 285,130
Contributions in Relation to the Contractually Required Contribution	(28,340)	(27,473)	(26,232)	(25,789)	(25,300)	(24,068)	(23,731)	(22,711)	(157,168)	(285,130)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered Payroll	\$ 5,814,022	\$ 5,589,848	\$ 5,357,951	\$ 5,265,668	\$ 5,365,034	\$ 4,810,878	\$ 4,746,216	\$ 4,524,201	\$ 4,342,890	\$ 4,224,150
Contributions as a Percentage of Covered Payroll	0.49%	0.49%	0.49%	0.49%	0.47%	0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Municipal income tax	\$ 7,791,000	\$8,709,750	\$ 9,493,130	\$ 783,380
Property taxes	1,215,120	1,263,317	1,264,164	847
State shared revenues	673,100	713,720	765,781	52,061
Locally levied taxes	1,101,360	1,123,357	1,136,626	13,269
Licenses and permits, fees	1,152,655	918,216	951,377	33,161
Grants: capital	408,868	3,994	114,848	110,854
Grants: operating	20,000	25,581	31,341	5,760
Interest income	16,015	5,495	5,950	455
Donations: capital	-	-	6,246	6,246
Donations: operating	-	-	21,633	21,633
Other fines, rents, and reimbursements	279,700	282,813	305,489	22,676
Total revenues	12,657,818	13,046,243	14,096,585	1,050,342
EXPENDITURES:				
GENERAL GOVERNMENT ADMINISTRATION:				
City building:				
Operating expenditures	101,623	159,623	146,217	13,406
Capital	95,295	61,000	60,719	281
Total city building	196,918	220,623	206,936	13,687
City commission:				
Personal services/administrative support	28,849	28,849	28,847	2
Operating expenditures	45,345	45,345	31,453	13,892
Total city commission	74,194	74,194	60,300	13,894
Office of city manager:				
Personal services/administrative support	83,325	83,325	79,425	3,900
Operating expenditures	12,314	12,314	6,849	5,465
Total office of city manager	95,639	95,639	86,274	9,365
Purchasing department:				
Personal services/administrative support	2,788	2,788	2,707	81
Operating expenditures	135	135	107	28
Total purchasing department	2,923	2,923	2,814	109
Law department:				
Personal services/administrative support	29,793	30,920	29,966	954
Operating expenditures	54,430	55,126	46,138	8,988
Total law department	84,223	86,046	76,104	9,942
Finance department:				
Personal services/administrative support	226,882	285,352	235,253	50,099
Operating expenditures	12,902	28,744	17,173	11,571
Total finance department	239,784	314,096	252,426	61,670
Human resources department:				
Personal services/administrative support	36,146	47,987	34,855	13,132
Operating expenditures	5,079	9,805	6,433	3,372
Total human resources department	41,225	57,792	41,288	16,504

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Engineering department:				
Personal services/administrative support	97,579	110,032	98,152	11,880
Operating expenditures	7,737	8,510	6,363	2,147
Total engineering department	<u>105,316</u>	<u>118,542</u>	<u>104,515</u>	<u>14,027</u>
Public Relations:				
Personal services/administrative support	44,687	44,687	41,920	2,767
Operating expenditures	3,446	3,446	1,963	1,483
Total income tax department	<u>48,133</u>	<u>48,133</u>	<u>43,883</u>	<u>4,250</u>
Income tax department:				
Personal services/administrative support	237,167	237,167	178,426	58,741
Operating expenditures	191,690	191,690	177,441	14,249
Total income tax department	<u>428,857</u>	<u>428,857</u>	<u>355,867</u>	<u>72,990</u>
Planning and zoning:				
Personal services/administrative support	284,691	284,691	281,602	3,089
Operating expenditures	59,662	59,662	30,320	29,342
Capital	-	20,215	8,417	11,798
Total planning and zoning	<u>344,353</u>	<u>364,568</u>	<u>320,339</u>	<u>44,229</u>
General government:				
Operating expenditures	418,842	418,842	367,356	51,486
Capital	309,733	309,733	170,138	139,595
Total general government	<u>728,575</u>	<u>728,575</u>	<u>537,494</u>	<u>191,081</u>
Civil Service Commission:				
Operating expenditures	2,658	2,658	1,428	1,230
Total civil service commission	<u>2,658</u>	<u>2,658</u>	<u>1,428</u>	<u>1,230</u>
Pro Piqua:				
Operating expenditures	77,000	77,000	60,000	17,000
Total pro piqua	<u>77,000</u>	<u>77,000</u>	<u>60,000</u>	<u>17,000</u>
TOTAL GENERAL GOVERNMENT	<u>2,469,798</u>	<u>2,619,646</u>	<u>2,149,668</u>	<u>469,978</u>
PUBLIC SAFETY:				
Fire department:				
Personal services/administrative support	4,253,559	4,253,559	4,097,542	156,017
Operating expenditures	789,585	789,585	533,491	256,094
Capital	355,000	355,000	41,880	313,120
Total fire department	<u>5,398,144</u>	<u>5,398,144</u>	<u>4,672,913</u>	<u>725,231</u>
Police department:				
Personal services/administrative support	4,787,482	4,787,482	4,512,654	274,828
Operating expenditures	737,097	735,782	556,947	178,835
Capital	98,685	100,000	99,222	778
Total police department	<u>5,623,264</u>	<u>5,623,264</u>	<u>5,168,823</u>	<u>454,441</u>
TOTAL PUBLIC SAFETY	<u>11,021,408</u>	<u>11,021,408</u>	<u>9,841,736</u>	<u>1,179,672</u>

See notes to required supplemental information

(Continued)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE-GENERAL FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
NEIGHBORHOOD IMPROVEMENT TEAM:				
Personal services/administrative support	10,319	10,319	6,213	4,106
Operating expenditures	33,700	33,700	14,153	19,547
Total neighborhood improvement team	<u>44,019</u>	<u>44,019</u>	<u>20,366</u>	<u>23,653</u>
PARKS AND RECREATION:				
Personal services/administrative support	344,020	363,179	350,396	12,783
Operating expenditures	421,250	421,250	234,836	186,414
Capital	487,855	468,696	131,733	336,963
Total parks and recreation	<u>1,253,125</u>	<u>1,253,125</u>	<u>716,965</u>	<u>536,160</u>
FORT PIQUA PLAZA:				
Operating expenditures	281,149	274,149	248,768	25,381
Capital	20,000	27,000	26,723	277
Total fort piqua plaza	<u>301,149</u>	<u>301,149</u>	<u>275,491</u>	<u>25,658</u>
Total expenditures	<u>15,089,499</u>	<u>15,239,347</u>	<u>13,004,226</u>	<u>2,235,121</u>
Deficiency of revenues under expenditures	<u>(2,431,681)</u>	<u>(2,193,104)</u>	<u>1,092,359</u>	<u>3,285,463</u>
OTHER FINANCING SOURCES:				
Proceeds from sale of capital assets	-	19,800	223,833	204,033
Transfers out	(542,809)	(710,610)	(183,829)	526,781
Total other financing sources	<u>(542,809)</u>	<u>(690,810)</u>	<u>40,004</u>	<u>730,814</u>
Net change in fund balance	(2,974,490)	(2,883,914)	1,132,363	4,016,277
Fund balance- January 1, 2021	<u>12,365,412</u>	<u>12,365,412</u>	<u>12,365,412</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 9,390,922</u>	<u>\$ 9,481,498</u>	<u>\$ 13,497,775</u>	<u>\$ 4,016,277</u>

See notes to required supplemental information

(Concluded)

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
STREET MAINTENANCE FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Municipal income tax	\$ 1,484,000	\$ 1,659,000	\$ 1,809,318	\$ 150,318
State shared revenues	1,577,500	1,577,500	1,587,614	10,114
Licenses and permits, fees	400	400	3,665	3,265
Interest income	10,000	10,000	1,129	(8,871)
Other fines, rents, and reimbursements	500	500	23,252	22,752
Total revenues	<u>3,072,400</u>	<u>3,247,400</u>	<u>3,424,978</u>	<u>177,578</u>
EXPENDITURES:				
Personal services/administrative support	1,257,026	1,257,026	990,165	266,861
Operating expenditures	1,928,393	1,928,393	1,014,069	914,324
Capital costs	807,631	807,631	281,100	526,531
Total expenditures	<u>3,993,050</u>	<u>3,993,050</u>	<u>2,285,334</u>	<u>1,707,716</u>
Deficiency of revenues under expenditures	(920,650)	(745,650)	1,139,644	1,885,294
OTHER FINANCING SOURCES:				
Proceeds from sale of capital assets	-	-	124,403	124,403
Total other financing sources	<u>-</u>	<u>-</u>	<u>124,403</u>	<u>124,403</u>
Net change in fund balance	(920,650)	(745,650)	1,264,047	2,009,697
Fund balance- January 1, 2021	<u>3,817,743</u>	<u>3,817,743</u>	<u>3,817,743</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 2,897,093</u>	<u>\$ 3,072,093</u>	<u>\$ 5,081,790</u>	<u>\$ 2,009,697</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
STREET LEVY CONSTRUCTION FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance-with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Municipal income tax	\$ 1,325,000	\$ 1,481,250	\$ 1,617,715	\$ 136,465
Grants-capital	148,000	148,000	-	(148,000)
Grants-operating	-	-	7,041	7,041
Interest income	6,000	6,000	1,436	(4,564)
Other fines, rents , and reimbursements	-	-	750	750
Total revenues	<u>1,479,000</u>	<u>1,635,250</u>	<u>1,626,942</u>	<u>(8,308)</u>
EXPENDITURES:				
Operating expenditures	1,243,308	1,243,308	944,618	298,690
Capital costs	708,000	708,000	237,497	470,503
Total expenditures	<u>1,951,308</u>	<u>1,951,308</u>	<u>1,182,115</u>	<u>769,193</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(472,308)</u>	<u>(316,058)</u>	<u>444,827</u>	<u>760,885</u>
Net change in fund balance	(472,308)	(316,058)	444,827	760,885
Fund balance January 1, 2021	<u>5,124,055</u>	<u>5,124,055</u>	<u>5,124,055</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 4,651,747</u>	<u>\$ 4,807,997</u>	<u>\$ 5,568,882</u>	<u>\$ 760,885</u>

See notes to required supplemental information

CITY OF PIQUA, OHIO

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGET (GAAP BUDGET) TO ACTUAL COMPARISON SCHEDULE
HEALTH DISTRICT FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance-with Final Budget
	Original	Final		
REVENUES:				
Grants operating	\$ 5,000	\$ 5,794	\$ 79,208	\$ 73,414
Licenses and permits, fees	76,430	75,062	75,664	602
Other fines, rents, and reimbursements	2,000	20	20	-
Total revenues	<u>83,430</u>	<u>80,876</u>	<u>154,892</u>	<u>74,016</u>
EXPENDITURES:				
Personal services/administrative support	260,720	260,720	246,035	14,685
Operating expenditures	100,519	100,519	77,561	22,958
Total expenditures	<u>361,239</u>	<u>361,239</u>	<u>323,596</u>	<u>37,643</u>
Deficiency of revenues under expenditures	(277,809)	(280,363)	(168,704)	111,659
OTHER FINANCING SOURCES:				
Proceeds from sale of capital assets	-	-	41,875	41,875
Transfers in	277,809	280,363	126,829	(153,534)
Total other financing sources	<u>277,809</u>	<u>280,363</u>	<u>168,704</u>	<u>(111,659)</u>
Net change in fund balance	-	-	-	-
Fund balance- January 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance December 31, 2021	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See notes to required supplemental information

CITY OF PIQUA, OHIO
Notes to the Required Supplemental Information
December 31, 2021

BUDGETS AND BUDGETARY ACCOUNTING

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

- The City must submit a budget of estimated revenues and expenditures for all governmental funds to the County Budget Commission by July 20 of each year for the following calendar year.
- The County Budget Commission certifies its actions by September 1, and issues a “Certificate of Resources” limiting the maximum amount the City may expend from a given fund during the year.
- On approximately January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
- Before the first Commission meeting in January, a permanent appropriation measure must be passed for the period January 1 through December 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
- Unused appropriations lapse at year-end and are re-appropriated in the following year’s budget.
- All funds have annual budgets, which are prepared in accordance with generally accepted accounting principles and are legally adopted by the City Commission.

