

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Richard A. Mallonn II • Auditor, Canton, Ohio



For The Year Ended December 31, 2021



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City Council
City of Canton
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Canton, OH 44702

We have reviewed the *Independent Auditor's Report* of the City of Canton, Stark County, prepared by Julian & Grube, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 21, 2022

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CITY OF CANTON, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

RICHARD A. MALLONN II
CITY AUDITOR

PREPARED BY THE CITY AUDITOR'S OFFICE

CITY OF CANTON
STARK COUNTY, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

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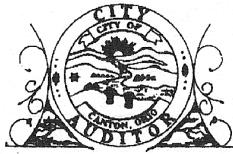
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INTRODUCTORY

City of Canton, Ohio

CANTON, OHIO



RICHARD A. MALLONN II

CANTON CITY AUDITOR

City Hall, Canton, Ohio 44702
Phone: (330) 489-3226

July 25, 2022

To Council Members and Citizens of the City of Canton:

The Annual Comprehensive Financial Report (Annual Report) of the City of Canton as of December 31, 2021 is hereby submitted. This letter and the following report represent the City's continuing commitment to excellence in financial reporting. The purpose of this letter is to acquaint the reader with the Annual Report. Responsibility for both the accuracy of the data, 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 is accurate in all material respects and is reported in a manner designed to present fairly the City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial records, books of accounts and transactions of the City of Canton, Ohio, for the year ending December 31, 2021, have been audited by the certified public accounting firm of Julian & Grube, Inc. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards and included a financial compliance evaluation, as well as a review of the internal accounting controls. The Auditor's opinion has been included in the report.

Accounting principles generally accepted in the United States of America (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found on page 5 of this report.

City Organization and Background

The City is located in and is the County Seat of Stark County in northeastern Ohio, approximately 58 miles southeast of Cleveland, 23 miles south of Akron, and 94 miles west of Pittsburgh, Pennsylvania. It was incorporated as a village in 1828, and became a city in 1854.

The City's 2021 population of 70,426 placed it as the largest city in the County and the eighth largest in the State.

The City operates under and is governed by the mayor-council form of government. The City operates as a Statutory Municipal Corporation as defined by the Ohio Revised Code.

The City's legislative authority is vested in a twelve-member Council of whom three are elected at-large and nine are elected from their respective ward, for a term of two years. The presiding officer is the President of Council, who is elected at-large by the voters for a two-year term. The President of Council is called upon to vote on legislation in order to break a tie vote. The Council affixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing

and regulating business and trades, and other municipal purposes. The Council affirms, by resolution, the individuals appointed by the Mayor to serve on the various boards and commissions for the City. The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The other elected officials are the City Auditor, the City Treasurer and the Law Director, each elected to a four-year term.

The Mayor appoints the directors of City departments other than the Income Tax Department. The major officials appointed by the Mayor are the Deputy Mayor, Directors of Public Service and Public Safety, Director of Economic Development, the Fire Chief, the Police Chief and the City Engineer. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council, Auditor, Treasurer, and Law Director and their respective officers and employees. The City Treasurer appoints the Director of Income Tax who serves at his pleasure. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

City Services

General Government Functions: The City provides police protection, firefighting and prevention, EMS services, street maintenance and repairs, parks and recreation. Funding for these operations is derived primarily from taxes in addition to small amounts of revenue generated from user fees. These operations could not be sustained without a steady flow of tax revenue.

Proprietary Operations: The City operates Water, Sewer, Refuse Departments and Building Inspections. The revenue generated from Water, Sewer and Building Departments were sufficient to meet all expenses in 2021.

Reporting Entity

The City has reviewed its reporting entity definition to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34". In defining the City for financial reporting purposes, management has identified all agencies, departments and organizations making up the City of Canton the primary government and its potential component units. The City presents the Canton Community Improvement Corporation (CCIC) and the Board of Health as discretely presented component units.

Neither the Canton City School District, Plain Local School District, Osnaburg School District, nor Canton Local School District has been included in the accompanying financial statements. These districts serve the citizens of Canton; however, the boards are not appointed by the City, nor are they fiscally dependent on the City.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations. Canton Tomorrow, Inc. and the Downtown Canton Special Improvement District are disclosed as joint ventures.

Financial Information

Accounting Policies and Budgetary Control

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the alternative Tax Budget, the Certificate of Estimated Resources and the Appropriations Ordinance: all are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items within each department within each fund for most funds with only a few budgeted to the fund level. Any budgetary modifications at this level or above may only be made by resolution of the City Council. Budgetary control at this level provides some flexibility in moving appropriations within their account groups to meet expenses.

The City's fully automated financial system also maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making purchases, creates the encumbrance against the current budget. Request for purchase orders, which would result in an overrun of budget, are not honored until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the requisition is canceled.

The City Auditor monitors all expenditures for accuracy, appropriateness and compliance. The City Auditor monitors expenditures to encumbrances to assure that each obligation incurred was entered into after the appropriate purchase order was issued. The City Auditor will exercise his discretion to issue "then and now certificates" for obligations incurred prior to obtaining a purchase order. This certificate is authorized by the Ohio Revised Code for obligations that do not exceed three thousand dollars. This certificate simply stated means: "then" meaning at the time the obligation was made and "now" meaning as of the date of the certificate there were sufficient appropriations free from prior obligations necessary to meet this obligation in question. The City Auditor requires an ordinance from Council authorizing a "Moral Obligation", for obligations incurred prior to obtaining a purchase order that exceeds this authority.

The City Auditor continually monitors the encumbrances and expenditures against the budget appropriations and against the County Auditor's Certificate of Estimated Resources. Using the budget prepared by the City the preceding July and including the carry over cash balances less carry over encumbrances at year end, the County Auditor arrives at and issues the Certificate of Estimated Resources for the City. The City Auditor submits amendments to the Certificate of Estimated Resources to the County Auditor as deemed appropriate throughout the year. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's Certificate.

Internal Accounting and Reporting Control

As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to present internal accounting controls and procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to insure the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognizes the cost of a control should not exceed the benefits likely to be derived from its implementation, and the evaluation of costs and benefits should require estimates and judgments by management. We believe the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Local Economy

Nineteen commercial banks (branches), savings and loan associations and credit unions are located in the City. One daily newspaper serves the City. The City is within the broadcast area of twenty television stations and one hundred sixteen AM and FM radio stations. Spectrum, Direct TV and Dish provide TV services.

The City is home to a number of steel industrial manufacturers and suppliers. The City has benefited from the consistent financial success of the Timken Company. Although a small portion of its office operations has been moved to a location outside the city, the City remains optimistic of continued positive impact from The Timken Company and TimkenSteel resulting from the split that occurred from the Timken Company in late 2014. The City continues to benefit from the diversity of its business base including: MK Morse Company, Fresh Mark Incorporated, Republic Engineered Products, Aultman and Cleveland Clinic Mercy Hospitals is essential in order to create a climate for financial stability.

Malone University, a private four-year college, and Aultman College of Nursing are located in the City. University of Mount Union and Walsh University, private four-year schools, Stark State College of Technology, a public two-year school, and a branch of Kent State University, Ashland University, Brown Mackie College and Ross College also are located in the County. Within commuting distance are several public and private two-year and four-year colleges and universities, including Kent State University in Kent and a branch of Kent State University in

Tuscarawas County, Cleveland State University, Cuyahoga Community College, John Carroll University, Baldwin-Wallace College and Case Western Reserve University in the Cleveland metropolitan area, the University of Akron in Akron, Herzog University Akron, the College of Wooster in Wooster, Hiram College in Hiram, Youngstown State University in Youngstown, Allegheny Wesleyan College, Lake College and Lakeland Community College in Lake County and Franciscan University an Eastern Gateway Community College in Steubenville.

The City is served by two acute care hospitals located in the City: Aultman Hospital (1,032 beds) and Mercy Medical Center (476 beds) which became Cleveland Clinic Mercy Hospital, and two additional acute care hospitals located in the County: In 2018 Alliance Community Hospital became Aultman Alliance Community Hospital (202 beds including 78 nursing home/transition-care beds for long-term care). Massillon Psychiatric Center (Heartland Behavioral Healthcare Hospital), a 154-bed public adult psychiatric hospital operated by the State, is also located in the County. In 2010, Aultman Hospital completed a three year \$80 million dollar expansion project, the largest in its history. The project included a new four-story 380,000 square foot addition that houses a new Aultman Heart Program, Emergency/Trauma Program, Women's Program (including Labor & Delivery) and the Neonatal Intensive Care Unit. Aultman also operates Aultman College which is located within the campus of the Hospital. A new building housing (Aultman Center for Education) was constructed in 2012 and is utilized for the College of Nursing and Health Sciences. Aultman in support of the City's Comprehensive Plan, has been working collaboratively with the City of Canton, Community Building Partnership and Stark Community Foundation to advance the goals of transforming its campus and revitalizing the neighborhood. During 2021, Aultman broke ground on a \$28 million Timken Family Cancer Center, a 58,270 square foot facility scheduled to be complete in 2022. This facility will bring cancer treatment services under one roof. In 2009, Mercy Medical Center unveiled its new state of the art 24-unit Mercy Intensive Care Unit. The \$20.5-million-dollar project was started in 2007 and also includes an expansion of the surgery center parking garage and relocation of the hospital's helipad to the roof of the new structure. In 2013, Mercy began a \$14.5 million renovation-expansion in the emergency department increasing the beds from 33 to 48 which opened late 2014. Both Aultman and Mercy continues to add valuable medical resources such as state of the art equipment/procedures to its hospital campuses. Also, both Aultman Hospital and Mercy Medical Center continue to play a pivotal role in the financial stability of the City of Canton and come in as two of our top employers.

The Canton Park System (Park System) maintains 62 parks and covers approximately 825 acres. In addition, the City constructed and owns the 5,700-seat Thurman Munson Memorial Stadium with renovations completed in 2022. In 2013, the citizens of Canton voted on a park levy which at that time generated approximately \$2.4 million dollars annually to assist with the maintenance and capital investment into the City's 62 parks. During 2021 the levy generated approximately \$3.6 million. The renewal levy was voted on and passed by the voters of the City and included new language to combine both the Canton Parks with the Canton Joint Recreation District. The merger process of these two entities was finalized in April 2018. In 2020, the Canton Park System assumed operation of the Peel Coleman South East Community Center. The Park System continues to add valuable upgrades to its park lands to enhance the usefulness and functionality of its Park System. The Park System renewal levy was passed in May 2021.

The City's cultural assets include the Canton Art Institute, the Symphony Orchestra Association, the Canton Civic Opera Association and the Players Guild (through August 2022), all of which are housed in the Cultural Center (Center) for the Arts and host a variety of exhibits, musical and dramatic performances and other cultural events each year. The Center, a gift of the Timken Foundation, is a building complex located on 8-1/2 acres in the center of the City, which cost \$13,000,000 to build in 1971. Adjacent to the center is the City-owned auditorium, an air-conditioned arena-type facility with a seating capacity of 6,000. The Cultural Center and the auditorium accommodate conventions. The City's greater metropolitan area has approximately 36 hotels, motels and bed and breakfasts with over 3,000 rooms.

The Canton Palace Theatre is both the literal and figurative cornerstone of the Downtown Canton Arts District. Harry Harper Ink, Canton native and inventor of the patent medicine, Tonsilene, gave the one million dollars to build the Theatre in 1926. Designed by the noted theatre architect, John Eberson, The Palace is considered an atmospheric theatre, meaning as you sit in the auditorium, you feel as if you are lounging between two Spanish castles, under a Mediterranean blue sky, complete with stars, and floating clouds. The Theatre is home to its original Kilgen Theatre Pipe Organ. This 3 manual, 11 rank instrument is the last remaining Kilgen Theatre Organ still playing in its original home. The famed organist Banks Kennedy opened the theatre November 22, 1926, to a sold out crowd, with the first feature silent film, *Tin Hats*.

In 2013, the Palace completed a capital project totaling \$1.3 million including new plumbing, roof, windows, service doors, ADA compliant hearing system, live event sound system, and Digital Cinema Projection. The final state of the renovation was completed in 2015 by restoring the current carpet with an original replica. A vital multi-purpose entertainment facility, its marquee burns brightly sixty feet above Market Avenue, welcoming you to enter its grand foyer and become a part of Canton's nostalgic past. Hosting over 300 events a year, with an attendance of over 100,000 guests, the Palace also strives to be an important part of Canton's future as it typically hosts a free movie night during Canton's First Friday family entertainment events each month.

The City's downtown is home to the National First Ladies Library housed in the former home of one time first lady Ida Saxton McKinley. The library presents a history of all the United States first ladies. In 2002, the Library added a \$5.5 million education and research center in the former National City Bank building located nearby the Saxton House. The renovations to the 110-year-old building were paid for through private donations and federal grants. The six story research center houses a 91-seat theater, meeting and exhibit rooms, research and reference materials and office space for the library personnel. In 2011 the Education and Research Center was donated to the National Park Service and then was made a part of the First Ladies National Historic Site. The National First Ladies' Library remains as the managing/operating partner of the site for the National Park Service. The First Ladies Park and the gated parking lot continue to be owned by the National First Ladies' Library.

Also located in the City's downtown area is the main branch of the Stark County District Library. The library is a 2009 winner of the prestigious National Medal for library service. The library's main branch, 9 satellite branches, 6 mobile libraries which are the largest in the state, and 24/7 digital branch holdings number more than 1.8 million items. Base on the concept started by Dolly Parton, due to her father's inability to read, First Lady Dewine, in 2019 started Ohio Governor's Imagination Library to help put books in the hands of children by matching funds to help offset the cost of providing this program. Stark County Library participates in this program. The library offers full-service cards and ecards which allows individual to access over 1 million items and more than 500,000 electronic items such as eBooks, movies, shows, movies and more. The library offers access to over 831,500 items. The library also offers corporate /organization cards which can be used by In addition, the Library provides programs for attendees and provides computer sessions on publicly available computers found in each branch. The library today reimagines itself as 'The Smart Store' where everything is free. It has emerged as a national thought-leader with innovations such as it's no overdue fines policy, the BikeSmart bike sharing network, passport services and Smart School Partnership. It is one of the nine largest library systems in Ohio and serves 12 local school districts.

The City is the home of the National Professional Football Hall of Fame, which attracts more than 200,000 visitors annually. In December 2010, the Hall of Fame's Board of Trustees announced plans for a major expansion and renovation to the museum. The project, called *Future 50 Project*, was the largest in the Hall of Fame's history, costing \$27 million and taking almost two years to complete. The museum building its self was expanded from 83,000 square feet to 118,000 square feet. The largest piece of the expansion was used for a Pro Football Research and Preservation Center. Also 38,000 square feet of existing gallery was renovated, which included a new lobby and visitor orientation theater. A new museum-quality environmental control system was installed to better ensure the safety of the museum's artifacts. The grounds surrounding the Hall of Fame were improved to provide space for special events, rental opportunities and additional parking. The enshrinement ceremony is the main event of the annual week long celebrations and the Hall of Fame completed the facility improvements in time to celebrate the museum's 50th anniversary and in time for the Class of 2013's induction ceremonies held on August 3, 2013. Also, the preseason game held that week is the kick-off to the start of the upcoming football season. The Pro Football Hall of Fame was slated to celebrate its centennial class induction ceremonies during the 2020 Hall of Fame enshrinement celebrations. However, due to a world pandemic in 2020, all events were cancelled and rescheduled to occur during the 2021 celebrations along with the new class of inductees for both 2020 and 2021.

In 2015, the Canton City School District, the City of Canton and the Pro Football Hall of Fame began discussions on the improvement of the district campus which includes McKinley High School, the C.T. Branin Natatorium and Fawcett Stadium for the expansion and improvement of the stadium and surrounding areas. This project has evolved into a potential multi-phase construction and expansion of the Pro Football Hall of Fame campus at an estimated cumulative value of \$400 million will include retail shopping and dining facilities. Also, a potential convention and events center will occupy these grounds. Along with an indoor waterpark and an amusement park. As of the submission of this report, the City Canton pledged and financed a bond anticipation note of \$5 million and the state has committed \$10 million in their capital budget. The Hall of Fame has received and the City Schools has accepted a \$10 million donation from Tom Benson for the renaming of the Fawcett Stadium. The \$25 million cited above is expected to be a part of the phase 1, \$40 million renovation to the stadium which broke ground in 2015. The first part of the stadium renovation was completed in August 2016 and the second phase was completed in July

2017. Additional private capital will be raised to expedite the projects expected to evolve within the Hall of Fame Village as listed within the master plan. The Hall of Fame Village LLC combined with a publicly traded, special – purpose Acquisition Company to help fund the expansion projects by trading common stock and warrants starting July 2, 2020. The Tom Benson Hall of Fame stadium serves as the football facility for the District High School, area colleges, the Ohio High School Athletic Association state football championship games and the annual Pro Football Hall of Fame game held annually, in conjunction with the Hall of Fame induction ceremony festivities, which sits adjacent to the stadium. Additionally, beginning in 2019, the annual Black College Football Hall of Fame was hosted at Tom Benson Hall of Fame Stadium with Alabama A&M Bulldogs playing the Morehouse Maroon Tigers. The 2020 game was cancelled due to the world pandemic but returned in 2021 when Tennessee State Tigers and Grambling State Tigers met during Labor Day weekend. The 2022 classic matchup will feature Central State University against Winston-Salem State University Labor Day weekend.

In 2021, the City of Canton and Canton City School District entered into a Joint Facility Development and Use Agreement for 25 years giving the Canton City Schools use of Thurman Munson Memorial Stadium (named after local baseball legend Thurman Munson) without paying fees in exchange for them providing significant stadium improvements. Some of the improvements included scoreboards at both fields, new batting cages and installing turf on the infield of the main field. These initial investments were values at over \$600,000. As part of this agreement the City of Canton agreed to spend up to \$3,500,000 of American Rescue Plan Act (ARPA) revenue loss dollars on artificial turf on field # 2, repair and replace field lights, renovating of locker room areas, renovating concession area, repair and place roof and HVAC systems, repairs to the parking lot and various other amenities throughout the stadium. These improvements will allow the Munson Stadium Complex to be used for competitive league and tournament play. The stadium will be the home of the Canton City School Bulldogs, the Malone University Pioneers and all local senior baseball leagues amounting to over 1,500 games played over 1 season.

The City is an industrial rail center served by the Norfolk & Southern Railway Company, Conrail, the Wheeling and Lake Erie Railway Company and CSX. 147 motor freight truck lines and local cartage haulers serve the Canton-Massillon MSA. Rail passenger service is available through the cities of Akron and Alliance by Amtrak. In 2003, Canton became a stop on the Cuyahoga Valley Scenic Railroad. The rail system is owned by the National Park Service and provides weekend excursions between Canton and Akron. Greyhound and other independent bus lines provide more complete passenger transportation.

The Stark Area Regional Transit Authority (SARTA), a separate political subdivision, provides daily public transportation in and around the City. The bus service initially was only a citywide service, but became a countywide system with the passage of a .25 percent county sales tax in 1997. The sales tax, renewed in 2002, 2006, and 2011, serves as the primary revenue source for SARTA. On November 8, 2016, voters approved a 10 year .25 county wide sales tax renewal. In addition to the sales tax, SARTA operations are supported, in part, from payments for contract services, State and Federal operating grants, and rider fares. SARTA provides over 2.5 million rides per year in Stark County and through Fixed Route, Proline and Medicaid Services. SARTA has set on course to become the nation's largest bus fleet running on Hydrogen Fuel Cells (HFC) and the largest east of California. The emissions from a hydrogen fuel cells are water. It expects to have 20 buses in its fuel cell fleet. SARTA had implemented a Transit Asset Management Plan (TAMP) and a Transit Development Plan (2020) (TDPs) which looks at the condition of assets to guide the prioritization of funding transit agencies and help improve their efficiency and effectiveness. SARTA has also has been awarded the CALSTART "Blue Sky Award" in 2020 for starting a HFC program and for being a pioneer in using HFC vehicles in public transportation.

Interstate 77 (north-south) and two U.S. highways (U.S. 30 and 62) serve the City. The City is served by four state routes (S.R. 800, 43, 153 and 687).

The Akron-Canton Regional Airport (Airport), a cooperative effort of Stark County and Summit County (in and for which the City does not have any financial interest or legal obligations), has an operational area of 2,700 acres, most of which is located in Summit County, directly north of and adjacent to Stark County, on Interstate 77. The Airport has five airlines offering nonstop service and had 414,783 customers in 2021 a 42.2% increase from the Airport's 2020 numbers as the world comes out of the health pandemic but still significantly less than its highest numbers of 1.8 million passengers in 2012. In late 2006, the Airport completed its 5-year \$60 million STAR Expansion Project which included extending runways, a new baggage claim area, a new food court, a new security screening area, enlarged gathering space, additional parking, and a terminal gate renovation that will allow the Airport to handle up to 1.6 million passengers annually. In 2007, the Airport invested \$10 million in a new deicing facility. In 2008, the Airport announced its new 10-year \$110 million capital improvement plan called CAK2018 which is now complete. The plan includes a 600 ft. runway extension and border patrol facility to allow for international flights, expanded aircraft parking, expanded auto parking, a wider entrance road, expanded ticket wing, expanded security screening

area, a new aircraft rescue and fire fighting maintenance facility, expand the concourse to allow for three more gates, and partner with the nearby City of Green for a new Industrial Park. The runway extension portion of the project was completed in 2010. The new aircraft rescue, border patrol facility, expanded parking lot, and expanded security-screening area were completed in 2011. In 2012, CAK completed the Firefighting Maintenance Facility (ARFF) and continued to add additional parking. Akron-Canton Airport is excited to embark on the final project of CAK 2018, the gate modernization program. This will include expanding the new concourse at an estimated cost of \$3.65 million, an expanded ticket wing \$2.5 million, and widening of the entrance road \$5.0 million which are in progress. In 2016, the airport unveiled a \$240 million dollar 20-year Master Plan that was approved by the Federal Aviation Administration (FAA) in 2015 which will guide capital investments and improvements at CAK and will include construction projects isolated to the years 2017 through 2020. The Akron-Canton Airport has embarked upon a 5 year strategic plan. The five-year strategic plan (2020-2024) will involve a transparent, inclusive approach to timely execution of objectives and initiatives throughout the organization. This strategy includes an analysis of CAK's competitive situation to others in the industry; a guiding policy for achieving the organization's goals; and specific action plans for implementation of this plan. The strategic plan will cover multiple years and be routinely updated as the industry, economy and environment continue to evolve (more on this Five-Year Strategic Plan can be found on the CAK website).

In April of 2022 the CAK launched a Business Catalyst Program which allows local entrepreneurs to establish a footprint at the airport. This program is aimed at disadvantaged and minority owned business by allowing them to reach thousands of potential customers each week by jump-start business and potentially growing into permanent retailers at the airport. These entrepreneurs are supplied with businesses terminal space at a trial rate. More information on this program can be found at the CAK website under the Newsroom link.

Long-Term Financial Planning

During 2021 the City has experienced an increase in overall revenue, excluding other financing sources, for the general fund of \$3,990,217 from 2020. The City as a whole experienced a decrease in GAAP-basis revenue (total of all program revenues and general revenues from the statement of activities) of \$4,077,068 from 2020 which is the first decline in nine years of growth for the City. The City's income tax revenue increased by \$9,632,538 and property tax revenue decreased by \$243,167. Charges for service (program revenue) increased by \$366,493 while operating grants and contributions (program revenue) and capital grants and contributions (program revenue) decreased \$10,962,397 and decrease \$472,870 respectively.

After Federal Reserves' interest rate reductions in the fourth quarter of 2007 through 2012 which led to net decreases in general fund interest revenue during that period, general fund interest revenue began to slowly increase by \$1,446 in 2013, \$120,885 in 2014, \$227,300 in 2015, \$41,751 in 2016, \$206,765 in 2017, \$50,281 in 2018, and \$557,192 in 2019 due to a more aggressive investment portfolio and improved interest rates on investments such as moving some funds into the State Treasury Asset Reserve (STAR Ohio) who is currently offering one of the better rates of return. However, there was a decrease in 2020 by \$397,223 and in 2021 by \$397,233 due to a world pandemic which saw markets declined as we went into a lockdown and market rates hit new lows. As the Federal Reserve began raising the prime interest rate connected to borrowing in 2022, we do not anticipate a significant increase in earnings and investment income.

The immediate U.S. economic future is predicted to be uncertain as prices rise in all categories of goods and services and inflation sets in. The increase in costs has been driven by shortages of goods and a reduced workforce during a pandemic and now a war being fought in the country of Ukraine. The Federal Reserve has started a number of schedule rate hikes to slow the economy hoping to ease the rise of inflation. The effects of those rate increases is hoped to reduce the possibility of a recession. With slight downward pressure from staff relocations to facilities outside of city limits from the likes of the Timken Company, U.S. Post Office, Chesapeake Energy and Nationwide Insurance ceasing operation in Canton to name a few, Canton has continued to leverage off the effects of the discovery of oil/natural gas shelf in the southern parts of the area. The fact remains that these relocations continue to bode well for the regional economy. The local economy will see future benefits in the development of a one-million-square-foot Amazon Fulfillment Center in Canton, Ohio which will employ 1,000 workers as well as create construction jobs during the building phase and is scheduled to open in 2023. The City's unemployment rate has increased from 4.5% at the end of 2019 to 5.3% at the end of 2020 and declined sharply in 2021 due to coming out of the pandemic and a sharply reduced labor market to a rate of 3.7%. The increase in income tax rate approved by the voters of the City on May 8, 2018 of a .5% has helped in the efforts to address the needs of the City in the areas of neighborhood development, the city's revitalization growth and in infrastructure upgrades. Also, a portion of the

revenue generated from the additional income tax increase has been earmark for police and fire which will allow for an increase in workforce staffing levels in those areas.

Relevant Financial Policies

During 2021, the City matured manuscript debt within the general fund that had been used for the past several years to finance land reutilization projects and NIP acquisition and demolition; however, this balance was eliminated on a GAAP-basis See Note 20.B to the basic financial statements for further detail on the City's manuscript debt issuance and obligations.

During 2021, the City continued to make biweekly sick expense premium deposits into its compensated absences claim fund to help offset the cost of current and previous unfunded compensated absences. The City previously changed the premium calculation from 125% of the total cost of the sick leave accrued on biweekly payrolls to 105% for 2010. However, the premium returned to 125% January 1, 2011, remained 125% through 2015. During 2016 the premium was reduced again to 105% and reset to 125% during 2017 and has continued with that rate in 2021.

Major Initiatives

In 2021, the City annexed approximately 13.8 acres and continues to explore further annexation options. A Downtown Special Improvement District (District) was formed in the City's central business area in 1997 by petition of a majority of the property owners. In March 1997, Canton City Council approved the petition and the District's articles of incorporation and initial services plan. The District has the authority to assess property owners for the cost of public services and improvements that specifically benefit properties and the District. On March 3, 2016 the District filed an application with Council in accordance with Ohio Revised Code Section 4301.82(B) to have certain property designated as an outdoor refreshment area. On April 25, 2016, Council passed an ordinance establishing and designating the Downtown Canton Designated Outdoor Refreshment Area (DORA) in accordance with Revised Code Section 4301.82 which allows alcoholic beverages to be consumed outdoors within the established boundaries and in an official cup as required by law. Canton was one of the first in the state to pass such a law.

In 2017, Council passed an ordinance establishing the boundaries of a proposed Downtown Redevelopment District including an Innovation District which falls within a ten acre area within the City. The goal is to establish by 2020 an Innovation District that will attract well-paying jobs for young people from multi-state areas by providing and attracting diversified business, concentrating on providing retention an expansion outreach, recruiting technology based companies, providing high speed broadband of 100 gigabits per second within the Innovation District area and incentives to attract research and development based companies to name a few. This plan will be implemented in collaboration with the Canton Regional Chamber of Commerce, existing downtown technology companies, and all institutions that have an impact on Canton's downtown economic development including Stark State College, Stark Development Board, Special Improvement District, other agencies and organizations.

In 2015, with the idea of raising funds by collecting donations from the artistic, charitable, business and other community partners, Canton began planning to develop the downtown green space park known as Market Square which would be used as a venue for small events such as concerts, sporting rallies etc. Further exploration and ideas of these partners evolved into a larger project of Phase 1, Phase 2 and even a Phase 3. Phase 1 being the design and construction which includes underground utilities, earthwork, hardscape, landscape, lighting a performance stage with cover and a restroom/storage facility. Phase 2 being reconstruction and streetscaping of 3rd Street NW and Court Avenue NW areas surrounding the plaza and a large LED screen. Phase 3 includes an iconic sculpture and additional modified features including a café. In May 2020, Council approved the renaming of "Market Square" to Centennial Plaza and to begin construction on the Centennial Plaza Project as previously approved by council at an estimated cost of \$13.2 million which will be funded in part with City Funds from Issue 13 revenues, private sector donations and state grants as set out in the plan with the hopes of having things completed in time for the September 2020 Centennial Celebration of the founding of the NFL in Canton. The property will have interactive activities that will be programmed by the Pro Football Hall of Fame with the intention to try to connect the City and the tourist attraction known as Hall Of Fame Village. Centennial Plaza was completed in 2020 and is now a central location in the downtown area for multi-events and celebration moments.

In 2004, the City chose to consolidate all of its previous community reinvestment areas into one area known as the Central Neighborhoods Community Reinvestment Area. (CRA) The area covers the City's central downtown business district, significant portions of the City's northeast and southeast quadrants, and portions of the southwest

and northwest quadrants closest to the City's downtown. Residential properties in the Central Neighborhoods Community Reinvestment Area can receive 100 percent abatement per year for ten years on the increased value of all qualifying improvements, restoration and construction. Commercial properties in the area can receive 100 percent abatement for the increased value all qualifying improvements, restoration and construction for the first 5 years and a 20 percent reduction per year over the remaining five-year period. The construction must be over \$50,000 for commercial projects and \$5,000 for residential projects to qualify.

In 2020, the City of Canton sought to further encourage revitalization of the existing neighborhoods and housing stock while promoting the development of new structures. The City proceeded to expand the CRA program to include the entire City of Canton, thereby providing temporary tax abatement of increased real property taxes on qualifying residential, commercial or industrial real property improvements within the area. This could be residential remodeling/renovations or new residential construction as well as new commercial/industrial construction or expansion projects. The abatement allows owners to pay taxes solely on the pre-improvement assessed value of their residential property for 15 years after improvements are completed. Property owners will not be required to pay property taxes on any increase in value that resulted from renovation or new construction on the property for a period of 15 years. Additionally, The City of Canton's Commercial/Industrial abatements are offered on a per project basis, subject to the approval of the affected School District, to companies that are looking to either construct a new facility or expand a current facility, and require significant investment into real property value. The abatement offered can be up to 100% and up to a 15-year period, with approval of the affected School District. The City of Canton can offer an abatement of up to 50% and up to a 15-year period, without the approval of the affected School District. Beneficially, with the increased potential for tax abatements offered, the City of Canton believes this will lead to positive neighborhood impact with new home construction and renovation increasing the values of surrounding properties and fill in vacant lots, population growth through new housing bringing new families into Canton and grow demand for schools, businesses, and other community services, and this activity will help limit funding cuts to schools and other property tax funded organizations as they will continue to receive all tax revenues they currently receive and are likely to see increases in revenue as overall property values increase.

The City of Canton has started a number of programs which aid in economic, community, and tourism development. The Designated Outdoor Refreshment Area (DORA), established in 2016, is an area of 69 acres of land in Downtown Canton which allows for individuals to stroll through downtown with a drink in hand. Designated DORA cups were designed specifically for businesses participating and beverages intended for consumption outside of the establishment must be contained in the official plastic DORA cup. 21 downtown businesses participate in the DORA.

In 2020, the City of Canton initiated its Energy Special Improvement District (ESID) which allows for the Property Assessed Clean Energy (PACE) financing of commercial or industrial properties. This program allows for the financing of energy efficiency improvements the special assessments against the property. This financing can be used for costs such as roofs, HVAC, solar, LED lighting, and others.

The City of Canton has uniquely positioned itself central to the creation of Tourism Development Districts (TDD). The TDD was first used in 2017 for the Hall of Fame Village TDD, then twice in 2020 with the Downtown Canton TDD and Hall of Fame Fitness TDD, and a fourth time in 2021 for the Centennial Plaza TDD. These districts assess a special tax (2%) on all receipts of wholesale and retail sales of tangible personal property from doing business within the district.

Lastly, the City of Canton has established an area known as a Community Entertainment District (CED). The designation of this area allows for the additional issuance of up to 15 D-5J liquor licenses within the district. The intent of this is to promote the growth of additional food and bar establishments within the City of Canton. Additionally, there is a second CED being established for the Hall of Fame Village.

In 2013, the City established two HUD Neighborhood Revitalization Strategy Areas – the Eastside and Central NRAs. During 2021, the City expended over \$355,000 in Federal Community Development Block Grant (CDBG) Program funds on NRA activities, including housing rehabilitation youth enrichment programs, programs to prepare youth for college and give minority youth exposure to career opportunities in college. Twenty housing projects were completed in both the Eastside and Central target areas. The City requested renewal of its two NRA areas when it submitted its 2020-2023 Consolidated Plan. The renewal was approved for another five year period. Since the NRA was established in 2013, the City has invested over \$6 million in the NRA areas

In 2020, Habitat, in partnership with the City, began a renewal project in the Eastside NRSA. The project will construct new housing, rehab existing housing and demolish abandoned properties to provide land to construct houses or create green spaces. Despite delays caused by the COVID-19 pandemic, Habitat built three new homes in this area in 2020.

Funding was awarded by the City and through the Community Development Department to convert the former Lehman High School into a 62-unit independent living facility for senior citizens. Lehman was converted to a middle school in 1976 and closed in 2006.

In 2020, the City worked with Aultman hospital to demolish seven houses to provide parking for a new cancer center. Once construction is completed, the project is expected to create six permanent jobs for low-moderate income persons. Ground breaking began in the spring 2021 and is scheduled for completion in 2022.

The City Engineering Department oversees all stages of street and sewer improvement projects. During 2021, the City completed: \$25.9 million of road paving, resurfacing and road stabilization projects throughout the City. Some of the larger engineering projects in various stages of planning, development, and construction include: 41ST St. Reconstruction, West Tuscarawas Corridor, 11th Street SE Realignment Project, 13th St. project, 30th St, 36th Street Road and Storm Sewer, Colonial Blvd, and 39th and Steese Street. The City have also started a Road Stabilization Project that is being tested as an alternative against regular paving methods.

In 2021, there were \$5.3 million of water projects completed. There were numerous projects for water lines in varying stages of planning, development and construction including: Edgefield I & II, 34th St. NW, Harvard Water Main Project, Cleveland Ave & Market Ave Water Main Extensions, and Fairmount Phase II. The Water department has also started the Sugar Creek Water Treatment Plant & Cromer Reservoir improvement projects in conjunction with the state relocating water lines on State Route 62.

In 2021, the City's Water Reclamation Department continued its progress in the \$92.0 million replacement of its Water Reclamation Facilities and membrane. The membrane purchase, installation, and corresponding construction, is estimated to continue in 2021 and nearing completion in 2023. Through December 2021, the City had expended \$88.1 million of the \$92.0 million project.

The year 2021 continued to be a difficult year for many residents of the City due to a world pandemic. The City of Canton received American Rescue Plan Assistance (ARPA) funds from the federal government in which some of these funds will be used to fund construction projects, provide small business grants, and provide funding to low-to-moderate income neighborhoods and families to help bring about affordable housing programs to those residents.

Debt Administration

At the end of 2021, the gross indebtedness of the City was \$104,341,348. The gross indebtedness of the City was \$108,735,674 at the end of 2020. During 2021, the City continued drawing down for Canton South Waterline Extension construction, Sugar Creek WTP, and Cromer Reservoir loans totaling \$2,022,465. In 2021, the City received \$0 from the 2010 Water Reclamation Facility (WRF) phosphorus/nitrogen removal project loan, and \$0 from the 2014 WRF phosphorus – MBR equipment loan. These projects will take almost seven years to complete at an estimated cost of over \$92 million. At December 31, 2021, the City had \$89,173,014 in OWDA loans outstanding in the enterprise funds and business-type activities and \$27,559 in OWDA loans outstanding in the governmental activities. During 2021, the City received loan proceeds from the Ohio Public Works Commission (OPWC) to finance various projects. The City received \$71,616 in OPWC loan proceeds in the enterprise funds and business-type activities and \$205,818 in OPWC loan proceeds in the governmental activities. At December 31, 2021, the City had \$3,311,279 in OPWC loans outstanding in the enterprise funds and business-type activities and \$3,740,674 in OPWC loans outstanding in the governmental activities. The City had \$976,500 in long-term State Infrastructure Bank (SIB) Loans outstanding as of December 31, 2021, all of which are reported in the governmental activities.

In 2018, Moody's Investor Services made no change to its stable outlook for the City. However, in 2012 Moody's Investor Services confirmed the City's rating of A1 and changed its negative outlook to stable. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City a negative outlook on general obligation bond issue. Fitch Rating Service also downgraded the City from AA- to A+ but said its outlook is stable. Neither Moody's Investor Services nor Fitch Rating Services adjusted these ratings in 2018. The general obligation indebtedness of the City is subject to two statutory debt limitations referred to as the "direct debt limitation" (by Ohio Revised Code Section 133.05). The total principal amount of voted and unvoted nonexempt net indebtedness of the City may not

exceed 10.5 percent of its assessed value of real and personal property, and in addition, the net principal amount of unvoted nonexempt debt may not exceed 5.5 percent of the same total assessed value. The City's overall legal debt margin was \$92,062,799 and an unvoted debt margin of \$48,168,025 as of December 31, 2021.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Canton for its Annual Comprehensive Financial Report as of December 31, 2021. The Certificate of Achievement is the highest form of recognition for excellence in state and local government.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized financial report whose contents conform to program standards, as well as satisfy both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

Special recognition for the preparation of this report is made to contributing department heads, Treasurer's staff, my own Auditor's office staff and City Council for their continuing support and commitment to responsible fiscal reporting. Special acknowledgement is given to my administrative staff: Dwayne Knight, Christine Bagley, Heather Locke-Williams, and John Sledobnik for their continued dedication and commitment to sound financial reporting in the preparation of this report.

Sincerely,



Richard A Mallonn II
City Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Canton
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Monell

Executive Director/CEO

**CITY OF CANTON
STARK COUNTY, OHIO**

CITY OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2021

Mayor

Thomas M. Bernabei

Council Members

William Sherer II, President

James Babcock
Peter Ferguson
Bill Smuckler
Kevin Hall
Robert Fisher
Jason Scaglione

Gregory Hawk
Christine Schulman
John Mariol II
Frank Morris
Chris Smith
Brenda Kimbrough

City Auditor

Richard A. Mallonn II

City Treasurer
Kim Perez

Law Director
Kristen Bates-Alyward

Director of Income Tax
Cynthia Allensworth

Director of Public Service
John Highman

Director of Public Safety
Andrea Perry

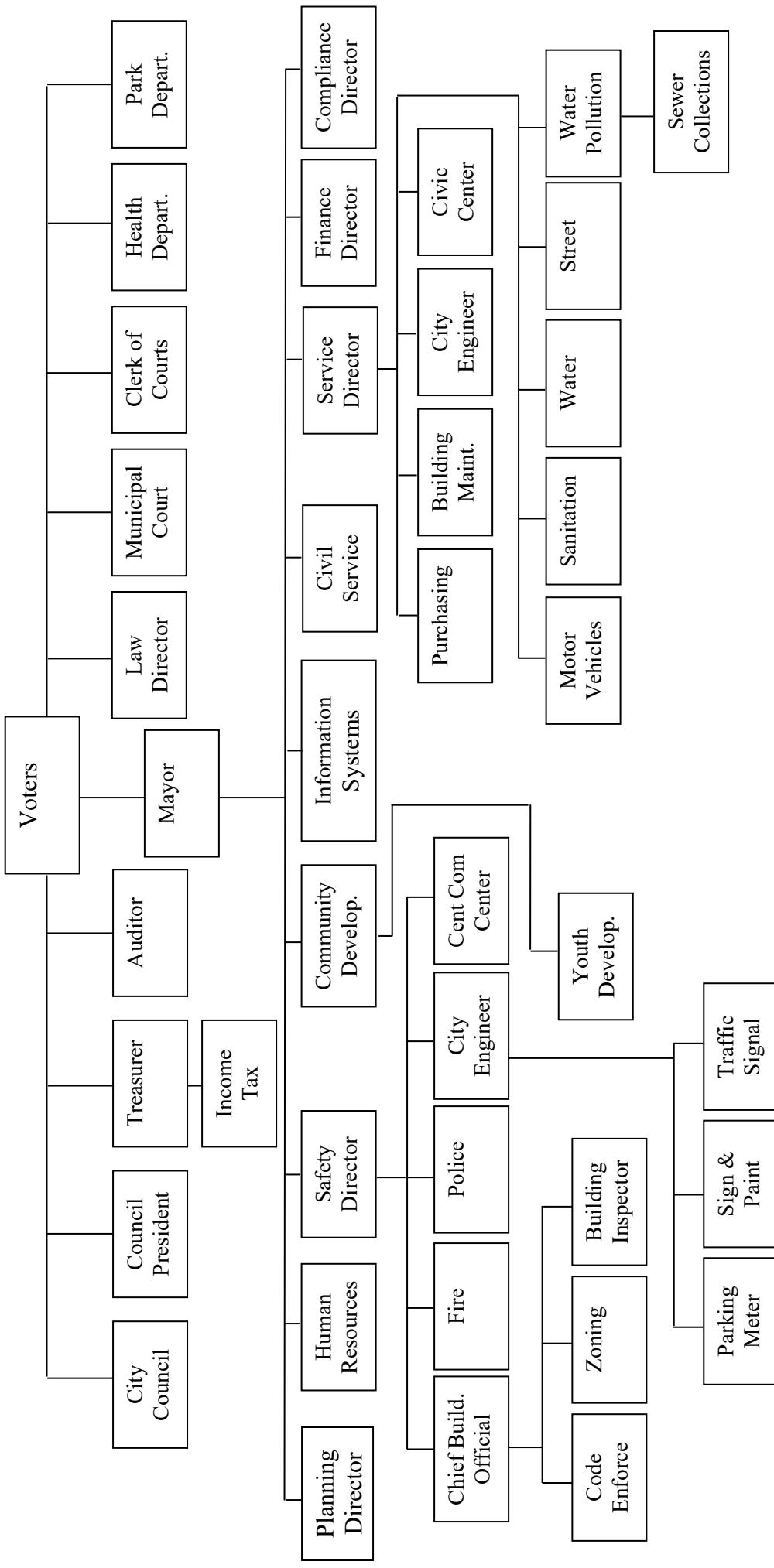
Fire Chief
Thomas Garra

Police Chief
Jack Angelo

City Engineer
Dan Moeglin

**CITY OF CANTON
STARK COUNTY, OHIO**

ORGANIZATIONAL CHART



FINANCIAL

City of Canton, Ohio

CANTON, OHIO



Independent Auditor's Report

City of Canton
Stark County, Ohio
218 Cleveland Avenue SW
Canton, Ohio 44702

To the Members of Council and Mayor:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Canton, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Community and Economic Development, and American Rescue Plan Act funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As described in Note 24 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City of Canton. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Canton'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 of Canton's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2022 on our consideration of the City of Canton'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 of Canton'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 of Canton's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
July 25, 2022

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CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The management's discussion and analysis (MD&A) of the City of Canton's (the "City") financial performance provides an overall review of the City's financial activities for the 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, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- The City's net position increased \$52.1 million as a result of this year's operations. Net position of the business-type activities increased by \$20.7 million from 2020's net position, or 14.25%, and net position of governmental activities increased by \$31.4 million, or 28.36% from 2020's net position.
- General revenues accounted for \$89.3 million, or 74.13%, of total governmental activities revenue. Program specific revenues accounted for \$31.1 million, or 25.87%, of total governmental activities revenue.
- The City had \$88.9 million in expenses related to governmental activities; \$31.1 million of these expenses was offset by program specific charges for services and sales, grants or contributions. The remaining expenses of the governmental activities of \$57.8 million were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$89.3 million.
- The City's business-type activities consist of water, sewer, refuse, and building code operations. The City had \$34.9 million in expenses related to business-type activities. All of these expenses were offset by \$55.4 million of program specific charges for services and sales, grants or contributions. Program revenues were sufficient to cover expenses of the business-type activities in 2021. General revenues of the business-type activities were \$0.2 million for 2021. Overall, total revenues of the business-type activities exceeded expenses by \$20.7 million.
- The general fund had revenues and other financing sources of \$71.8 million in 2021. This represents an increase of \$3.8 million from 2020 revenues. The expenditures and other financing uses of the general fund, which totaled \$69.6 million in 2021, increased \$6.5 million from 2020. The net increase in fund balance for the general fund was \$2.2 million, or 11.62%.
- The City received no rating change in 2021; Moody's maintains a stable outlook on the City's debt.
- The City reported an operating loss of \$0.8 million in its compensated absences claim internal service fund. The total liability for compensated absences increased \$0.2 million from \$8.1 million at December 31, 2020 to \$8.3 million at December 31, 2021. During 2021, the City continued to deposit premiums equal to 125% of earned benefits of employees into the fund. The compensated absences claim internal service fund had a deficit net position of \$7.5 million at December 31, 2021.

USING THIS ANNUAL FINANCIAL REPORT

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City perform financially during 2021?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

Governmental Activities: Most of the City's basic services are reported here, including the police, fire, street and highway maintenance, capital improvement, vehicle acquisition, parks and recreation, and general administrative. Income taxes, property taxes, undivided local government, ambulance user fees and state and federal grants finance most of these activities.

Business-Type Activities: The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sewer, refuse and building code operations are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes (Ex. parking deck fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development).

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Governmental funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, the community and economic development fund, the American rescue plan act, the capital projects fund and the motor vehicles purchase fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

Proprietary funds

When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as a statement of cash flows. We use internal service funds, health insurance, worker's compensation insurance, and compensated absences claim funds, (the other component of proprietary funds) to report activities that provide a service to the City's other programs and activities.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Private-purpose trust and custodial funds are the City's fiduciary fund types.

Required Supplementary Information (RSI)

The RSI contains information regarding the City's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and Ohio Police and Fire Retirement System (OP&F) net pension liability, net pension asset, net OPEB liability, net OPEB asset, and the City's schedule of contributions to OPERS and OP&F.

Notes to the Basic Financial Statements

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

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Government-Wide Financial Analysis

The table below (Table 1) provides a summary of the City's net position at December 31, 2021 and 2020.

	Table 1 Net Position (In Millions)					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	\$ 129.6	\$ 90.3	\$ 60.2	\$ 55.8	\$ 189.8	\$ 146.1
Capital assets, net	<u>178.8</u>	<u>173.6</u>	<u>222.7</u>	<u>218.7</u>	<u>401.5</u>	<u>392.3</u>
Total assets	<u>308.4</u>	<u>263.9</u>	<u>282.9</u>	<u>274.5</u>	<u>591.3</u>	<u>538.4</u>
Deferred outflows of resources	<u>21.5</u>	<u>20.5</u>	<u>2.7</u>	<u>5.1</u>	<u>24.2</u>	<u>25.6</u>
Liabilities						
Current and other liabilities	\$ 47.3	\$ 24.7	\$ 12.0	\$ 11.7	\$ 59.3	\$ 36.4
Long-term liabilities:						
Due in more than one year	16.3	12.5	85.3	88.5	101.6	101.0
Net pension liability	79.7	82.3	12.0	17.0	91.7	99.3
Net OPEB liability	<u>9.4</u>	<u>24.7</u>	<u>-</u>	<u>11.9</u>	<u>9.4</u>	<u>36.6</u>
Total liabilities	<u>152.7</u>	<u>144.2</u>	<u>109.3</u>	<u>129.1</u>	<u>262.0</u>	<u>273.3</u>
Deferred inflows of resources	<u>34.9</u>	<u>29.3</u>	<u>10.8</u>	<u>5.7</u>	<u>45.7</u>	<u>35.0</u>
Net position						
Net investment in capital assets	167.8	161.2	130.0	121.7	297.8	282.9
Restricted	28.3	22.2	-	-	28.3	22.2
Unrestricted	<u>(53.8)</u>	<u>(72.5)</u>	<u>35.5</u>	<u>23.1</u>	<u>(18.3)</u>	<u>(49.4)</u>
Total net position	<u><u>\$ 142.3</u></u>	<u><u>\$ 110.9</u></u>	<u><u>\$ 165.5</u></u>	<u><u>\$ 144.8</u></u>	<u><u>\$ 307.8</u></u>	<u><u>\$ 255.7</u></u>

The City applies Governmental Accounting Standards Board (GASB) Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27” and GASB Statement 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68” which significantly revised accounting for pension costs and liabilities. 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 the net pension liability/asset to the reported net position and subtracting deferred outflows related to pension.

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, the net pension asset, and the net OPEB asset.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

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

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2021, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$307.8 million. At year-end, net position was \$142.3 million and \$165.5 million for the governmental activities and the business-type activities, respectively.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets, net represented 67.90% of total assets. Capital assets include land, construction in progress, buildings and structures, vehicles, equipment and infrastructure. The net investment in capital assets at December 31, 2021, was \$167.8 million and \$130.0 million in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets are not used to liquidate these liabilities.

Long-term liabilities decreased due to the City paying down its debt obligations. The City reports a liability for its share of the net pension liability and net OPEB liability which are outside of the control of the City. The City contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to City employees, not the City. The pension and OPEB liabilities will fluctuate annually due to a number of factors including investment returns, actuarial assumptions used, and the City's proportionate share of net pension and net OPEB costs. As a result, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset. Had the City not applied the requirements of GASB 68 and GASB 75, the total net position for the governmental activities and business-type activities would have been as follows for 2021 and 2020 (in millions):

	Governmental Activities 2021	Governmental Activities 2020	Business-Type Activities 2021	Business-Type Activities 2020
Total net position (with GASB 68/GASB 75)	142.3	110.9	165.5	144.8
GASB 68 calculations:				
Add: Deferred inflows related to pension	17.1	16.4	6.0	3.9
Add: Net pension liability	79.7	82.3	12.0	17.0
Less: Net pension and OPEB asset	(2.7)	0.3	(1.7)	0.2
Less: Deferred outflows related to pension	(13.6)	(12.4)	(1.9)	(3.0)
GASB 75 calculations:				
Add: Deferred inflows related to OPEB	11.2	6.6	4.8	1.8
Add: Net OPEB liability	9.4	24.7	-	11.9
Less: Deferred outflows related to OPEB	(7.9)	(8.0)	(0.8)	(2.1)
Total net position (without GASB 68/GASB 75)	<u><u>235.5</u></u>	<u><u>220.8</u></u>	<u><u>183.9</u></u>	<u><u>174.5</u></u>

As of December 31, 2021, the City is not able to report positive balances in all three categories of net position for its governmental activities and for the government as a whole (governmental activities and business-type activities). A portion of the City's net position, \$28.3 million represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$53.8 million. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements.

CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The table below (Table 2) shows the changes in net position for fiscal year 2021 and 2020.

Table 2
Change in Net Position
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services and sales	\$ 13.9	\$ 14.7	\$ 49.2	\$ 48.1	\$ 63.1	\$ 62.8
Operating grants and contributions	14.5	25.5	0.1	0.1	14.6	25.6
Capital grants and contributions	2.7	3.9	6.0	5.3	8.7	9.2
Total program revenues	<u>31.1</u>	<u>44.1</u>	<u>55.3</u>	<u>53.5</u>	<u>86.4</u>	<u>97.6</u>
General revenues:						
City income taxes	68.6	58.9	-	-	68.6	58.9
Property taxes	5.8	6.1	-	-	5.8	6.1
Intergovernmental (grants and entitlements)	7.8	8.1	-	-	7.8	8.1
PILOTS	1.6	1.1	-	-	1.6	1.1
Other local taxes	0.5	0.1	-	-	0.5	0.1
Interest and investment earnings	(0.3)	1.2	-	-	(0.3)	1.2
Other	5.3	6.2	0.2	0.8	5.5	7.0
Total general revenues	<u>89.3</u>	<u>81.7</u>	<u>0.2</u>	<u>0.8</u>	<u>89.5</u>	<u>82.5</u>
Total revenues	<u>120.4</u>	<u>125.8</u>	<u>55.5</u>	<u>54.3</u>	<u>175.9</u>	<u>180.1</u>
Expenses						
Program expenses:						
General government	22.3	37.8	-	-	22.3	37.8
Security of persons and property	41.5	46.4	-	-	41.5	46.4
Public health	-	-	-	-	-	-
Transportation	11.4	14.3	-	-	11.4	14.3
Community environment	7.0	6.9	-	-	7.0	6.9
Leisure time activities	6.5	6.9	-	-	6.5	6.9
Interest and fiscal charges	0.3	0.4	-	-	0.3	0.4
Water	-	-	12.9	13.1	12.9	13.1
Sewer	-	-	14.4	17.2	14.4	17.2
Refuse	-	-	6.2	7.2	6.2	7.2
Building	-	-	1.3	2.6	1.3	2.6
Total program expenses	<u>89.0</u>	<u>112.7</u>	<u>34.8</u>	<u>40.1</u>	<u>123.8</u>	<u>152.8</u>
Increase (decrease) in net position						
	31.4	13.1	20.7	14.2	52.1	27.3
Net position at beginning of year	<u>110.9</u>	<u>97.8</u>	<u>144.8</u>	<u>130.6</u>	<u>255.7</u>	<u>228.4</u>
Net position at end of year	<u><u>\$ 142.3</u></u>	<u><u>\$ 110.9</u></u>	<u><u>\$ 165.5</u></u>	<u><u>\$ 144.8</u></u>	<u><u>\$ 307.8</u></u>	<u><u>\$ 255.7</u></u>

Governmental Activities

The 2.5% income tax is the largest revenue source for the City. Designated by ordinance, the capital projects fund receives 18% of net income tax received. In addition, the motor vehicle purchase fund receives 4%, the neighborhood fund receives 2% and the comprehensive fund receives 12% of net income tax received. The remaining 64% is allocated to the general fund and is used for such things as police and fire protection, street maintenance, and other purposes determined by council.

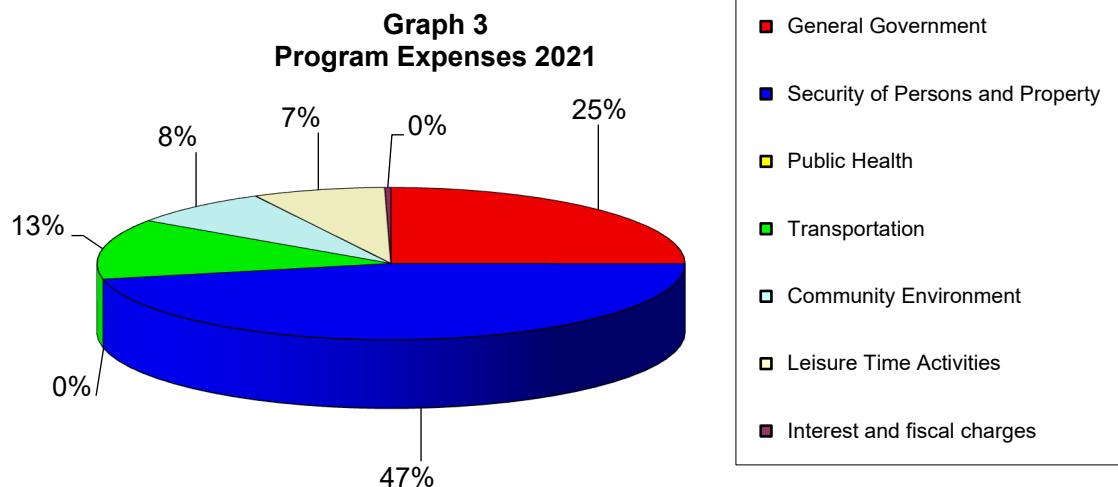
**CITY OF CANTON
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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

When looking at sources of income to support governmental activities, it should be noted that charges for services are only 11.5% of governmental activities revenue. Revenues provided by sources other than city residents in the form of operating grants and contributions, capital grants and contributions and grants and entitlements not restricted to specific programs comprise another 20.8%. The remaining revenues are primarily generated locally through property taxes (6.6%) and income taxes (56.9%).

Overall, governmental activities revenues decreased \$5.4 million primarily due to the City receiving Coronavirus Relief aid in 2020. Income taxes increased as the economy began to recover from the COVID-19 pandemic. Operating grants and contributions decreased due to the City receiving Coronavirus Relief aid from the federal government in 2020.

Expenses of the governmental activities decreased \$23.7 million or 21.03%. This decrease is primarily the result of the decrease in OPEB expense for the Ohio Public Employees Retirement System (OPERS). On an accrual basis, the City had OPEB expense of (\$12.7 million) in 2021 compared to \$2.5 million in 2020. On January 15, 2020, OPERS approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes along with changes in assumptions related to an increase in discount rate from 3.16% to 6.00% significantly decreased the total OPEB liability for the measurement date December 31, 2020.

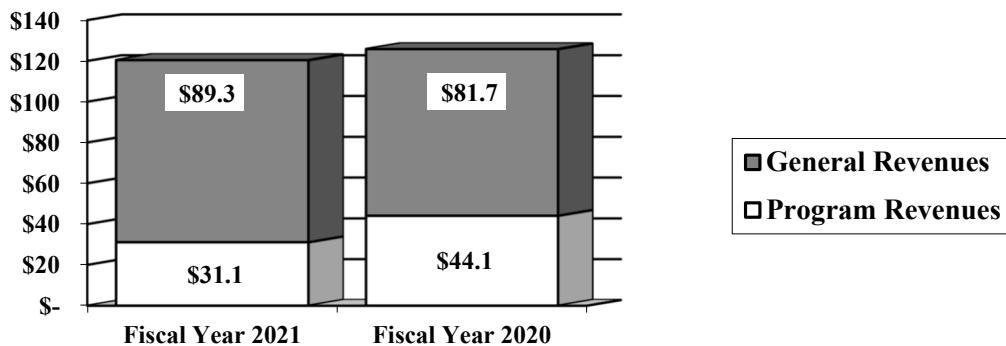
Graph 3 represents the cost of each of the City's governmental programs: security of persons and property, general government, transportation, public health, leisure time activities, community environment, and interest and fiscal charges. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The decrease in the net cost demonstrates the greater ability to recover the cost of the program under the current revenue policies. As indicated by governmental program expenses, citizen's safety, health, and well-being is emphasized.



CITY OF CANTON
STARK COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The graph below compares the City's general revenues (which includes property taxes, income taxes and unrestricted grants and entitlements) and program revenues for fiscal year 2021 and 2020.

Graph 4
Governmental Activities – General and Program Revenues (In Millions)



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Table 5
Governmental Activities (In Millions)

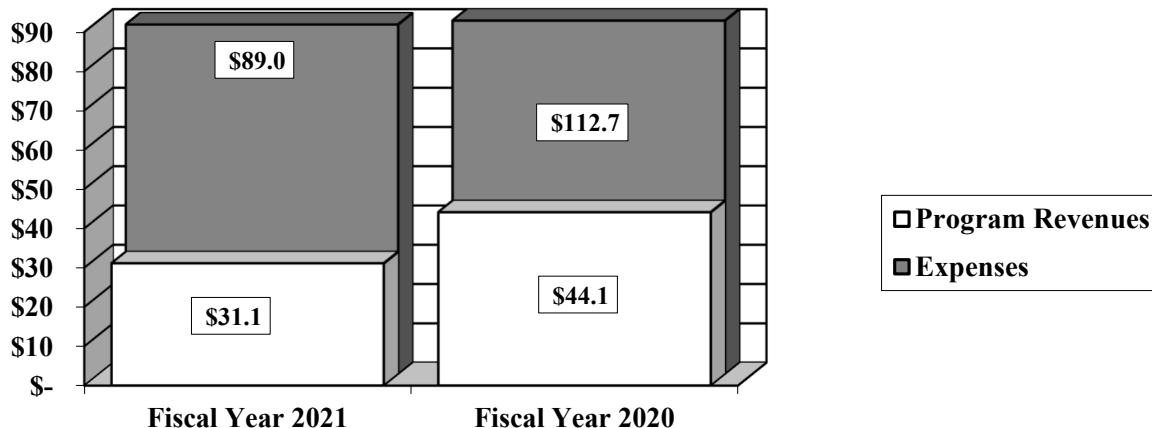
	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Program expenses:				
General government	\$ 22.3	\$ 11.4	\$ 37.8	\$ 20.7
Security of persons and property	41.5	33.0	46.4	36.2
Transportation	11.4	5.4	14.3	7.6
Community environment	7.0	2.4	6.9	(2.8)
Leisure time activities	6.5	5.3	6.9	6.5
Interest and fiscal charges	0.3	0.3	0.4	0.4
Total	\$ 89.0	\$ 57.8	\$ 112.7	\$ 68.6

The dependence upon general revenues for governmental activities is apparent, with 64.99% of expenses supported through taxes and other general revenues.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

The graph below compares the City's governmental activities program revenues and total governmental activities expenses for fiscal year 2021 and 2020.

Graph 6
Governmental Activities – Program Revenues vs. Total Expenses (In Millions)

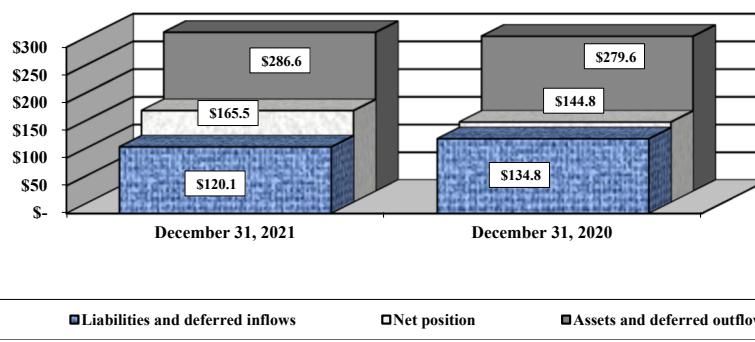


Business-Type Activities

The net position of the business-type activities include the water, sewer, refuse and building code enterprise funds. For a description of these funds, see the accompanying notes to the basic financial statements. These programs had program revenues of \$55.3 million and general revenues of \$0.2 million which were sufficient to support the total expenses of \$34.8 million. Total revenues exceeded total expenses by \$20.7 million in 2021. The graph below shows the business-type activities assets, liabilities and deferred inflows and net position at year-end.

Net Position in Business - Type Activities

Graph 7
Net Position of Business - Type Activities (In Millions)



The basic financial statements for the major funds are included in this report. Because the focus on business-type activities is a cost of service measurement or capital maintenance, we have included an assessment of the capital asset balances for the business-type activities in Graph 10.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end. The City's governmental funds reported a combined fund balance of \$54.5 million which is \$10.9 million higher than last year's total of \$43.6 million. The schedule below indicates the fund balances as of December 31, 2021 and 2020 for the governmental funds.

Table 8
Fund Balances (In Millions)

	12/31/21	12/31/20	Increase (Decrease)
Major funds:			
General	\$ 20.7	\$ 18.5	\$ 2.2
Community and economic development	1.7	0.8	0.9
Capital projects	9.0	7.5	1.5
Motor vehicle purchase	0.9	0.8	0.1
Nonmajor governmental funds	<u>22.2</u>	<u>16.0</u>	<u>6.2</u>
Total	<u>\$ 54.5</u>	<u>\$ 43.6</u>	<u>\$ 10.9</u>

General Fund

Fund balance of the general fund increased \$2.2 million from 2020 primarily due to revenues outpacing expenditures during 2021. Income tax revenues increased due to the economy beginning to recover from the COVID-19 pandemic. Security of persons and property expenditures increased due to the City using a portion of its Coronavirus Relief aid to pay for a portion of police and fire wages in 2020 and not 2021. Expenditures of the general fund increased \$7.6 million from 2020.