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

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

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

Supplemental Data



CITY OF PIQUA, OHIO

NON-MAJOR GOVERNMENTAL FUNDS

Revolving Loan/Federal Program Income	To account for micro-enterprise loans, USDA loans and home mortgages resulting from federal grant activities
Community Development	To account for activities for social, economic, and other special development of the community
Trust	To account for resources recovered or held through legislation or enforcement activities.
Conservancy	To account for receipts and disbursements for the city's share of the district's operation and maintenance.
Federal Grants	To account for federal funds available for CARES Act, FEMA, comprehensive housing, and block grants.

NON-MAJOR ENTERPRISE FUNDS

Golf Course	To account for the city's municipal golf course operations.
Municipal Pool	To account for the city's municipal pool operations.

CITY OF PIQUA, OHIO

NON-MAJOR INTERNAL SERVICE/FIDUCIARY FUNDS

Internal Service Funds

Workers Compensation	To account for the City's worker's compensation program under the State's retrospective rating plan by pooling resources from various funds to pay for workers compensation premiums
Liability Insurance	To account for assets to pay for liabilities that are below third party insurance deductibles or not covered under certain policies and pool resources from various funds to pay for liability insurance premiums
Health Insurance	To account for an internally financed and self-insured health benefits program
Information Technology	To account for centralized communication, networking, and data processing services for all city departments

Fiduciary Funds

Private-Purpose Centennial Trust	To account for assets of a centennial escrow as established by legislation.
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CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NON MAJOR FUNDS
DECEMBER 31, 2021**

	Revolving Loan/Federal Program Income	Community Development	Trust
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 315,121	\$ 3,081	\$ 102,924
Accounts receivable	456	-	-
Loans receivable, net of allowance	7,146	-	-
Total Assets	<u>\$ 322,723</u>	<u>\$ 3,081</u>	<u>\$ 102,924</u>
LIABILITIES:			
Accounts payable	\$ -	\$ 133	\$ -
Interfund payable	-	165,247	-
Salaries and benefits	-	2,479	-
Unearned income	-	-	-
Total Liabilities	-	167,859	-
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	-	-	-
State shared taxes	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES:			
Restricted fund balance	322,723	-	102,924
Unassigned	-	(164,778)	-
Total fund balances	<u>322,723</u>	<u>(164,778)</u>	<u>102,924</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 322,723</u>	<u>\$ 3,081</u>	<u>\$ 102,924</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NON MAJOR FUNDS
DECEMBER 31, 2021**

	Conservancy	Federal Grants	Total Non major Funds
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 50,002	\$ 1,117,276	\$ 1,588,404
Accounts receivable	55,346	112,912	168,714
Loans receivable, net of allowance	-	-	7,146
Total Assets	<u>\$ 105,348</u>	<u>\$ 1,230,188</u>	<u>\$ 1,764,264</u>
LIABILITIES:			
Accounts payable	\$ -	\$ -	\$ 133
Interfund payable	-	112,912	278,159
Salaries and benefits	-	-	2,479
Unearned income	-	1,117,275	1,117,275
Total Liabilities	-	1,230,187	1,398,046
DEFERRED INFLOWS OF RESOURCES:			
Property taxes	52,197	-	52,197
State shared taxes	3,149	-	3,149
Total deferred inflows of resources	<u>55,346</u>	<u>-</u>	<u>55,346</u>
FUND BALANCES:			
Restricted fund balance	50,002	1	475,650
Unassigned	-	-	(164,778)
Total fund balances	<u>50,002</u>	<u>1</u>	<u>310,872</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 105,348</u>	<u>\$ 1,230,188</u>	<u>\$ 1,764,264</u>

(Concluded)

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCE NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2021**

	Revolving Loan/Federal Program Income	Community Development	Trust
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
State shared revenues	-	-	-
Licenses and permits, fees	1,180	-	-
Grants: operating	-	-	-
Investment income	4,146	-	-
Other fines, rents, and reimbursements	40,468	-	94,424
Total revenues	<u>45,794</u>	<u>-</u>	<u>94,424</u>
EXPENDITURES:			
Operation and maintenance	106	-	37,600
Total expenditures	<u>106</u>	<u>-</u>	<u>37,600</u>
Excess (deficiency) of revenues over expenditures	<u>45,688</u>	<u>-</u>	<u>56,824</u>
Net change in fund balance	45,688	-	56,824
Fund balance January 1, 2021	<u>277,035</u>	<u>(164,778)</u>	<u>46,100</u>
Fund balance December 31, 2021	<u>\$ 322,723</u>	<u>\$ (164,778)</u>	<u>\$ 102,924</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCE NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2021**

	Conservancy	Federal Grants	Total Non major Funds
REVENUES:			
Property taxes	\$ 49,036	\$ -	\$ 49,036
State shared revenues	6,328	-	6,328
Licenses and permits, fees	-	-	1,180
Grants; operating	-	163,412	163,412
Investment income	-	-	4,146
Other fines, rents, and reimbursements	-	-	134,892
Total revenues	<u>55,364</u>	<u>163,412</u>	<u>358,994</u>
EXPENDITURES:			
Operation and maintenance	52,185	166,768	256,659
Total expenditures	<u>52,185</u>	<u>166,768</u>	<u>256,659</u>
Excess (deficiency) of revenues over expenditures	<u>3,179</u>	<u>(3,356)</u>	<u>102,335</u>
Net change in fund balance	3,179	(3,356)	102,335
Fund balance January 1, 2021	<u>46,823</u>	<u>3,357</u>	<u>208,537</u>
Fund balance December 31, 2021	<u>\$ 50,002</u>	<u>\$ 1</u>	<u>\$ 310,872</u>

(Concluded)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2021**

	Revolving Loan / Federal Program Income			Community Development		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State shared revenues	-	-	-	-	-	-
Licenses and permits, fees	1,200	1,180	(20)	-	-	-
Grants: operating	-	-	-	243,100	-	(243,100)
Investment Income	6,500	4,146	(2,354)	-	-	-
Other	30,000	40,468	10,468	-	-	-
Total revenues	<u>37,700</u>	<u>45,794</u>	<u>8,094</u>	<u>243,100</u>	<u>-</u>	<u>(243,100)</u>
EXPENDITURES:						
Personal services	500	-	500	-	-	-
Operation and maintenance	60,600	106	60,494	470	-	470
Total expenditures	<u>61,100</u>	<u>106</u>	<u>60,994</u>	<u>470</u>	<u>-</u>	<u>470</u>
Excess (deficiency) of revenues over expenditures	<u>(23,400)</u>	<u>45,688</u>	<u>69,088</u>	<u>242,630</u>	<u>-</u>	<u>(242,630)</u>
Net change in fund balance	(23,400)	45,688	69,088	242,630	-	(242,630)
Fund balance January 1, 2021	<u>277,035</u>	<u>277,035</u>	<u>-</u>	<u>(164,778)</u>	<u>(164,778)</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 253,635</u>	<u>\$ 322,723</u>	<u>\$ 69,088</u>	<u>\$ 77,852</u>	<u>\$ (164,778)</u>	<u>\$ (242,630)</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2021**

	Trust			Conservancy		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ 49,025	\$ 49,036	\$ 11
State shared revenues	-	-	-	6,265	6,328	63
Licenses and permits, fees	-	-	-	-	-	-
Grants: operating	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Other	60,000	94,424	34,424	-	-	-
Total revenues	<u>60,000</u>	<u>94,424</u>	<u>34,424</u>	<u>55,290</u>	<u>55,364</u>	<u>74</u>
EXPENDITURES:						
Personal services	-	-	-	-	-	-
Operation and maintenance	95,673	37,600	58,073	53,270	52,185	1,085
Total expenditures	<u>95,673</u>	<u>37,600</u>	<u>58,073</u>	<u>53,270</u>	<u>52,185</u>	<u>1,085</u>
Excess (deficiency) of revenues over expenditures	<u>(35,673)</u>	<u>56,824</u>	<u>92,497</u>	<u>2,020</u>	<u>3,179</u>	<u>1,159</u>
Net change in fund balance	(35,673)	56,824	92,497	2,020	3,179	1,159
Fund balance January 1, 2021	<u>46,100</u>	<u>46,100</u>	-	<u>46,823</u>	<u>46,823</u>	-
Fund balance December 31, 2021	<u>\$ 10,427</u>	<u>\$ 102,924</u>	<u>\$ 92,497</u>	<u>\$ 48,843</u>	<u>\$ 50,002</u>	<u>\$ 1,159</u>

(Continued)

CITY OF PIQUA, OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BUDGET) NON MAJOR FUNDS
FOR YEAR ENDED DECEMBER 31, 2021**

	Federal Grants			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES:						
Property taxes	\$ -	\$ -	\$ -	\$ 49,025	\$ 49,036	\$ 11
State shared revenues	-	-	-	6,265	6,328	63
Licenses and permits, fees	-	-	-	1,200	1,180	(20)
Grants: operating	829,800	163,412	(666,388)	1,072,900	163,412	(909,488)
Investment Income	-	-	-	6,500	4,146	(2,354)
Other	-	-	-	90,000	134,892	44,892
Total revenues	<u>829,800</u>	<u>163,412</u>	<u>(666,388)</u>	<u>1,225,890</u>	<u>358,994</u>	<u>(866,896)</u>
EXPENDITURES:						
Personal services	20,000	-	20,000	20,500	-	20,500
Operation and maintenance	809,800	166,768	643,032	1,019,813	256,659	763,154
Total expenditures	<u>829,800</u>	<u>166,768</u>	<u>663,032</u>	<u>1,040,313</u>	<u>256,659</u>	<u>783,654</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(3,356)</u>	<u>(3,356)</u>	<u>185,577</u>	<u>102,335</u>	<u>(83,242)</u>
Net change in fund balance	-	(3,356)	(3,356)	185,577	102,335	(83,242)
Fund balance January 1, 2021	<u>3,357</u>	<u>3,357</u>	<u>-</u>	<u>208,537</u>	<u>208,537</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 3,357</u>	<u>\$ 1</u>	<u>\$ (3,356)</u>	<u>\$ 394,114</u>	<u>\$ 310,872</u>	<u>\$ (83,242)</u>

(Concluded)

CITY OF PIQUA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (GAAP BUDGET)-DEBT SERVICE FUND
FOR YEAR ENDED DECEMBER 31, 2021**