Community and Economic Development Fund

Fund balance of the community and economic development fund increased \$0.9 million from the prior year. Revenues and other financing sources increased \$2.1 million from \$3.6 million in 2020 to \$5.7 million in 2021 primarily due to increased operating grants. Expenditures increased \$1.0 million from \$3.8 million in 2020 to \$4.8 million in 2021 due to increased community environment projects. The community and economic development fund had \$1.2 million in economic development loans receivable at December 31, 2021.

American Rescue Plan Act Fund

The American Rescue Plan Act (ARPA) fund received \$31.8 million in ARPA grant money from the federal government. The ARPA fund reported \$2.0 million in recognized revenue in 2021 from the ARPA grant funds received. Expenditures were \$2.0 million in 2021 as the City began spending ARPA money. The remaining balance of grant money of \$29.8 million is reported as unearned revenue and will be recognized as expenditures are incurred.

Capital Projects Fund

Fund balance of the capital projects fund increased \$1.5 million from \$7.5 million at December 31, 2020 to \$9.0 million at December 31, 2021. Revenues and other financing sources increased \$0.6 million from \$11.5 million in 2020 to \$12.1 million in 2021. Expenditures increased \$0.5 million from \$10.1 million in 2020 to \$10.6 million in 2021. Capital outlay expenditures increased as the City delayed many capital projects in 2020 due to the pandemic.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Motor Vehicle Purchase Fund

Fund balance of the motor vehicle purchase fund increased \$0.1 million from \$0.8 million at December 31, 2020 to \$0.9 million at December 31, 2021. Revenues and other financing sources decreased \$0.9 million from 2020 levels at \$3.6 million. Expenditures decreased \$1.1 million from \$3.8 million in 2020 to \$2.7 million in 2021 due to decreased capital purchases as a result of the City purchasing fire department vehicles in 2020.

Nonmajor Governmental Funds

Fund balance of the nonmajor governmental funds increased \$6.2 million from \$16.0 million at December 31, 2020 to \$22.2 million at December 31, 2021. Revenues and other financing sources decreased \$8.2 million from \$38.9 million in 2020 to \$30.7 million in 2021 due to a decrease in intergovernmental revenues as the City received Coronavirus Relief money in 2020. Expenditures decreased \$17.3 million from \$41.8 million in 2020 to \$24.5 million in 2021 due to a decrease in general government expenditures. General government expenditures decreased due to personal protective equipment purchases made by the City to combat the COVID-19 pandemic in 2020 and not in 2021.

General Fund Budgeting Highlights

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Alternative Tax Budget, the Certificate of Estimated Resources and the Appropriation Ordinance: all are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the account level split between salary and non-salary line items. Any budgetary modifications above account level may only be made by resolution of City Council.

The City's fully automated financial system also maintains budgetary control through its requisition/purchase order/encumbrance feature. Department requisitions, which if processed, would result in an overrun of budget are placed into suspense and can only be authorized when additional appropriations are made available through Council ordinance or departmental transfer. The security of the financial system prohibits commitments in excess of appropriations. Requisitions not completed are removed at the close of each month. Requisitions meeting the required criteria are processed by the City Auditor resulting in the required purchase order. The purchase order provides for the reserved encumbrance against the current budget.

The City Auditor continually monitors the encumbrances and expenditures against the budgeted appropriations and against the County Auditor's Certificate of Estimated Resources. Using the budget prepared by the City the preceding July and including the carry over balances less carry over encumbrances at year-end, the County Auditor arrives at and issues the Certificate of Estimated Resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's certificate.

The City's general fund had original estimated revenues and other financing sources and final estimated revenues and other financing sources of \$67.0 million and \$75.2 million. The actual revenue and other financing sources were less than final budgeted revenue and other financing sources by \$4.7 million.

The general fund variance from original budgeted expenditures and other financing uses to final budgeted expenditures and other financing uses was an increase of \$12.0 million. The primary areas of increase were \$6.4 million in general government. The final budgeted expenditures and other financing uses of \$83.5 million exceeded actual expenditures and other financing uses of \$77.5 million by \$6.0 million. The actual expenditures and other financing uses of \$77.5 million were approximately \$6.0 million higher than the original budgeted expenditures and other financing uses.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial Analysis of the Proprietary Funds

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

The water operating fund, the sewer operating fund, and the refuse operating fund had net position increases of \$9.5 million, \$7.7 million, and \$2.1 million, respectively. The building code fund (a nonmajor enterprise fund) had an increase in net position of \$1.4 million. The water operating fund experienced an increase in operating revenue of 1.89% and the sewer operating fund experienced a decrease in operating revenue of 4.44%, respectively from the prior year. The water operating fund had a decrease in operating expenses of 2.00% from the prior year while the sewer operating fund had a decrease in operating expenses of 18.48% from the prior year. The Refuse Fund's operating revenue increased 6.60% from 2020 while operating expenses decreased 15.78% from 2020. These two factors caused the refuse operating fund to report an increase in net position of \$2.1 million in 2021 as compared to an increase in net position of \$0.5 million in 2020. The building code fund's (nonmajor enterprise fund) operating revenues increased 19.90% from the prior year while operating expenses decreased 47.51% from the prior year. These factors caused an increase in net position of \$1.4 million in 2021 as compared to a decrease in net position of \$0.3 million in 2020.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the City had \$401.5 million invested in a variety of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, and water and sewer lines (see following graphs). This amount represents a net increase from prior year.

Major additions for the governmental activities include both projects completed in 2020 and removed from construction in progress as well as projects that remain construction in progress at December 31, 2021. These projects include ongoing major road and storm sewer projects, park equipment additions and renovations, and a major street lighting upgrade.

Additions to Business-Type Activities included additional water and sewer line construction, the continuation of a major renovation project at the City's Water Reclamation Plant, and ongoing restoration work at two of the City's water plants.

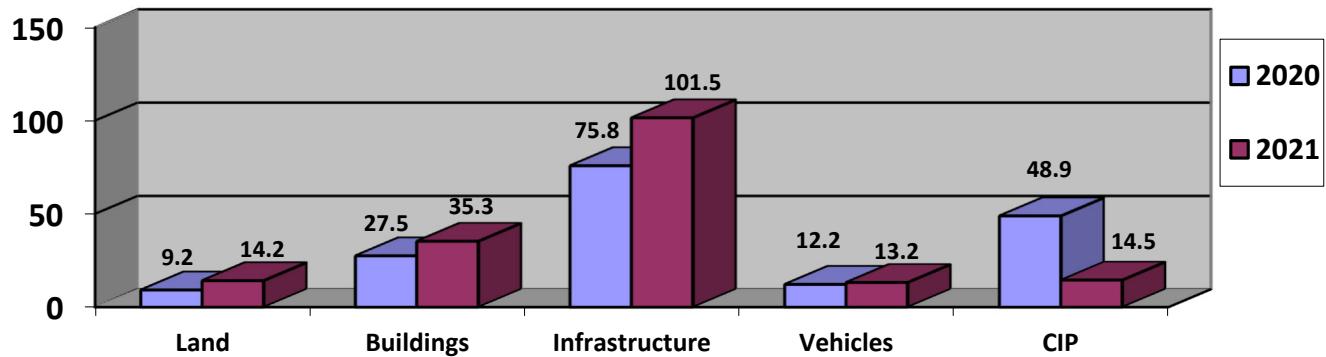
The City's 2021 capital budget anticipates a spending level of \$3.5 million for capital projects. The City will continue to spend the balance remaining of the \$3.4 million generated from the sale of general obligation bonds during 2006 to construct a scaled back version of a scaled back version of a community water park for the youth of the City. The water park plans have been greatly reduced since its inception in 2006. In fact, in 2009, 2010, and 2011 the City spent a portion of the unspent portion of the 2006 issuance, dedicated for both Mallonn Park and the water park, to retire the corresponding years principal and interest due on the aforementioned bonds. In early 2015, the City entered into contracts for a scaled down version of the water park. The prior portion of this issuance expended was used for constructing a fire station, additional building improvement and expansion to City Hall, improve infrastructure and city parks expansion and developments.

More detailed information about the City's capital assets is presented in Note 7 to the basic financial statements.

**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

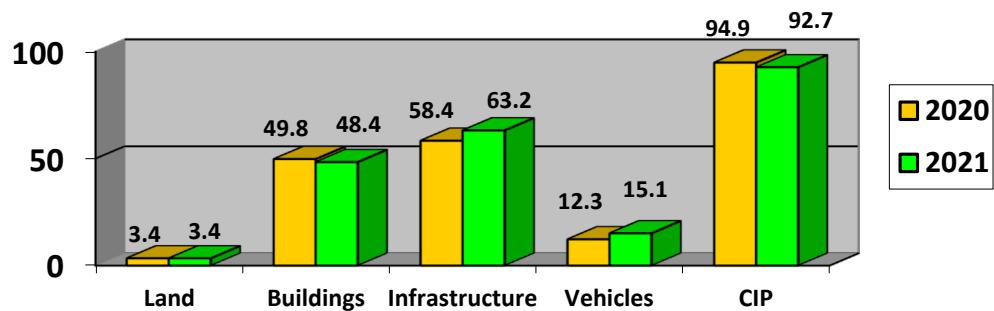
The graph below reflects the City's governmental activities capital assets, net of accumulated depreciation, for December 31, 2021 and 2020:

Graph 9
Governmental Capital Assets - Net of Depreciation
(Dollar Value in Millions)



The graph below reflects the City's business-type activities capital assets, net of accumulated depreciation, for December 31, 2021 and 2020:

Graph 10
Business-Type Capital Assets - Net of Depreciation
(Dollar Value in Millions)

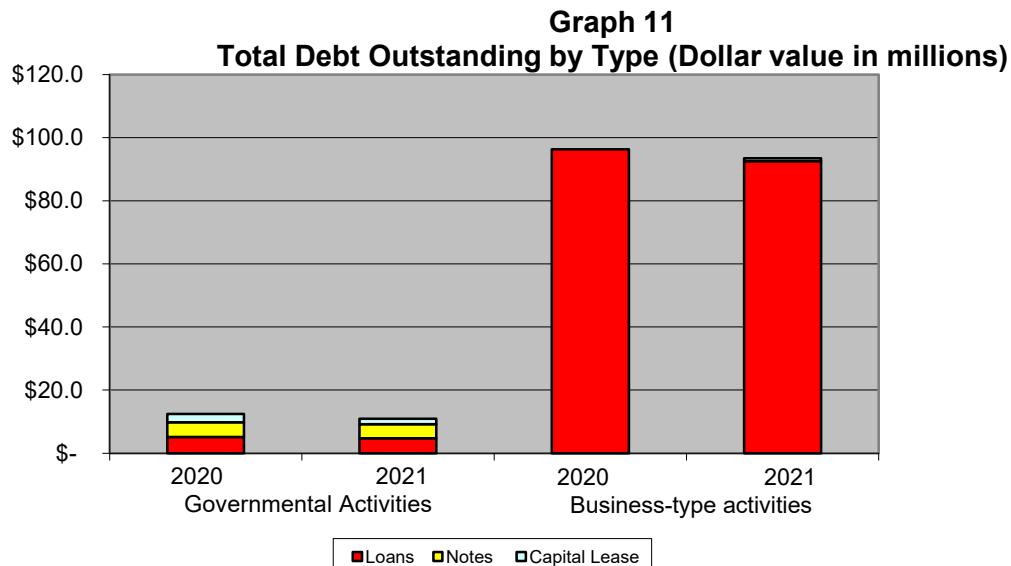


**CITY OF CANTON
STARK COUNTY, OHIO**
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

Debt

At December 31, 2021, the City had outstanding long-term debt obligations in the amount of \$10.9 million down from \$12.4 million in 2020 for the governmental activities this represents a 12.10% decrease. The City's business-type activities debt obligation as of December 31, 2021 was \$93.4 million which is a decrease from \$96.3 million in 2020. This represents a decrease of 3.01%.

The breakout on debt outstanding, by type, is presented in the table below.



During 2021, the City issued \$4.5 million in notes payable and retired \$4.7 million in notes payable. The balance of the City's notes payable at December 31, 2021 is \$4.5 million. See Note 11 to the basic financial statements for more information on the City's note obligations.

In 2021, no adjustments were made to the City's credit rating; however, in 2012 Moody's Investor Services confirmed the City's rating of A1 and changed its negative outlook to stable. In 2010, Moody's downgraded the City's rating to A1 from Aa3 and gave the City negative outlook on a general obligation bond issue. Fitch Rating service did not evaluate the City in 2013; however, Fitch had previously downgraded the City from AA- to A+ but said its outlook is stable. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 9 to the basic financial statements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Richard A. Mallonn II-City Auditor, City of Canton, 218 Cleveland Ave., Canton, Ohio 44702. (Phone 330-489-3226 or Fax 330-580-2067).

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**CITY OF CANTON
STARK COUNTY, OHIO**

STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	CCIC	Board of Health
Assets:					
Equity in pooled cash and cash equivalents	\$ 80,538,500	\$ 46,870,632	\$ 127,409,132	\$ 1,111,430	\$ -
Cash with fiscal agents	3,019	-	3,019	-	5,418,700
Cash in segregated accounts	-	226,043	226,043	-	-
Receivables:					
Income taxes	8,765,373	-	8,765,373	-	-
Property taxes	8,199,731	-	8,199,731	-	-
Accounts	4,235,280	8,484,111	12,719,391	-	90,718
Accrued interest	118,400	-	118,400	-	-
Due from other governments	14,917,455	81,342	14,998,797	-	353,339
Loans receivable	8,629,115	-	8,629,115	-	-
Due from component units	223,606	-	223,606	-	-
Materials and supplies inventory	409,508	2,666,168	3,075,676	-	-
Prepayments	767,933	238,299	1,006,232	16,183	53,950
Net OPEB asset	2,305,391	1,441,855	3,747,246	-	337,596
Net pension asset	428,782	268,172	696,954	-	62,790
Internal balance	117,949	(117,949)	-	-	-
Real estate held for development	-	-	-	40,000	-
Capital assets:					
Land and construction in progress	28,740,840	96,088,832	124,829,672	-	-
Depreciable capital assets, net	150,038,630	126,661,167	276,699,797	-	220,210
Total capital assets, net	178,779,470	222,749,999	401,529,469	-	220,210
Total assets	308,439,512	282,908,672	591,348,184	1,167,613	6,537,303
Deferred outflows of resources:					
Pension	13,618,646	1,907,446	15,526,092	-	454,855
OPEB	7,856,263	798,450	8,654,713	-	193,215
Total deferred outflows of resources	21,474,909	2,705,896	24,180,805	-	648,070
Liabilities:					
Accounts payable	4,708,557	2,520,455	7,229,012	22,903	202,360
Contracts payable	-	258,898	258,898	-	-
Accrued wages and benefits payable	1,641,335	521,895	2,163,230	-	117,462
Due to other governments	449,618	103,700	553,318	-	18,147
Due to primary government	-	-	-	-	223,606
Retainage payable	-	226,043	226,043	-	-
Accrued interest payable	387,637	-	387,637	-	-
Note payable	4,075,000	-	4,075,000	-	-
Claims payable	2,222,247	-	2,222,247	-	-
Deposits held and due to others	141,352	-	141,352	-	-
Payroll withholding payable	949,799	242,101	1,191,900	-	-
Unearned revenue	29,817,731	-	29,817,731	-	-
Long-term liabilities:					
Due within one year	7,403,351	8,122,578	15,525,929	-	109,268
Due greater than one year:					
Net Pension Liability	79,687,618	12,011,650	91,699,268	-	2,812,408
Net OPEB Liability	9,400,168	-	9,400,168	-	-
Other amounts due in more than one year	11,833,687	85,274,277	97,107,964	-	420,043
Total liabilities	152,718,100	109,281,597	261,999,697	22,903	3,903,294
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	6,518,093	-	6,518,093	-	-
Pension	17,139,282	6,012,259	23,151,541	-	1,321,218
OPEB	11,232,151	4,828,029	16,060,180	-	1,077,978
Total deferred inflows of resources	34,889,526	10,840,288	45,729,814	-	2,399,196
Net position:					
Net investment in capital assets	167,834,977	129,989,301	297,824,278	-	220,210
Restricted for:					
Community development programs	19,581,777	-	19,581,777	-	-
Street construction, maintenance, and repair	1,424,807	-	1,424,807	-	-
Public health service programs	-	-	-	-	4,322,077
Safety and security programs and supplies	367,509	-	367,509	-	-
Court programs	1,910,474	-	1,910,474	-	-
Other purposes	2,745,332	-	2,745,332	-	-
City owned parking decks	159,483	-	159,483	-	-
Debt service	114,813	-	114,813	-	-
Capital projects	1,948,026	-	1,948,026	-	-
Unrestricted (deficit)	(53,780,403)	35,503,382	(18,277,021)	1,144,710	(3,659,404)
Total net position (deficit)	\$ 142,306,795	\$ 165,492,683	\$ 307,799,478	\$ 1,144,710	\$ 882,883

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	Expenses	Program Revenues			
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental activities:</i>					
General government	\$ 22,317,191	\$ 7,726,519	\$ 3,174,559	\$ -	
Security of persons and property	41,486,099	5,876,138	2,652,643	-	
Transportation	11,401,192	56,946	3,204,703	2,698,851	
Community environment	6,954,076	-	4,586,487	-	
Leisure time activities	6,468,004	226,264	934,092	-	
Interest and fiscal charges	353,183	-	15,872	-	
Total governmental activities	<u>88,979,745</u>	<u>13,885,867</u>	<u>14,568,356</u>	<u>2,698,851</u>	
<i>Business-type activities:</i>					
Water	12,911,295	21,088,086	-	1,167,265	
Sewer	14,385,898	17,157,453	-	4,845,284	
Refuse	6,197,967	8,242,411	44,338	-	
Building Code	1,358,349	2,763,981	-	4,217	
Total business-type activities	<u>34,853,509</u>	<u>49,251,931</u>	<u>44,338</u>	<u>6,016,766</u>	
Total primary government	<u>\$ 123,833,254</u>	<u>\$ 63,137,798</u>	<u>\$ 14,612,694</u>	<u>\$ 8,715,617</u>	
Component Units:					
CCIC	\$ 207,284	\$ 8,738	\$ 1,223,272	\$ -	
Board of Health	5,449,061	1,188,877	6,003,692	15,346	
Total component units	<u>\$ 5,656,345</u>	<u>\$ 1,197,615</u>	<u>\$ 7,226,964</u>	<u>\$ 15,346</u>	
General revenues:					
Municipal income taxes levied for:					
General purposes					
Community development					
Capital outlay					
Property and other taxes					
Other local taxes					
Payments in lieu of taxes					
Grants and entitlements not restricted to specific programs					
Interest and investment earnings					
Decrease in fair value of investments					
Gain on sale of capital assets					
Miscellaneous					
Total general revenues					
Change in net position					
Net position (deficit) at beginning of year					
Net position (deficit) at end of year					

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	CCIC	Board of Health	
\$ (11,416,113)	\$ -	\$ (11,416,113)	\$ -	\$ -	-
(32,957,318)	-	(32,957,318)	-	-	-
(5,440,692)	-	(5,440,692)	-	-	-
(2,367,589)	-	(2,367,589)	-	-	-
(5,307,648)	-	(5,307,648)	-	-	-
(337,311)	-	(337,311)	-	-	-
<u>(57,826,671)</u>	<u>-</u>	<u>(57,826,671)</u>	<u>-</u>	<u>-</u>	
- 9,344,056		9,344,056	-	-	
- 7,616,839		7,616,839	-	-	
- 2,088,782		2,088,782	-	-	
- 1,409,849		1,409,849	-	-	
<u>- 20,459,526</u>	<u></u>	<u>20,459,526</u>	<u>-</u>	<u>-</u>	
<u>(57,826,671)</u>	<u>20,459,526</u>	<u>(37,367,145)</u>	<u>-</u>	<u>-</u>	
-	-	-	1,024,726	-	
-	-	-	-	1,758,854	
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,024,726</u>	<u>1,758,854</u>	
45,001,573	-	45,001,573	-	-	
9,161,101	-	9,161,101	-	-	
14,396,018	-	14,396,018	-	-	
5,837,538	-	5,837,538	-	-	
547,978	-	547,978	-	-	
1,567,937	-	1,567,937	-	-	
7,817,314	-	7,817,314	-	6,472	
552,179	-	552,179	-	-	
(877,859)	-	(877,859)	-	-	
- 11,610		11,610	-	-	
<u>5,266,103</u>	<u>173,554</u>	<u>5,439,657</u>	<u>-</u>	<u>240,853</u>	
<u>89,269,882</u>	<u>185,164</u>	<u>89,455,046</u>	<u>-</u>	<u>247,325</u>	
31,443,211	20,644,690	52,087,901	1,024,726	2,006,179	
110,863,584	144,847,993	255,711,577	119,984	(1,123,296)	
<u>\$ 142,306,795</u>	<u>\$ 165,492,683</u>	<u>\$ 307,799,478</u>	<u>\$ 1,144,710</u>	<u>\$ 882,883</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	General	Community and Economic Development	American Rescue Plan Act	Capital Projects
Assets:				
Equity in pooled cash and cash equivalents	\$ 13,551,054	\$ 554,882	\$ 29,986,731	\$ 8,876,058
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	3,388,706	345,734	-	2,599
Accrued interest	118,398	-	-	-
Municipal income taxes	5,609,838	-	-	1,577,767
Property and other taxes	3,506,984	-	-	-
Due from other funds	1,263,018	-	-	-
Due from other governments	3,548,598	8,904,712	-	-
Loans receivable	1,163,812	1,170,192	-	-
Due from component units	109,160	-	-	-
Advances to other funds	4,300,000	-	-	-
Materials and supplies inventory	361,839	-	-	-
Prepayments	602,715	2,176	-	19,598
Total assets	<u>\$ 37,524,122</u>	<u>\$ 10,977,696</u>	<u>\$ 29,986,731</u>	<u>\$ 10,476,022</u>
Liabilities:				
Accounts payable	\$ 1,361,970	\$ 319,310	\$ 169,000	\$ 1,182,868
Accrued wages and benefits payable	1,310,183	-	-	58,622
Due to other funds	106,460	336,143	-	1,800
Due to other governments	289,829	2,787	-	12,506
Note payable	4,075,000	-	-	-
Accrued interest payable	184,213	-	-	-
Unearned revenue	-	-	29,817,731	-
Deposits held and due to others	-	-	-	-
Payroll withholding payable	799,177	-	-	28,803
Total liabilities	<u>8,126,832</u>	<u>658,240</u>	<u>29,986,731</u>	<u>1,284,599</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	2,800,099	-	-	-
Delinquent property tax revenue not available	706,885	-	-	-
Accrued interest not available	39,553	-	-	-
Miscellaneous revenue not available	500,023	-	-	-
Income tax revenue not available	651,129	-	-	183,130
Charges for services revenue not available	2,384,016	311,482	-	-
Intergovernmental revenue not available	1,624,690	8,292,902	-	-
Total deferred inflows of resources	<u>8,706,395</u>	<u>8,604,384</u>	<u>-</u>	<u>183,130</u>
Fund balances:				
Nonspendable	5,454,906	2,176	-	19,598
Restricted	-	1,712,896	-	-
Committed	1,124,147	-	-	8,988,695
Assigned	6,943,283	-	-	-
Unassigned (deficit)	7,168,559	-	-	-
Total fund balances	<u>20,690,895</u>	<u>1,715,072</u>	<u>-</u>	<u>9,008,293</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,524,122</u>	<u>\$ 10,977,696</u>	<u>\$ 29,986,731</u>	<u>\$ 10,476,022</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Motor Vehicle Purchase	Nonmajor Governmental Funds	Total Governmental Funds
\$ 615,882	\$ 19,841,386	\$ 73,425,993
-	3,019	3,019
-	89,739	3,826,778
-	2	118,400
350,615	1,227,153	8,765,373
-	4,692,747	8,199,731
-	-	1,263,018
-	2,436,311	14,889,621
-	6,295,111	8,629,115
-	-	109,160
-	-	4,300,000
-	47,669	409,508
-	69,151	693,640
\$ 966,497	\$ 34,702,288	\$ 124,633,356
\$ 36,867	\$ 1,194,126	\$ 4,264,141
-	137,704	1,506,509
-	5,233,576	5,677,979
-	123,666	428,788
-	-	4,075,000
-	-	184,213
-	-	29,817,731
-	141,352	141,352
-	68,231	896,211
36,867	6,898,655	46,991,924
-	3,717,994	6,518,093
-	974,753	1,681,638
-	-	39,553
-	1,395	501,418
40,696	142,435	1,017,390
-	7,152	2,702,650
-	808,709	10,726,301
40,696	5,652,438	23,187,043
-	116,820	5,593,500
888,934	18,472,500	21,074,330
-	4,020,785	14,133,627
-	-	6,943,283
-	(458,910)	6,709,649
888,934	22,151,195	54,454,389
\$ 966,497	\$ 34,702,288	\$ 124,633,356

**CITY OF CANTON
STARK COUNTY, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021**

Total governmental fund balances	\$ 54,454,389
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	178,779,470
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.	
Delinquent property taxes receivable	\$ 1,681,638
Income taxes receivable	1,017,390
Accounts receivable	3,204,068
Intergovernmental receivable	10,726,301
Accrued interest receivable	<u>39,553</u>
Total	16,668,950
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund, including an internal balance of \$104,791, are included in governmental activities on the statement of net position.	(3,197,960)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.	(203,424)
The net pension asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources - pension	13,618,646
Deferred inflows of resources - pension	(17,139,282)
Net pension asset	428,782
Net pension liability	<u>(79,687,618)</u>
Total	(82,779,472)
The net OPEB asset/liability is not due and receivable/payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred outflows of resources - OPEB	7,856,263
Deferred inflows of resources - OPEB	(11,232,151)
Net OPEB asset	2,305,391
Net OPEB liability	<u>(9,400,168)</u>
Total	(10,470,665)
Long-term liabilities, including loans and notes payable and capital lease obligations, are not due and payable in the current period and therefore are not reported in the funds.	
Loans payable	(4,744,733)
Notes payable	(4,500,000)
Capital lease obligations	<u>(1,699,760)</u>
Total	<u>(10,944,493)</u>
Net position of governmental activities	<u>\$ 142,306,795</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF CANTON
STARK COUNTY, OHIO**

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

	General	Community and Economic Development	American Rescue Plan Act	Capital Projects
Revenues:				
Property and other taxes	\$ 2,290,471	\$ -	\$ -	\$ -
Municipal income taxes	45,229,227	- -	- -	11,842,589
Charges for services	11,089,328	- -	- -	- -
Licenses, permits, and fees	783,986	- -	- -	- -
Fines and forfeitures	168,498	- -	- -	- -
Intergovernmental	7,637,339	- -	1,988,880	- -
Interest and investment income	567,873	- -	- -	- -
Rental income	44,549	- -	- -	- -
Contributions and donations	199,986	- -	- -	- -
Operating grants	329,436	5,595,486	- -	- -
Capital grants	- -	- -	- -	258,607
Payment in lieu of taxes	- -	- -	- -	- -
Other local taxes	- -	- -	- -	- -
Decrease in fair value of investments	(877,859)	- -	- -	- -
Other	3,074,539	98,441	- -	14,802
Total revenues	70,537,373	5,693,927	1,988,880	12,115,998
Expenditures:				
Current:				
General government	23,880,796	- -	1,819,880	- -
Security of persons and property	38,415,783	- -	- -	- -
Transportation	1,685,969	- -	- -	- -
Community environment	2,597,224	4,748,957	169,000	- -
Leisure time activities	1,181,227	- -	- -	- -
Capital outlay	32,643	14,801	- -	9,908,230
Debt service:				
Principal retirement	1,483,831	- -	- -	668,565
Interest and fiscal charges	145,712	- -	- -	57,902
Total expenditures	69,423,185	4,763,758	1,988,880	10,634,697
Excess of revenues over expenditures	1,114,188	930,169	- -	1,481,301
Other financing sources (uses):				
Issuance of notes	1,200,000	- -	- -	- -
Issuance of loans	- -	- -	- -	- -
Capital lease transaction	32,643	14,801	- -	- -
Transfers in	- -	- -	- -	- -
Transfers (out)	(192,998)	- -	- -	- -
Total other financing sources (uses)	1,039,645	14,801	- -	- -
Net change in fund balances	2,153,833	944,970	- -	1,481,301
Fund balances at beginning of year	18,537,062	770,102	- -	7,526,992
Fund balances at end of year	\$ 20,690,895	\$ 1,715,072	\$ - -	\$ 9,008,293

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Motor Vehicle Purchase	Other Governmental Funds	Total Governmental Funds
\$ - 2,631,685	\$ 3,684,994 9,210,900 1,726,737 96,454 126,778 4,532,612 37,800 172,013 711,819 1,226,969 2,394,990 1,567,937 547,978 -	\$ 5,975,465 68,914,401 12,816,065 880,440 295,276 14,158,831 605,673 216,562 911,805 7,151,891 2,653,597 1,567,937 547,978 (877,859)
<u>64,958</u>	<u>922,070</u>	<u>4,174,810</u>
<u>2,696,643</u>	<u>26,960,051</u>	<u>119,992,872</u>
 - 2,220,877	 4,814,529 3,460,380 4,931,353 - 5,371,029 2,110,342	 30,515,205 41,876,163 6,617,322 7,515,181 6,552,256 14,286,893
<u>384,460</u> <u>45,580</u>	<u>3,669,898</u> <u>104,179</u>	<u>6,206,754</u> <u>353,373</u>
<u>2,650,917</u>	<u>24,461,710</u>	<u>113,923,147</u>
 <u>45,726</u>	 <u>2,498,341</u>	 <u>6,069,725</u>
 - 3,698,816	 3,300,000 205,818 - 192,998 -	 4,500,000 205,818 47,444 192,998 (192,998)
 <u>45,726</u>	 <u>6,197,157</u>	 <u>10,822,987</u>
 <u>843,208</u> <u>\$ 888,934</u>	 <u>15,954,038</u> <u>\$ 22,151,195</u>	 <u>43,631,402</u> <u>\$ 54,454,389</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

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

Net change in fund balances - total governmental funds	\$ 10,822,987
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.	
Capital asset additions	\$ 15,023,321
Current year depreciation	<u>(9,742,611)</u>
Total	5,280,710
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(71,671)
Property and other taxes	(137,927)
Municipal income taxes	(355,709)
Intergovernmental revenue	437,942
Operating grants	(1,329,634)
Charges for services	(405,738)
Interest	<u>(15,694)</u>
Total	(1,806,760)
The issuance of loans, capital leases, and notes are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.	
Repayment of note, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.	(4,753,262)
Loan principal payments	532,380
Note principal payments	4,725,000
Capital lease principal payments	<u>949,374</u>
Total	6,206,754
In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due.	
Interest	190
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	
Pension	7,619,495
OPEB	<u>138,347</u>
Total	7,757,842
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.	
Pension	(4,378,519)
OPEB	<u>12,687,141</u>
Total	8,308,622
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds, including an internal balance activity of \$104,690, is reported with the governmental activities on the government-wide statement of net position.	
Internal service funds	<u>(302,201)</u>
Total	<u>\$ 31,443,211</u>
Change in net position of governmental activities	<u>\$ 31,443,211</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual		
Revenues:					
Property and other taxes	\$ 2,255,000	\$ 2,255,000	\$ 2,290,471	\$ 35,471	
Municipal income taxes	37,000,000	37,000,000	40,779,631	3,779,631	
Charges for services	8,566,150	8,566,150	8,283,003	(283,147)	
Licenses, permits, and fees	741,150	741,150	772,215	31,065	
Fines and forfeitures	144,250	144,250	168,269	24,019	
Intergovernmental	6,773,250	6,773,250	7,477,921	704,671	
Interest and investment income	960,000	960,000	549,374	(410,626)	
Rental income	5,000	5,000	44,549	39,549	
Operating grants	337,500	337,500	306,289	(31,211)	
Contributions and donations	6,000	6,000	199,986	193,986	
Other	1,374,954	9,574,954	3,111,993	(6,462,961)	
Total revenues	58,163,254	66,363,254	63,983,701	(2,379,553)	
Expenditures:					
Current:					
General government:					
Service director support administration	2,000,323	7,448,185	7,125,571	322,614	
Service director	69,627	73,377	66,613	6,764	
Purchase administration	522,279	543,482	496,274	47,208	
Annexation	13,750	14,150	6,977	7,173	
Building and maintenance	1,784,798	1,905,439	1,867,805	37,634	
Mayor administration	492,634	494,255	398,810	95,445	
Planning	233,181	199,167	186,555	12,612	
Human resources	188,014	264,497	214,584	49,913	
Youth development administration	62,870	682,370	677,667	4,703	
Council	666,806	681,171	651,298	29,873	
Judges	2,335,751	2,249,642	2,193,459	56,183	
Clerk of Courts	1,670,726	1,682,883	1,651,375	31,508	
Law department	1,860,362	1,899,335	1,834,241	65,094	
Auditor's office	1,950,767	2,103,854	1,920,247	183,607	
Treasurer's office	688,886	705,018	481,074	223,944	
Civil service	363,159	385,345	351,821	33,524	
Zoning board	8,650	8,650	4,090	4,560	
Management information systems	1,544,778	1,534,903	1,502,881	32,022	
Total general government	16,457,361	22,875,723	21,631,342	1,244,381	
Security of persons and property:					
Safety director	197,436	213,961	207,920	6,041	
Code enforcement	545,000	548,204	81,170	467,034	
Central communication	1,800,936	1,846,274	1,768,744	77,530	
Police	20,542,407	19,622,717	19,137,041	485,676	
Fire	16,964,849	17,563,481	17,362,939	200,542	
Traffic engineer/parking meters	17,050	18,072	8,630	9,442	
Total security of persons and property	40,067,678	39,812,709	38,566,444	1,246,265	

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Transportation:				
Engineering - daily operations	100,703	246,694	224,873	21,821
Street department	1,833,643	2,008,961	1,937,268	71,693
Total transportation	1,934,346	2,255,655	2,162,141	93,514
Community environment:				
Community development administration	1,168,020	1,212,636	982,653	229,983
Community involvement	-	1,579,840	1,536,582	43,258
Community Improvement Corporation	75,000	75,000	75,000	-
Total community environment	1,243,020	2,867,476	2,594,235	273,241
Leisure time activities:				
Baseball	-	3,200,000	2,086,134	1,113,866
Civic Center administration	545,000	758,046	733,046	25,000
Total leisure time activities	545,000	3,958,046	2,819,180	1,138,866
Debt service:				
Principal retirement	6,400,000	6,427,977	6,328,341	99,636
Interest and fiscal charges	286,000	262,586	174,110	88,476
Total debt service	6,686,000	6,690,563	6,502,451	188,112
Total expenditures	66,933,405	78,460,172	74,275,793	4,184,379
Excess of expenditures over revenues	(8,770,151)	(12,096,918)	(10,292,092)	1,804,826
Other financing sources (uses):				
Issuance of notes	6,367,000	6,367,000	5,275,000	(1,092,000)
Transfers in	652,600	652,600	861,600	209,000
Transfers (out)	(3,027,600)	(3,298,213)	(3,003,213)	295,000
Advances in	1,800,000	1,800,000	210,949	(1,589,051)
Advances (out)	(1,500,000)	(1,701,182)	(201,182)	1,500,000
Sale of assets	-	-	106,378	106,378
Total other financing sources (uses)	4,292,000	3,820,205	3,249,532	(570,673)
Net change in fund balance	(4,478,151)	(8,276,713)	(7,042,560)	1,234,153
Fund balance at beginning of year	8,461,289	8,461,289	8,461,289	-
Prior year encumbrances appropriated	2,112,763	2,112,763	2,112,763	-
Fund balance at end of year	<u>\$ 6,095,901</u>	<u>\$ 2,297,339</u>	<u>\$ 3,531,492</u>	<u>\$ 1,234,153</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMMUNITY AND ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Operating grants	\$ 10,234,737	\$ 17,959,730	\$ 5,714,740	\$ (12,244,990)
Other	25,000	25,000	313,783	288,783
Total revenues	10,259,737	17,984,730	6,028,523	(11,956,207)
Expenditures:				
Current:				
Community environment:				
Community development administration	4,657,090	10,321,091	5,919,571	4,401,520
Federal stimulus funding	882,252	6,222,919	2,909,284	3,313,635
Community development demolition	-	-	-	-
Fair housing administration	18,951	179,105	102,610	76,495
Total expenditures	5,558,293	16,723,115	8,931,465	7,791,650
Excess (deficiency) of revenues over (under) expenditures	4,701,444	1,261,615	(2,902,942)	(4,164,557)
Other financing sources:				
Advances (out)	(10,499)	(10,949)	(10,949)	-
Total other financing sources	(10,499)	(10,949)	(10,949)	-
Net change in fund balance	4,690,945	1,250,666	(2,913,891)	(4,164,557)
Fund balance (deficit) at beginning of year	(2,776,274)	(2,776,274)	(2,776,274)	-
Prior year encumbrances appropriated	3,210,016	3,210,016	3,210,016	-
Fund balance (deficit) at end of year	\$ 5,124,687	\$ 1,684,408	\$ (2,480,149)	\$ (4,164,557)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF CANTON
STARK COUNTY, OHIO
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 AMERICAN RESCUE PLAN ACT
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental		\$ 31,806,610	\$ 31,806,610	\$ -
Expenditures:				
Current:				
General government:				
Support administration	-	31,806,610	12,273,520	19,533,090
Net change in fund balance	-	-	19,533,090	19,533,090
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ 19,533,090	\$ 19,533,090

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF CANTON
STARK COUNTY, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Business-type Activities - Enterprise Funds			
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Nonmajor Enterprise Fund
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 20,979,298	\$ 21,222,331	\$ 2,355,794	\$ 2,313,209
Cash in segregated accounts	-	226,043	-	-
Receivables:				
Accounts	3,305,655	3,026,295	2,148,296	3,865
Due from other funds	-	-	-	-
Due from other governments	70,290	-	11,052	-
Due from component unit	-	-	-	-
Materials and supplies inventory	1,028,502	1,637,666	-	-
Prepayments	91,764	79,356	49,651	17,528
Total current assets	<u>25,475,509</u>	<u>26,191,691</u>	<u>4,564,793</u>	<u>2,334,602</u>
Non-current assets:				
Net pension asset	103,391	89,851	55,423	19,507
Net OPEB asset	555,893	483,092	297,987	104,883
Capital assets:				
Land and construction in progress	10,502,446	85,436,936	149,450	-
Depreciable capital assets, net	82,225,229	41,984,990	1,811,139	639,809
Total capital assets, net	<u>92,727,675</u>	<u>127,421,926</u>	<u>1,960,589</u>	<u>639,809</u>
Total noncurrent assets	<u>93,386,959</u>	<u>127,994,869</u>	<u>2,313,999</u>	<u>764,199</u>
Total assets	<u>118,862,468</u>	<u>154,186,560</u>	<u>6,878,792</u>	<u>3,098,801</u>
Deferred outflows of resources:				
Pension	735,858	619,759	417,274	134,555
OPEB	310,059	254,551	181,054	52,786
Total deferred outflows of resources	<u>1,045,917</u>	<u>874,310</u>	<u>598,328</u>	<u>187,341</u>
Liabilities:				
Current liabilities:				
Accounts payable	1,437,549	695,118	262,548	125,240
Contracts payable	-	258,898	-	-
Retainage payable	-	226,043	-	-
Accrued wages and benefits payable	191,738	172,617	121,804	35,736
Due to other funds	6,334	1,313	816	4,695
Due to other governments	47,314	27,877	18,819	9,690
Payroll withholding payable	91,358	79,159	54,401	17,183
OWDA loans payable	2,034,904	5,587,054	-	-
OPWC loans payable	350,033	8,461	-	-
Compensated absences payable - current	-	-	-	-
Claim payable	-	-	-	-
Capital lease obligations payable	-	-	138,754	3,372
Total current liabilities	<u>4,159,230</u>	<u>7,056,540</u>	<u>597,142</u>	<u>195,916</u>
Non-current liabilities:				
OWDA loans payable	21,712,581	59,838,475	-	-
OPWC loans payable	2,939,353	13,432	-	-
Capital lease obligations payable	-	-	756,301	14,135
Compensated absences payable	-	-	-	-
Claims payable	-	-	-	-
Net Pension Liability	4,630,971	4,024,490	2,482,439	873,750
Total non-current liabilities	<u>29,282,905</u>	<u>63,876,397</u>	<u>3,238,740</u>	<u>887,885</u>
Total liabilities	<u>33,442,135</u>	<u>70,932,937</u>	<u>3,835,882</u>	<u>1,083,801</u>
Deferred inflows of resources:				
Pension	2,320,056	1,979,844	1,257,051	455,308
OPEB	1,865,057	1,594,290	1,008,109	360,573
Total deferred inflows of resources	<u>4,185,113</u>	<u>3,574,134</u>	<u>2,265,160</u>	<u>815,881</u>
Net position:				
Net investment in capital assets	65,690,804	61,715,606	1,960,589	622,302
Unrestricted (deficit)	16,590,333	18,838,193	(584,511)	764,158
Total net position (deficit)	<u>\$ 82,281,137</u>	<u>\$ 80,553,799</u>	<u>\$ 1,376,078</u>	<u>\$ 1,386,460</u>

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

Net position of business-type activities

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Total	Governmental Activities - Internal Service Funds
\$ 46,870,632	\$ 7,112,507
226,043	-
8,484,111	408,502
-	128,119
81,342	27,834
-	114,446
2,666,168	-
238,299	74,293
<u>58,566,595</u>	<u>7,865,701</u>
268,172	-
1,441,855	-
96,088,832	-
126,661,167	-
<u>222,749,999</u>	<u>-</u>
224,460,026	-
<u>283,026,621</u>	<u>7,865,701</u>
1,907,446	-
798,450	-
<u>2,705,896</u>	<u>-</u>
2,520,455	444,416
258,898	-
226,043	-
521,895	134,826
13,158	-
103,700	20,830
242,101	53,588
7,621,958	-
358,494	-
-	1,711,860
-	1,060,031
142,126	-
<u>12,008,828</u>	<u>3,425,551</u>
81,551,056	-
2,952,785	-
770,436	-
-	6,580,685
-	1,162,216
12,011,650	-
97,285,927	7,742,901
<u>109,294,755</u>	<u>11,168,452</u>
6,012,259	-
4,828,029	-
<u>10,840,288</u>	<u>-</u>
129,989,301	-
35,608,173	(3,302,751)
<u>165,597,474</u>	<u>\$ (3,302,751)</u>
(104,791)	
<u>\$ 165,492,683</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	Business-type Activities - Enterprise Funds			
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Nonmajor Enterprise Fund
Operating revenues:				
Charges for services	\$ 21,057,024	\$ 17,146,427	\$ 8,242,411	\$ 2,763,981
Rental income	31,062	11,026	-	-
Other operating revenues	104,238	46,376	352	22,588
Total operating revenues	<u>21,192,324</u>	<u>17,203,829</u>	<u>8,242,763</u>	<u>2,786,569</u>
Operating expenses:				
Personal services	3,166,026	2,926,229	1,945,783	489,664
Contract services	3,175,325	5,341,389	3,524,038	719,723
Materials and supplies	1,943,417	1,775,379	270,539	35,861
Benefit claim expenses	-	-	-	-
Insurance claims and expenses	127,282	7,760	2,634	24,510
Depreciation	3,820,909	2,061,636	382,239	67,591
Other	37,557	91,920	18,529	13,081
Total operating expenses	<u>12,270,516</u>	<u>12,204,313</u>	<u>6,143,762</u>	<u>1,350,430</u>
Operating income (loss)	<u>8,921,808</u>	<u>4,999,516</u>	<u>2,099,001</u>	<u>1,436,139</u>
Nonoperating revenues (expenses):				
Interest and fiscal charges	(602,317)	(2,146,959)	(29,772)	(750)
Gain on sale of capital assets	7,830	-	3,780	-
Operating grants	-	-	44,338	-
Total nonoperating revenues (expenses)	<u>(594,487)</u>	<u>(2,146,959)</u>	<u>18,346</u>	<u>(750)</u>
Income (loss) before contributions	8,327,321	2,852,557	2,117,347	1,435,389
Capital contributions	<u>1,167,265</u>	<u>4,845,284</u>	<u>-</u>	<u>4,217</u>
Change in net position	9,494,586	7,697,841	2,117,347	1,439,606
Net position (deficit) at beginning of year	<u>72,786,551</u>	<u>72,855,958</u>	<u>(741,269)</u>	<u>(53,146)</u>
Net position (deficit) at end of year	<u><u>\$ 82,281,137</u></u>	<u><u>\$ 80,553,799</u></u>	<u><u>\$ 1,376,078</u></u>	<u><u>\$ 1,386,460</u></u>

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

Change in net position of business-type activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Governmental Activities - Internal Service Funds	
Total	
\$ 49,209,843	\$ 16,226,696
42,088	-
173,554	2,191,590
<u>49,425,485</u>	<u>18,418,286</u>
8,527,702	310,057
12,760,475	1,191,171
4,025,196	71
-	4,780,811
162,186	12,543,067
6,332,375	-
161,087	-
<u>31,969,021</u>	<u>18,825,177</u>
<u>17,456,464</u>	<u>(406,891)</u>
(2,779,798)	-
11,610	-
44,338	-
<u>(2,723,850)</u>	<u>-</u>
14,732,614	(406,891)
<u>6,016,766</u>	<u>-</u>
20,749,380	(406,891)
	<u>(2,895,860)</u>
	<u><u>\$ (3,302,751)</u></u>
<u>(104,690)</u>	
<u><u>\$ 20,644,690</u></u>	

**CITY OF CANTON
STARK COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities - Enterprise Funds			
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Nonmajor Enterprise Fund
Cash flows from operating activities:				
Cash received from charges for services	\$ 21,152,778	\$ 17,858,590	\$ 8,202,035	\$ 2,763,481
Cash received from rents	30,944	8,851	-	-
Cash received from other operations	106,229	50,616	9,263	19,458
Cash payments for personal services	(7,417,812)	(6,438,914)	(4,149,315)	(1,363,315)
Cash payments for contractual services	(3,218,445)	(5,146,043)	(3,378,467)	(713,991)
Cash payments for materials and supplies	(1,452,302)	(1,415,509)	(282,381)	(30,995)
Cash payments for claims	(127,282)	(7,760)	(2,634)	(24,510)
Cash payments for insurance claims	-	-	-	-
Cash payments for benefits claims	-	-	-	-
Cash payments for other expenses	<u>(33,580)</u>	<u>(77,566)</u>	<u>(20,320)</u>	<u>(5,449)</u>
Net cash provided by (used in) operating activities	<u>9,040,530</u>	<u>4,832,265</u>	<u>378,181</u>	<u>644,679</u>
Cash flows from noncapital financing activities:				
Cash received from operating grants	-	-	45,375	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>45,375</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(7,553,954)	(2,467,251)	(438,993)	(34,681)
Capital contributions	876,220	4,905,645	-	4,217
Proceeds from sale of capital assets	7,830	100	3,780	-
Proceeds of loans	2,363,935	-	-	-
Proceeds of capital lease	-	-	1,029,910	19,578
Principal paid on capital lease	-	-	(134,855)	(2,071)
Interest paid on capital lease	-	-	(29,772)	(750)
Principal paid on OPWC loans	(350,031)	(8,461)	-	-
Principal paid on OWDA loans	(2,111,132)	(3,477,853)	-	-
Interest paid on OWDA loans	<u>(602,317)</u>	<u>(2,146,959)</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) capital and related financing activities	<u>(7,369,449)</u>	<u>(3,194,779)</u>	<u>430,070</u>	<u>(13,707)</u>
Net increase (decrease) in cash and cash equivalents	1,671,081	1,637,486	853,626	630,972
Cash and cash equivalents at beginning of year	19,308,217	19,810,888	1,502,168	1,682,237
Cash and cash equivalents at end of year	<u>\$ 20,979,298</u>	<u>\$ 21,448,374</u>	<u>\$ 2,355,794</u>	<u>\$ 2,313,209</u>

Total	Governmental Activities - Internal Service Funds
\$ 49,976,884	\$ 16,226,696
39,795	-
185,566	1,992,349
(19,369,356)	(248,404)
(12,456,946)	(1,219,193)
(3,181,187)	(71)
(162,186)	-
-	(12,228,088)
-	(4,605,730)
<u>(136,915)</u>	<u>-</u>
<u>14,895,655</u>	<u>(82,441)</u>
 45,375	 -
 45,375	 -
 (10,494,879)	 -
5,786,082	-
11,710	-
2,363,935	-
1,049,488	-
(136,926)	-
(30,522)	-
(358,492)	-
(5,588,985)	-
<u>(2,749,276)</u>	<u>-</u>
 <u>(10,147,865)</u>	 <u>-</u>
4,793,165	(82,441)
 42,303,510	 7,194,948
<u>\$ 47,096,675</u>	<u>\$ 7,112,507</u>

- (Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Business-type Activities - Enterprise Funds			
	Water Operating Fund	Sewer Operating Fund	Refuse Operating Fund	Nonmajor Enterprise Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 8,921,808	\$ 4,999,516	\$ 2,099,001	\$ 1,436,139
Adjustments:				
Depreciation	3,820,909	2,061,636	382,239	67,591
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	97,627	714,228	(31,465)	(3,630)
Decrease in materials and supplies inventory	424,070	384,034	-	-
Decrease in prepayments	13,347	12,978	5,988	3,739
(Increase) in due from other funds	-	-	-	-
Decrease in due from other governments	-	-	-	-
(Increase) in due from component units	-	-	-	-
Increase in accounts payable	29,776	183,945	133,628	21,872
Increase (decrease) in accrued wages and benefits	(17,104)	3,238	10,723	(1,960)
Increase (decrease) in due to other funds	3,790	(544)	(627)	4,695
Increase (decrease) in due to other governments	1,075	1,865	3,103	(1,293)
(Decrease) in payroll withholding payable	(7,725)	(3,632)	(1,114)	(2,105)
(Increase) in net pension asset	(27,841)	(24,874)	(14,699)	(5,170)
(Increase) in net OPEB asset	(555,893)	(483,092)	(297,987)	(104,883)
Decrease in deferred outflows of resources - pension	389,649	344,404	253,119	66,963
Decrease in deferred outflows of resources - OPEB	496,354	433,443	289,826	88,451
Increase in deferred inflows of resources - pension	822,526	743,052	451,245	116,980
Increase in deferred inflows of resources - OPEB	1,154,685	1,033,601	627,091	200,845
(Decrease) in net pension liability	(1,947,583)	(1,633,407)	(1,063,661)	(374,631)
(Decrease) in net OPEB liability	(4,578,940)	(3,938,126)	(2,468,229)	(868,924)
Increase in compensated absences payable	-	-	-	-
Increase in claims payable	-	-	-	-
Net cash provided by (used in) operating activities	<u>\$ 9,040,530</u>	<u>\$ 4,832,265</u>	<u>\$ 378,181</u>	<u>\$ 644,679</u>

Non-Cash Transactions:

As of December 31, 2021, the water operating fund, sewer operating fund, and nonmajor enterprise fund had purchased \$719,880, \$484,941, and \$30,010, in capital assets on account, respectively.

As of December 31, 2020, the water operating fund and sewer operating fund had purchased \$422,173 and \$1,160,571, in capital assets on account, respectively.

During 2020, the Water fund reported a \$269,854 receivable for OPWC and OWDA loan proceeds disbursed by OPWC but not received by the City by year-end.

During 2021, the Water fund reported a \$220,755 in contributed capital assets.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 17,456,464	\$ (406,891)
6,332,375	-
776,760	(202,027)
808,104	-
36,052	2,360
-	(89,004)
-	2,786
-	(19,888)
369,221	53,608
(5,103)	50,306
7,314	-
4,750	7,851
(14,576)	(25,009)
(72,584)	-
(1,441,855)	-
1,054,135	-
1,308,074	-
2,133,803	-
3,016,222	-
(5,019,282)	-
(11,854,219)	-
-	208,600
-	<u>334,867</u>
<u>\$ 14,895,655</u>	<u>\$ (82,441)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	Private-Purpose Trust	Custodial
Assets:		
Equity in pooled cash and cash equivalents	\$ -	\$ 5,534,525
Cash and cash equivalents in segregated accounts	34,391	93,137
Investments in segregated accounts	124,384	-
Receivables (net of allowances for uncollectibles):		
Accounts	-	98,857
Due from other governments	-	353,339
Total assets	<u>158,775</u>	<u>6,079,858</u>
Liabilities:		
Due to primary government	-	109,160
Due to other governments	-	93,137
Payroll withholding payable	-	59,204
Total liabilities	<u>-</u>	<u>261,501</u>
Net position:		
Restricted for individuals, organizations and other governments	<u>158,775</u>	<u>5,818,357</u>
Total net position	<u><u>\$ 158,775</u></u>	<u><u>\$ 5,818,357</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	Private-Purpose Trust	Custodial
Additions:		
Amounts received as fiscal agent	\$ -	\$ 7,422,970
Fines and forfeitures for other governments	- -	1,466,611
Property tax collection for other governments	- -	1,323,198
Earnings on investments	<u>126</u>	- -
Total additions	<u>126</u>	<u>10,212,779</u>
Deductions:		
Distributions as fiscal agent	- -	7,808,039
Fines and forfeitures distributions to other governments	- -	1,466,425
Property tax distributions to other governments	<u>- -</u>	<u>1,335,887</u>
Total deductions	<u>- -</u>	<u>10,610,351</u>
Net change in fiduciary net position	126	(397,572)
Net position beginning of year	<u>158,649</u>	<u>6,215,929</u>
Net position end of year	<u><u>\$ 158,775</u></u>	<u><u>\$ 5,818,357</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 - DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Canton (the “City”) is a municipal corporation incorporated under the laws of the State of Ohio. The City operates under a Mayor-Council form of government. The Mayor and Council are elected. The City provides police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services to the citizens of the City.

Reporting Entity

The City’s reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: police protection, firefighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water, sewer and sanitation.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the City has two component units, the Canton Community Improvement Corporation (CCIC) and the Canton City Board of Health (BOH). The City has the voting majority on the CCIC’s Board with no other subdivisions having any representation, and the CCIC is completely dependent on the City for financial support. The City appoints all board members of the BOH and the BOH is dependent of the City for financial support. The City reports the financial status of the CCIC and BOH as discretely presented component units in its basic financial statements. A complete copy of the CCIC and BOH financial statements can be obtained by contacting the City’s Community and Economic Development Department and Health Director, respectively. See Note 17 for detail.

The City is associated with the Stark Area Regional Transit Authority, the Stark Council of Governments and the Stark County Regional Planning Commission as jointly governed organizations: Canton Tomorrow Inc., and the Downtown Canton Special Improvement District as joint ventures. See Notes 15 and 16 for detail.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The most significant of the City’s accounting policies are described below.

A. Basis of Presentation

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The only exception is for contributions from the City’s Water, Sewer and Refuse Departments to the City’s Motor Vehicle Department, Computer Department, and the City’s vehicle self-insurance fund. Activities of these three divisions are included with the governmental activities, thus any contributions and corresponding expenses from other governmental funds are eliminated. This activity remains in the business-type activities in order to not distort the direct costs and program revenues reported for all of the functions involved.

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

B. Fund Accounting

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

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

General fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

Community and economic development fund - To account for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

American Rescue Plan Act (ARPA) fund - To account for federal grant revenues and expenditures to combat and reduce the effects of the COVID-19 pandemic.

Capital projects fund - To account for the City's capital projects and expenditures of 18 percent of the net income tax receipts.

Motor vehicle purchase fund - To account for the purchase and maintenance of the City's vehicles and expenditures of 4 percent of the net income tax receipts.

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

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

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

Water operating fund - The water operating enterprise fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City, and surrounding communities.

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

Refuse operating fund - The refuse operating enterprise fund accounts for the provision of trash collection to the residents and commercial users located in the City.

The City's nonmajor enterprise fund is used to account for the provision of building code services.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on a self-insurance program for employee medical benefits, compensated absences, and the City's retrospective rating worker's compensation benefits.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's only trust fund is a private-purpose trust fund established to account for monies donated to assist the poor of the City. The custodial funds account for the Board of Health, building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, collection of property taxes to be distributed to the Special Improvement District Board, and the collection and disbursement of JEDD income taxes.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

C. Measurement Focus

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

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

Like the government-wide statements, all proprietary funds and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. For proprietary funds, the statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

In fiduciary funds, a liability to the beneficiaries of the fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

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

D. Basis of Accounting

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (see Note 5.A). Revenue from income taxes is recognized in the period in which the income is earned (see Note 5.B). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, delinquent property tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, and fees.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 13 and 14 for deferred outflows of resources related the City's net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of 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 of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the City, see Notes 13 and 14 for deferred inflows of resources related to the City's net pension liability/asset and net OPEB liability/asset, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

E. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The legal level of budgetary control, established by the appropriation ordinance, fixes spending authority at the account level split between salary and non-salary line items within each department within each fund. Any budgetary modifications at this level or above may only be made by resolution of the City Council. The appropriation ordinance may be amended during the year by action of Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

F. Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not re-appropriated.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

G. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, except the private-purpose trust fund and funds requiring that interest proceeds follow the invested principal, are maintained in this pool. Individual fund integrity is maintained through the City's records.

The City utilizes financial institutions to service bonded debt as principal and interest come due. At year end, the balances in these accounts are presented as "cash with fiscal agent" on the City's financial statements.

The City has segregated bank and investment accounts for monies held separate from the City's central bank account related to the private-purpose trust fund and the municipal court custodial fund. These monies are presented in the statement of fiduciary net position as "cash and cash equivalents in segregated accounts" and "investments in segregated accounts" since they are not required to be deposited into the City treasury.

During 2021, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Home Loan Bank (FHLB) securities, Negotiable certificates of deposit (Negotiable CDs), Commercial Paper, Municipal bonds, U.S. Treasury Notes, STAR Ohio, and U.S. Government Money Market Mutual Funds. Except for STAR Ohio and nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

During 2021, the City invested in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2021 amounted to \$567,873, which includes \$502,627, assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the statement of net position and the balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

H. Inventory

On government-wide financial statements, inventories of supplies are presented at cost and inventories held for resale are reported at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories held for resale of proprietary funds are stated at the lower of cost or market and supplies of proprietary funds are reported at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, storm sewers, streets, streetlights, traffic signals, water lines and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of enterprise capital assets is also capitalized.

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

Description	Governmental Activities	Business-Type Activities
	Estimated Lives	Estimated Lives
Buildings and structures	10 to 45 years	10 to 45 years
Vehicles and equipment	10 to 15 years	10 to 15 years
Infrastructure	10 to 50 years	10 to 50 years

K. Interfund Balances

On fund financial statements, interfund loans are classified as "due to/from other funds" on the balance sheet. Long-term interfund loans are classified as "advances to other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loan receivable in the general fund.

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the City Auditor the authority to constrain monies for intended purposes. When unassigned fund balance is a deficit in the general fund, assigned fund balance may not be presented in the general fund.

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

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed resources 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.

O. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net position net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources first when an expense is incurred for the purposes for which both restricted and unrestricted net position is available.

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are primarily charges for services for water services, sewer treatment, and refuse collection for the enterprise funds, and the workers compensation, health insurance, and compensated absences claims for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Q. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. During 2021, the City recognized capital contributions of \$1,167,265 in the water operating fund related to capital grants funding, \$4,845,284 in the sewer operating fund related to capital grants funding, and \$4,217 in the nonmajor enterprise fund related to capital grant funding.

R. Interfund Activity

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. The City did not have an extraordinary or special item in 2021.

T. Estimates

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

U. Pensions/Other Postemployment Benefits (OPEB)

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

V. Unearned Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2021, the City has implemented GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period."

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB Statement No. 89 also reiterates that financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the City.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

For 2021, the City has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" to GASB Statement Nos. 91, 92 and 93, which were originally due to be implemented in 2021 and to GASB Statement No. 87, which was originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The following pronouncements are postponed by one year and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

The following pronouncements are postponed by eighteen months and the City has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

B. Deficit Fund Balances

Fund balances at December 31, 2021 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Law enforcement block grant	\$ 14,517
Fire grants & donations	82,475
Jobs Ohio	5,735
49th St NW Storm Sewer Rehab Project	278,424
11th St NW Improvement Project	77,278
Tuscarawas St West Corridor Safety Project	481
3rd Street SE Bridge Project	67,621

Internal service (deficit) net position

Compensated absence claim fund	7,475,136
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The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

Interim monies may be invested in the following securities:

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

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

Cash on Hand: At year end, the City had \$1,000 in undeposited cash on hand which is included on the financial statements as part of “equity in pooled cash and cash equivalents.”

Cash with Fiscal Agent and in segregated accounts: At year end, the City had \$3,019 on deposit with financial institutions to service bonded debt as principal and interest come due. This account is maintained separate from the City’s internal investment pool. The balance in this account is included in “deposits with financial institutions” below. At year-end, the City had \$226,043 on deposit with financial institutions to account for retainage payments. This account is maintained separate from the City’s internal investment pool. The balance in this account is included in “deposits with financial institutions” below.

Cash and Cash Equivalents in Segregated Accounts: At year end, the City had \$93,137 deposited with a financial institution for monies related to the municipal court custodial fund. In addition, the City had \$1,680 deposited with a financial institution related to the private-purpose trust fund and \$32,711 of nonnegotiable certificates of deposit held in trust by financial institutions for the private-purpose trust fund. These accounts are maintained separate from the City’s internal investment pool. The balances in these accounts are included in “deposits with financial institutions” below.

Investments in Segregated Accounts: At year end, the City had \$124,384 in municipal bond mutual funds held in trust for the private-purpose trust fund. The mutual funds are maintained separate from the City’s internal investment pool. The balances of the mutual funds are included in “investments” below.

A. Deposits with Financial Institutions

At December 31, 2021, the carrying amount of all City deposits was \$59,450,854 and the bank balance of all City deposits was \$61,829,169. Of the bank balance, \$1,139,131 was covered by the Federal Deposit Insurance Corporation, \$37,223,555 was covered by the Ohio Pooled Collateral System and \$23,466,483 was exposed to custodial risk as discussed below because those deposits were uninsured and uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City’s and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the City’s financial institutions were approved for a reduced collateral rate of 60 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of December 31, 2021, the City had the following investments and maturity:

Measurement/ Investment type	Measurement Value	Investment Maturity			
		1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
<i>Fair Value:</i>					
FFCB	\$ 14,090,098	\$ -	\$ 4,285,789	\$ 3,365,105	\$ 6,439,204
FHLB	4,465,145	998,930	511,050	492,870	2,462,295
FHLMC	13,153,265	-	3,480,110	3,957,370	5,715,785
FNMA	5,440,010	502,100	2,490,310	494,135	1,953,465
Negotiable CDs	9,292,405	2,994,024	3,744,227	2,305,236	248,918
Municipal bonds	720,511	720,511	-	-	-
Commercial paper	6,023,178	6,023,178	-	-	-
U.S. Treasury Notes	5,139,157	-	-	-	5,139,157
U.S. Government Money Market Mutual Funds	475,047	475,047	-	-	-
<i>Amortized Cost:</i>					
STAR Ohio	<u>15,173,961</u>	<u>15,173,961</u>	-	-	-
Total	<u>\$ 73,972,777</u>	<u>\$ 26,887,751</u>	<u>\$ 14,511,486</u>	<u>\$ 10,614,716</u>	<u>\$ 21,958,824</u>

The weighted average of maturity of investments is 1.92 years.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA), commercial paper, negotiable CDs, municipal bonds, and U.S. Treasury Notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Credit Risk: The City's investments in U.S. Treasury Notes and the federal agency securities that underlie repurchase agreement were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment in commercial paper was rated A-1+ and P-1 by Standard & Poor's and Moody's Investor Services, respectively. The city's investment in municipal bonds was rated SP-1+ and MIG1 by Standard & Poor's and Moody's Investor Services, respectively. The negotiable CD's were fully covered by the FDIC. The U.S. Government Money Market Mutual Funds were rated AAA by Standard & Poor's. Standard & Poor's has assigned STAR Ohio an AAA money market rating. The City has no policy further restricting credit risk beyond the statutory guidelines, which limit investment choices.