	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Property taxes	\$ 2,000	\$ 1,266	\$ (734)
Investment income	<u>1,000</u>	<u>249</u>	<u>(751)</u>
Total revenues	<u>3,000</u>	<u>1,515</u>	<u>(1,485)</u>
EXPENDITURES:			
Operating expenditures	<u>2,000</u>	<u>72</u>	<u>1,928</u>
Total expenditures	<u>2,000</u>	<u>72</u>	<u>1,928</u>
Excess (deficiency) of revenues over expenditures	<u>1,000</u>	<u>1,443</u>	<u>443</u>
Net change in fund balance	1,000	1,443	443
Fund balance January 1, 2021	<u>396,496</u>	<u>396,496</u>	<u>-</u>
Fund balance December 31, 2021	<u>\$ 397,496</u>	<u>\$ 397,939</u>	<u>\$ 443</u>

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET- NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2021**

ASSETS	Golf Course	Municipal Pool	Total
CURRENT ASSETS:			
Equity in pooled cash and cash equivalents	\$ 69,534	\$ 793	\$ 70,327
Accounts receivable	425	-	425
Inventories	7,961	-	7,961
Total Current Assets	<u>77,920</u>	<u>793</u>	<u>78,713</u>
NONCURRENT ASSETS:			
Capital assets not being depreciated	370,344	-	370,344
Capital assets being depreciated	623,840	35,173	659,013
Net OPEB Asset	23,042	107	23,149
Total Capital Assets	<u>1,017,226</u>	<u>35,280</u>	<u>1,052,506</u>
Total Assets	<u>1,095,146</u>	<u>36,073</u>	<u>1,131,219</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred by pensions	15,491	32,933	48,424
Deferred by OPEB	7,077	4,087	11,164
Total Deferred outflows of resources	<u>22,568</u>	<u>37,020</u>	<u>59,588</u>
Total Assets and Deferred outflows of resources	<u>\$ 1,117,714</u>	<u>\$ 73,093</u>	<u>\$ 1,190,807</u>
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	\$ 9,368	\$ -	\$ 9,368
Salaries and benefits	6,533	-	6,533
Accrued vacation, personal and sick leave	37,283	-	37,283
Accruals and prepaid memberships	860	-	860
Total Current Liabilities	<u>54,044</u>	<u>-</u>	<u>54,044</u>
NONCURRENT LIABILITIES:			
Accrued vacation, personal and sick leave	670	-	670
Net Pension Liability	166,676	108,225	274,901
Total Noncurrent Liabilities	<u>167,346</u>	<u>108,225</u>	<u>275,571</u>
Total Liabilities	<u>221,390</u>	<u>108,225</u>	<u>329,615</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred by pensions	75,623	5,470	81,093
Deferred by OPEB	67,431	1,581	69,012
Total deferred inflows of resources	<u>143,054</u>	<u>7,051</u>	<u>150,105</u>
NET POSITION:			
Net investment in capital assets	994,184	35,173	1,029,357
Unrestricted	(240,914)	(77,356)	(318,270)
Total Net Position	<u>753,270</u>	<u>(42,183)</u>	<u>711,087</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,117,714</u>	<u>\$ 73,093</u>	<u>\$ 1,190,807</u>

CITY OF PIQUA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION- NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Golf Course	Municipal Pool	Total
OPERATING REVENUES:			
Customer services	\$ 595,728	\$ -	\$ 595,728
Total operating revenues	595,728	-	595,728
OPERATING EXPENSES:			
Salaries and Employee benefits	117,069	(49,012)	68,057
Depreciation	118,601	7,642	126,243
Materials and supplies	170,235	215	170,450
Utilities	65,747	7,526	73,273
Outside Services	71,924	11,742	83,666
Chemicals	49,277	-	49,277
Other	33,099	2,402	35,501
Total operating expenses	625,952	(19,485)	606,467
Operating income (loss)	(30,224)	19,485	(10,739)
NON-OPERATING REVENUES:			
Interest income	5	-	5
Other, net	1,345	6	1,351
Operating Grant	2,180	-	2,180
Net non-operating revenues	3,530	6	3,536
Transfers, in	50,000	7,000	57,000
Change in net position	23,306	26,491	49,797
Total net position-beginning of year	729,964	(68,674)	661,290
Total net position-end of year	\$ 753,270	\$ (42,183)	\$ 711,087

CITY OF PIQUA, OHIO

COMBINING STATEMENT OF CASH FLOWS-NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2021

	Golf Course	Municipal Pool	Totals
OPERATING ACTIVITIES:			
Receipts from Customers	\$ 611,875	\$ 6	\$ 611,881
Payments to suppliers and service providers	(378,699)	(21,885)	(400,584)
Payments to employees for salaries and benefits	(240,242)	-	(240,242)
Net cash (used in) operating activities	(7,066)	(21,879)	(28,945)
NONCAPITAL FINANCING ACTIVITIES:			
Transfers, in	52,180	7,000	59,180
Net cash provided by noncapital financing activities	52,180	7,000	59,180
CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital	(95,400)	-	(95,400)
Net cash (used in) capital & related financing activities	(95,400)	-	(95,400)
INVESTING ACTIVITIES:			
Interest received	5	-	5
Net cash provided by investing activities	5	-	5
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(50,281)	(14,879)	(65,160)
CASH AND CASH EQUIVALENTS - Beginning of year	119,815	15,672	135,487
CASH AND CASH EQUIVALENTS - End of year	\$ 69,534	\$ 793	\$ 70,327
OPERATING INCOME (LOSS)	\$ (30,224)	\$ 19,485	\$ (10,739)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	118,601	7,642	126,243
Net (Increase)/Decrease in Other Operating Net Position	1,345	6	1,351
(Increase)/Decrease in Accounts Receivable	16,378	-	16,378
(Increase)/Decrease in Inventory	2,820	-	2,820
(Increase)/Decrease in Net OPEB Asset	(23,042)	(107)	(23,149)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	31,207	147	31,354
Increase/(Decrease) in Accounts Payable	8,763	-	8,763
Increase/(Decrease) in Accrued Wages and Benefits	12,976	-	12,976
Increase/(Decrease) in Unearned Revenues	(1,576)	-	(1,576)
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	(209,298)	(49,354)	(258,652)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	64,984	302	65,286
Net cash (used in) operating activities	<u>\$ (7,066)</u>	<u>\$ (21,879)</u>	<u>\$ (28,945)</u>

CITY OF PIQUA, OHIO

**COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021**

ASSETS	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
CURRENT ASSETS:					
Equity in pooled cash and cash equivalents	\$ 1,230,046	\$ 216,903	\$ 593,568	\$ 128,891	\$ 2,169,408
Equity in pooled investments	272,094	-	750,976	-	1,023,070
Accounts receivable	45	408,508	10,557	85	419,195
Prepaid items and other assets	194,910	-	3,709	-	198,619
Total Current Assets	<u>1,697,095</u>	<u>625,411</u>	<u>1,358,810</u>	<u>128,976</u>	<u>3,810,292</u>
NONCURRENT ASSETS:					
Capital assets being depreciated	-	-	-	48,502	48,502
Net OPEB Asset	-	-	-	33,083	33,083
Total Capital Assets	-	-	-	81,585	81,585
Total Assets	<u>1,697,095</u>	<u>625,411</u>	<u>1,358,810</u>	<u>210,561</u>	<u>3,891,877</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred by pensions	-	-	-	23,532	23,532
Deferred by OPEB	-	-	-	14,885	14,885
Total Deferred outflows of resources	-	-	-	38,417	38,417
Total Assets and Deferred outflows of resources	<u>\$ 1,697,095</u>	<u>\$ 625,411</u>	<u>\$ 1,358,810</u>	<u>\$ 248,978</u>	<u>\$ 3,930,294</u>
LIABILITIES					
CURRENT LIABILITIES:					
Accounts payable	\$ 13,903	\$ -	\$ -	\$ 529	\$ 14,432
Salaries and benefits	-	-	-	6,152	6,152
Accrued vacation, personal and sick leave	-	-	-	34,593	34,593
Total Current Liabilities	<u>13,903</u>	<u>-</u>	<u>-</u>	<u>41,274</u>	<u>55,177</u>
NONCURRENT LIABILITIES:					
Accrued vacation, personal and sick leave	-	-	-	4,589	4,589
Net Pension Liability	-	-	-	267,660	267,660
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,249</u>	<u>272,249</u>
Total Liabilities	<u>13,903</u>	<u>-</u>	<u>-</u>	<u>313,523</u>	<u>327,426</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred by pensions	-	-	-	123,293	123,293
Deferred by OPEB	-	-	-	100,346	100,346
Total deferred inflows of resources	-	-	-	223,639	223,639
NET POSITION:					
Net investment in capital assets	-	-	-	\$48,502	48,502
Unrestricted	1,683,192	625,411	1,358,810	(336,686)	3,330,727
Total Net Position	<u>1,683,192</u>	<u>625,411</u>	<u>1,358,810</u>	<u>(288,184)</u>	<u>3,379,229</u>
Total Liabilities, Deferred inflows of resources, and Net Position	<u>\$ 1,697,095</u>	<u>\$ 625,411</u>	<u>\$ 1,358,810</u>	<u>\$ 248,978</u>	<u>\$ 3,930,294</u>

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION- INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Total
OPERATING REVENUES:					
Customer services	\$ -	\$ 223,073	\$ -	\$ 550,000	\$ 773,073
Total operating revenues	-	223,073	-	550,000	773,073
OPERATING EXPENSES:					
Salaries and Employee benefits	218,804	-	-	176,048	394,852
Depreciation	-	-	-	14,131	14,131
Materials and supplies	-	-	-	22,422	22,422
Utilities	-	-	-	15,158	15,158
Outside Services	-	-	21,063	147,727	168,790
Other	-	201,972	-	364	202,336
Total operating expenses	218,804	201,972	21,063	375,850	817,689
Operating income (loss)	(218,804)	21,101	(21,063)	174,150	(44,616)
NON-OPERATING REVENUES(EXPENSES):					
Interest income	2,164	6,109	1,531	33	9,837
Other, net	217,128	-	-	1	217,129
Net non-operating revenues(expenses)	219,292	6,109	1,531	34	226,966
Change in net position	488	27,210	(19,532)	174,184	182,350
Total net position-beginning of year	1,682,704	598,201	1,378,342	(462,368)	3,196,879
Total net position-end of year	\$ 1,683,192	\$ 625,411	\$ 1,358,810	\$ (288,184)	\$ 3,379,229

CITY OF PIQUA, OHIO

**COMBINING STATEMENT OF CASH FLOWS-INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Workers Compensation	Liability Insurance	Health Insurance	Information Technology	Totals
OPERATING ACTIVITIES:					
Receipts from interfund services	\$ 217,128	\$ 162,804	\$ 2,898	\$ 563,553	\$ 946,383
Payments to suppliers and service providers	(201,240)	(201,972)	(24,316)	(185,290)	(612,818)
Payments to employees for salaries and benefits	-	-	-	(439,745)	(439,745)
Net cash provided by (used in) operating activities	<u>15,888</u>	<u>(39,168)</u>	<u>(21,418)</u>	<u>(61,482)</u>	<u>(106,180)</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital	-	-	-	(7,694)	(7,694)
Proceeds from sale of capital assets	-	-	-	-	-
Net cash provided by capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,694)</u>	<u>(7,694)</u>
INVESTING ACTIVITIES:					
Purchases of investment securities	(272,094)	-	(750,976)	-	(1,023,070)
Proceeds from sale or maturity of investment securities	271,553	-	749,481	-	1,021,034
Interest received	2,295	6,109	1,531	33	9,968
Net cash provided by (used in) investing activities	<u>1,754</u>	<u>6,109</u>	<u>36</u>	<u>33</u>	<u>7,932</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,642	(33,059)	(21,382)	(69,143)	(105,942)
CASH AND CASH EQUIVALENTS - Beginning of year	1,212,404	249,962	614,950	198,034	2,275,350
CASH AND CASH EQUIVALENTS - End of year	\$ 1,230,046	\$ 216,903	\$ 593,568	\$ 128,891	\$ 2,169,408
OPERATING INCOME (LOSS)	\$ (218,804)	\$ 21,101	\$ (21,063)	\$ 174,150	\$ (44,616)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	14,131	14,131
Net (Increase)/Decrease in Other Operating Net Position	217,128	-	-	1	217,129
(Increase)/Decrease in Accounts Receivable	-	(60,269)	2,898	13,552	(43,819)
(Increase)/Decrease in Prepaids	20,218	-	-	-	20,218
(Increase)/Decrease in Net OPEB Asset	-	-	-	(33,083)	(33,083)
(Increase)/Decrease in Deferred Outflows of Resources-Pension & OPEB	-	-	-	44,805	44,805
Increase/(Decrease) in Accounts Payable	(2,654)	-	(3,253)	381	(5,526)
Increase/(Decrease) in Accrued Wages and Benefits	-	-	-	(36,328)	(36,328)
Increase/(Decrease) in Net Pension Liability & Net OPEB Liability	-	-	-	(332,392)	(332,392)
Increase/(Decrease) in Deferred Inflows of Resources-Pension & OPEB	-	-	-	93,301	93,301
Net cash provided by (used in) operating activities	<u>\$ 15,888</u>	<u>\$ (39,168)</u>	<u>\$ (21,418)</u>	<u>\$ (61,482)</u>	<u>\$ (106,180)</u>

Statistical Section



Statistical Section

This part of the City of Piqua, Ohio's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends	93-97
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	98-100
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax, and the municipal income tax.	
Debt Capacity	101-103
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	104-106
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	107-110
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PIQUA, OHIO

Table 1

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Government Activities										
Net investment in capital assets	\$ 53,118,986	\$ 54,805,038	\$ 54,781,343	\$ 55,284,485	\$ 55,432,764	\$ 55,161,266	\$ 56,129,075	\$ 54,540,426	\$ 44,845,328	\$ 42,875,580
Restricted for other purposes	9,489,348	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752	5,543,543
Restricted for debt service	397,939	396,496	392,522	385,547	435,308	426,756	411,558	375,519	439,460	430,978
Unrestricted	(2,698,489)	(5,357,755)	(6,333,621)	(14,653,657)	(12,163,651)	1,552,082	2,766,474	1,454,046	24,031,553	23,647,113
Total governmental activities net position	60,307,784	56,709,759	54,033,034	45,729,226	50,244,009	64,334,812	65,078,499	62,753,273	75,382,093	72,497,214
Business-Type Activities										
Net investment in capital assets	56,418,638	55,875,007	58,077,820	58,312,483	59,776,209	60,204,879	60,462,159	55,861,423	57,929,193	55,839,322
Restricted for other purposes	-	-	-	-	-	-	-	-	-	-
Restricted for debt service	-	-	-	-	-	-	-	-	50,000	50,000
Unrestricted	25,741,945	18,496,005	13,729,177	11,789,760	12,093,795	16,262,269	14,275,160	15,458,228	18,147,111	18,818,340
Total business-type activities net position	82,160,583	74,371,012	71,806,997	70,102,243	71,870,004	76,467,148	74,737,319	71,319,651	76,126,304	74,707,662
Primary government										
Net investment in capital assets	109,537,624	110,680,045	112,859,163	113,596,968	115,208,973	115,366,145	116,591,234	110,401,849	102,774,521	98,714,902
Restricted for other purposes	9,489,348	6,865,980	5,192,790	4,712,851	6,539,588	7,194,708	5,771,392	6,383,282	6,065,752	5,543,543
Restricted for debt service	397,939	396,496	392,522	385,547	435,308	426,756	411,558	375,519	489,460	480,978
Unrestricted	23,043,456	13,138,250	7,395,556	(2,863,897)	(69,856)	17,814,351	17,041,634	16,912,274	42,178,664	42,465,453
Total primary government activities net position	\$ 142,468,367	\$ 131,080,771	\$ 125,840,031	\$ 115,831,469	\$ 122,114,013	\$ 140,801,960	\$ 139,815,818	\$ 134,072,924	\$ 151,508,397	\$ 147,204,876

Source: City of Piqua Finance Department

2017 Unrestricted balances restated to reflect accounting changes of GASB 75

2014 Unrestricted balances restated to reflect accounting changes of GASB 68

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Government activities										
General government	\$ 2,163,147	\$ 2,683,524	\$ 2,850,355	\$ 3,239,389	\$ 3,584,949	\$ 3,029,350	\$ 2,488,630	\$ 1,895,842	\$ 1,931,289	\$ 1,878,876
Public safety	10,207,050	10,866,935	725,613	11,678,570	9,756,089	9,983,842	8,855,194	8,599,246	7,855,812	7,778,195
Streets and maintenance	3,501,045	4,370,557	4,986,536	5,576,482	4,967,109	4,131,246	4,696,334	5,238,564	3,340,057	3,081,248
Parks and recreation	549,329	647,360	1,026,207	685,856	826,659	676,708	488,175	509,403	502,923	475,706
Community development	180,811	202,377	448,170	669,541	762,985	626,789	552,143	272,904	766,933	1,944,480
Public health and welfare	119,081	532,993	460,049	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on long term debt	-	-	-	2,926	8,858	16,043	26,495	49,855	61,006	68,013
Total governmental activities expenses	16,720,463	19,303,746	10,496,930	21,852,764	19,906,649	18,463,978	17,106,971	16,565,814	14,458,020	15,226,518
Business-type Activities										
Electric	28,461,846	29,201,513	29,045,304	31,745,544	31,446,393	31,427,181	28,506,759	28,187,077	24,897,844	22,146,622
Wastewater	2,820,704	4,218,936	4,214,338	3,955,381	4,285,812	3,386,384	3,170,850	3,479,419	3,253,677	3,369,098
Refuse	1,427,657	1,887,641	2,201,254	2,054,295	1,658,954	1,924,274	1,512,589	1,701,599	1,606,035	1,594,550
Water	5,438,144	7,067,226	7,240,937	7,129,642	5,516,474	3,841,168	4,191,855	3,444,314	3,116,383	3,051,979
Stormwater	699,301	1,139,818	1,644,155	944,602	907,098	662,925	846,714	814,109	707,322	398,234
Golf	628,514	730,064	756,483	732,006	710,706	735,870	662,334	589,459	678,050	683,046
Fort Piqua Plaza	N/A	N/A	N/A	N/A	N/A	N/A	N/A	294,781	301,409	277,319
Municipal Pool	(21,337)	49,585	137,540	144,502	163,766	196,543	154,212	174,256	188,413	203,742
Total business-type activities expenses	39,454,829	44,294,783	45,240,011	46,705,972	44,689,203	41,762,660	39,456,998	38,685,014	34,749,133	31,724,590
Total Primary Government activities expenses	\$ 56,175,292	\$ 63,598,529	\$ 55,736,941	\$ 68,558,736	\$ 64,595,852	\$ 60,226,638	\$ 56,563,969	\$ 55,250,828	\$ 49,207,153	\$ 46,951,108
Program revenues										
Government activities										
Charges for Services:										
General government	\$ 556,381	\$ 626,139	\$ 567,366	\$ 639,955	\$ 692,044	\$ 638,172	\$ 711,281	\$ 368,510	\$ 433,122	\$ 427,061
Public safety	777,228	1,349,774	1,063,989	995,929	967,297	1,119,504	1,167,432	984,214	1,103,529	1,042,684
Streets and maintenance	27,667	48,684	36,873	51,736	88,584	90,606	111,846	80,021	90,011	118,891
Parks and recreation	9,976	19,786	23,675	19,680	17,633	17,939	18,350	24,057	35,797	21,190
Community development	41,648	42,246	29,486	78,188	46,384	70,411	40,711	38,434	43,089	37,036
Public health and welfare	75,684	92,109	87,321	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Operating grants and contributions	302,635	2,178,563	368,907	522,293	1,302,597	684,174	1,254,648	1,960,446	1,215,686	2,052,279
Capital grants and contributions	121,094	1,333,209	586,256	393,230	241,228	9,400	1,585,172	554,878	1,732,241	1,890,719
Total governmental activities program revenues	1,912,313	5,690,510	2,763,873	2,701,011	3,355,767	2,630,206	4,889,440	4,010,560	4,653,475	5,589,860
Business-type Activities										
Charges for Services:										
Electric	28,437,946	27,724,732	29,076,278	29,233,193	28,969,039	30,422,385	29,091,216	27,671,169	23,631,871	23,730,966
Wastewater	6,685,564	6,807,175	5,924,292	4,997,522	4,164,356	3,464,204	3,455,931	3,521,249	3,501,363	3,461,648
Refuse	2,260,814	2,169,647	2,029,645	1,900,885	1,813,626	1,804,528	1,793,541	1,783,288	1,794,018	1,770,367
Water	7,290,268	7,476,242	6,956,699	6,124,671	5,854,472	5,428,757	5,083,835	4,899,259	4,890,863	4,260,723
Stormwater	1,185,408	1,206,943	1,165,046	1,160,589	1,158,115	1,152,575	1,075,651	989,377	887,558	819,584
Golf	597,073	567,248	439,271	523,535	497,363	511,042	495,842	466,160	515,527	563,553
Fort Piqua Plaza	N/A	N/A	N/A	N/A	N/A	N/A	N/A	159,099	147,131	109,010
Municipal Pool	6	12	48,898	49,937	58,187	68,411	43,763	51,811	61,702	74,927
Operating grants and contributions	46,992	6,878	210,811	21,201	6,669	5,509	358,200	503,454	110,719	142,603
Capital grants and contributions	540,786	192,666	402,608	590,867	1,105,412	191,400	990,230	49,844	89,599	540,523
Total business-type activities program revenues	47,044,857	46,151,543	46,253,548	44,602,400	43,627,239	43,048,811	42,388,209	40,094,710	35,630,351	35,473,904
Total primary government program revenues	\$ 48,957,170	\$ 51,842,053	\$ 49,017,421	\$ 47,303,411	\$ 46,983,006	\$ 45,679,017	\$ 47,277,649	\$ 44,105,270	\$ 40,283,826	\$ 41,063,764
Net revenue (expense)										
Governmental activities	\$ (14,808,150)	\$ (13,613,236)	\$ (7,733,057)	\$ (19,151,753)	\$ (16,550,882)	\$ (15,833,772)	\$ (12,217,531)	\$ (12,555,254)	\$ (9,804,545)	\$ (9,636,658)
Business-type activities	7,590,028	1,856,760	1,013,537	(2,103,572)	(1,061,964)	1,286,151	2,931,211	1,409,696	881,218	3,749,314
Total primary government net revenue(expense)	\$ (7,218,122)	\$ (11,756,476)	\$ (6,719,520)	\$ (21,255,325)	\$ (17,612,846)	\$ (14,547,621)	\$ (9,286,320)	\$ (11,145,558)	\$ (8,923,327)	\$ (5,887,344)