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2021:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value</i>		
FFCB	\$ 14,090,098	19.05
FHLB	4,465,145	6.04
FHLMC	13,153,265	17.78
FNMA	5,440,010	7.35
Negotiable CDs	9,292,405	12.56
Municipal bonds	720,511	0.97
Commercial paper	6,023,178	8.14
U.S. Treasury Notes	5,139,157	6.95
U.S. Government Money Market Mutual Fund	475,047	0.64
<i>Amortized Costs</i>		
STAR Ohio	<u>15,173,961</u>	<u>20.52</u>
Total	<u>\$ 73,972,777</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the financial statements as of December 31, 2021:

Cash and investments per note:

Carrying amount of deposits	\$ 59,450,854
Investments	73,972,777
Cash on hand	1,000
Total	<u>\$ 133,424,631</u>

Cash, cash equivalents, and investments per statement of net position:

Governmental activities	\$ 80,541,519
Business-type activities	47,096,675
Fiduciary funds	5,786,437
Total	<u>\$ 133,424,631</u>

NOTE 5 - RECEIVABLES

Receivables at December 31, 2021, consisted of taxes, accounts (billings for user charged services), interest, loans and intergovernmental receivables. All of these receivables, except loans receivable, are considered fully collectible.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 5 - RECEIVABLES - (Continued)

Special assessments expected to be collected in more than one-year amount to \$2,100,388 in the general fund, \$311,482 in the community and economic development fund, and \$7,152 in the debt service fund (a nonmajor governmental fund). Special assessments are reported among accounts receivable on the statement of net position and the balance sheet and charges for services revenue on the statement of activities and the statement of revenues, expenditures, and changes in fund balance.

A. Property Taxes

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Auditor collects property taxes on behalf of all taxing districts in the County, including the City of Findlay. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2021 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2021 operations and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rates per \$1,000 of assessed valuation for the year ended December 31, 2021, for all city operations applied to taxable property in the following taxing districts within the City limits was \$3.40 for District 20 - Canton City School District, \$2.00 for District 30 - Plain Local School District, \$2.60 for District 25 - Canton Local School District, and \$2.30 for District 345 - Osnaburg Local School District.

The assessed values of real and public utility property upon which 2021 property tax receipts were based are as follows:

Real property	\$ 777,131,510
Real and personal public utility	<u>98,650,760</u>
Total assessed value	<u>\$ 875,782,270</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 5 - RECEIVABLES - (Continued)

B. Income Taxes

In the past, the City levied a municipal income tax of two percent on all salaries, wages, commissions and compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. Effective July 1, 2018, the income tax rate levied on wages, commissions, compensations and net profits earned within the city as well as residents outside the City increased a half of a one percent and the rate became two and a half percent. Prior to July 1, 2018, the City allowed a credit of 100 percent of the tax paid to another municipality up to a maximum of 85 percent of the two percent levied by the City. With the new income tax rate as of July 1, 2018, if it be made to appear that an individual resident taxpayer has paid a municipal income tax to another municipality on the same income taxable as mentioned above, the city shall allow a credit against the new tax imposed of the amount so paid to the other municipality, equal to two and one-half (2.5%) of the amount obtained by multiplying the lower of the tax rate of such other municipality or of this municipality by the taxable income earned in or attributable to the municipality of employment or business activity, provided that such credit shall not be allowed unless the credit is claimed in a timely filed return including any extension granted.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department expenditures, are credited to the following funds: 75 percent to the general fund, 20 percent to the capital projects fund and 5 percent to the motor vehicle purchase fund. Effective July 1, 2018 income tax is distributed as follows, 64 percent to the general fund, 18 percent to the capital projects fund, 4 percent to the motor vehicle purchase fund, 2 percent to the neighborhood fund, and 12 percent to the comprehensive plan fund. These allocations were voted upon and approved by the voters of the City on the May 8, 2018 ballot. This requires the fund balances for these funds to be reported as restricted as seen on page 121.

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**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 5 - RECEIVABLES - (Continued)

C. Due from Other Governments

A summary of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental activities	
Local government and local government	
revenue assistance	\$ 1,616,801
Hotel tax	57,102
Charges for services	248,243
Fines and forfeitures	44,798
Casino revenue	1,295,711
Gasoline and excise tax	891,995
\$5 license plate tax	221,882
Motor vehicle tax	246,716
Grants	<u>10,294,207</u>
Total governmental activities	<u>14,917,455</u>
Business-type activities	
Loan proceeds	11,052
Grants	<u>70,290</u>
Total business-type activities	<u>81,342</u>
Grand total	<u><u>\$ 14,998,797</u></u>

D. Loans Receivable

The community and economic development special revenue fund reflects community development loans receivable in the amount of \$1,170,192. The loans receivable represents the principal owed to the City for Community Development Block Grants. The loans bear interest at annual rates between 0% and 11%. The loans will be repaid over periods up to 20 years.

The general fund has reported a loan receivable in the amount of \$1,163,812. The loan receivable represents an economic development loan made to Historic Hercules, LLC for betterments and improvements to The Historic Hercules which is being converted from a motor company facility into residential rental apartments and related facilities. The loan bears an annual interest rate of 3% with a repayment period not to exceed 10 years.

The comprehensive plan implementation fund has reported a loan receivable in the amount of \$6,295,111. The loan receivable represents an economic development loan made to HOF Village Hotel II, LLC for improvements and renovations of a hotel located at 320 Market Avenue South. The loan bears an annual interest rate of 0.50% and matures on July 1, 2027.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 6 - RISK MANAGEMENT

A. Workers' Compensation

Since 1989, the City has participated in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan. Under the retrospective rating plan, the City assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in 2021 are \$200,000 per claim.

A minimum premium for fixed costs is charged by the Ohio Bureau of Workers' Compensation. A maximum premium, the employer's experience-rated premium multiplied by the maximum percentage selected by the employer, may be charged back to the City for a ten-year evaluation period per claim. For the policy year 2021, the City selected Tier 1 which calls for no claim limit and a 150 percent maximum premium limit.

The claims liability of \$1,669,140 reported in the workers compensation internal service fund at December 31, 2021, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for the past two years are as follows:

Year	Balance			Balance
	Beginning of Year	Claims Incurred	Claim Payments	
2021	\$ 1,669,140	\$ 1,187,996	\$ 1,187,996	\$ 1,669,140
2020	1,669,140	3,672	3,672	1,669,140

B. Property and Liability

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. The City contracts with Affiliated FM Insurance Company for commercial property coverage, and boiler and machinery coverage which has a \$500,000,000 limit and a \$100,000 deductible. The City contracts with Ohio Plan Risk Management, Inc. through Hylant Administrative Services for automobile combined coverage, which has a \$6,000,000 limit and a \$125,000 deductible. The City also contracts with Ohio Plan Risk Management, Inc. for liability coverages, which includes general liability, public official's liability and law enforcement liability. Each of these coverages has a \$6,000,000 annual limit per claim and a \$8,000,000 per year aggregate with a \$125,000 deductible.

The City's elected officials are bonded for their respective terms. In addition, several specific employees (i.e., court bailiffs) are bonded where required by Ohio Revised Code.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been significant reduction in coverage from the prior year.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 6 - RISK MANAGEMENT - (Continued)

C. Medical

The City has elected to provide employees' major medical, hospitalization, prescription and dental and vision coverage through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage of \$200,000 specific per family. The third-party administrators, Aultcare and UMR, review all claims, which are then paid by the City.

The claims liability of \$553,107 reported in the Health Insurance Internal Service Fund at December 31, 2021, is estimated by the third-party administrators and is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last two years follow:

Year	Balance Beginning of Year	Claims Incurred	Claim Payments	Balance End of Year
2021	\$ 218,240	\$ 11,374,959	\$ 11,040,092	\$ 553,107
2020	377,904	11,372,897	11,532,561	218,240

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows.

	Balance 12/31/20	Additions	Deductions	Balance 12/31/21
Governmental Activities				
Capital assets,				
not being depreciated:				
Land	\$ 9,245,134	\$ 4,952,889	\$ -	\$ 14,198,023
Construction in progress	<u>48,881,311</u>	<u>11,847,884</u>	<u>(46,186,378)</u>	<u>14,542,817</u>
Total capital assets, not being depreciated	<u>58,126,445</u>	<u>16,800,773</u>	<u>(46,186,378)</u>	<u>28,740,840</u>
Capital assets, being depreciated:				
Buildings and structures	58,508,587	9,488,416	(47,014)	67,949,989
Vehicles and equipment	40,365,913	3,013,514	(1,549,440)	41,829,987
Infrastructure	<u>424,054,476</u>	<u>31,906,996</u>	<u>(7,286,322)</u>	<u>448,675,150</u>
Total capital assets, being depreciated	<u>522,928,976</u>	<u>44,408,926</u>	<u>(8,882,776)</u>	<u>558,455,126</u>
Less accumulated depreciation:				
Buildings and structures	(31,002,525)	(1,631,916)	8,023	(32,626,418)
Vehicles and equipment	(28,183,199)	(1,984,496)	1,546,932	(28,620,763)
Infrastructure	<u>(348,299,266)</u>	<u>(6,126,199)</u>	<u>7,256,150</u>	<u>(347,169,315)</u>
Total accumulated depreciation	<u>(407,484,990)</u>	<u>(9,742,611)</u>	<u>8,811,105</u>	<u>(408,416,496)</u>
Total capital assets, being depreciated, net	<u>115,443,986</u>	<u>34,666,315</u>	<u>(71,671)</u>	<u>150,038,630</u>
Governmental activities capital assets, net	<u>\$ 173,570,431</u>	<u>\$ 51,467,088</u>	<u>\$ (46,258,049)</u>	<u>\$ 178,779,470</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 854,058
Security of persons and property	1,211,497
Transportation	6,666,815
Community environment	30,782
Leisure time activities	<u>979,459</u>
Total depreciation expense	<u>\$ 9,742,611</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 7 - CAPITAL ASSETS - (Continued)

	Balance 12/31/20	Additions	Deductions	Balance 12/31/21
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 3,371,564	\$ -	\$ -	\$ 3,371,564
Construction in progress	<u>94,861,450</u>	<u>7,791,470</u>	<u>(9,935,652)</u>	<u>92,717,268</u>
Total capital assets, not being depreciated	<u>98,233,014</u>	<u>7,791,470</u>	<u>(9,935,652)</u>	<u>96,088,832</u>
Capital assets, being depreciated:				
Buildings and structures	123,239,182	451,843	-	123,691,025
Vehicles and equipment	27,021,083	5,092,518	(491,938)	31,621,663
Infrastructure	<u>193,089,234</u>	<u>6,967,542</u>	<u>(328,510)</u>	<u>199,728,266</u>
Total capital assets, being depreciated	<u>343,349,499</u>	<u>12,511,903</u>	<u>(820,448)</u>	<u>355,040,954</u>
Less accumulated depreciation:				
Buildings and structures	(73,471,010)	(1,799,733)	-	(75,270,743)
Vehicles and equipment	(14,722,539)	(2,331,338)	491,938	(16,561,939)
Infrastructure	<u>(134,674,311)</u>	<u>(2,201,304)</u>	<u>328,510</u>	<u>(136,547,105)</u>
Total accumulated depreciation	<u>(222,867,860)</u>	<u>(6,332,375)</u>	<u>820,448</u>	<u>(228,379,787)</u>
Total capital assets, being depreciated, net	<u>120,481,639</u>	<u>6,179,528</u>	<u>-</u>	<u>126,661,167</u>
Business-type activities capital assets, net	<u>\$ 218,714,653</u>	<u>\$ 13,970,998</u>	<u>\$ (9,935,652)</u>	<u>\$ 222,749,999</u>

Depreciation expense was charged to the enterprise funds as follows:

Water operating	\$ 3,820,909
Sewer operating	2,061,636
Refuse operating	382,239
Building operating	67,591
Total depreciation expense	<u>\$ 6,332,375</u>

NOTE 8 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Ten to fifteen days of vacation may be carried forward into the next year.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 8 - COMPENSATED ABSENCES - (Continued)

Employees may bank up to 75 days earned vacation time toward retirement, payable at retirement or termination. No more than 15 days of earned vacation may be banked in any one-year. In March 2003, the City eliminated banked vacation for individuals in management and non-bargaining classifications. In lieu of, or in addition to banking vacation, an employee may request to receive cash payment for unused vacation of no more than 10 days per year in minimum increments of five days calculated at 90 percent of the current rate of pay. Employees in their 28th year or later, can be paid for up to 20 days at 90% or elect to receive cash payments in exchange for one to five weeks of their banked vacation time in units of one week, once per year for a single three consecutive year period. The employee may cash one to five weeks of banked vacation in each of three consecutive years. Employees must declare their desire to receive cash payment for banked vacation no later than November 1 of each year. Payment shall be made on the first regular pay day in December of each year. Employees must declare their desire to receive payment for the 90% no later than October 1st of each year. Payment shall be made on the first regular pay day in November of each year. Approval of the 90% cash payment is within the sole discretion of the appointing authority.

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid 100 percent to a maximum of 150 days (175 for those employees of bargaining unit 3449/2937 and retiring in their 30th year) or 1,200 hours of accumulated, unused sick leave. Firefighters and police can be paid 100 percent to a maximum of 188.5 days or 1,500 hours. After that hours are paid on a percentage based on the employees' years of service.

In 2004, the City established a compensated absence claim fund for the purpose of depositing sick expense premiums from the employees' labor fund distribution to pay both current and previous unfunded compensated absences. The expense associated with current and future obligations is being charged as a direct claim against the compensated absences claim fund. The premium supporting the fund is included in the personal service charge for each fund. Prior to 2009, and the collapse of the City of Canton operational income, the premium was equal to 125% of the total cost of the sick leave accrued on biweekly payrolls. In an attempt to maintain an adequate workforce in light of this revenue decline, the premium was reduced to 105% of the total cost of the sick leave accrued on a biweekly payroll for 2009 and 2010. The premium reset to 125% effective January 1, 2011 and remained unchanged for 2012, 2013, 2014 and 2015. In 2016 the premium was reduced to 105%. The premium reset to 125% for 2017 and continued at that rate during 2021.

NOTE 9 - LONG-TERM OBLIGATIONS

State Infrastructure Bank (SIB) Loans and Other Loans

The City has annual debt requirements for the following loans, all related to governmental activities.

A SIB loan was entered into in 2014 for the 12th Street North Corridor Safety project. The interest rate for this loan is 3%. The original issue amount of the SIB loan was \$227,046 with a scheduled maturity in 2024.

The SIB loan was a direct placement with terms negotiated directly with the investor and were not offered for public sale.

The annual debt service requirements to maturity for the 2014 SIB loan is as follows:

**2014 State Infrastructure
Bank Loan**

Year Ending December 31	Governmental Activities	
	Principal	Interest
2022	381,899	26,452
2023	393,442	14,909
2024	201,159	3,017
Total	\$ 976,500	\$ 44,378

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Ohio Public Works Commission (OPWC) Loans

The City entered into various loan agreements with the OPWC for the purpose of improving the water pollution control system, improving storm sewer operations and installing water lines. These are interest free loans. The City has pledged future revenues, net of certain operating expenses, in the water operating fund and sewer operating fund to repay the loans reported in the water and sewer operating activities. The debt is payable from net revenues and is payable through 2050. Annual principal payments on the debt issues are expected to require 2.75 percent of net revenues for water and 0.12 percent of net revenues for sewer. The total principal remaining to be paid on the debt is \$3,289,386 for water and \$21,893 for sewer. Principal paid for the current year and total net revenues were \$350,031 and \$12,742,717, respectively, for water and \$8,461 and \$7,061,152, respectively, for sewer.

During 2021, the City received OPWC loans proceeds for the following projects: Mahoning Road Improvement Phase 2 and 44th St Waterline Improvements projects.

The 30th Street Resurfacing loan is not included in the schedule of annual debt service requirements to maturity below as the loans are not closed as of December 31, 2021 and a final amortization schedule is not available.

OPWC loans are direct borrowings that have terms negotiated directly between the City and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the City for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the City is located to pay the amount of the default from funds that would otherwise be appropriated to the City from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

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**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a list of outstanding debt with the OPWC:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Market Avenue North sewer replacement	0.00%	\$ 300,000
Governmental activities, 30th Street N.E. storm sewer improvement	0.00%	494,000
Governmental activities, 55th Street N.E. storm sewer improvement	0.00%	413,000
Governmental activities, 37th Street Project (street portion)	0.00%	110,457
Governmental activities, Overbrook NW Storm Sewer	0.00%	60,899
Governmental activities, 38th Street waterline roadway replacement	0.00%	542,104
Governmental activities, Mahoning Road corridor	0.00%	900,000
Governmental activities, 30th Street Resurfacing	0.00%	765,000 *
Governmental activities, Mahoning Road Improvement Phase 2	0.00%	900,000
Governmental activities, 47th Street Northwest Storm Sewer Repair	0.00%	99,383
Governmental activities, Citywide Traffic Signal Upgrade	0.00%	263,628
Governmental activities, 47th Street/Packard Ave Northwest Storm Sewer	0.00%	358,708
Governmental activities, Ridgewood Pase 1 Part 2	0.00%	482,625
Business-type activities, Harrisburg waterline	0.00%	63,102
Business-type activities, Harmont Avenue pump station	0.00%	107,900
Business-type activities, 37th Street Project (water and sewer portions)	0.00%	264,866
Business-type activities, Avondale water main replacement	0.00%	136,567
Business-type activities, Avondale water main replacement Phase 2	0.00%	94,734
Business-type activities, Ridgewood Phase 1 Part 1	0.00%	524,152
Business-type activities, Sugar Creek Water Treatment Plant	0.00%	750,000
Business-type activities, Westmoreland water main	0.00%	600,000
Business-type activities, 44th St Waterline Improvements	0.00%	225,923
Business-type activities, 33rd St Watermain Replacement	0.00%	283,073
Business-type activities, 53rd Street water storage reservoir repair	0.00%	182,739
Business-type activities, Faircrest Street waterline extension	0.00%	1,017,576
		<u>\$ 9,940,436</u>

* Total permissible borrowings under the loan agreement.

Annual debt service requirements to maturity for OPWC loans are as follows:

Year Ending December 31	Ohio Public Works Commission Loans					
	Governmental Activities		Business-Type Activities		Principal	Interest
	Principal	Interest		Principal	Interest	
2022	\$ 240,695	\$ -	\$ 358,494	\$ -		
2023	240,695	-	349,486			
2024	240,694	-	346,789			
2025	240,694	-	346,789			
2026	220,172	-	333,545			
2027 - 2031	927,778	-	988,072			
2032 - 2036	630,426	-	456,856			
2037 - 2041	495,870	-	131,248			
2042 - 2046	80,713	-	-			
2047 - 2050	39,415	-	-			
Total	<u>\$ 3,357,152</u>	<u>\$ -</u>	<u>\$ 3,311,279</u>	<u>\$ -</u>		

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

For the governmental activities, the schedule above does not include the 30th Street resurfacing loans as these loans are not closed as of December 31, 2021 and a final amortization schedule is not available.

Ohio Water Development Authority (OWDA) Loans

The City entered into various loan agreements with the OWDA for the purpose of improving and expanding both the water and the water pollution control operations. The City has pledged future revenues, net of certain operating expenses, to repay these loans in the water operating fund and sewer operating fund. The debt is payable from net revenues and is payable through 2035. Annual principal and interest payments on the debt issues are expected to require 21.29 percent of net revenues for water and 79.66 percent of net revenues for sewer. The total principal and interest remaining to be paid on the debt is \$25,418,776 for water and \$0 for sewer not including open loans. Principal and interest paid for the current year and total net revenues were \$2,713,449 and \$12,742,717, respectively, for water and \$5,624,812 and \$7,061,152, respectively, for sewer.

The City has entered into an agreement with the City of North Canton and the Stark County Board of Commissioners whereby, these entities will reimburse the City for a portion of its Sewer OWDA debt service payments based upon assigned percentage of design capacity of thirty-nine million gallons per day in the advanced secondary treatment facilities (known as the Water Reclamation Facility). The agreement is amended as design capacity needs change for the parties involved. For 2013, the assigned percentages were 50.85% for the City, 47.00% for Stark County and 2.15% for the City of North Canton. In accordance with the agreement, reimbursements to the City will not be due more often than the City's repayments under the OWDA loan debt service schedules. The City is obligated to make all debt service payments on the OWDA loans and subsequently bills the City of North Canton and Stark County for their assigned percentage of Sewer OWDA loans debt service as stipulated in the agreements.

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

The City has both closed and open OWDA loans at December 31, 2021. The closed loans are those that OWDA has made the final disbursements and the City has final amortization schedules for the future debt payments. The following is the City's closed OWDA loans:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Amount</u>
Governmental activities, Harmont Avenue NE improvement	3.25%	\$ 60,100
Business-type activities, Plain Township waterline extension (55th St)	4.74%	1,653,459
Business-type activities, Lake Local Schools waterline	4.64%	1,980,974
Business-type activities, Osnaburg water main extension	3.62%	1,402,001
Business-type activities, Sugarcreek water plant improvement	3.25%	3,365,682
Business-type activities, South Cleveland Avenue Waterline Ext.	3.25%	37,677
Business-type activities, NW water plant improvement	3.52%	7,094,093
Business-type activities, NE water plant improvement	5.39%	14,903,080
Business-type activities, Canton south waterline extension	0.00%	101,547
Business-type activities, S Cleveland Ave Waterline Construction	0.00%	523,904
Business-type activities, new water meters	3.33%	9,414,052
Business-type activities, South waterline extension phase 1	0.00%	1,383,395
		<u>\$ 41,919,964</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

During 2021, the South Waterline Extension Phase 1 project (water fund), the Sugarcreek water treatment plant design project (water fund), and the Cromer reservoir improvement project (water fund) received OWDA loan proceeds. As of the end of the audit period, the final amount borrowed for these loans had not been determined (except for the South Waterline Extension Phase 1 project which was completed) and no final reconciliation has been completed by OWDA. Due to these issues, no payment schedules were available for either of these loans as well as the phosphorus/nitrogen removal project (sewer fund) and the WRF phosphorus - MBR equipment project (sewer fund). Consequently, these loans were not included in the yearly schedule shown above nor were they used in calculating the amount due within one year in the schedule that follows. These loans are considered open since final disbursements have not been made. The total amount borrowed and the total permissible borrowing under the loan agreements are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount Borrowed as of 12/31/21</u>	<u>Total Permissible Borrowings</u>
Business-type activities, WRF phosphorus/nitrogen removal project	3.38%	\$ 54,314,582	\$ 54,383,258
Business-type activities, WRF phosphorus project - MBR equipment	3.39%	27,389,888	30,234,835
Business-type activities, Sugarcreek water treatment plant design project	0.00%	2,118,577	2,679,345
Business-type activities, Cromer reservoir improvement construction project	0.00%	<u>203,230</u>	<u>259,109</u>
		<u>\$ 84,026,277</u>	<u>\$ 87,556,547</u>

Annual debt service requirements to maturity for closed OWDA loans are as follows:

Ohio Water Development Authority Loans

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 2,864	\$ 889	\$ 2,034,904	\$ 592,145
2023	2,958	805	1,859,285	541,252
2024	3,055	719	1,896,136	492,566
2025	3,155	629	1,950,190	443,639
2026	3,259	537	2,005,966	393,166
2027 - 2031	12,268	1,190	8,886,531	1,189,259
2032 - 2035	-	-	2,866,128	267,609
Total	<u>\$ 27,559</u>	<u>\$ 4,769</u>	<u>\$ 21,499,140</u>	<u>\$ 3,919,636</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Changes in long-term obligations of the City during the year ended December 31, 2021 were as follows.

	Outstanding 12/31/20	Additions	Reductions	Outstanding 12/31/21	Due Within One Year
<i>Business-type activities</i>					
OPWC loans (direct borrowing):					
Water operations:					
2012 Harrisburg waterline 0%	\$ 12,621	\$ -	\$ (6,310)	\$ 6,311	\$ 6,311
2014 37th Street waterline project 0%	128,812	-	(23,420)	105,392	23,420
2016 Westmoreland Water Main	487,500	-	(75,000)	412,500	75,000
2016 53rd St Water Storage Reservoir Repair	150,491	-	(21,499)	128,992	21,499
2017 Avondale Water Main Replacement	122,911	-	(13,657)	109,254	13,657
2015 Faircrest Street waterline extension	927,789	-	(59,858)	867,931	59,858
2018 Sugar Creek Water treatment plant	731,248	-	(37,500)	693,748	37,500
2019 Ridgewood Phase 1 Part 1	497,944	-	(52,415)	445,529	52,415
2019 Avondale Water Main Replacement 2	85,260	-	(9,473)	75,787	9,474
2020 44th St Waterline improvements	154,306	71,616	(22,592)	203,330	22,592
2020 33rd St Watermain replacement	268,919	-	(28,307)	240,612	28,307
Sewer operations:					
2014 37th Street sewerline project	16,867	-	(3,066)	13,801	3,066
2003 Harmont pump station	13,487	-	(5,395)	8,092	5,395
Total OPWC loans	<u>3,598,155</u>	<u>71,616</u>	<u>(358,492)</u>	<u>3,311,279</u>	<u>358,494</u>
OWDA loans (direct borrowing):					
Water operations:					
2001 Plain Township waterline extension (55th St) 4.74%	184,487	-	(121,546)	62,941	62,941
2002 Lake School waterline 4.64%	289,198	-	(141,284)	147,914	147,914
2007 Osnaburg water main extension 3.62%	571,369	-	(79,469)	491,900	82,371
2007 SC water plant improvements 3.25%	1,386,592	-	(166,091)	1,220,501	171,532
2008 NW water plant improvements 3.52%	2,952,570	-	(284,171)	2,668,399	294,262
2009 NE water plant improvements 5.39%	8,612,172	-	(688,448)	7,923,724	705,845
2013 water meter planning and design 3.33%	7,607,827	-	(398,434)	7,209,393	411,812
2017 South Cleveland Avenue Waterline Ext 3.25%	26,912	-	(10,765)	16,147	10,765
2018 S Cleveland Ave Waterline Construction 0.00%	471,514	-	(34,927)	436,587	34,927
2019 South Waterline Ext 0.00%	50,774	-	(20,309)	30,465	20,309
2019 South Waterline Ext Phase 1 0.00%	1,383,279	116	(92,226)	1,291,169	92,226
2020 Sugarcreek WTP Design 0%	290,008	1,828,569	(66,984)	2,051,593	-
2020 Cromer reservoir improvements 0%	9,450	193,780	(6,478)	196,752	-
Sewer operations:					
2010 WRF phosphorus/nitrogen removal project 3.38%	46,143,735	-	(2,219,696)	43,924,039	3,565,687
2014 WRF phosphorus - MBR equipment 3.39%	22,759,647	-	(1,258,157)	21,501,490	2,021,367
Total OWDA loans	<u>92,739,534</u>	<u>2,022,465</u>	<u>(5,588,985)</u>	<u>89,173,014</u>	<u>7,621,958</u>
Net pension liability	17,030,932	-	(5,019,282)	12,011,650	-
Net OPEB liability	11,854,219	-	(11,854,219)	-	-
Compensated absences	1,483,528	693,592	(340,117)	1,837,003	409,466
Capital Lease	-	1,049,488	(136,926)	912,562	142,126
<i>Total business-type activities</i>	<u>\$ 126,706,368</u>	<u>\$ 3,837,161</u>	<u>\$ (23,298,021)</u>	<u>\$ 107,245,508</u>	<u>\$ 8,532,044</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

	Outstanding 12/31/20	Additions	Reductions	Outstanding 12/31/21	Due Within One Year
<i>Governmental activities</i>					
2014 SIB loan 3.0% (direct borrowing)	\$ 1,347,195	\$ -	\$ (370,695)	\$ 976,500	381,899
OWDA loan (direct borrowing):					
2010 Harmont Avenue sewer extension 3.25%	30,332	-	(2,773)	27,559	2,864
OPWC loans (direct borrowing):					
2014 55th Street NE storm sewer	330,399	-	(13,767)	316,632	13,767
2015 Mahoning Road Corridor	437,316	-	-	437,316	21,857
2016 30th Street Resurfacing	383,522	-	-	383,522	-
2004 Market Avenue sewer	75,000	-	(15,000)	60,000	15,000
2014 37th Street road project	60,750	-	(11,046)	49,704	11,046
2017 Overbrook NW Storm Sewer	51,765	-	(3,045)	48,720	3,045
2017 38th Street Waterline roadway replacement project	487,894	-	(54,210)	433,684	54,210
2019 Mahoning Road Improvement Ph 2	694,182	205,818	-	900,000	45,000
2019 47th St NW Storm Sewer	94,413	-	(4,969)	89,444	4,969
2019 Citywide Traffic Signal Upgrades	140,840	-	-	140,840	7,042
2019 47th St/Packard Ave Storm Sewer	236,500	-	-	236,500	7,884
2019 Ridgewood Phase 1 Part 2	466,537	-	(32,175)	434,362	32,175
2009 30th Street NE storm sewer	234,650	-	(24,700)	209,950	24,700
Total OPWC loans	<u>3,693,768</u>	<u>205,818</u>	<u>(158,912)</u>	<u>3,740,674</u>	<u>240,695</u>
Compensated absences	6,600,417	1,301,309	(1,446,184)	6,455,542	1,302,394
Note payable (direct borrowing)	4,725,000	4,500,000	(4,725,000)	4,500,000	4,500,000
Net pension liability	82,315,302	1,191,074	(3,818,758)	79,687,618	-
Net OPEB liability	24,719,621	706,367	(16,025,820)	9,400,168	-
Capital leases	2,601,690	47,444	(949,374)	1,699,760	566,033
<i>Total governmental activities</i>	<u>126,033,325</u>	<u>7,952,012</u>	<u>(27,497,516)</u>	<u>106,487,821</u>	<u>6,993,885</u>
Totals	<u>\$ 252,739,693</u>	<u>\$ 11,789,173</u>	<u>\$ (50,795,537)</u>	<u>\$ 213,733,329</u>	<u>\$ 15,525,929</u>

The above schedule of long-term obligations differs from liabilities reported on the government-wide statement of net position as a result of the compensated absences payable associated with the business-type activities being included with the long-term liabilities of the governmental activities. The compensated absences claim internal service fund is responsible for the payment of both the governmental and business-type compensated absences liabilities. Since governmental activities are the primary user of the internal service funds, GAAP requires that the long-term liabilities of the internal service fund be reported among the governmental activities.

A reconciliation of the schedule of long-term obligations to the statement of net position at December 31, 2021 were as follows:

	Governmental Activities	Business-Type Activities	Total
Long-term obligations per schedule above	\$ 106,487,821	\$ 107,245,508	\$ 213,733,329
Consolidation of compensated absences claim internal service fund into governmental activities	1,837,003	(1,837,003)	-
Long-term liabilities on government-wide statement of net position	<u>\$ 108,324,824</u>	<u>\$ 105,408,505</u>	<u>\$ 213,733,329</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Of the \$1,837,003 of business-type compensated absences to be paid from the compensated absences claim internal service fund (which is consolidated with the governmental activities on the statement of net position), \$409,466 is due within one year.