CITY OF PIQUA, OHIO

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 1,314,466	\$ 1,295,579	\$ 1,193,452	\$ 1,040,325	\$ 1,364,162	\$ 1,162,485	\$ 1,182,995	\$ 1,169,263	\$ 1,211,844	\$ 1,271,907
State Shared taxes	2,516,732	2,171,950	2,330,911	1,899,626	1,868,113	1,804,731	1,918,725	1,856,432	1,752,553	2,187,917
Income tax	13,072,163	11,755,500	11,214,549	10,619,123	10,759,830	11,264,355	10,661,411	8,285,580	8,935,319	8,024,044
Locally levied taxes	1,136,626	1,085,668	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000	1,188,578	1,185,433
Investment earnings	106,554	277,750	273,094	96,378	68,597	41,225	15,342	71,303	82,596	97,667
Miscellaneous	316,634	9,199	7,209	73,459	48,587	7,388	9,451	23,812	1,937	18,808
Transfers	(57,000)	(305,685)	(160,000)	(280,000)	(330,000)	(395,656)	(450,524)	(505,544)	(483,403)	(393,284)
Total governmental activities general revenues and other changes in net position	18,406,175	16,289,961	16,036,865	14,636,970	14,952,842	15,090,085	14,542,757	12,112,846	12,689,424	12,392,492
Business-type Activities										
Investment earnings	142,543	401,570	531,217	55,811	59,986	48,022	35,933	48,158	54,021	78,751
Special item	-	-	-	-	-	-	-	(2,587,176)	-	-
Transfers	57,000	305,685	160,000	280,000	330,000	395,656	450,524	505,544	483,403	393,284
Total business-type activities general revenues and other changes in net position	199,543	707,255	691,217	335,811	389,986	443,678	486,457	(2,033,474)	537,424	472,035
Total primary government general revenues and other changes in net position	18,605,718	16,997,216	16,728,082	14,972,781	15,342,828	15,533,763	15,029,214	10,079,372	13,226,848	12,864,527
Change in net position										
Governmental activities	3,598,025	2,676,725	16,036,865	(4,514,783)	(1,598,040)	(743,687)	2,325,226	(442,408)	2,884,879	2,755,834
Business-type activities	7,789,571	2,564,015	691,217	(1,767,761)	(671,978)	1,729,829	3,417,668	(623,778)	1,418,642	4,221,349
Total primary government activities	<u>\$ 11,387,596</u>	<u>\$ 5,240,740</u>	<u>\$ 16,728,082</u>	<u>\$ (6,282,544)</u>	<u>\$ (2,270,018)</u>	<u>\$ 986,142</u>	<u>\$ 5,742,894</u>	<u>\$ (1,066,186)</u>	<u>\$ 4,303,521</u>	<u>\$ 6,977,183</u>

Source: City of Piqua Finance Department

2017 Expenses restated to reflect accounting changes of GASB 75

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

2014 Expenses restated to reflect accounting changes of GASB 68

(Concluded)

CITY OF PIQUA, OHIO

Table 3

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 8,991	\$ 5,667	\$ 5,824	\$ 3,160	\$ 2,757	\$ 10,201	\$ 7,520	\$ 5,107	\$ 9,800,116	\$ 9,800,153
Restricted	10,560	9,816	9,251	8,606	7,781	30,064	78,261	5,632	11,077	10,894
Assigned	5,661,202	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,348,931	4,101,987	4,129,242
Unassigned	7,817,022	8,183,367	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,401,836	6,952,802	6,718,592
Total General Fund	<u>13,497,775</u>	<u>12,365,412</u>	<u>10,186,248</u>	<u>10,642,106</u>	<u>11,058,521</u>	<u>12,078,847</u>	<u>11,288,219</u>	<u>10,761,506</u>	<u>20,865,982</u>	<u>20,658,881</u>
Street Maintenance Fund										
Restricted	5,081,790	3,817,743	2,752,437	2,824,751	4,256,646	4,388,455	4,236,738	4,258,402	4,321,221	3,918,551
Total Street Maintenance Fund	<u>5,081,790</u>	<u>3,817,743</u>	<u>2,752,437</u>	<u>2,824,751</u>	<u>4,256,646</u>	<u>4,388,455</u>	<u>4,236,738</u>	<u>4,258,402</u>	<u>4,321,221</u>	<u>3,918,551</u>
Street Levy Fund										
Restricted	5,568,882	5,124,055	4,274,858	3,427,159	3,195,118	2,963,183	2,216,178	2,308,637	2,004,021	1,977,761
Total Street Levy Fund	<u>5,568,882</u>	<u>5,124,055</u>	<u>4,274,858</u>	<u>3,427,159</u>	<u>3,195,118</u>	<u>2,963,183</u>	<u>2,216,178</u>	<u>2,308,637</u>	<u>2,004,021</u>	<u>1,977,761</u>
Other Governmental Funds										
Nonspendable	-	-	-	-	-	7,149	5,611	7,149	7,149	7,150
Restricted	873,589	769,811	751,030	702,159	714,110	257,387	214,127	185,519	158,579	191,923
Assigned	-	-	-	-	-	-	-	3,450	-	4,389
Unassigned reported in:										
Community Development	(164,778)	(164,778)	-	-	-	-	-	(1,448)	1,001	-
Federal Grants	-	-	-	-	-	-	-	-	-	-
Total Other Governmental Funds	<u>708,811</u>	<u>605,033</u>	<u>751,030</u>	<u>702,159</u>	<u>714,110</u>	<u>264,536</u>	<u>219,738</u>	<u>194,670</u>	<u>166,729</u>	<u>203,462</u>
Governmental Funds										
Nonspendable	8,991	5,667	5,824	3,160	2,757	17,350	13,131	12,256	9,807,265	9,807,303
Restricted	11,534,821	9,721,425	7,787,576	6,962,675	8,173,655	7,639,089	6,745,304	6,758,190	6,494,898	6,099,129
Assigned	5,661,202	4,166,562	4,786,378	5,232,094	4,692,377	3,896,861	3,413,891	3,352,381	4,101,987	4,133,631
Unassigned	7,652,244	8,018,589	5,384,795	5,398,246	6,355,606	8,141,721	7,788,547	7,400,388	6,953,803	6,718,592
Total Governmental Funds	<u>\$ 24,857,258</u>	<u>\$ 21,912,243</u>	<u>\$ 17,964,573</u>	<u>\$ 17,596,175</u>	<u>\$ 19,224,395</u>	<u>\$ 19,695,021</u>	<u>\$ 17,960,873</u>	<u>\$ 17,523,215</u>	<u>\$ 27,357,953</u>	<u>\$ 26,758,655</u>

Source: City of Piqua Finance Department

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

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

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES										
Municipal income tax	\$ 12,920,163	\$ 11,583,500	\$ 11,214,549	\$ 10,791,675	\$ 10,590,978	\$ 11,251,855	\$ 10,582,711	\$ 8,551,480	\$ 8,657,319	\$ 7,748,219
Property taxes	1,314,466	1,295,579	1,193,452	1,040,325	1,364,162	1,162,485	1,182,995	1,169,263	1,211,844	1,271,907
State shared revenues	2,359,723	2,230,462	2,111,566	1,854,309	1,809,665	1,811,265	1,853,031	1,858,968	1,866,329	2,253,099
Locally levied taxes	1,136,626	1,085,668	1,177,650	1,188,059	1,173,553	1,205,557	1,205,357	1,212,000	1,188,578	1,185,433
Licenses and permits, fees	1,031,886	1,353,556	1,296,854	1,327,660	1,286,542	1,373,768	1,453,671	1,301,751	1,334,105	1,330,355
Grants: capital	114,848	1,056,209	570,803	379,030	211,429	-	1,581,327	506,853	1,717,264	1,482,076
Grants: operating	281,002	2,163,362	353,314	517,120	1,275,995	662,542	1,171,623	1,934,290	1,172,917	2,023,736
Investment income	12,910	56,005	142,262	101,309	62,516	35,397	11,256	64,231	77,179	115,681
Increase (decrease) in fair market value of investments	-	-	-	-	-	-	-	(828)	(4,518)	(32,643)
Donations: capital	6,246	277,000	15,453	14,200	29,799	9,400	3,845	48,025	14,977	408,643
Donations: operating	21,633	15,201	15,593	5,173	26,602	21,632	83,025	26,156	42,769	28,543
Other fines, rents, and reimbursements	464,403	825,442	498,170	468,557	537,257	505,668	596,378	241,036	297,672	321,165
Total revenues	19,663,906	21,941,984	18,589,666	17,687,417	18,368,498	18,039,569	19,725,219	16,913,225	17,576,435	18,136,214
EXPENDITURES										
General government administration	1,850,395	1,680,917	1,707,525	1,754,242	2,147,495	1,739,069	1,359,621	1,283,002	1,300,112	1,310,975
Public safety	9,700,634	9,577,850	9,485,939	9,241,719	8,807,186	8,427,986	8,710,369	8,011,087	7,571,496	7,375,404
Public health	361,196	518,328	388,808	395,332	378,023	348,398	456,785	416,363	492,373	312,330
Street repairs and maintenance	2,948,852	2,743,313	3,377,574	4,296,138	3,654,565	2,935,709	3,658,698	4,181,086	2,270,611	1,934,451
Parks and recreation	585,233	492,402	649,815	543,766	669,698	548,060	459,446	451,705	472,183	418,280
Fort Piqua Plaza	248,768	196,686	259,908	321,173	232,502	279,131	266,357	N/A	N/A	N/A
Community planning and development	247,240	185,208	422,540	647,537	750,413	614,939	432,922	324,512	671,117	1,973,099
Other	52,257	52,511	52,602	52,601	53,162	53,313	58,618	74,565	46,393	58,726
Capital costs	1,057,427	2,274,157	1,749,307	1,939,377	2,068,619	743,793	3,191,637	1,276,685	3,370,293	2,704,350
Debt service:										
Principal	-	-	-	130,593	212,410	207,499	362,731	504,209	239,313	221,476
Interest	-	-	-	3,309	10,394	17,218	27,614	51,524	61,293	69,815
Total expenditures	17,052,002	17,721,372	18,094,018	19,325,787	18,984,467	15,915,115	18,984,798	16,574,738	16,495,184	16,378,906
Excess (deficiency) of revenues over expenditures	2,611,904	4,220,612	495,648	(1,638,370)	(615,969)	2,124,454	740,421	338,487	1,081,251	1,757,308
OTHER FINANCING SOURCES (USES):										
Issuance of debt	-	-	-	-	-	-	165,000	-	-	-
Disposal of capital assets	390,111	32,743	32,750	290,150	48,587	20,548	18,800	61,575	9,932	18,808
Transfers in	126,829	204,984	279,553	160,348	222,804	224,717	221,316	458,288	279,730	277,793
Transfers out	(183,829)	(510,669)	(439,553)	(440,348)	(552,804)	(620,373)	(671,840)	(963,832)	(763,133)	(671,077)
Total other financing sources (uses)	333,111	(272,942)	(127,250)	10,150	(281,413)	(375,108)	(266,724)	(443,969)	(473,471)	(374,476)
Special Item	-	-	-	-	-	-	-	(9,793,197)	-	-
Net change in fund balances	\$ 2,945,015	\$ 3,947,670	\$ 368,398	\$ (1,628,220)	\$ (897,382)	\$ 1,749,346	\$ 473,697	\$ (9,898,679)	\$ 607,780	\$ 1,382,832
Debt service as a percentage of Noncapital expenditures	0.0%	0.0%	0.0%	0.8%	1.3%	1.5%	2.5%	3.6%	2.3%	2.1%

Source: City of Piqua Finance Department

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

CITY OF PIQUA, OHIO

Table 5

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Net Profits	Percentage of Taxes from Net Profits	Taxes from Individuals	Percentage of Taxes from Individuals
2021	2.00%	\$ 12,911,360	\$ 9,444,117	73%	\$ 2,414,147	19%	\$ 1,053,096	8%
2020	2.00%	\$ 11,405,570	\$ 8,726,601	77%	\$ 1,728,852	15%	\$ 950,117	8%
2019	2.00%	\$ 11,178,134	\$ 8,659,488	77%	\$ 1,559,603	14%	\$ 959,043	9%
2018	2.00%	\$ 10,939,008	\$ 8,635,130	79%	\$ 1,404,473	13%	\$ 899,405	8%
2017	2.00%	\$ 10,641,381	\$ 8,394,119	79%	\$ 1,332,243	12%	\$ 915,019	9%
2016	2.00%	\$ 11,369,695	\$ 8,459,869	74%	\$ 1,851,795	16%	\$ 1,058,031	9%
2015	2.00%	\$ 10,320,670	\$ 8,153,149	79%	\$ 1,447,122	14%	\$ 720,399	7%
2014	1.75%	\$ 8,520,480	\$ 6,933,846	81%	\$ 945,168	11%	\$ 641,466	8%
2013	1.75%	\$ 8,440,440	\$ 6,606,944	78%	\$ 1,200,848	14%	\$ 632,648	8%
2012	1.75%	\$ 8,147,450	\$ 6,628,606	82%	\$ 845,855	10%	\$ 672,989	8%

Source: City of Piqua Income Tax Department

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

Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2020	0-20,000	4,971	46.60%	25,950,623	5.88%
2020	20,001-40,000	2,123	19.90%	63,685,300	14.42%
2020	40,001-60,000	1,521	14.26%	74,883,478	16.96%
2020	60,001-80,000	830	7.78%	57,237,037	12.96%
2020	80,001-100,000	449	4.21%	39,960,109	9.05%
2020	over 100,000	774	7.26%	179,875,279	40.73%
	Total	<u>10,668</u>		<u>441,591,825</u>	
2019	0-20,000	3,918	36.73%	20,742,976	4.70%
2019	20,001-40,000	1,840	17.25%	55,526,862	12.57%
2019	40,001-60,000	1,239	11.61%	60,785,798	13.77%
2019	60,001-80,000	705	6.61%	48,789,251	11.05%
2019	80,001-100,000	432	4.05%	38,418,671	8.70%
2019	over 100,000	738	6.92%	180,631,409	40.90%
	Total	<u>8,872</u>		<u>404,894,967</u>	
2018	0-20,000	4,960	47.65%	26,510,188	6.33%
2018	20,001-40,000	2,151	20.66%	64,543,865	15.40%
2018	40,001-60,000	1,373	13.19%	67,386,815	16.08%
2018	60,001-80,000	752	7.22%	52,172,189	12.45%
2018	80,001-100,000	448	4.30%	39,981,717	9.54%
2018	over 100,000	726	6.97%	168,514,248	40.21%
	Total	<u>10,410</u>		<u>419,109,022</u>	
2017	0-20,000	5,253	48.27%	30,724,638	7.48%
2017	20,001-40,000	2,323	21.35%	69,746,970	16.99%
2017	40,001-60,000	1,465	13.46%	71,479,632	17.41%
2017	60,001-80,000	717	6.59%	49,754,539	12.12%
2017	80,001-100,000	455	4.18%	40,694,553	9.91%
2017	over 100,000	670	6.16%	148,098,840	36.08%
	Total	<u>10,883</u>		<u>410,499,172</u>	
2016	0-20,000	4,935	47.67%	28,221,917	6.97%
2016	20,001-40,000	2,251	21.74%	66,841,193	16.50%
2016	40,001-60,000	1,372	13.25%	66,767,207	16.48%
2016	60,001-80,000	693	6.69%	48,192,133	11.90%
2016	80,001-100,000	451	4.36%	40,272,375	9.94%
2016	over 100,000	650	6.28%	154,815,727	38.22%
	Total	<u>10,352</u>		<u>405,110,552</u>	
2015	0-20,000	5,332	48.97%	31,670,500	7.61%
2015	20,001-40,000	2,402	22.06%	71,150,640	17.09%
2015	40,001-60,000	1,380	12.67%	67,292,620	16.17%
2015	60,001-80,000	717	6.58%	49,506,161	11.89%
2015	80,001-100,000	436	4.00%	38,737,203	9.31%
2015	over 100,000	622	5.71%	157,853,167	37.93%
	Total	<u>10,889</u>		<u>416,210,291</u>	
2014	0-20,000	3,713	42.43%	27,116,761	7.20%
2014	20,001-40,000	2,204	25.19%	65,531,899	17.41%
2014	40,001-60,000	1,190	13.60%	58,494,028	15.54%
2014	60,001-80,000	657	7.51%	45,547,724	12.10%
2014	80,001-100,000	425	4.86%	37,886,355	10.06%
2014	over 100,000	561	6.41%	141,856,356	37.68%
	Total	<u>8,750</u>		<u>376,433,123</u>	
2013	0-20,000	3,702	41.32%	29,751,925	8.25%
2013	20,001-40,000	2,341	26.13%	68,295,209	18.94%
2013	40,001-60,000	1,253	13.98%	61,323,105	17.00%
2013	60,001-80,000	713	7.96%	49,400,683	13.70%
2013	80,001-100,000	386	4.31%	34,520,615	9.57%
2013	over 100,000	565	6.31%	117,375,142	32.54%
	Total	<u>8,960</u>		<u>360,666,679</u>	

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

CITY OF PIQUA, OHIO

Table 7

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

Levy/ Collection Year	City Millage	Total Levy	Current Year Collection	Current Year Collection as Percent of Levy ¹	Delinquent Collections	Total Collections ²	Total Collection as Percent of Total Levy	Total Assessed Value	Esitmated Total Property Value of City
2020/2021	4.47	\$1,551,390	\$1,504,834	97.00	\$38,280	\$ 1,543,114	99.47	\$331,718,740	\$ 947,767,829
2019/2020	4.47	1,528,027	1,476,091	96.60	42,877	1,518,968	99.41	324,710,950	927,745,571
2018/2019	4.48	1,374,777	1,080,289	78.58	43,694	1,123,983	81.76	320,745,110	916,414,600
2017/2018	4.50	1,372,763	1,336,908	97.39	45,345	1,382,253	100.69	293,842,590	839,550,257
2016/2017	4.56	1,383,708	1,347,620	97.39	47,731	1,395,351	100.84	292,034,170	834,383,343
2015/2016	4.56	1,317,553	1,274,395	96.72	54,421	1,328,816	100.85	290,202,680	829,150,514
2014/2015	4.49	1,317,904	1,271,879	96.51	52,815	1,324,694	100.52	289,330,550	826,658,714
2013/2014	4.47	1,307,640	1,263,375	96.61	48,720	1,312,095	100.34	285,104,680	814,584,800
2012/2013	4.42	1,367,090	1,317,913	96.40	32,172	1,350,085	98.76	286,575,960	818,788,457
2011/2012	4.42	1,397,181	1,355,224	97.00	39,929	1,395,153	99.85	313,373,330	890,941,193

Source: Miami County Auditor's Office

1) Amounts do not include delinquent collections

2) Delinquent collections refer to year collected not levied based on information provided by Miami County Auditor's Office

Miami County does not have available delinquent collections by tax year they will schedule a revision to correct in the future.

CITY OF PIQUA, OHIO

Table 8

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 90,000	\$ 135,000	\$ 175,000	\$ 215,000	\$ 255,000
Special assessment bonds	-	-	-	-	-	-	-	-	86,105	111,806
Pension refunding bonds	-	-	-	-	-	-	-	-	225,000	250,000
Taxable revenue bonds	-	-	-	-	-	-	-	-	-	-
Promissory Notes	-	-	-	-	85,593	253,003	415,502	573,233	726,337	874,949
Capital Leases	-	-	-	-	-	-	-	-	-	-
Total gross governmental activities indebtedness	-	-	0	0	130,593	343,003	550,502	748,233	1,252,442	1,491,755
Business type activities										
General obligation bonds	-	-	-	-	170,000	335,000	490,000	640,000	785,000	925,000
Promissory Notes	97,277,618	99,714,507	95,636,685	75,762,027	59,820,420	48,036,282	17,696,918	6,342,747	6,096,119	5,164,083
Total gross business-type activities indebtedness	97,277,618	99,714,507	95,636,685	75,762,027	59,990,420	48,371,282	18,186,918	6,982,747	6,881,119	6,089,083
Total gross primary government indebtedness	97,277,618	99,714,507	95,636,685	75,762,027	60,121,013	48,714,285	18,737,420	7,730,980	8,133,561	7,580,838
Percent of personal income	19.73%	20.90%	20.92%	17.02%	14.14%	12.08%	4.64%	1.94%	1.97%	1.88%
Per capita	\$ 4,779	\$ 4,852	\$ 4,653	\$ 3,686	\$ 2,898	\$ 2,370	\$ 912	\$ 376	\$ 396	\$ 369
Less debt outside limitations:										
Less debt service fund balance	-	-	-	-	28,935	54,493	54,080	54,023	53,943	53,887
Exempt self-supporting obligation debt:										
Pension refunding bonds	-	-	-	-	170,000	335,000	490,000	640,000	785,000	925,000
Exempt self-supporting tax revenue bonds	-	-	-	-	-	-	-	-	225,000	250,000
Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Exempt self-supporting notes	97,277,618	99,714,507	95,636,685	75,762,027	59,906,013	48,289,285	18,112,420	6,915,980	6,822,456	6,039,032
Net debt within limitation for both										
Voted and Unvoted debt	-	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113
Percent of estimated actual property value	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.03%	0.04%	0.06%	0.06%
Per capita	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2	\$ 4	\$ 6	\$ 8	\$ 10
Debt limitation for both voted and unvoted debt										
10.5% of assessed valuaion	34,830,468	34,094,650	33,678,237	30,853,472	30,663,588	30,471,281	30,379,708	29,935,991	30,090,476	32,904,200
Legal debt margin for voted and unvoted debt	34,830,468	34,094,650	33,678,237	30,853,472	30,647,523	30,435,774	30,298,788	29,815,014	29,929,419	32,703,087
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.05%	0.12%	0.27%	0.40%	0.54%	0.61%
Net debt within limitation for both voted and unvoted limitation	-	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113
Less voted debt	-	-	-	-	-	-	-	-	-	-
Net debt with limitation for unvoted debt	-	-	-	-	16,065	35,507	80,920	120,977	161,057	201,113
Debt limitation for Unvoted debt										
5.5% of assessed valuation	18,244,531	17,859,102	17,640,981	16,161,342	16,061,879	15,961,147	15,913,180	15,680,757	15,761,678	17,235,533
Legal debt margin for unvoted debt	18,244,531	17,859,102	17,640,981	16,161,342	16,045,814	15,925,640	15,832,260	15,559,780	15,600,621	17,034,420
Net debt within limitation for unvoted debt as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.10%	0.22%	0.51%	0.77%	1.02%	1.17%

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 9

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2021**

	<u>Total Debt Outstanding</u>	<u>Percent Applicable to City (1)</u>	<u>Amount Applicable To City of Piqua</u>
Direct*			
City of Piqua			
Total Direct Debt	-	100.00	-
Overlapping**			
Piqua School District	31,184,281	76.38	23,818,554
Upper Valley Joint Vocational School	785,000	11.65	91,453
Miami County	<u>16,541,988</u>	11.97	<u>1,980,076</u>
Total Overlapping Debt	48,511,269		25,890,082
 Total Direct and Overlapping Debt	 <u>\$ 48,511,269</u>		 <u>\$ 25,890,082</u>

Source:

Direct* City of Piqua Finance Department

Overlapping** Piqua School District Treasurer

Upper Valley JVS Treasurer

Miami County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2021 collection year.