Notes Payable

On April 21, 2021, the City issued \$3,300,000 of long-term notes payable for the purpose of paying the cost of acquiring, constructing, reconstructing and improving City buildings, including, without limitation, the replacement of the City Hall roof, the Civic Center roof and improvements to other City facilities. The notes bear an interest rate not to exceed 6%. These notes were refinanced on a long-term basis on April 21, 2022 and now have a stated maturity of April 21, 2023.

On April 1, 2021, the City issued a \$1,325,000 Historic Hercules note payable for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. This note matures on April 1, 2022. Of this total, \$125,000 is considered a short-term note payable (see Note 11) and \$1,200,000 is considered a long-term note payable. The long-term note payable represents the portion of the Historic Hercules note issue that was refinanced subsequent to year-end with a new maturity date greater than one year from the date of the financial statements (see Note 11). The long-term note payable matures April 1, 2023. The long-term notes are backed by the full faith and credit of the City.

The notes were a direct placement with terms negotiated directly with the investor and were not offered for public sale.

Net Pension Liability and Net OPEB Liability

The City pays obligations related to employee compensation from the fund benefitting from their services. For the City's governmental activities, any net pension liability would be primarily liquidated by the general fund. See Notes 13 and 14 for further information.

Capital Lease Obligation

See Note 10 for further detail on the City's capital lease obligations.

Legal Debt Margin

The City's overall legal debt margin was \$92,064,799 and an unvoted debt margin of \$48,275,686 at December 31, 2021.

NOTE 10 - CAPITAL LEASES

In 2017, the City entered into a new capital lease agreement for the acquisition of a fire truck. In addition, in 2019, the City entered into capital lease agreements for the acquisition of police sedans, a street sweeper, an ambulance, and a phone system. In 2020, the City entered into capital lease agreements for fire vehicles, police body cameras, and an income tax phone system. In 2021, the City entered into capital lease agreements for trash bins and copiers. These leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital assets acquired by the leases have been capitalized in the amount of \$4,395,557 in the governmental activities and \$19,578 in the business-type activities, which represents the present value of the future minimum lease payments at the time of acquisition. The \$1,029,910 lease for trash bins in the business-type activities was not capitalized as the assets acquired do not meet the City's capitalization threshold. Accumulated depreciation as of December 31, 2021 was \$1,369,353 and \$3,916, leaving a current book value of \$3,026,204 in the governmental activities and \$15,662 in the business-type activities.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 10 - CAPITAL LEASES - (Continued)

A corresponding liability was recorded on the statement of net position. In 2021, principal payments of \$1,086,300 are reflected as debt service principal retirement in the general fund, capital improvements, motor vehicle purchase fund, refuse fund, and building code fund. The principal payments are reported as a reduction to the long-term liabilities reported on the statement of net position. The following is a schedule of the future minimum lease payments for all of the City's capital leases and the present value of the minimum lease payments as of December 31, 2021.

<u>Year Ending</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2022	\$ 616,961	\$ 168,839
2023	617,245	169,150
2024	280,112	169,149
2025	280,112	169,150
2026	7,764	166,641
2027	285	164,626
Total minimum lease payments	<u>1,802,479</u>	<u>1,007,555</u>
Less: amount representing interest	<u>(102,719)</u>	<u>(94,993)</u>
Present value of minimum lease payments	<u><u>\$ 1,699,760</u></u>	<u><u>\$ 912,562</u></u>

NOTE 11 - NOTES PAYABLE

The following is a summary of short-term note transactions for the year ended December 31, 2021 reflected in the general fund on the fund financial statements and in the governmental activities on the government-wide financial statements:

	Balance 12/31/2020	Issued	Retired	Balance 12/31/2021
Notes Payable:				
Civil Suit Settlement	\$ 800,000	\$ 700,000	\$ (800,000)	\$ 700,000
Historic Hercules Project	200,000	125,000	(200,000)	125,000
Hall of Fame Village Project	<u>3,750,000</u>	<u>3,250,000</u>	<u>(3,750,000)</u>	<u>3,250,000</u>
	<u><u>\$ 4,750,000</u></u>	<u><u>\$ 4,075,000</u></u>	<u><u>\$ (4,750,000)</u></u>	<u><u>\$ 4,075,000</u></u>

The civil suit settlement note was issued on June 24, 2021 and had an outstanding balance of \$700,000 at December 31, 2021. This note was issued to refinance notes previously issued on June 24, 2020 which matured June 24, 2021. The note was issued at an interest rate of 6% and matures on June 24, 2022. The purpose of the issuance was to pay for the settlement of a civil suit in which the City agreed to pay the plaintiff \$1,800,000. This note is an obligation of the fund which is responsible for payment of the settlement.

The Hall of Fame Village project note was issued on December 1, 2021 and had an outstanding balance of \$3,250,000 at December 31, 2021. This note was issued to refinance notes previously issued on December 1, 2020 which matured December 1, 2021. The note was issued at an interest rate of 6% and matures on December 1, 2022. The note was issued in anticipation of a long-term bond financing for improvements to Hall of Fame Village related to economic development.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 11 - NOTES PAYABLE - (Continued)

On April 1, 2021, the City issued a \$1,325,000 Historic Hercules note payable to refinance notes previously issued on April 1, 2020 which matured April 1, 2021. The original issue was issued for the purpose of renovating and redeveloping the former Hercules Motor Company facility into market rate residential apartments and related facilities. Of this total, \$125,000 is considered a short-term note payable and \$1,200,000 is considered a long-term note payable (see Note 9). The short-term note payable represents the portion of the Historic Hercules note issue that will be retired when the notes are refinanced on April 1, 2022 (see Note 25 for detail). All short-term notes were backed by the full faith and credit of the City and mature within one year. The short-term note liability is reflected in the General Fund, the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget (non-GAAP basis) and actual presented for the general fund and community and economic development fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).
4. Unreported cash (cash on hand) represents amounts received but not included on the budget basis operating statements. These amounts are included on the GAAP basis operating statement.
5. Proceeds from manuscript debt are an other financing source (budget) as opposed to a balance sheet transaction (GAAP basis).

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**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 12 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, the community and economic development fund, and the ARPA fund.

Net Change in Fund Balance

	Community and		
	General	Economic	
	Fund	Development Fund	ARPA
Budget basis	\$ (7,042,560)	\$ (2,913,891)	\$ 19,533,090
Net adjustment for revenue accruals	640,292	(334,596)	(29,817,730)
Net adjustment for expenditure accruals	2,710,611	1,132,676	(169,001)
Net adjustment for other financing sources (uses) accruals	(2,359,887)	25,750	-
Funds budgeted elsewhere	337,034	-	-
Encumbrances	<u>7,868,343</u>	<u>3,035,031</u>	<u>10,453,641</u>
GAAP basis	<u><u>\$ 2,153,833</u></u>	<u><u>\$ 944,970</u></u>	<u><u>\$ -</u></u>

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period.

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>
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 %
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Total Employer	<u>14.0 %</u>
<hr style="width: 20%; margin-left: 0; border: 0.5px solid black;"/>	
Employee	<u>10.0 %</u>

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

**** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$4,741,919 for 2021. Of this amount, \$184,955 is reported as due to other governments.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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

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

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$4,702,158 for 2021. Of this amount, \$176,044 is reported as due to other governments.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2020, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 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 or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	OPERS - Traditional	OPERS - Combined	Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.22222000%	0.23851400%	0.18697100%	0.88014160%	
Proportion of the net pension liability/asset current measurement date	<u>0.21081500%</u>	<u>0.22982800%</u>	<u>0.15565800%</u>	<u>0.88721310%</u>	
Change in proportionate share	<u>-0.01140500%</u>	<u>-0.00868600%</u>	<u>-0.03131300%</u>	<u>0.00707150%</u>	
Proportionate share of the net pension liability	\$ 31,217,155	\$ -	\$ -	\$ 60,482,113	\$ 91,699,268
Proportionate share of the net pension asset	-	663,430	33,524	-	696,954
Pension expense	828,474	15,641	(24,046)	3,479,105	4,299,174

Of the \$4,299,174 reported as pension expense, \$4,378,519 relates to governmental activities and (\$79,345) relates to business-type activities.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ -	\$ -	\$ 23,039	\$ 2,528,358	\$ 2,551,397
Changes of assumptions	- -	41,432	957	1,014,316	1,056,705
Changes in employer's proportionate percentage/ difference between employer contributions	1,808,777	-	-	665,136	2,473,913
Contributions subsequent to the measurement date	4,469,107	163,448	109,364	4,702,158	9,444,077
Total deferred outflows of resources	\$ 6,277,884	\$ 204,880	\$ 133,360	\$ 8,909,968	\$ 15,526,092
 Deferred inflows of resources					
Differences between expected and actual experience	\$ 1,305,839	\$ 125,159	\$ -	\$ 2,356,206	\$ 3,787,204
Net difference between projected and actual earnings on pension plan investments	12,167,535	98,663	3,666	2,933,782	15,203,646
Changes in employer's proportionate percentage/ difference between employer contributions	1,026,580	-	-	3,134,111	4,160,691
Total deferred inflows of resources	\$ 14,499,954	\$ 223,822	\$ 3,666	\$ 8,424,099	\$ 23,151,541

\$9,444,077 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset in the year ending December 31, 2022. Of the amount reported as contributions subsequent to the measurement date, \$7,619,495 relates to governmental activities and \$1,824,582 relates to business-type activities.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	Member- Directed	OP&F	Total
Year Ending December 31:					
2022	\$ (4,700,364)	\$ (47,505)	\$ 2,565	\$ (1,485,140)	\$ (6,230,444)
2023	(1,371,441)	(30,171)	3,117	559,094	(839,401)
2024	(4,959,899)	(52,926)	2,275	(3,065,130)	(8,075,680)
2025	(1,659,473)	(24,624)	2,775	(384,747)	(2,066,069)
2026	-	(10,553)	2,898	159,634	151,979
Thereafter	-	(16,611)	6,700	-	(9,911)
Total	<u>\$ (12,691,177)</u>	<u>\$ (182,390)</u>	<u>\$ 20,330</u>	<u>\$ (4,216,289)</u>	<u>\$ (17,069,526)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2020, are presented below.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 0.50%, simple through 2021, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.20%
Actuarial cost method	Individual entry age

In October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.40% simple through 2020 then 2.15% simple to 0.50% simple through 2021 then 2.15% simple.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 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.

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 11.70% for 2020.

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

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	25.00 %	1.32 %
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	9.00	4.75
Total	100.00 %	5.43 %

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability/asset was 7.20%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2020 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 59,546,885	\$ 31,217,155	\$ 7,661,027
Combined Plan	(461,955)	(663,430)	(813,592)
Member-Directed Plan	(29,425)	(33,524)	(36,781)

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 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. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below.

Valuation date	1/1/20 with actuarial liabilities rolled forward to 12/31/20
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of
	inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy and Guidelines. 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 the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **	
Cash and Cash Equivalents	- %	0.00	%
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	
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 2x

** numbers include inflation

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

Discount Rate - The total pension liability was calculated using the discount rate of 8.00%. 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 earning were calculated using the longer-term assumed investment rate of return 8.00%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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%, 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%), or one percentage point higher (9.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 84,198,849	\$ 60,482,113	\$ 40,633,600

NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 13 for a description of the net OPEB liability/asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report 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 the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

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 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$43,746 for 2021. Of this amount, \$1,706 is reported as due to other governments.

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

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$111,434 for 2021. Of this amount, \$4,172 is reported as due to other governments.

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

The net OPEB liability/asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability			
prior measurement date	0.22133700%	0.88014160%	
Proportion of the net OPEB liability/asset			
current measurement date	<u>0.21033300%</u>	<u>0.88721310%</u>	
Change in proportionate share	<u>-0.01100400%</u>	<u>0.00707150%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 9,400,168	\$ 9,400,168
Proportionate share of the net OPEB asset	3,747,246	-	3,747,246
OPEB expense	(22,406,575)	764,489	(21,642,086)

Of the (\$21,642,086) reported as OPEB expense, (\$12,687,141) relates to governmental activities and (\$8,954,945) relates to business-type activities.

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>
Deferred outflows of resources			
Changes of assumptions	\$ 1,842,188	\$ 5,193,078	\$ 7,035,266
Changes in employer's proportionate percentage/ difference between employer contributions	1,198,294	265,973	1,464,267
Contributions subsequent to the measurement date	43,746	111,434	155,180
Total deferred outflows of resources	<u>\$ 3,084,228</u>	<u>\$ 5,570,485</u>	<u>\$ 8,654,713</u>

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 3,381,870	\$ 1,550,524	\$ 4,932,394
Net difference between projected and actual earnings on OPEB plan investments	1,995,834	349,327	2,345,161
Changes of assumptions	6,071,661	1,498,562	7,570,223
Changes in employer's proportionate percentage/ difference between employer contributions	553,024	659,378	1,212,402
Total deferred inflows of resources	<u>\$ 12,002,389</u>	<u>\$ 4,057,791</u>	<u>\$ 16,060,180</u>

\$155,180 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022. Of the amount reported as contributions subsequent to the measurement date, \$138,347 relates to governmental activities and \$16,833 relates to business-type activities.

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2022	\$ (4,646,728)	\$ 268,642	\$ (4,378,086)
2023	(3,212,700)	351,362	(2,861,338)
2024	(867,307)	220,950	(646,357)
2025	(235,172)	260,378	25,206
2026	-	143,754	143,754
Thereafter	-	156,174	156,174
Total	<u>\$ (8,961,907)</u>	<u>\$ 1,401,260</u>	<u>\$ (7,560,647)</u>

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Wage Inflation	3.25%
Projected Salary Increases, including inflation	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	
Current measurement date	6.00%
Prior Measurement date	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 Normal

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

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 10.50% for 2020.

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STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees 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 the benefits provided through the defined 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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

Discount Rate - A single discount rate of 6.00% was used to measure the total 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) a tax-exempt municipal bond rate based on an index of 20- year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 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 the year 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 projected health care payments are fully funded.

Change in Benefit Terms - On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation which are reported by the City at December 31, 2021. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net OPEB asset	\$ 931,774	\$ 3,747,246	\$ 6,061,790

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate

- Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption 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.

	Current Health Care Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 3,838,573	\$ 3,747,246	\$ 3,645,067

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 plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
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%
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 according to the rates in the following table, and projected with the Conduent 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 Conduent 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 OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the 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 the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and Cash Equivalents	- %	0.00 %
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
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><u>125.00 %</u></u>	

Note: assumptions are geometric.

* levered 2.5x

** numbers include inflation

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on 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 - For 2020, the total OPEB liability was calculated using the discount rate of 2.96%. For 2019, the total OPEB liability was calculated using the discount rate of 3.56%. The projection of cash flows used to determine the discount rate assumed the contribution 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12% at December 31, 2020 and 2.75% at December 31, 2019, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 2.96% for 2020 and 3.56% for 2019. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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 one percentage point lower (1.96%), or one percentage point higher (3.96%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 11,721,472	\$ 9,400,168	\$ 7,485,364

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

NOTE 15 - JOINT VENTURES

Canton Tomorrow, Inc.

The City participates in Canton Tomorrow, Inc., formed under Chapter 1702 of the Ohio Revised Code. Of the 26 member board, the City appoints three members. The degree of control exercised by any participating government is limited to its representation on the board. Canton Tomorrow, Inc., was formed to serve as a catalyst to bring together the vision, initiative and action necessary for the continuing revitalization of the City. Continued existence of Canton Tomorrow, Inc. is dependent on the City's continued participation, despite its minimal contribution to the overall budget; however, the City does not have an equity interest in Canton Tomorrow, Inc. (Agency). The Agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. Canton Tomorrow Inc.'s funding comes from a grant given by the City through the Canton Community Improvement Corporation to the Canton Regional Chamber of Commerce. In 2021, the grant was for \$75,000. The Chamber of Commerce is responsible for dividing it up amongst various agencies like Canton Tomorrow, Inc. Additional funding was paid to the Community Improvement Corporation in the forms of Tax Increment Funding for \$48,272 and Comprehensive Plan funding for the maintenance and upkeep of the Nationwide Building in the amount of \$100,000 and for the Shorb Area Master Plan Project in the amount of \$1,000,000. Complete financial statements can be obtained from Canton Tomorrow, Inc.

Downtown Canton Special Improvement District

The City participates in the Downtown Canton Special Improvement District (District), formed under Chapter 1710 of the Ohio Revised Code. Of the 13-member board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the board. The District was created for the purpose of developing and implementing plans for public improvements and public services. Continued existence of the District is dependent on the City's continued participation; however, the City does not have an equity interest in the District. In 2021, the City contributed \$188,244 to the District, which represents 100 percent of total contributions. Complete financial statements can be obtained from the Downtown Canton Special Improvement District.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

Stark Area Regional Transit Authority

The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon and Alliance. A nine-member board of trustees oversees the operation of the Authority whose purpose is to provide a low cost mass transportation system for Stark County. The City appoints three of the nine members. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority, which include budgeting, appropriating, contracting and designating management. The City has no financial responsibility for any of the Authority's liabilities. The City made no monetary contributions to assist in the operational expenses of the Authority during 2021. Complete financial statements may be obtained from the Stark Area Regional Transit Authority.

Stark Council of Governments

The Stark Council of Governments (SCOG) is a jointly governed organization. SCOG is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities and villages and townships. The membership elects a nine-member executive committee. Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and performs accounting and finance related activities. Continued existence of the agency is dependent on the City's continued participation; however, the City does not have an equity interest in the agency. The agency is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden to the City. The City contributed \$436,989 from the general fund for 2021 for the operation of SCOG. Complete financial statements may be obtained from the Stark Council of Governments.

Stark County Regional Planning Commission

The City participates in the Stark County Regional Planning Commission (Commission), which is a statutorily created political subdivision of the State. The commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 88-member board, the City appoints 5 members.

The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Commission is to provide comprehensive planning, both long and short-term range, dealing with the economic and physical environment of Stark County. The board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. In 2021, the City contributed \$5,000 to the Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS

The component unit column in the government-wide financial statements identifies the financial data of the City's component units, the Canton Community Improvement Corporation (CCIC) and the Canton City Health District (District). They are reported separately to emphasize that they are legally separate from the City. A summary of the CCIC and District's more significant accounting policies and activities are disclosed below.

A. Canton Community Improvement Corporation

The CCIC is a legally separate, not-for-profit, community improvement corporation, as authorized under Chapter 1724 of the Ohio Revised Code. The seven-member board is comprised of the following; the City's Mayor, three appointed or elected officials, chosen by the Mayor, and three recommended by the Mayor and approved by the other three board members. The CCIC was organized for the purpose of advancing, encouraging, and promoting the industrial, economic, and commercial and civic development of the community. The City's Community and Economic Development Department, as authorized by City Council, provides an annual grant to pay for all operational costs associated with the CCIC. Complete financial statements can be obtained from the Canton Community Improvement Corporation.

Summary of Significant Accounting Policies

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

Community Development Loans - CCIC issues loans to various businesses for the purpose of assisting the establishment of a new business enterprise in the City of Canton and/or continuing or expanding existing business activity.

Real Estate Held for Development - Real Estate Held for Development represents property donated or transferred to CCIC by the City to be used in future economic development projects as well as land currently being utilized for an economic development project. The property held for development is reported at cost and depreciation is not recognized. The balance is reported as a non-current asset, as the CIC does not intend to distribute the property in the subsequent year.

Contributions - During 2021, the CCIC received \$1,223,272 from the city. The funds received provide economic development loans, facade improvement grants, purchase and maintain properties, as well as administrative expenses of CCIC.

Federal Income Tax - CCIC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Net Position - Net position represents the difference between assets and liabilities on the statement of net position. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used to build or acquire the capital assets. Net position is reported as restricted in the combined financial statements when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws or regulations. There was no restricted balance for economic development as of December 31, 2021.

Estimates - The preparation of the 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 may differ from those estimates.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Cash and Investments

At December 31, 2021, the carrying amount of the CCIC's deposits was \$1,111,430. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2021, only \$250,000 of the bank balance was covered by the Federal Deposit Insurance Corporation. There are no significant statutory restrictions regarding the deposits and investments of funds held by the not-for-profit corporation.

At December 31, 2021, CCIC had no investments.

Real Estate Held for Development

Real Estate Held for Development activity year ended December 31, 2021 was as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>12/31/20</u>	<u>Addition</u>	<u>Deletion</u>	<u>12/31/21</u>
Real Estate Held for Development	\$ 30,000	\$ 10,000	\$ -	\$ 40,000
Total Cost	<u>\$ 30,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 40,000</u>

Community Development Loans

CCIC awards loans through the Community Development Block Grant program provided by the City. If the business has been awarded a Performance Loan (Deferred Loan) and has maintained all of the terms and conditions of the agreement, CCIC shall forgive and cancel the unpaid balance for the specified time stated in the agreement. For all loan types, the borrowers must meet certain criteria documented in the loan agreements for receiving these funds. Jobs must be created as a result of the loan. Fifty-one percent or more of the new employees must be in the low to moderate income category. The City retains the loans and is responsible for the collection of these loans and are therefore not recorded in the financial statements of CCIC.

Commitments

In 2021, there were no loans or grants committed to or approved by the Board of Directors.

In-Kind Contributions, Donated Facilities and Services

The City provides CCIC with office space and various office services without charge. The value of the donated facilities is not recognized in the accompanying financial statements because no objective basis is available to measure the value of the donated facilities. No in-kind wages were received from the City in 2021.

Risk Management

For 2021, the CCIC's properties were covered under the City's property insurance policy.

Leases

During 2021, the CCIC continued its monthly lease with D&J Promotions, Inc. (Jeffco Metals Division) for the Scales property at 11th Street SE, Canton, Ohio. The CCIC received \$3,498 in rental income for 2021.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

B. Canton City Board of Health

The constitution and laws of the State of Ohio establish the rights and privileges of the City of Canton Board of Health (the “Board of Health”) as a body corporate and politic. Consistent with the provisions of the Ohio Revised Code Section 3709.36, the Board of Health is a legally separate organization. The Board of Health’s services include communicable disease investigations, immunization clinics, tuberculosis screenings, home visits, public health nursing services and issues, health-related licenses and permits, emergency preparedness activities as well as birth certificates and death certificates.

The Board of Health is governed by a six-member Governing Board (the “Board”) and a Health Commissioner. Board members are appointed by the Mayor of the City of Canton (the “City”) and confirmed by City Council, according to the Ohio Revised Code. The Mayor serves as president of the Board by virtue of the office. In addition, the City provides funding to the Board of Health, thus the City can impose will on the Board of Health, and the Board of Health imposes a financial burden to the City. Therefore, the Board of Health is considered a discretely presented component unit of the City of Canton.

Summary of Significant Accounting Policies

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

Basis of Presentation - Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the Board of Health as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Board of Health has no fiduciary funds. The statements distinguish between those activities of the Board of Health that are governmental and those that are considered business-type activities. The Board of Health has no business-type activities.

The statement of net position presents the financial condition of the governmental activities and business-type activities for the Board of Health at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Board of Health’s governmental activities and for the business-type activities of the Board of Health. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board of Health, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Board of Health.

Measurement Focus - Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Board of Health are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

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

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STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Revenues-Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the Board of Health receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board of Health must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board of Health on a reimbursement basis.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Board of Health, deferred outflows of resources are related to the Board of Health's net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Board of Health, deferred inflows of resources include unavailable revenue. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Board of Health, unavailable revenue includes, but is not limited to intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the Board of Health, deferred inflows of resources are related to the Board of Health's net pension liability/asset and net OPEB liability/asset, respectively.

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

Accounts Receivable - Accounts receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Board of Health provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts and other circumstances, which may affect the ability of patients to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Board of Health's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Capital Assets - Capital assets are reported in the applicable governmental activities columns in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are defined by the Board of Health as assets with initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their acquisition value. 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. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Equipment	10 years
Vehicles	10 years

Net Position - Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The Board of Health's net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The Board of Health did not have any capital related debt. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Board of Health's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Net position restricted for other purposes are restricted by grantors and regulations of other governments.

Interfund transactions and balances - Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. On the fund financial statements, outstanding interfund loans are reported as "interfund receivables/payables". The Board of Health had no interfund receivables/payables at December 31, 2021.

Compensated Absences - The Board of Health reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Board of Health records a liability for accumulated unused vacation time when earned for all eligible employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for unused earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the Board of Health's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements as a component of due to primary government.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

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

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

Prepayments - Payments made to vendors for services that benefit future periods are recorded as prepayments in both government-wide and fund financial statements. A current asset for the prepaid amount is recorded at the time of purchase, and the expenditure is reported in the year in which services are consumed. Governmental fund balance has been presented as nonspendable equal to the balance of the prepayments at year-end.

Cash with Fiscal Agent

As required by the Ohio Revised Code, the Canton City Auditor is the fiscal agent of the Board of Health. The Board of Health's cash pool, used by all funds, is deposited with the Canton City Treasurer. The cash pool is commingled with the City of Canton's cash and investment pool and is not identifiable as to demand deposits or investments. All collections are remitted to the Canton City Treasurer for deposit and all disbursements are made by warrants prepared by the Canton City Auditor drawn on deposits held in the name of the City of Canton. GASB 3 and GASB 40 requirements for the City of Canton are presented in the December 31, 2021 Annual Comprehensive Financial Report. The fund balances are expressed in cash equivalents. Cash equivalents are available for immediate expenditure or liquid investments which are immediately marketable, have negligible credit risk, and mature within three months. The carrying amount of cash on deposit with the Canton City Treasurer at December 31, 2021 was \$5,418,700.

Receivables

Receivables at December 31, 2021 consisted of charges for services (primarily billings from clinic services) and intergovernmental receivables arising from grants. Receivables have been recorded to the extent that they are measurable at December 31, 2021. All receivables are expected to be collected in the subsequent year. Amounts due from other governments consisted of the following at year end:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
<u>Governmental</u>		
General	Grant - federal	\$ 3,950
Infant Mortality Reduction	Grant - federal	53,942
Public Health Infrastructure	Grant - federal	190,017
Nonmajor Governmental	Grants - federal	<u>105,430</u>
Total due from other governments		<u><u>\$ 353,339</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Capital Assets

Capital asset activity for the governmental activities for the year ended December 31, 2021, was as follows:

	Balance			Balance
	<u>12/31/20</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/21</u>
<u>Governmental activities:</u>				
<i>Capital assets, being depreciated:</i>				
Equipment	\$ 96,559	\$ 118,983	\$ -	\$ 215,542
Vehicles	<u>21,240</u>	<u>25,765</u>	<u>-</u>	<u>47,005</u>
Total capital assets, being depreciated	<u>117,799</u>	<u>144,748</u>	<u>-</u>	<u>262,547</u>
<i>Less: accumulated depreciation:</i>				
Equipment	(10,486)	(16,757)	-	(27,243)
Vehicles	<u>(11,682)</u>	<u>(3,412)</u>	<u>-</u>	<u>(15,094)</u>
Total accumulated depreciation	<u>(22,168)</u>	<u>(20,169)</u>	<u>-</u>	<u>(42,337)</u>
Total capital assets being depreciated, net	<u>95,631</u>	<u>124,579</u>	<u>-</u>	<u>220,210</u>
Governmental activities capital assets, net	<u>\$ 95,631</u>	<u>\$ 124,579</u>	<u>\$ -</u>	<u>\$ 220,210</u>

Depreciation expense was charged to governmental activities as follows:

Governmental activities:

Public Health Services \$ 20,169

Long-term Obligations

During 2021, the following activity occurred in the Board of Health's governmental and business-type long-term obligations.

<u>Governmental Activities:</u>	Balance <u>12/31/20</u>	Additions	Reductions	Balance <u>12/31/2021</u>	Amounts	
					Due Within One Year	
Compensated absences	\$ 425,471	\$ 197,856	\$ (94,016)	\$ 529,311	\$ 109,268	
Net pension liability	<u>3,868,096</u>	<u>-</u>	<u>(1,055,688)</u>	<u>2,812,408</u>	<u>-</u>	
Net OPEB liability	<u>2,692,351</u>	<u>-</u>	<u>(2,692,351)</u>	<u>-</u>	<u>-</u>	
Total	<u>\$ 6,985,918</u>	<u>\$ 197,856</u>	<u>\$ (3,842,055)</u>	<u>\$ 3,341,719</u>	<u>\$ 109,268</u>	

The Board of Health's compensated absences will be paid from the City's compensated absences internal service fund. The Board of Health reports a compensated absences liability for its share of the liability in this fund.

The Board of Health pays obligations (net pension liability/net OPEB liability) related to employee compensation from the fund benefitting from their services.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Due to City of Canton

The City pays various liabilities of the Board of Health through the City's internal service funds. The Board of Health makes payments to the City to support its share of the City's internal service funds and reports its share of liabilities for medical and workers' compensation claims at year-end. The City has also advanced (loaned) monies to the Board of Health to fund short-term deficits while the Board of Health awaits reimbursement for programs. The Board of Health owes these advanced/loaned monies back to the City at year-end. The following are amounts due to the City at December 31, 2021:

	Due to <u>City of Canton</u>
Medical Claims	\$ 28,485
Worker's Compensation Claims	85,961
Loans	<u>109,160</u>
Total	<u><u>\$ 223,606</u></u>

Risk Management

The Board of Health is exposed to various risks of casualty losses and injuries to employees.

Property and Liability - The Board of Health belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, Inc., a Sedgwick Company, (York) functions as the administrator of PEP and provides program management, underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage - APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. (At December 31, 2021, the Pool retained \$500,000 for casualty claims and \$250,000 for property claims). The Board of Directors and York periodically review the financial strength of PEP and other market conditions to determine the appropriate level of risk PEP will retain. There has been no significant reduction in coverage from last year.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective PEP member.

Financial Position - PEP's financial statements (for which an independent audit is still ongoing) conform to generally accepted accounting principles, and preliminarily show the following assets, liabilities and net position at December 31, 2020 and 2019 (the latest information available):

<u>Casualty and Property Coverage</u>	<u>2020</u>	<u>2019</u>
Assets	\$ 57,336,499	\$ 54,973,597
Liabilities	<u>16,156,805</u>	<u>16,440,940</u>
Net Position - Unrestricted	<u><u>\$ 41,179,694</u></u>	<u><u>\$ 38,532,657</u></u>

**CITY OF CANTON
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

At December 31, 2020 and 2019, the liabilities in the preceding table include unknown amounts of estimated incurred claims payable. The casualty coverage assets and net position in the preceding table include approximately \$13.5 million and \$13.7 million of unpaid claims to be billed to approximately 571 member governments in the future, as of December 31, 2020 and 2019, respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are expected to increase slightly from those used to determine the historical contributions detailed as follows. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The Board of Health's contributions for 2021 totaled \$9,198.

After completing one year of membership, members may withdraw on each anniversary date of the date they joined PEP, provided they give written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members may receive a partial refund of their capital contributions as defined by the contract. Withdrawing members have no other future obligations to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to withdrawal.

Contingencies

Grants - The Board of Health received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Board of Health at December 31, 2021.

Litigation - The Board of Health is not currently involved in litigation for which the Board of Health's legal counsel anticipates a loss.

Defined Benefit Pension Plans

Plan descriptions and actuarial information for the Health Board of Health's defined benefit pension plans are the same as the City's (see Note 13).

The Board of Health's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$427,208 for 2021. Of this amount, \$15,286 is reported as due to other governments.