CITY OF PIQUA, OHIO

Table 10

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Power										
Gross revenues	\$ 28,344,938	\$ 27,466,239	\$ 28,806,878	\$ 29,180,996	\$ 28,752,216	\$ 29,802,701	\$ 28,895,667	\$ 27,517,575	\$ 23,863,393	\$ 23,631,663
Direct operating expenses	28,679,012	26,576,086	26,796,539	29,823,761	29,226,575	28,770,053	26,046,726	25,651,134	23,347,871	20,110,185
Net revenue available for debt service	(334,074)	890,153	2,010,339	(642,765)	(474,359)	1,032,648	2,848,941	1,866,441	515,522	3,521,478
General obligation debt service requirements	-	-	-	-	-	-	-	-	-	408,430
Debt service coverage										862
Wastewater										
Gross revenues	\$ 6,665,622	\$ 6,761,662	\$ 5,965,561	\$ 5,009,247	\$ 4,173,950	\$ 3,467,072	\$ 3,456,311	\$ 3,523,315	\$ 3,502,967	\$ 3,469,580
Direct operating expenses	2,575,125	2,668,110	3,155,915	3,156,659	3,375,483	2,550,375	2,314,015	2,368,548	2,128,150	2,153,425
Net revenue available for debt service	4,090,497	4,093,552	2,809,646	1,852,588	798,467	916,697	1,142,296	1,154,767	1,374,817	1,316,155
Revenue obligation debt service requirements	\$ 6,433,348	\$ 1,478,342	\$ 289,374	\$ 288,318	\$ 851,114	\$ 277,414	\$ 303,392	\$ 816,705	\$ 809,928	\$ 809,929
Debt service coverage	64	277	971	643	94	330	377	141	170	163
Water										
Gross revenues	\$ 7,203,570	\$ 7,344,123	\$ 6,874,489	\$ 6,313,513	\$ 5,808,941	\$ 5,370,861	\$ 5,005,088	\$ 4,816,137	\$ 4,593,671	\$ 3,555,235
Direct operating expenses	3,552,876	3,557,997	3,966,090	4,197,775	4,172,547	3,260,811	3,633,537	2,960,630	2,407,410	1,938,472
Net revenue available for debt service	3,650,694	3,786,126	2,908,399	2,115,738	1,636,394	2,110,050	1,371,551	1,855,507	2,186,261	1,616,763
General obligation debt service requirements	-	2,481,008	2,481,007	2,334,520	1,153,693	-	-	55,000	-	-
Revenue obligation debt service requirements	\$ 2,665,132	\$ 184,125	\$ 184,125	\$ 184,125	\$ 92,062	\$ 72,329	\$ 142,230	\$ 142,397	\$ 142,559	\$ 142,716
Debt service coverage	137	142	109	84	131	2,917	964	940	1,534	1,133
Golf										
Gross revenues	\$ 595,733	\$ 548,616	\$ 452,151	\$ 478,493	\$ 490,834	\$ 510,338	\$ 500,323	\$ 461,682	\$ 512,752	\$ 557,254
Direct operating expenses	644,335	557,084	644,259	611,495	581,867	589,105	525,745	461,547	535,208	518,896
Net revenue available for debt service	(48,602)	(8,468)	(192,108)	(133,002)	(91,033)	(78,767)	(25,422)	135	(22,456)	38,358
General obligation debt service requirements	\$ -	\$ -	\$ 167,647	\$ 169,213	\$ 165,643	\$ 167,190	\$ 179,039	\$ 179,249	\$ 167,714	\$ 167,285
Debt service coverage	-	-	(115)	(79)	(55)	(47)	(14)	-	(13)	23
Pool										
Gross revenues	\$ -	\$ -	\$ 48,879	\$ 49,934	\$ 58,103	\$ 67,441	\$ 43,144	\$ 51,661	\$ 61,565	\$ 73,874
Direct operating expenses	21,885	42,504	129,087	137,522	144,981	155,764	116,130	124,512	151,975	161,421
Net revenue available for debt service	(21,885)	(42,504)	(80,208)	(87,588)	(86,878)	(88,323)	(72,986)	(72,851)	(90,410)	(87,547)
General obligation debt service requirements	\$ -	\$ -	\$ -	\$ 8,453	\$ 8,532	\$ 8,352	\$ 8,430	\$ 9,028	\$ 9,037	\$ 8,456
Debt service coverage	-	-	-	(1,036)	(1,018)	(1,058)	(866)	(807)	(1,000)	(1,035)

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

Direct operating expenses exclude depreciation

Annual debt service requirement includes principal and interest

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

Source: City of Piqua Finance Department

CITY OF PIQUA, OHIO

Table 11

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2021**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	651	5.7%
Piqua City Schools	Public school district	582	5.1%
Walmart Stores Inc.	Retail store	463	4.1%
Edison Community College	State community college	409	3.6%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	375	3.3%
United Parcel Services	Parcel delivery servicer	297	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	280	2.5%
Upper Valley JVS	Regional joint vocational school	265	2.3%
City of Piqua	Municipal government	236	2.1%
Miami Valley Seteel	Manufacturer of split coiled steele	175	1.5%
Total available employment		11,326	

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2012**

<u>NAME OF EMPLOYER</u>	<u>NATURE OF BUSINESS</u>	<u>TOTAL EMPLOYMENT</u>	<u>PERCENT OF TOTAL EMPLOYMENT</u>
Industry Products	Manufacturer of die cutting equipment	351	3.4%
Walmart Stores Inc.	Retail store	345	3.4%
Piqua City Schools	Public school district	336	3.3%
Spalding & Evenflo Company Inc.	Manufacturer of juvenile furniture	285	2.8%
Tailwind Technologies Inc.	Manufacturer of aircraft propellers	268	2.6%
Crane Pumps & Systems Inc.	Manufacturer of industrial water pumps	260	2.5%
City of Piqua	Municipal government	218	2.1%
Upper Valley JVS	Regional joint vocational school	213	2.1%
Edison Community College	State community college	161	1.6%
Jackson Tube Service Inc.	Manufacturer of steel tubing	160	1.6%
Total available employment		10,207	

Source: City of Piqua Income Tax Office

CITY OF PIQUA, OHIO

Table 12

**PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2021
LAST EIGHT YEARS**

Name of Taxpayer	Nature of Business	2021 Assessed Valuation	Percent of Total Assessed Valuation	2020 Assessed Valuation	2019 Assessed Valuation	2018 Assessed Valuation	2017 Assessed Valuation	2016 Assessed Valuation	2015 Assessed Valuation	2014 Assessed Valuation
Vectren Energy Delivery	Utility of natural gas	\$ 5,080,710	1.53%	\$ 4,550,590	\$ 4,086,000	\$ 3,564,020	\$ 2,857,850	\$ 2,511,360	\$ 2,125,150	\$ 1,819,320
HCF Inc.	Nursing home	\$ 4,308,760	1.30%	\$ 3,769,590	\$ 2,814,890	\$ 2,767,230	\$ 2,747,130	\$ 2,644,620	\$ 2,662,740	\$ 2,662,740
Spalding & Evenflo Co., Inc.	Manufacturer of juvenile furniture	\$ 3,572,850	1.08%	\$ 3,572,850	\$ 3,572,850	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650	\$ 3,396,650
Harvey Co LLC	Shopping mall	\$ 2,960,450	0.89%	\$ 2,960,450	\$ 2,960,450	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520	\$ 3,516,520
Kettering Medical Center	Physician and outpatient care	\$ 2,940,210	0.89%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Walmart Stores Inc.	Retailer of consumer goods	\$ 2,537,500	0.76%	\$ 2,537,500	\$ 2,537,500	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200	\$ 3,021,200
Miami Valley Realty LLC	Manufacturer of split rolled steel	\$ 2,227,800	0.67%	\$ 2,227,800	\$ 2,227,800	\$ 2,258,410	\$ 2,258,410	\$ 2,259,160	\$ 1,644,870	\$ 2,440,590
Market Place Investors LLC	Real estate investment firm	\$ 1,737,680	0.52%	\$ 1,954,230	N/A	N/A	N/A	N/A	N/A	N/A
Jideli Properties LLC	Land Holding Company	\$ 1,918,460	0.58%	\$ 1,918,460	\$ 1,791,690	\$ 1,816,260	\$ 1,816,260	\$ 1,954,510	\$ 1,816,260	\$ 1,816,260
Miami Valley Mall Realty	Shopping mall	\$ 1,744,960	0.53%	\$ 1,902,110	\$ 1,887,000	\$ 3,072,920	\$ 3,072,920	\$ 3,817,260	\$ 3,677,260	\$ 4,442,650
TOTAL		\$ 30,998,390	8.75%	\$ 27,271,770	\$ 23,709,810	\$ 26,995,610	\$ 26,269,340	\$ 26,842,330	\$ 25,454,960	\$ 26,698,330
TOTAL ASSESSED VALUATION		\$ 331,718,740		\$ 324,710,950	\$ 320,745,110	\$ 293,842,590	\$ 292,034,170	\$ 290,202,680	\$ 289,330,550	\$ 285,104,680

Source: Miami County Auditor's Office

CITY OF PIQUA, OHIO

Table 13

**DEMOGRAPHIC AND
ECONOMIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>Population</u> ¹	<u>Estimated Total Personal Income of City</u> ²	<u>Per capita Personal Income</u> ²	<u>Miami County Unemployment rate</u> ³	<u>Household Median Income</u> ²	<u>Avg Sale Price for a Single Family Home</u> ⁴
2021	20,354	\$ 493,157,066	\$ 24,229	4.3%	\$ 45,926	\$ 133,283
2020	20,552	\$ 477,114,680	\$ 23,215	4.3%	\$ 43,061	\$ 117,475
2019	20,552	\$ 457,220,344	\$ 22,247	3.4%	\$ 43,468	\$ 88,700
2018	20,552	\$ 441,025,368	\$ 21,459	4.2%	\$ 43,849	\$ 84,935
2017	20,552	\$ 425,272,986	\$ 20,502	4.2%	\$ 40,101	\$ 88,829
2016	20,552	\$ 403,415,208	\$ 19,629	5.0%	\$ 36,873	\$ 101,083
2015	20,552	\$ 403,805,696	\$ 19,648	4.2%	\$ 37,699	\$ 102,260
2014	20,552	\$ 399,099,288	\$ 19,419	4.2%	\$ 36,260	\$ 101,841
2013	20,552	\$ 413,506,240	\$ 20,120	6.7%	\$ 36,150	\$ 96,622
2012	20,552	\$ 402,634,232	\$ 19,591	6.3%	\$ 38,064	\$ 93,591

Source:

- (1) 2010-2020 United State Census Bureau
- (2) American Community Survey
- (3) Ohio Department of Jobs and Family Services LMI
- (4) Miami County Ohio, Auditors office