The net pension liability and net pension asset for OPERS was measured as of December 31, 2020, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Board of Health's proportion of the net pension liability or asset was based on the Board of Health's share of contributions to the pension plan relative to the contributions of all participating entities.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Proportion of the net pension liability/asset prior measurement date	0.01957000%	0.05345000%	0.03839800%	
Proportion of the net pension liability/asset current measurement date	<u>0.01899300%</u>	<u>0.02070600%</u>	<u>0.04481400%</u>	
Change in proportionate share	<u>-0.00057700%</u>	<u>-0.03274400%</u>	<u>0.00641600%</u>	
Proportionate share of the net pension liability	\$ 2,812,408	\$ -	\$ -	\$ 2,812,408
Proportionate share of the net pension asset	-	59,770	3,020	62,790
Pension expense	56,223	1,409	(2,166)	55,466

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

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Deferred outflows of resources				
Differences between expected and actual experience	\$ -	\$ -	\$ 2,076	\$ 2,076
Changes of assumptions	-	3,733	86	3,819
Changes in employer's proportionate percentage/difference between employer contributions	21,752	-	-	21,752
Contributions subsequent to the measurement date	402,630	14,725	9,853	427,208
Total deferred outflows of resources	<u>\$ 424,382</u>	<u>\$ 18,458</u>	<u>\$ 12,015</u>	<u>\$ 454,855</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Deferred inflows of resources				
Differences between expected and actual experience	\$ 117,645	\$ 11,276	\$ -	\$ 128,921
Net difference between projected and actual earnings on pension plan investments	1,096,194	8,889	330	1,105,413
Changes in employer's proportionate percentage/ difference between employer contributions	86,884	-	-	86,884
Total deferred inflows of resources	<u>\$ 1,300,723</u>	<u>\$ 20,165</u>	<u>\$ 330</u>	<u>\$ 1,321,218</u>

\$427,208 reported as deferred outflows of resources related to pension resulting from Board of Health contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/asset 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:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Year Ending December 31:				
2022	\$ (473,686)	\$ (4,280)	\$ 231	\$ (477,735)
2023	(138,209)	(2,718)	281	(140,646)
2024	(499,841)	(4,768)	205	(504,404)
2025	(167,235)	(2,218)	250	(169,203)
2026	-	(951)	261	(690)
Thereafter	-	(1,497)	604	(893)
Total	<u>\$ (1,278,971)</u>	<u>\$ (16,432)</u>	<u>\$ 1,832</u>	<u>\$ (1,293,571)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Sensitivity of the Board of Health's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Board of Health's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 5,364,682	\$ 2,812,408	\$ 690,195
Combined Plan	(41,618)	(59,770)	(73,298)
Member-Directed Plan	(2,651)	(3,020)	(3,313)

Defined Benefit OPEB Plans

Plan descriptions and actuarial information for the Health Board of Health's defined benefit OPEB plans are the same as the City's (see Note 14).

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Board of Health's contractually required contribution was \$3,941 for 2021. Of this amount, \$141 is reported as due to other governments.

The net OPEB liability/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. The Board of Health's proportion of the net OPEB liability was based on the Board of Health's share of contributions to the retirement plan relative to the contributions of all participating entities.

<u>OPERS</u>	
Proportion of the net OPEB liability	
prior measurement date	0.01949200%
Proportion of the net OPEB liability/asset	
current measurement date	<u>0.01894900%</u>
Change in proportionate share	<u>-0.00054300%</u>
Proportionate share of the net OPEB asset	\$ 337,596
OPEB expense	(2,049,622)

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

At December 31, 2021, the Board of Health reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>OPERS</u>	
Deferred outflows of resources	
Changes of assumptions	\$ 165,966
Changes in employer's proportionate percentage/ difference between employer contributions	23,308
Contributions subsequent to the measurement date	3,941
Total deferred outflows of resources	<u>\$ 193,215</u>

<u>OPERS</u>	
Deferred inflows of resources	
Differences between expected and actual experience	\$ 304,678
Net difference between projected and actual earnings on OPEB plan investments	179,808
Changes of assumptions	547,007
Changes in employer's proportionate percentage/ difference between employer contributions	46,485
Total deferred inflows of resources	<u>\$ 1,077,978</u>

\$3,941 reported as deferred outflows of resources related to OPEB resulting from Board of Health contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

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

Year Ending December 31:	<u>OPERS</u>
2022	\$ (460,791)
2023	(318,586)
2024	(86,006)
2025	(23,321)
Total	<u>\$ (888,704)</u>

Sensitivity of the Board of Health's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 6.00%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00%) or one-percentage-point higher (7.00%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Board of Health's proportionate share of the net OPEB asset	\$ 83,945	\$ 337,596	\$ 546,117

Sensitivity of the Board of Health's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption 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.

	Current Health Care Trend Rate		
	1% Decrease	Assumption	1% Increase
Board of Health's proportionate share of the net OPEB asset	\$ 345,824	\$ 337,596	\$ 328,390

Other Employee Benefits

Compensated Absences - Employees earn between 10 and 30 days of vacation time per year depending upon service with the Board of Health. Up to 5 vacation days (40 hours) may be carried over into the next calendar year subject to approval by the Board of Health for extenuating circumstances. Vacation hours carried forward must be used by March 31. At no time may the vacation credit exceed the vacation time plus 5 days. Vacation time in excess of this total will be forfeited by the employee.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS - (Continued)

Employees earn sick leave at the rate 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid 100 percent to a maximum of 150 days or 1,200 hours of accumulated, unused sick leave.

Employee Medical, Dental, Vision, and Prescription Drug - The Board of Health provides employee medical benefits through participation in the City's major medical, hospitalization, prescription and dental and vision self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage of \$200,000 specific per family. The third-party administrators, Aultcare and UMR, review all claims, which are then paid by the City.

Interfund Activity

The Board of Health made the following interfund transfers in 2021:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
General fund	Air Pollution (134) fund	\$ <u>40,000</u>

The interfund transfers represent the residual equity of transfer of certain nonmajor governmental grant funds to the general fund. Interfund transfers within governmental activities are eliminated on the government-wide financial statements.

Interfund Loans

Interfund loans consisted of the following at December 31, 2021, as reported on the fund financial statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ <u>10,000</u>

The interfund loan balance is the result of resources provided by the receivable fund to the payable fund to provide cash flow resources until anticipated revenues are received.

NOTE 18 - CONTINGENCIES

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City.

B. Litigation

The City is a party to various other legal proceedings. The City management is of the opinion that ultimate disposition of those subsequent pending claims and legal proceedings will likely not have a material adverse effect, if any, on the financial condition of the City. However any pending litigation that could be successful against the City would in all likelihood not exceed a maximum exposure of \$250,000.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 19 - COMMITMENTS

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

	<u>Encumbrances as of 12/31/21</u>
Major Funds	
General Fund	\$ 7,199,365
Community and Economic Development Fund	2,712,933
ARPA	10,453,641
Capital Project Fund	4,232,502
Motor Vehicle Purchase Fund	159,115
Nonmajor Governmental Funds	<u>6,939,278</u>
<i>Total</i>	<u><u>\$ 31,696,834</u></u>

NOTE 20 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES

A. Interfund Transfers

Interfund transfers for the year ended December 31, 2021, consisted of the following, as reported on the fund financial statements:

<u>Transfers Out</u>	<u>Transfer In</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u><u>\$ 192,998</u></u>

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

Interfund transfers between governmental funds are eliminated for reporting on the statement of activities.

B. Interfund Loans and Manuscript Debt

Interfund loans receivable/payable consisted of the following at December 31, 2021, as reported on the fund financial statements:

On August 1, 2020, the general fund issued \$250,000 in manuscript notes which were purchased by the NIP acquisition demo debt fund (a component of the general fund on a GAAP basis). The manuscript notes bear an interest rate of 1.0 percent and matured on August 1, 2021.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 20 - INTERFUND TRANSACTIONS AND INTERFUND BALANCES - (Continued)

On a GAAP basis, manuscript debt is reported as an interfund loan receivable in the issuing fund and an interfund loan payable in the purchasing fund. In accordance with GASB Statements No. 54, the land reutilization and note fund and the NIP acquisition demo debt fund are considered part of the City's general fund for financial reporting purposes. As such, the interfund balances are eliminated in the general fund for reporting on the balance sheet and for reporting in the governmental activities statement of net position.

Interfund receivables and payables between governmental activities are eliminated for reporting on the government-wide statement of net position. Interfund receivables and payables between governmental activities and business-type activities are reported as a component of internal balance on the government-wide statement of net position.

C. Interfund Balances

Due To Other Funds (Payable)	Due From Other Funds (Receivable)		
	General Fund	Internal Service Funds	Total
General fund	\$ -	\$ 106,460	\$ 106,460
Community and economic development fund	336,143	-	336,143
Capital projects fund	-	1,800	1,800
Water operating fund	-	6,334	6,334
Sewer operating fund	-	1,313	1,313
Refuse operating fund	-	816	816
Nonmajor enterprise funds	-	4,695	4,695
Nonmajor governmental funds	<u>5,226,875</u>	<u>6,701</u>	<u>5,233,576</u>
Total	<u><u>\$ 5,563,018</u></u>	<u><u>\$ 128,119</u></u>	<u><u>\$ 5,691,137</u></u>

Balances due among the governmental activities and internal service funds are eliminated on the government-wide statement of net position. Balances due from the enterprise funds to the governmental activities and internal service funds are reported on the statement of net position as a component of internal balance.

The amount due from other funds for the general fund contains a long-term advance to the comprehensive plan implementation fund (a nonmajor governmental fund) of \$4,300,000 that will be repaid in greater than one year.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 21 - FUND BALANCES

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

Fund Balances	Community				Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
	General Fund	Economic Development	Capital Projects				
<i>Nonspendable:</i>							
Materials & supplies	\$ 361,839	\$ -	\$ -	\$ -	\$ 47,669	\$ 409,508	
Prepays	602,715	2,176	19,598	-	69,151	693,640	
Long-term loans	4,300,000	-	-	-	-	4,300,000	
Unclaimed monies	190,352	-	-	-	-	190,352	
<i>Total nonspendable</i>	<i>5,454,906</i>	<i>2,176</i>	<i>19,598</i>	<i>-</i>	<i>116,820</i>	<i>5,593,500</i>	
<i>Restricted for:</i>							
Road improvements	-	-	-	-	2,470,183	2,470,183	
Community development							
grants & programs	-	1,712,896	-	-	9,517,711	11,230,607	
Other purposes	-	-	-	-	2,033,732	2,033,732	
Police department grants, donations & programs	-	-	-	-	360,923	360,923	
Judicial system							
grants & programs	-	-	-	-	2,447,265	2,447,265	
Cornerstone parking							
deck operations	-	-	-	-	475,781	475,781	
Youth development							
donations & programs	-	-	-	-	5,332	5,332	
Employee recognition							
program	-	-	-	-	143	143	
Debt service payments	-	-	-	-	107,661	107,661	
Park donations	-	-	-	-	20,613	20,613	
Infrastructure							
improvements	-	-	-	-	555,380	555,380	
Recreational facility							
improvements	-	-	-	-	450,581	450,581	
Construction projects	-	-	-	-	11,512	11,512	
City hall renovations	-	-	-	-	1,744	1,744	
Canton merchandising	-	-	-	-	13,939	13,939	
Motor vehicle purchases	-	-	-	888,934	-	888,934	
<i>Total restricted</i>	<i>\$ -</i>	<i>\$ 1,712,896</i>	<i>\$ -</i>	<i>\$ 888,934</i>	<i>\$ 18,472,500</i>	<i>\$ 21,074,330</i>	

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 21 - FUND BALANCES - (Continued)

Fund Balances	General Fund	Community and Economic Development	Capital Projects	Motor Vehicle Purchase	Nonmajor Governmental Funds	Total
<i>Committed to:</i>						
Vehicle self-insurance	\$ 478,238	\$ -	\$ -	\$ -	\$ -	\$ 478,238
Motor vehicle maintenance	506,423	- -	- -	- -	- -	506,423
Park department operations	- -	- -	- -	- -	3,622,085	3,622,085
Capital improvements	- -	- -	8,988,695	- -	- -	8,988,695
Other purposes	139,486	- -	- -	- -	398,700	538,186
<i>Total committed</i>	<u>1,124,147</u>	<u>-</u>	<u>8,988,695</u>	<u>-</u>	<u>4,020,785</u>	<u>14,133,627</u>
<i>Assigned to:</i>						
General government operations	2,183,360	- -	- -	- -	- -	2,183,360
Security of persons and property programs	3,262,110	- -	- -	- -	- -	3,262,110
Transportation projects	1,295,714	- -	- -	- -	- -	1,295,714
Community environment projects	2,736	- -	- -	- -	- -	2,736
Leisure time activities	77,023	- -	- -	- -	- -	77,023
Income tax department operations	122,340	- -	- -	- -	- -	122,340
<i>Total assigned</i>	<u>6,943,283</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>6,943,283</u>
Unassigned (deficit)	7,168,559	- -	- -	- -	(458,910)	6,709,649
<i>Total fund balances</i>	<u>\$ 20,690,895</u>	<u>\$ 1,715,072</u>	<u>\$ 9,008,293</u>	<u>\$ 888,934</u>	<u>\$ 22,151,195</u>	<u>\$ 54,454,389</u>

NOTE 22 - TAX ABATEMENTS

As of December 31, 2021, the City provides tax abatements through two programs - Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

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

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 22 - TAX ABATEMENTS - (Continued)

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

The City has entered into agreements to abate property taxes through these programs. During 2021, the City's property tax revenues were reduced as a result of these agreements as follows:

<u>Tax Abatement Program</u>	<u>City Taxes Abated</u>
CRA	\$ 15,189
Ezone	<u>31,656</u>
Total	<u>\$ 46,845</u>

During 2021, the City did not incur a reduction in taxes by agreements entered into by other governments that reduced the City's taxes.

NOTE 23 - DUE FROM COMPONENT UNIT

During 2019, the City of Canton Board of Health became a legally separate entity and as a result a component unit of the City. The City still pays certain obligations related to the Board of Health. The table below presents the amounts owed to the City by the Board of Health at year-end.

	<u>Amount</u>
Due from component unit:	
Loan	\$ 109,160
Medical Claims	28,485
Workers Compensation Claims	<u>85,961</u>
<i>Total</i>	<u>\$ 223,606</u>

NOTE 24 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 25 - SIGNIFICANT SUBSEQUENT EVENTS

On April 1, 2022, the City retired the \$1,325,000 Historic Hercules Note through the issuance of a \$1,200,000 Historic Hercules Refunding Note. The Historic Hercules Refunding Note bears an interest rate of 6.00% and matures April 1, 2023.

On April 21, 2022, the City retired the \$3,300,000 City Improvements Note through the issuance of a \$3,200,000 City Improvements Refunding Note. The City Improvements Refunding Note bears an interest rate of 6.00% and matures April 21, 2023.

On May 18, 2022, the City issued \$17,317,500 in Various Purpose Improvement, Series 2022 General Obligation bonds.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT YEARS

	2021	2020	2019	2018 (1)
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.210815%	0.222220%	0.203442%	0.204422%
City's proportionate share of the net pension liability	\$ 31,217,155	\$ 40,055,195	\$ 55,718,639	\$ 32,069,771
City's covered payroll	\$ 28,616,786	\$ 28,888,021	\$ 27,495,850	\$ 29,602,038
City's proportionate share of the net pension liability as a percentage of its covered payroll	109.09%	138.66%	202.64%	108.34%
Plan fiduciary net position as a percentage of the total pension liability	86.88%	82.17%	74.70%	84.66%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.229828%	0.238514%	0.189944%	0.252294%
City's proportionate share of the net pension asset	\$ 663,430	\$ 453,559	\$ 249,671	\$ 343,454
City's covered payroll	\$ 1,006,864	\$ 972,414	\$ 953,243	\$ 1,128,777
City's proportionate share of the net pension asset as a percentage of its covered payroll	65.89%	46.64%	26.19%	30.43%
Plan fiduciary net position as a percentage of the total pension asset	157.67%	145.28%	126.64%	137.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.155658%	0.186971%	0.152969%	0.161454%
City's proportionate share of the net pension asset	\$ 33,524	\$ 6,445	\$ 3,402	\$ 5,635
City's covered payroll	\$ 1,097,980	\$ 1,006,880	\$ 942,580	\$ 966,700
City's proportionate share of the net pension asset as a percentage of its covered payroll	3.05%	0.64%	0.36%	0.58%
Plan fiduciary net position as a percentage of the total pension asset	188.21%	118.84%	113.42%	124.46%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

(1) Amounts for 2018 have been restated to reflect the removal of the Health Districts's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.224478%	0.239094%	0.238157%	0.238157%
\$ 50,975,135	\$ 41,414,095	\$ 28,724,397	\$ 28,075,608
\$ 29,259,467	\$ 29,866,883	\$ 29,295,150	\$ 28,672,100
174.22%	138.66%	98.05%	97.92%
77.25%	81.08%	86.45%	86.36%
0.316472%	0.327300%	0.336465%	0.336465%
\$ 176,139	\$ 159,271	\$ 129,546	\$ 35,305
\$ 1,231,883	\$ 1,182,483	\$ 1,229,908	\$ 1,194,669
14.30%	13.47%	10.53%	2.96%
116.55%	116.90%	114.83%	104.56%
0.174190%	0.181591%	n/a	n/a
\$ 726	\$ 694	n/a	n/a
\$ 715,867	\$ 1,011,317	n/a	n/a
0.10%	0.07%	n/a	n/a
103.40%	103.91%	n/a	n/a

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT YEARS

	2021	2020	2019	2018
City's proportion of the net pension liability	0.88721310%	0.88014160%	0.89002900%	0.91049900%
City's proportionate share of the net pension liability	\$ 60,482,113	\$ 59,291,039	\$ 72,649,884	\$ 55,881,392
City's covered payroll	\$ 21,962,986	\$ 21,079,645	\$ 20,160,698	\$ 19,960,909
City's proportionate share of the net pension liability as a percentage of its covered payroll	275.38%	281.27%	360.35%	279.95%
Plan fiduciary net position as a percentage of the total pension liability	70.65%	69.89%	63.07%	70.91%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.89965700%	0.99237900%	0.98849140%	0.98849140%
\$ 56,983,376	\$ 63,840,446	\$ 51,207,977	\$ 48,142,632
\$ 19,548,776	\$ 19,839,596	\$ 19,409,588	\$ 21,641,256
291.49%	321.78%	263.83%	222.46%
68.36%	66.77%	72.20%	73.00%

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	2021	2020	2019	2018 (2)
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 4,469,107	\$ 4,006,350	\$ 4,044,323	\$ 3,849,419
Contributions in relation to the contractually required contribution	<u>(4,469,107)</u>	<u>(4,006,350)</u>	<u>(4,044,323)</u>	<u>(3,849,419)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
City's covered payroll	\$ 31,922,193	\$ 28,616,786	\$ 28,888,021	\$ 27,495,850
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 163,448	\$ 140,961	\$ 136,138	\$ 133,454
Contributions in relation to the contractually required contribution	<u>(163,448)</u>	<u>(140,961)</u>	<u>(136,138)</u>	<u>(133,454)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
City's covered payroll	\$ 1,167,486	\$ 1,006,864	\$ 972,414	\$ 953,243
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 109,364	\$ 109,798	\$ 100,688	\$ 94,258
Contributions in relation to the contractually required contribution	<u>(109,364)</u>	<u>(109,798)</u>	<u>(100,688)</u>	<u>(94,258)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
City's covered payroll	\$ 1,093,640	\$ 1,097,980	\$ 1,006,880	\$ 942,580
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

(1) Information prior to 2013 is not available for the Traditional and Combined Plans and information for the Member Directed Plan is not available prior to 2015. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(2) Amounts for 2018 have been restated to reflect the removal of the Health Department's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013
\$ 3,848,265	\$ 3,511,136	\$ 3,584,026	\$ 3,515,418	\$ 3,727,373
<u>(3,848,265)</u>	<u>(3,511,136)</u>	<u>(3,584,026)</u>	<u>(3,515,418)</u>	<u>(3,727,373)</u>
<u>\$ -</u>				
\$ 29,602,038	\$ 29,259,467	\$ 29,866,883	\$ 29,295,150	\$ 28,672,100
13.00%	12.00%	12.00%	12.00%	13.00%
\$ 146,741	\$ 147,826	\$ 141,898	\$ 147,589	\$ 155,307
<u>(146,741)</u>	<u>(147,826)</u>	<u>(141,898)</u>	<u>(147,589)</u>	<u>(155,307)</u>
<u>\$ -</u>				
\$ 1,128,777	\$ 1,231,883	\$ 1,182,483	\$ 1,229,908	\$ 1,194,669
13.00%	12.00%	12.00%	12.00%	13.00%
\$ 96,670	\$ 85,904	\$ 121,358		
<u>(96,670)</u>	<u>(85,904)</u>	<u>(121,358)</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
\$ 966,700	\$ 715,867	\$ 1,011,317		
10.00%	12.00%	12.00%		

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	2021	2020	2019	2018
<i>Police:</i>				
Contractually required contribution	\$ 2,259,868	\$ 2,226,925	\$ 2,122,872	\$ 2,001,228
Contributions in relation to the contractually required contribution	<u>(2,259,868)</u>	<u>(2,226,925)</u>	<u>(2,122,872)</u>	<u>(2,001,228)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,894,042	\$ 11,720,658	\$ 11,173,011	\$ 10,532,779
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 2,442,290	\$ 2,406,947	\$ 2,328,059	\$ 2,262,561
Contributions in relation to the contractually required contribution	<u>(2,442,290)</u>	<u>(2,406,947)</u>	<u>(2,328,059)</u>	<u>(2,262,561)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,392,723	\$ 10,242,328	\$ 9,906,634	\$ 9,627,919
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013	2012
\$ 1,985,253	\$ 1,957,745	\$ 1,915,238	\$ 1,925,993	\$ 1,781,676	\$ 1,766,663
<u>(1,985,253)</u>	<u>(1,957,745)</u>	<u>(1,915,238)</u>	<u>(1,925,993)</u>	<u>(1,781,676)</u>	<u>(1,766,663)</u>
<u><u>\$ -</u></u>					
\$ 10,448,700	\$ 10,303,921	\$ 10,080,200	\$ 10,136,805	\$ 11,217,268	\$ 13,856,180
19.00%	19.00%	19.00%	19.00%	15.88%	12.75%
\$ 2,235,369	\$ 2,172,541	\$ 2,293,458	\$ 2,179,104	\$ 2,123,929	\$ 2,188,878
<u>(2,235,369)</u>	<u>(2,172,541)</u>	<u>(2,293,458)</u>	<u>(2,179,104)</u>	<u>(2,123,929)</u>	<u>(2,188,878)</u>
<u><u>\$ -</u></u>					
\$ 9,512,209	\$ 9,244,855	\$ 9,759,396	\$ 9,272,783	\$ 10,419,930	\$ 12,689,148
23.50%	23.50%	23.50%	23.50%	20.38%	17.25%

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

	2021	2020	2019	2018 (1)
City's proportion of the net OPEB liability/asset	0.210333%	0.221337%	0.202446%	0.204259%
City's proportionate share of the net OPEB liability/(asset)	\$ (3,747,246)	\$ 27,880,039	\$ 26,394,121	\$ 22,181,075
City's covered payroll	\$ 30,721,630	\$ 30,867,315	\$ 29,391,673	\$ 31,697,515
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	12.20%	90.32%	89.80%	69.98%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	115.57%	47.80%	46.33%	54.14%

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

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

(1) Amounts for 2018 have been restated to reflect the removal of the Health District's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.224638%

\$ 22,689,180
\$ 31,207,217

72.70%

54.04%

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE YEARS

	2021	2020	2019	2018
City's proportion of the net OPEB liability	0.88721310%	0.88014160%	0.89002900%	0.91049900%
City's proportionate share of the net OPEB liability	\$ 9,400,168	\$ 8,693,801	\$ 8,105,079	\$ 51,587,558
City's covered payroll	\$ 21,962,986	\$ 21,079,645	\$ 20,160,698	\$ 19,960,909
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	42.80%	41.24%	40.20%	258.44%
Plan fiduciary net position as a percentage of the total OPEB liability	45.42%	47.08%	46.57%	14.13%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.89965700%

\$ 42,704,695

\$ 19,548,776

218.45%

15.96%

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE YEARS

	2021	2020	2019	2018 (2)
Contractually required contribution	\$ 43,746	\$ 43,919	\$ 40,275	\$ 37,703
Contributions in relation to the contractually required contribution	<u>(43,746)</u>	<u>(43,919)</u>	<u>(40,275)</u>	<u>(37,703)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 34,183,319	\$ 30,721,630	\$ 30,867,315	\$ 29,391,673
Contributions as a percentage of covered payroll	0.13%	0.14%	0.13%	0.13%

(1) Information prior to 2013 not available.

(2) Amounts for 2018 have been restated to reflect the removal of the Health Department's proportionate share.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013
\$ 345,976	\$ 650,519	\$ 620,986	\$ 623,331	\$ 41,532
<u>(345,976)</u>	<u>(650,519)</u>	<u>(620,986)</u>	<u>(623,331)</u>	<u>(41,532)</u>
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 31,697,515	\$ 31,207,217	\$ 32,060,683	\$ 30,525,058	\$ 29,866,769
1.09%	2.08%	1.94%	2.04%	0.14%

CITY OF CANTON, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN YEARS

	2021	2020	2019	2018
<i>Police:</i>				
Contractually required contribution	\$ 59,470	\$ 58,603	\$ 55,865	\$ 52,664
Contributions in relation to the contractually required contribution	<u>(59,470)</u>	<u>(58,603)</u>	<u>(55,865)</u>	<u>(52,664)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 11,894,042	\$ 11,720,658	\$ 11,173,011	\$ 10,532,779
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 51,964	\$ 51,212	\$ 49,533	\$ 48,140
Contributions in relation to the contractually required contribution	<u>(51,964)</u>	<u>(51,212)</u>	<u>(49,533)</u>	<u>(48,140)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,392,723	\$ 10,242,328	\$ 9,906,634	\$ 9,627,919
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013	2012
\$ 52,244	\$ 51,520	\$ 51,763	\$ 49,794	\$ 347,422	\$ 641,941
<u>(52,244)</u>	<u>(51,520)</u>	<u>(51,763)</u>	<u>(49,794)</u>	<u>(347,422)</u>	<u>(641,941)</u>
<u>\$ -</u>	<u>\$ -</u>				
\$ 10,448,700	\$ 10,303,921	\$ 10,080,200	\$ 10,136,805	\$ 11,217,268	\$ 13,856,180
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%
\$ 47,561	\$ 46,224	\$ 48,797	\$ 47,212	\$ 316,280	\$ 584,399
<u>(47,561)</u>	<u>(46,224)</u>	<u>(48,797)</u>	<u>(47,212)</u>	<u>(316,280)</u>	<u>(584,399)</u>
<u>\$ -</u>	<u>\$ -</u>				
\$ 9,512,209	\$ 9,244,855	\$ 9,759,396	\$ 9,272,783	\$ 10,419,930	\$ 12,689,148
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF CANTON, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021 (SEE ACCOUNTANT'S COMPILATION REPORT)

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2014-2021.

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2014-2021.

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.

(Continued)

CITY OF CANTON, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021 (SEE ACCOUNTANT'S COMPILATION REPORT)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms:

- There were no changes in benefit terms from the amounts reported for 2017-2020.
-

For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.

Changes in assumptions:

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

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

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

Changes in assumptions:

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%. For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

Major Governmental Funds

General Fund

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

Community and Economic Development Fund

The community and economic development fund is a major special revenue fund that accounts for HUD community and economic development block grant money used for the acquisition of real property, administrative costs, public facilities, and the rehabilitation of real property.

American Rescue Plan Act Fund

To account for monies received from the Federal government to provide relief to the City to combat the Coronavirus pandemic.

Capital Projects Fund

The capital projects fund is a major capital projects fund that accounts for the City's capital projects and expenditures of 20 percent of net income tax receipts.

Motor Vehicle Purchase Fund

The motor vehicle purchase fund is a major capital projects fund that accounts for the purchase and maintenance of the City's vehicles and expenditures of 5 percent of net income tax receipts.

Nonmajor Special Revenue Funds

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

Street Construction, Maintenance and Repair Fund

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

State Highway Fund

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

Municipal Road Fund

To account for County grant money used for various street projects approved through the county's municipal road fund.

Cornerstone Parking Deck Fund

To account for parking fees collected at City owned parking facilities.

Mills Industrial Park TIF Fund

To account for tax incremental financing (TIF) revenues associated with the Mills Industrial Park.

Gervasi 1700, LLC TIF Fund

To account for tax incremental financing (TIF) revenues associated with Gervasi 1700, LLC.

Urban TIF Fund

To account for tax increment financing (TIF) associated with the development of luxury lofts at the Historic Onesto Hotel.

BJA FY20 COVID-19 Emergency Supply Fund

To account for emergency supplies and services provided by the City to combat COVID-19.

Lesh Rd./30th St. TIF Fund

To account for tax incremental financing (TIF) revenues associated with the City's Lesh Rd./30th St. TIF agreement.

Crime Lab Fund

To account for monies received for the operational costs of the City's crime lab.

Court Computer Fund

To account for monies used to maintain court computer systems.

Court Funds

To account for special revenues received from Canton Municipal Court fines. These include the court capital improvement special projects, legal research, court GPS cost, and ignition interlock/alcohol monitoring funds.

Law Department Dispute Resolution Fund

To provide for the receipt of fees charged for discretionary public services provided to resolve various types of disputes.

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

SARTA Area Improvement Fund

To account for contributions and donations for Stark Area Regional Transit Authority (SARTA) operations and improvements.

Park Department Fund

To account for park donations and operational fees charged by the department.

Youth Development Fund

To account for grant monies used for summer youth employment programs.

Federal Forfeiture Fund

To account for the proceeds from seizures in federal cases.

Probation Award Fund

To account for the costs associated with the probation program ran by the municipal court.

Enforcement and Education Fund

To account for fines which are used for educating the public on the dangers of driving while under the influence of alcohol and the laws governing the operation of a motor vehicle while under the influence of alcohol.

Indigent Driver Alcohol Treatment Fund

To account for fines collected by the municipal court from persons whose driver's license or permit was suspended for driving under the influence of alcohol. By order of the court, this fund will provide for the cost of rehabilitation for those deemed to be indigent.

Law Enforcement Trust Fund

To account for monies received from the sale or disposition of seized contraband. Expenditures from this fund are made for law enforcement purposes.

Municipal Probation Services Fund

To account for fines and forfeitures used for various probation projects.

Misdemeanor Community Sanction Grant Fund

To account for grant dollars from the Department of Rehabilitation and Correction to be used to meet the needs of low level offenders, divert additional offenders from prison and enhance public safety.

Prisoner Housing Fund

To account for fines collected and used for the housing and/or treatment of indigent offenders.

Local Law Enforcement Block Grant Fund

To account for block grant monies used for law enforcement purposes.

Supplementary Police Forces Funds

To account for the receipts and expenditures of the Canton police youth corp fund.

Police Funds

To account for the receipt and expenditure of various grants and donations received by the City's police department. These include the D.A.R.E. program fund, probation improvement and incentive grant fund, safe neighborhood heroes grant fund, police grants and donations fund, 2017 COPS hiring program grant, 2010 local solicitation Byrne grant fund, police EMS training and equipment grant fund, and Byrne memorial recovery act fund.

Fire Funds

To account for the receipts and expenditures of various grants and donations received by the City's fire department. These include the fire grants and donation fund, 2019 assist to firefighters grant, the EMS training and equipment grant fund, the firefighter assistance grant fund, the Fire FEMA SAFER Grant 2017 fund, the 2020 COPS Hiring Grant, and the 2021 bulletproof vest partnership.

Vacant/Foreclosed Registry Fund

To account for registration fees, penalties and interest levied as established in Chapter 1353 of the Codified Ordinances and the administrative fee withheld from the maintenance bond used to enforce laws regarding foreclosed and/or vacant properties.

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

Canton Merchandising Fund

To account for the receipts and expenditures associated with activity resulting from the sale of various City of Canton merchandise.

Market Square Donation Fund

To account for the receipts and expenditures associated with donations to the market square.