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

<u>PROGRAM</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
GOVERNMENTAL ACTIVITIES										
General Government:										
City Building	-	-	-	-	-	-	-	-	-	-
City Manager	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Law Department	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning and Zoning	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00
Public Relations	1.00	1.00	1.00	-	-	-	-	-	-	-
Human Resources	1.50	2.00	2.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00
Finance	16.50	18.00	18.50	18.50	20.50	20.50	20.00	20.00	20.00	20.00
Purchasing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	5.00	5.00	4.50	4.00	4.50	4.00	4.00	4.00	4.00	4.50
Health	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.60	3.50
Public Safety:										
Police	39.00	39.00	39.00	38.00	38.00	39.00	39.00	33.00	34.00	35.00
Fire	33.00	33.00	32.00	34.00	33.00	33.00	34.00	33.00	32.00	28.00
Streets:	14.00	14.00	17.00	16.00	16.00	16.00	16.00	15.00	15.00	15.00
Parks:	4.00	4.00	7.00	7.00	7.00	7.00	7.00	6.50	6.00	7.50
Community Development:	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00
Total governmental activities	126.00	128.50	134.00	133.50	135.50	135.00	134.50	126.00	125.60	124.50
BUSINESS-TYPE ACTIVITIES										
Power:	20.50	20.50	20.50	22.50	25.00	25.00	25.00	26.50	26.50	25.50
Wastewater:	13.90	13.90	15.90	16.90	17.90	17.20	17.20	15.20	14.20	14.20
Water:	18.40	18.40	20.40	19.40	20.40	20.20	20.20	16.70	16.60	15.70
Stormwater	3.70	3.70	4.50	4.20	4.20	4.60	4.60	4.10	3.60	1.60
Refuse:	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.40	7.50	8.00
Golf:	6.00	6.00	6.00	8.50	9.50	9.50	9.50	10.00	10.00	10.00
Pool:	-	-	12.50	15.50	18.00	18.00	18.00	18.00	16.00	16.00
Total business-type activities	69.50	69.50	86.80	94.00	102.00	101.50	101.50	97.90	94.40	91.00
Internal Service:										
Information Technology	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Totals	198.50	201.00	223.80	230.50	240.50	239.50	239.00	226.90	223.00	218.50

Source: City of Piqua 2022-2013 annual budgets

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

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Health Department</u>										
Restaurant inspections	184	234	355	411	422	432	465	439	335	357
Swimming pool inspections	12	15	31	30	33	32	38	37	44	44
Nuisance consultations	927	602	531	452	468	388	390	815	737	1,121
Housing/Property maintenance enforcements	144	100	159	59	321	439	148	203	143	119
<u>Public Works</u>										
Right of way opening permits	69	51	75	58	21	38	43	51	37	41
Subdivision construction plan approvals	0	0	0	1	0	0	0	0	0	0
Area of City (in square miles)	11.72	11.87	11.87	11.87	11.87	11.8	11.8	11.8	11.8	11.8
<u>Street Maintenance</u>										
Miles of streets	108.040	108.440	104.216	104.216	104.216	104	104	103	103	103
Miles of streets repaved	6.3	9.14	4.3	10.07	6.2	4.7	2.1	5.5	3.2	1.5
Cubic yards of leaves disposed of	750	515	502	1319	1265	1042	876	822	1198	1267
Tons of salt used	1,100	300	900	1,530	800	1,200	1,500	2,000	2,600	1,250
<u>Parks District</u>										
Number of parks	19	19	19	19	19	19	19	19	19	19
Acreage in parks	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8	441.8
Building rentals Mote Park	38	4	100	110	84	178	184	149	122	98
Building rentals all other parks	14	0	107	118	120	115	142	137	149	167
<u>Fort Piqua Plaza</u>										
Large room rentals	32	14	56	65	72	71	72	73	72	68
Small room rentals	121	23	51	60	63	78	110	74	67	28
<u>Fire Department</u>										
Fire calls	564	527	633	569	647	583	569	547	449	447
Ems Response calls	3,834	3,979	4,080	3,838	4,134	3,883	3,945	3,775	3,595	3,515
Number of Sworn officers	33	33	33	31	32	32	31	32	32	26
Number of Fire houses	1	1	1	1	1	1	1	1	1	1
Number of ambulances and fire response vehicles	18	18	18	17	16	16	16	16	16	15
<u>Police Department</u>										
Calls for service	19,721	20,201	21,210	18,156	16,866	16,334	16,386	15,210	14,858	17,029
Traffic citations	858	1120	986	876	804	781	980	1,309	797	1,082
Number of sworn officers	33	35	32	32	35	35	35	31	28	29
Number of police response vehicles	34	34	34	37	35	33	33	31	25	25
<u>Planning & Zoning Department</u>										
Zoning Permit applications	202	336	141	137	170	169	142	152	159	182
Commercial construction permits	14	138	70	76	89	109	78	84	93	109
Commercial construction value in (,000)	\$ 7,567	\$ 27,839	\$ 28,093	\$ 900	\$ 6,845	\$ 8,281	\$ 6,440	\$ 37,040	\$ 37,342	\$ 9,990
Residential construction permits	78	90	71	61	81	60	64	68	66	73
Residential construction value in (,000)	\$ 3,899	\$ 3,282	\$ 2,206	\$ 1,184	\$ 4,117	\$ 6,646	\$ 3,224	\$ 3,135	\$ 1,046	\$ 1,333

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Power utility</u>										
Residential KWH billed (,000)	89,816	87,654	88,151	91,249	83,713	87,345	86,239	89,289	88,325	88,836
Residential billed revenue (,000)	\$ 10,354	\$ 10,057	\$ 10,135	\$ 10,435	\$ 9,717	\$ 10,061	\$ 9,702	\$ 9,182	\$ 8,256	\$ 8,230
Commercial KWH billed (,000)	87,068	81,596	89,447	96,303	95,540	94,343	96,455	94,594	95,667	104,435
Commercial billed revenue (,000)	\$ 8,298	\$ 7,928	\$ 8,544	\$ 9,134	\$ 9,097	\$ 8,998	\$ 8,990	\$ 8,323	\$ 7,402	\$ 7,609
Industrial KWH billed (,000)	116,325	115,392	122,778	119,397	118,524	128,139	129,607	128,828	121,672	119,612
Industrial billed revenue (,000)	\$ 9,289	\$ 9,240	\$ 9,814	\$ 9,448	\$ 9,554	\$ 10,339	\$ 10,060	\$ 9,461	\$ 7,724	\$ 7,340
Customer base	10,915	10,818	10,744	10,756	10,732	10,752	10,752	10,729	10,680	10,700
Construction line vehicles	29	28	28	27	26	28	28	28	26	25
<u>Water utility</u>										
Residential gallons billed (,000)	308,758	325,157	322,120	329,342	334,650	348,651	344,105	357,623	369,493	383,528
Residential billed revenue (,000)	\$ 5,091	\$ 5,249	\$ 4,731	\$ 4,362	\$ 3,985	\$ 3,141	\$ 3,490	\$ 3,376	\$ 3,248	\$ 2,490
Commercial gallons billed (,000)	108,760	110,266	121,166	120,485	115,273	118,740	117,098	114,766	116,398	128,138
Commercial billed revenue (,000)	\$ 1,480	\$ 1,476	\$ 1,406	\$ 1,306	\$ 1,153	\$ 901	\$ 1,007	\$ 948	\$ 895	\$ 658
Industrial gallons billed (,000)	47,455	47,420	51,942	55,825	62,633	66,655	66,735	63,584	59,290	46,472
Industrial gallons revenue (,000)	\$ 436	\$ 439	\$ 427	\$ 411	\$ 405	\$ 329	\$ 370	\$ 336	\$ 298	\$ 186
Customer base	8,864	8,819	8,747	8,764	8,738	8,785	8,777	8,751	8,751	8,615
Vehicles in repair fleet	14	14	14	17	17	16	15	15	14	10
<u>Wastewater utility</u>										
Residential gallons billed (,000)	328,472	340,141	348,437	319,743	325,523	338,150	334,474	348,629	356,151	379,528
Residential billed revenue (,000)	\$ 5,134	\$ 5,218	\$ 4,411	\$ 3,660	\$ 3,018	\$ 2,168	\$ 2,588	\$ 2,636	\$ 2,623	\$ 2,637
Commercial gallons billed (,000)	99,565	98,146	106,848	140,616	145,261	142,197	144,337	142,512	130,161	115,047
Commercial billed revenue (,000)	\$ 1,014	\$ 1,003	\$ 896	\$ 797	\$ 659	\$ 468	\$ 560	\$ 567	\$ 546	\$ 540
Industrial gallons billed (,000)	43,047	47,642	58,320	59,884	53,354	56,570	58,723	57,344	62,841	47,297
Industrial billed revenue (,000)	\$ 452	\$ 487	\$ 462	\$ 393	\$ 302	\$ 225	\$ 271	\$ 267	\$ 275	\$ 233
Customer base	8,647	8,603	8,538	8,554	8,527	8,566	8,553	8,552	8,530	8,386
Vehicles in repair fleet	11	11	11	11	11	11	11	11	13	9
<u>Refuse utility</u>										
Residential customers billed	8,129	8,084	8,026	8,026	7,988	7,946	7,913	7,898	7,882	7,763
Commercial customers billed	170	163	162	143	126	130	120	111	110	95
Residential and commercial revenue billed (,000)	\$ 2,229	\$ 2,107	\$ 1,991	\$ 1,870	\$ 1,784	\$ 1,774	\$ 1,766	\$ 1,757	\$ 1,754	\$ 1,741
Tons of refuse collected	8,112	7,969	7,294	7757	7709	7623	7735	7684	7576	7535
Tons of recycled refuse collected	1,272	1,347	1,271	1327	1464	1462	1403	1328	1342	1496
Vehicles in service	8	8	8	8	8	8	7	7	7	7
<u>Stormwater utility</u>										
Residential ERUS billed	7,465	7,461	7,462	7,458	7,454	7,437	7,462	7,424	7,424	7,435.00
Commercial ERUS billed	5,741	5,641	5,494	5,488	5,489	5,477	4,599	5,528	5,537	5,654.00
Industrial ERUS billed	1,384	1,381	1,382	1,381	1,382	1,380	1,419	1,423	1,422	1,355.00
Revenue billed (,000)	\$ 1,173	\$ 1,164	\$ 1,155	\$ 1,152	\$ 1,151	\$ 1,146	\$ 1,068	\$ 983	\$ 881	\$ 814.00
Vehicles in service	4	4	4	4	4	4	4	4.00	4.00	3.00

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

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Golf Course</u>										
Annual memberships	227	206	220	235	225	236	245	242	235	237
Rounds of golf played	18,615	18,618	14,612	17,216	16,529	17,931	18,057	15,866	18,121	10,597
Revenue collected (,000)	\$ 599	\$ 564	\$ 452	\$ 478	\$ 497	\$ 511	\$ 500	\$ 461	\$ 513	\$ 557
<u>Municipal swimming pool</u>										
Annual memberships	0	0	253	267	258	285	213	406	365	269
Annual attendance	-	-	6,717	9,567	7,337	9,195	7,644	7,541	7,377	15,787
Revenue collected (,000)	\$ -	\$ -	\$ 49	\$ 50	\$ 58	\$ 67	\$ 43	\$ 52	\$ 62	\$ 74
<u>General government information</u>										
Number of street lights	2,891	2,957	2,957	2,945	2,998	2,993	2,947	2,926	2,911	2,902
Number of public libraries	1	1	1	1	1	1	1	1	1	1
Volumes of books in public libraries	154,636	157,778	160,439	161,016	158,344	156,679	132,787	151,457	151,986	146,478
High school enrollment	3,367	3,404	3,385	3,436	3,492	3,507	3,526	3,572	3,705	3,708

Source: City of Piqua