Jobs Ohio Fund

To account for the receipts and expenditures associated with the Jobs Ohio program.

Hall of Fame Village

To account for the costs associated with the development and upkeep of the Hall of Fame Village.

Neighborhood Development Fund

To account for income tax revenues associated with the demolition of vacant properties and improvements of blighted neighborhoods for the enhancement of city residents.

Pretrial Award Fund

To account for revenues and expenditures associated with the pretrial award program.

Building Escrow Fund

To account for receipts from insurance companies, under City and State statutes, necessary to ensure compliance with building codes after a structure fire. Disbursements are normally to property owners upon release from the code enforcement department.

Vacant/Foreclosure Depository Fund

This fund accounts for deposits held for vacant and foreclosed upon homes.

Other

Other funds operated by the City are subsidized in part by local, state and Federal monies as well as miscellaneous sources. These include the employee recognition, city hall plaza, recycle Ohio grant, guardrail/attenuator replacement, southeast community center, Thurman Munson Memorial Stadium donation, recovery court ATP fund, justice reinvest grant prob., court technology grant, specialized docket grant, clerk of courts administration funds, Centennial plaza maintenance fund, US Department of Justice (Bureau Assistance) fund, Project safe neighborhood grant fund and OCJS 2020 project safe neighborhood.

Downtown Canton TDD

To account for money received from Downtown Canton TDD.

Comprehensive Plan Implementation Fund

To account for income tax revenues associated for economic and downtown area development, job creation, and expansion and retention.

Income Tax Fund

To account for the receipts from the assessment of an income tax. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule is presented in this section.

Nonmajor Debt Service Funds

To account for the accumulation of resources for, and the payment of, general obligation debt principal and interest.

General Obligation Bond Retirement Fund

To account for the accumulation of resources to pay principal and interest on general obligation debt.

Special Assessment Bond Retirement Fund

To account for the collection of special assessments levied against properties for the payment of special assessment bonds and related interest costs. No budgetary schedule is presented for this fund as no revenues or expenditures were budgeted in 2021.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or nonexpendable trust funds.

2015 Construction/Reconstruction Note Fund

To account for the portions of a 2015 City note for building renovations and construction being done throughout the City.

2006 City Infrastructure Bond Fund

To account for the portions of a 2006 City bond issue spent for roadway, storm sewer, and other infrastructure improvements.

2006 Recreational Bond Fund

To account for the portions of a 2006 City bond issue spent for a water park, baseball field upgrades and other recreational facility improvements.

2006 Construction/Reconstruction Bond Fund

To account for the portions of a 2006 City bond issue for building renovations and construction being done throughout the City.

**CITY OF CANTON
STARK COUNTY, OHIO**

FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

2006 Judges Facilities/City Hall Renovation Bond Fund

To account for the portions of a 2006 City bond issue spent on a renovation project being undertaken at City Hall.

13th Street NW Roadway Reconstruction Fund

To account for capital grants and all costs associated with infrastructure improvements related to the 13th Street NW Roadway Reconstruction project.

Mahoning Rd. Corridor Project Fund

To account for capital grants and all costs associated with infrastructure improvements to the Mahoning Road Corridor.

11th St. NW Improvement Project Fund

To account for capital grants and all costs associated with the 11th Street NW infrastructure road project.

3rd Street SE Bridge Proj GP 1167

To account for capital grants and all costs related to the 3rd Street Bridge project.

Tuscarawas Street W. Corridor Safety Project Fund

To account for loan proceeds and all costs related to the Tuscarawas Street West Corridor Safety project.

49th St NW Storm Sewer Rehab Project

To account for loan proceeds and all costs related to the 49th St NW Storm Sewer Rehab Project.

36th Street NW Storm Roadway Fund

To account for capital grants and all costs related to the 36th Street NW Storm Roadway project.

2020 Paving Project Phase 2 Harmont NE Fund

To account for capital grants and all costs related to the 2020 Paving Project phase 2 for NE Harmont.

3rd Street SE Resurfacing Project Fund

To account for capital grants and all costs related to the 3rd Street resurfacing project.

12th Street NW Bridge Replacement Project

To account for capital grants and all costs related to the 12th Street NW Bridge Replacement project.

47th Street NW Sewer Repair Project GP 1241 Fund

To account for capital grants and all costs related to the 47th Street NW Sewer Repair GP1241 project.

41st Street NW Roadway Reconstruction Project Fund

To account for capital grants and all costs related to the 41st Street NW Roadway Reconstruction project.

30th Street NW Resurfacing Project Fund

To account for capital grants and all costs related to the 30th Street NW Resurfacing project.

Steese Area 39th ST NW Sewer Project Fund

To account for capital grants and all costs related to the Steese Area 39th St NW Sewer project.

Fulton Road Resurfacing Project GP 1184

To account for capital grants and all costs related to the Fulton Road Resurfacing Project.

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property and other taxes	\$ 2,255,000	\$ 2,290,471	\$ 35,471
Municipal income taxes	37,000,000	40,779,631	3,779,631
Charges for services	8,566,150	8,283,003	(283,147)
Licenses, permits, and fees	741,150	772,215	31,065
Fines and forfeitures	144,250	168,269	24,019
Intergovernmental	6,773,250	7,477,921	704,671
Interest and investment income	960,000	549,374	(410,626)
Rental income	5,000	44,549	39,549
Contributions and donations	6,000	199,986	193,986
Operating grants	337,500	306,289	(31,211)
Other	9,574,954	3,111,993	(6,462,961)
Total revenues	66,363,254	63,983,701	(2,379,553)
Expenditures:			
Current:			
General operating:			
Current:			
General Government:			
Codes and permits			
General Government - Support Administration:			
Materials and supplies	34,145	31,398	2,747
Contractual services	6,963,181	6,665,335	297,846
Capital outlay	433,753	417,589	16,164
Other	17,106	11,249	5,857
Total General Government - Support Administration	7,448,185	7,125,571	322,614
Service Director - Service Director Administration:			
Personal services	57,682	56,163	1,519
Materials and supplies	225	-	225
Contractual services	11,720	8,000	3,720
Other	3,750	2,450	1,300
Total Service Director - Service Director Administration	73,377	66,613	6,764
Service Director - Purchase Administration:			
Personal services	268,029	262,404	5,625
Materials and supplies	259,012	225,279	33,733
Contractual services	8,521	6,277	2,244
Capital outlay	2,500	-	2,500
Other	5,420	2,314	3,106
Total Service Director - Purchase Administration	543,482	496,274	47,208
Service Director - Annexation:			
Personal services	6,250	5,977	273
Contractual services	7,900	1,000	6,900
Total Service Director - Annexation	14,150	6,977	7,173
Building and Maintenance - Other Building:			
Personal services	862,098	834,223	27,875
Materials and supplies	129,949	129,444	505
Contractual services	875,124	867,834	7,290
Capital outlay	29,000	28,932	68
Other	9,268	7,372	1,896
Total Building and Maintenance - Other Building	1,905,439	1,867,805	37,634

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Mayor - Administration:</i>			
Personal services	389,983	375,810	14,173
Materials and supplies	9,644	3,817	5,827
Contractual services	80,928	6,152	74,776
Other	13,700	13,031	669
<i>Total Mayor - Administration</i>	<u>494,255</u>	<u>398,810</u>	<u>95,445</u>
<i>Mayor - Planning Department:</i>			
Personal services	190,356	178,578	11,778
Materials and supplies	3,768	3,030	738
Contractual services	4,393	4,393	-
Other	650	554	96
<i>Total Mayor - Planning Department</i>	<u>199,167</u>	<u>186,555</u>	<u>12,612</u>
<i>Mayor - Human Resources Administration:</i>			
Personal services	129,239	113,446	15,793
Materials and supplies	12,346	3,932	8,414
Contractual services	116,757	94,326	22,431
Capital outlay	3,661	2,661	1,000
Other	2,494	219	2,275
<i>Total Mayor - Human Resources Administration</i>	<u>264,497</u>	<u>214,584</u>	<u>49,913</u>
<i>Mayor - Youth Development Administration:</i>			
Personal services	17,370	12,910	4,460
Contractual services	665,000	664,757	243
<i>Total Mayor - Youth Development Administration</i>	<u>682,370</u>	<u>677,667</u>	<u>4,703</u>
<i>Council - Council Administration:</i>			
Personal services	628,981	607,350	21,631
Materials and supplies	3,080	1,054	2,026
Contractual services	45,010	42,274	2,736
Capital outlay	3,200	-	3,200
Other	900	620	280
<i>Total Council - Council Administration</i>	<u>681,171</u>	<u>651,298</u>	<u>29,873</u>
<i>Courts/Judge - Judge Administration:</i>			
Personal services	2,006,601	1,973,892	32,709
Materials and supplies	51,190	43,926	7,264
Contractual services	166,767	151,057	15,710
Other	25,084	24,584	500
<i>Total Courts/Judge - Judge Administration</i>	<u>2,249,642</u>	<u>2,193,459</u>	<u>56,183</u>
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	1,623,926	1,604,605	19,321
Materials and supplies	30,557	26,444	4,113
Contractual services	27,100	19,801	7,299
Other	1,300	525	775
<i>Total Courts/Clerk - Clerk of Courts Administration</i>	<u>1,682,883</u>	<u>1,651,375</u>	<u>31,508</u>
<i>Law Director - Law Administration:</i>			
Personal services	1,614,417	1,588,835	25,582
Materials and supplies	14,677	13,949	728
Contractual services	14,187	9,646	4,541
Other	32,699	32,607	92
<i>Total Law Director - Law Administration</i>	<u>1,675,980</u>	<u>1,645,037</u>	<u>30,943</u>
<i>Law - Non Operational Legal Exp:</i>			
Materials and supplies	7,938	6,165	1,773
Contractual services	24,218	19,569	4,649
Capital outlay	1,200	1,200	-
Other	189,999	162,270	27,729
<i>Total Law - Non Operational Legal Exp</i>	<u>223,355</u>	<u>189,204</u>	<u>34,151</u>
<i>Auditor - Auditor Administration:</i>			
Personal services	1,097,117	1,076,019	21,098
Materials and supplies	28,541	23,175	5,366
Contractual services	13,846	9,520	4,326
Other	202,750	106,697	96,053
<i>Total Auditor - Auditor Administration</i>	<u>1,342,254</u>	<u>1,215,411</u>	<u>126,843</u>
<i>Auditor - Legally Binding Expenses:</i>			
Contractual services	596,250	550,489	45,761
Other	165,350	154,347	11,003
<i>Total Auditor - Legally Binding Expenses</i>	<u>761,600</u>	<u>704,836</u>	<u>56,764</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
<i>Treasurer - Administration & Operations:</i>			
Personal services	288,911	283,947	4,964
Materials and supplies	1,083	1,029	54
Contractual services	103,249	100,502	2,747
Other	311,775	95,596	216,179
<i>Total Treasurer - Administration & Operations</i>	<u>705,018</u>	<u>481,074</u>	<u>223,944</u>
<i>Board of Commission - Civil Service:</i>			
Personal services	316,166	312,128	4,038
Materials and supplies	10,590	7,186	3,404
Contractual services	56,189	31,394	24,795
Other	2,400	1,113	1,287
<i>Total Board of Commission - Civil Service</i>	<u>385,345</u>	<u>351,821</u>	<u>33,524</u>
<i>Board of Commission - Zoning Board:</i>			
Personal services	8,650	4,090	4,560
<i>Total Board of Commission - Zoning Board</i>	<u>8,650</u>	<u>4,090</u>	<u>4,560</u>
<i>Management Information Systems:</i>			
Personal services	1,235,038	1,213,886	21,152
Materials and supplies	20,480	18,841	1,639
Contractual services	275,055	266,249	8,806
Other	4,330	3,905	425
<i>Total Management Information Systems</i>	<u>1,534,903</u>	<u>1,502,881</u>	<u>32,022</u>
<i>Total General Government</i>	<u>22,875,723</u>	<u>21,631,342</u>	<u>1,244,381</u>
<i>Security of Persons and Property:</i>			
<i>Safety Director - Safety Director Administration:</i>			
Personal services	211,236	206,270	4,966
Materials and supplies	275	-	275
Contractual services	1,875	1,650	225
Other	575	-	575
<i>Total Safety Director - Safety Director Administration</i>	<u>213,961</u>	<u>207,920</u>	<u>6,041</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Safety Director - Code Enforcement Administration:</i>			
Contractual services	548,204	81,170	467,034
<i>Total Safety Director - Code Enforcement Administration</i>	<u>548,204</u>	<u>81,170</u>	<u>467,034</u>
<i>Safety Director - Central Communication Administration:</i>			
Personal services	1,785,711	1,721,235	64,476
Materials and supplies	9,190	7,950	1,240
Contractual services	44,928	35,526	9,402
Capital outlay	3,195	3,195	-
Other	3,250	838	2,412
<i>Total Safety Director - Central Communication Administration</i>	<u>1,846,274</u>	<u>1,768,744</u>	<u>77,530</u>
<i>Police Administration:</i>			
Personal services	17,210,165	16,763,154	447,011
Materials and supplies	564,639	550,557	14,082
Contractual services	1,250,074	1,249,144	930
Capital outlay	500,550	500,064	486
Other	97,289	74,122	23,167
<i>Total Police Administration</i>	<u>19,622,717</u>	<u>19,137,041</u>	<u>485,676</u>
<i>Fire Administration:</i>			
Personal services	15,619,649	15,447,270	172,379
Materials and supplies	695,095	691,861	3,234
Contractual services	899,406	876,684	22,722
Capital outlay	268,485	268,368	117
Other	80,846	78,756	2,090
<i>Total Fire Administration</i>	<u>17,563,481</u>	<u>17,362,939</u>	<u>200,542</u>
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Materials and supplies	9,122	6,805	2,317
Contractual services	8,950	1,825	7,125
<i>Total Traffic Divisions - Traffic Engineer/Parking Meter</i>	<u>18,072</u>	<u>8,630</u>	<u>9,442</u>
<i>Total Security of Persons and Property</i>	<u>39,812,709</u>	<u>38,566,444</u>	<u>1,246,265</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Transportation:			
<i>Engineering - Daily Operations:</i>			
Personal services	59,458	57,146	2,312
Materials and supplies	20,942	8,289	12,653
Contractual services	22,487	16,130	6,357
Capital outlay	143,307	143,308	(1)
Other	500	-	500
<i>Total Engineering - Daily Operations</i>	<u>246,694</u>	<u>224,873</u>	<u>21,821</u>
<i>Street - Maintenance:</i>			
Personal services	457,848	412,468	45,380
Materials and supplies	19,441	15,539	3,902
Contractual services	1,434,849	1,414,570	20,279
Capital outlay	89,500	89,500	-
Other	7,323	5,191	2,132
<i>Total Street - Maintenance</i>	<u>2,008,961</u>	<u>1,937,268</u>	<u>71,693</u>
Total Transportation	<u>2,255,655</u>	<u>2,162,141</u>	<u>93,514</u>
Community Environment:			
<i>Community Development - Community Development Administration:</i>			
Personal services	985,316	957,672	27,644
Materials and supplies	5,072	2,133	2,939
Contractual services	38,248	20,848	17,400
Other	184,000	2,000	182,000
<i>Total Community Development - Community Development Administration</i>	<u>1,212,636</u>	<u>982,653</u>	<u>229,983</u>
<i>Community Involvement:</i>			
Personal services	1,579,840	1,536,582	43,258
<i>Community Improvement Corporation:</i>			
Other	75,000	75,000	-
Total Community Environment	<u>2,867,476</u>	<u>2,594,235</u>	<u>273,241</u>

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities:			
<i>Mayor - Baseball:</i>			
Contractual services	1,856,386	742,520	1,113,866
Capital outlay	1,343,614	1,343,614	-
<i>Total Mayor - Baseball</i>	<u>3,200,000</u>	<u>2,086,134</u>	<u>1,113,866</u>
<i>Civic Center - Civic Center Administration:</i>			
Contractual services	758,046	733,046	25,000
<i>Total Civic Center - Civic Center Administration</i>	<u>758,046</u>	<u>733,046</u>	<u>25,000</u>
<i>Total leisure time activities</i>	<u>3,958,046</u>	<u>2,819,180</u>	<u>1,138,866</u>
Debt Service:			
Principal retirement	6,427,977	6,328,341	99,636
Interest and fiscal charges	262,586	174,110	88,476
<i>Total Debt Service</i>	<u>6,690,563</u>	<u>6,502,451</u>	<u>188,112</u>
Total expenditures	<u>78,460,172</u>	<u>74,275,793</u>	<u>4,184,379</u>
Excess of expenditures over revenues	<u>(12,096,918)</u>	<u>(10,292,092)</u>	<u>1,804,826</u>
Other financing sources (uses):			
Sale of capital assets	-	106,378	106,378
Issuance of notes	6,367,000	5,275,000	(1,092,000)
Transfers in	652,600	861,600	209,000
Transfers (out)	(3,298,213)	(3,003,213)	295,000
Advances in	1,800,000	210,949	(1,589,051)
Advances (out)	(1,701,182)	(201,182)	1,500,000
<i>Total other financing sources (uses)</i>	<u>3,820,205</u>	<u>3,249,532</u>	<u>(570,673)</u>
Net change in fund balance	<u>(8,276,713)</u>	<u>(7,042,560)</u>	<u>1,234,153</u>
Fund balance at beginning of year	<u>8,461,289</u>	<u>8,461,289</u>	<u>-</u>
Prior year encumbrances appropriated	<u>2,112,763</u>	<u>2,112,763</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,297,339</u>	<u>\$ 3,531,492</u>	<u>\$ 1,234,153</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMMUNITY AND ECONOMIC DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 17,959,730	\$ 5,714,740	\$ (12,244,990)
Other	25,000	313,783	288,783
Total revenues	17,984,730	6,028,523	(11,956,207)
Expenditures:			
Current:			
Community Environment:			
<i>Community Development Administration:</i>			
Materials and supplies	99,369	55,537	43,832
Contractual services	558,736	275,538	283,198
Capital outlay	27,820	27,820	-
Other	9,635,166	5,560,676	4,074,490
<i>Total Community Development Administration</i>	<u>10,321,091</u>	<u>5,919,571</u>	<u>4,401,520</u>
<i>Federal Stimulus Funding:</i>			
Materials and supplies	-	-	-
Contractual services	112,125	96,875	15,250
Other	1,600,201	1,457,696	142,505
<i>Total Federal Stimulus Funding</i>	<u>1,712,326</u>	<u>1,554,571</u>	<u>157,755</u>
<i>Fair Housing Administration:</i>			
Personal services	41,290	41,290	-
Materials and supplies	3,000	2,347	653
Contractual services	9,900	8,650	1,250
Other	14,915	325	14,590
<i>Total Fair Housing Administration</i>	<u>69,105</u>	<u>52,612</u>	<u>16,493</u>

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMMUNITY AND ECONOMIC DEVELOPMENT FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
			Positive (Negative)
<i>COVID-19 Stimulus:</i>			
Materials and supplies	3,000	3,000	-
Contractual services	2,574,468	1,500	2,572,968
Other	1,933,125	1,350,213	582,912
<i>Total Federal Stimulus Funding</i>	<u>4,510,593</u>	<u>1,354,713</u>	<u>3,155,880</u>
<i>Vienna Woods:</i>			
Other	110,000	49,998	60,002
<i>Total Fair Housing Administration</i>	<u>110,000</u>	<u>49,998</u>	<u>60,002</u>
Total expenditures	16,723,115	8,931,465	7,791,650
Excess (deficiency) of revenues over (under) expenditures	1,261,615	(2,902,942)	(4,164,557)
<i>Other financing sources:</i>			
Advances out	(10,949)	(10,949)	-
<i>Total Other Financing Sources</i>	<u>(10,949)</u>	<u>(10,949)</u>	<u>-</u>
Net change in fund balance	1,250,666	(2,913,891)	(4,164,557)
Fund balance (deficit) at beginning of year	(2,776,274)	(2,776,274)	-
Prior year encumbrances appropriated	3,210,016	3,210,016	-
Fund balance (deficit) at end of year	<u>\$ 1,684,408</u>	<u>\$ (2,480,149)</u>	<u>\$ (4,164,557)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AMERICAN RESCUE PLAN ACT
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	Positive (Negative)
				Revenues:
Intergovernmental	\$ 31,806,610	\$ 31,806,610		\$ -
Expenditures:				
Current:				
General Government:				
<i>General Government - support administration</i>				
Contractual services	1,442,749	1,442,749		-
Other	30,363,861	10,830,771	19,533,090	
<i>Total General Government - support administration</i>	<u>31,806,610</u>	<u>12,273,520</u>	<u>19,533,090</u>	
Net change in fund balance			-	19,533,090
Fund balance at beginning of year			-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 19,533,090</u>	<u>\$ 19,533,090</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal income taxes	\$ 10,200,000	\$ 11,469,272	\$ 1,269,272
Capital grants	445,000	258,607	(186,393)
Other	60,000	11,047	(48,953)
Total revenues	<u>10,705,000</u>	<u>11,738,926</u>	<u>1,033,926</u>
Expenditures:			
<i>Capital Outlay:</i>			
<i>Safety Director:</i>			
Central Communication Administration	44,255	44,255	-
Police Department - Police Administration	244,744	243,452	1,292
Fire Department - Fire Administration	628,986	628,829	157
<i>Total Safety Director</i>	<u>917,985</u>	<u>916,536</u>	<u>1,449</u>
<i>Traffic Divisions:</i>			
Traffic Signal	53,415	53,108	307
<i>Service Director:</i>			
Service Director Administration	371,889	322,201	49,688
Engineering Administration	8,083,639	7,855,740	227,899
Engineering - 3rd Street SE Bridge Rehabilitation Project	93,055	93,055	-
Purchasing Administration	27,393	25,727	1,666
Motor vehicle administration	50,000	49,000	1,000
Engineering - 11th Street Improvement Project	475,000	198,908	276,092
Street Administration	370,503	340,356	30,147
Street Paving	2,187,240	1,675,382	511,858
Steese Area (39th St NW) Project	750,000	616,614	133,386
Building Maintenance Administration	794,314	787,737	6,577
Collection System Department	442,467	374,292	68,175
Engineering - Salt Storage Facility Proj	600,000	598,350	1,650
Engineering - Mahoning Rd Corridor Project	594,712	594,712	-
Engineering - Urban Forestry	75,607	32,487	43,120
Engineering - Tusc St W Corr Safety Project 92562	36,935	32,361	4,574
<i>Total Service Director</i>	<u>14,952,754</u>	<u>13,596,922</u>	<u>1,355,832</u>
<i>Water:</i>			
37th Street Water Sewer Street Improvement Project	110,458	110,458	-
<i>Health:</i>			
Health Administration	201,281	76,666	124,615
<i>Human Resources:</i>			
Human Resources	1,065	1,065	-
<i>Management Information Systems:</i>			
Information Technology Manager	492,094	479,019	13,075
<i>Council:</i>			
Council Administration	1,515	1,515	-
<i>Auditor:</i>			
Auditor Administration	380,198	347,868	32,330

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
CAPITAL PROJECTS FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Law:</i>			
Law - Administration	5,200	3,998	1,202
<i>Income Tax:</i>			
Income Tax - Administration	146,770	70,845	75,925
<i>Clerk:</i>			
Clerk of Courts Administration	<u>23,000</u>	<u>23,000</u>	<u>-</u>
<i>Treasurer:</i>			
Treasurer - Administration	45,000	-	45,000
Total Capital Outlay	<u>17,330,735</u>	<u>15,681,000</u>	<u>1,649,735</u>
<i>Debt Service:</i>			
<i>Principal retirement:</i>			
Various purpose loans	684,159	668,565	15,594
<i>Interest and Fiscal Charges:</i>			
Various purpose loans	<u>58,814</u>	<u>57,902</u>	<u>912</u>
Total Debt Service	<u>742,973</u>	<u>726,467</u>	<u>16,506</u>
Total expenditures	<u>18,073,708</u>	<u>16,407,467</u>	<u>1,666,241</u>
Excess of expenditures over revenues	<u>(7,368,708)</u>	<u>(4,668,541)</u>	<u>2,700,167</u>
Other financing sources:			
Sale of assets	-	2,731	2,731
Loan proceeds - OPWC	255,000	110,458	(144,542)
Total other financing sources	<u>255,000</u>	<u>113,189</u>	<u>(141,811)</u>
Net change in fund balance	<u>(7,113,708)</u>	<u>(4,555,352)</u>	<u>2,558,356</u>
Fund balance at beginning of year	3,335,383	3,335,383	-
Prior year encumbrances appropriated	4,644,525	4,644,525	-
Fund balance at end of year	<u>\$ 866,200</u>	<u>\$ 3,424,556</u>	<u>\$ 2,558,356</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
MOTOR VEHICLE PURCHASE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
			<u>Positive (Negative)</u>
Revenues:			
Municipal income taxes	\$ 2,310,000	\$ 2,548,727	\$ 238,727
Expenditures:			
Capital Outlay:			
<i>Safety Director:</i>			
Central Communication Administration	144,425	131,579	12,846
Police Department - Police Administration	705,361	703,027	2,334
Fire Department - Fire Administration	446,291	446,281	10
<i>Total Safety Director</i>	<u>1,296,077</u>	<u>1,280,887</u>	<u>15,190</u>
<i>Traffic Divisions:</i>			
Traffic Divisions - Engineer Administration	5,000	5,000	-
Traffic Divisions - Traffic Sign & Paint	86,000	11,000	75,000
Traffic Divisions - Traffic Signal	20,000	20,000	-
Traffic Divisions - Traffic Eng/Parking Meter	7,500	7,500	-
<i>Total Traffic Divisions</i>	<u>118,500</u>	<u>43,500</u>	<u>75,000</u>
<i>Service Director:</i>			
Engineering Administration	66,500	43,189	23,311
Street Administration	682,546	682,546	-
Street Paving	230,000	230,000	-
Daily Operations	600	600	-
Building Maintenance Administration	73,050	69,270	3,780
Collection System Department	8,850	8,850	-
<i>Total Service Director</i>	<u>1,061,546</u>	<u>1,034,455</u>	<u>27,091</u>
<i>Health:</i>			
Health Administration	26,000	11,000	15,000
<i>Mayor:</i>			
Mayor Administration	1,250	1,250	-
<i>Management Information Systems:</i>			
Information Technology Manager	1,750	1,750	-
<i>Judges:</i>			
Judge Administration	<u>11,000</u>	<u>11,000</u>	<u>-</u>

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
MOTOR VEHICLE PURCHASE FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Debt service:			
<i>Principal retirement:</i>			
Capital lease	384,462	384,462	-
<i>Total Principle retirement:</i>	<u>384,462</u>	<u>384,462</u>	<u>-</u>
<i>Interest and Fiscal Charges:</i>			
Capital lease	45,582	45,580	2
<i>Interest and Fiscal Charges:</i>	<u>45,582</u>	<u>45,580</u>	<u>2</u>
Total Debt Service	430,044	430,042	2
Total expenditures	2,946,167	2,813,884	132,283
Excess of expenditures over revenues	<u>(636,167)</u>	<u>(265,157)</u>	<u>371,010</u>
Other financing sources:			
Sale of assets	29,000	64,984	35,984
Net change in fund balance	(607,167)	(200,173)	406,994
Fund balance at beginning of year	16,016	16,016	-
Prior year encumbrances appropriated	603,195	603,195	-
Fund balance at end of year	<u>\$ 12,044</u>	<u>\$ 419,038</u>	<u>\$ 406,994</u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 18,717,529	\$ 104,642	\$ 1,019,215	\$ 19,841,386
Cash with fiscal agent	-	3,019	-	3,019
Receivables:				
Property and other local taxes	4,692,747	-	-	4,692,747
Municipal income taxes	1,227,153	-	-	1,227,153
Accounts	82,587	7,152	-	89,739
Accrued interest	-	-	2	2
Due from other governments	2,381,488	-	54,823	2,436,311
Loans receivable	6,295,111	-	-	6,295,111
Materials and supplies inventory	47,669	-	-	47,669
Prepayments	69,151	-	-	69,151
Total assets	<u>\$ 33,513,435</u>	<u>\$ 114,813</u>	<u>\$ 1,074,040</u>	<u>\$ 34,702,288</u>
Liabilities:				
Accounts payable	\$ 783,120	\$ -	\$ 411,006	\$ 1,194,126
Accrued wages and benefits payable	137,704	-	-	137,704
Due to other funds	5,233,576	-	-	5,233,576
Due to other governments	123,666	-	-	123,666
Deposits held and due to others	141,352	-	-	141,352
Payroll withholding payable	68,231	-	-	68,231
Total liabilities	<u>6,487,649</u>	<u>-</u>	<u>411,006</u>	<u>6,898,655</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	3,717,994	-	-	3,717,994
Delinquent property tax revenue not available	974,753	-	-	974,753
Income tax revenue not available	142,435	-	-	142,435
Intergovernmental revenue not available	808,709	-	-	808,709
Charges for services revenue not available	-	7,152	-	7,152
Miscellaneous revenue not available	1,395	-	-	1,395
Total deferred inflows of resources	<u>5,645,286</u>	<u>7,152</u>	<u>-</u>	<u>5,652,438</u>
Fund balances:				
Nonspendable	116,820	-	-	116,820
Restricted	17,345,622	107,661	1,019,217	18,472,500
Committed	4,020,785	-	-	4,020,785
Unassigned (deficit)	(102,727)	-	(356,183)	(458,910)
Total fund balances	<u>21,380,500</u>	<u>107,661</u>	<u>663,034</u>	<u>22,151,195</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 33,513,435</u></u>	<u><u>\$ 114,813</u></u>	<u><u>\$ 1,074,040</u></u>	<u><u>\$ 34,702,288</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and other local taxes	\$ 3,684,994	\$ -	\$ -	\$ 3,684,994
Municipal income taxes	9,210,900	-	-	9,210,900
Charges for services	1,726,737	-	-	1,726,737
Licenses, permits, and fees	96,454	-	-	96,454
Fines and forfeitures	126,778	-	-	126,778
Intergovernmental	4,532,612	-	-	4,532,612
Interest and investment income	21,839	15,872	89	37,800
Rental income	172,013	-	-	172,013
Contributions and donations	711,819	-	-	711,819
Operating grants	1,226,969	-	-	1,226,969
Capital grants	629,828	-	1,765,162	2,394,990
Payment in lieu of taxes	1,567,937	-	-	1,567,937
Other local taxes	547,978	-	-	547,978
Other	922,070	-	-	922,070
Total revenues	<u>25,178,928</u>	<u>15,872</u>	<u>1,765,251</u>	<u>26,960,051</u>
Expenditures:				
Current:				
General government	4,814,529	-	-	4,814,529
Security of persons and property	3,460,380	-	-	3,460,380
Transportation	4,931,353	-	-	4,931,353
Leisure time activities	5,371,029	-	-	5,371,029
Capital outlay	-	-	2,110,342	2,110,342
Debt service:				
Principal retirement	269,898	-	3,400,000	3,669,898
Interest and fiscal charges	-	-	104,179	104,179
Total expenditures	<u>18,847,189</u>	<u>-</u>	<u>5,614,521</u>	<u>24,461,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,331,739</u>	<u>15,872</u>	<u>(3,849,270)</u>	<u>2,498,341</u>
Other financing sources:				
Issuance of notes	-	-	3,300,000	3,300,000
Issuance of loans	-	-	205,818	205,818
Transfers in	47,998	-	145,000	192,998
Total other financing sources	<u>47,998</u>	<u>-</u>	<u>3,650,818</u>	<u>3,698,816</u>
Net change in fund balances	<u>6,379,737</u>	<u>15,872</u>	<u>(198,452)</u>	<u>6,197,157</u>
Fund balances at beginning of year	<u>15,000,763</u>	<u>91,789</u>	<u>861,486</u>	<u>15,954,038</u>
Fund balances at end of year	<u><u>\$ 21,380,500</u></u>	<u><u>\$ 107,661</u></u>	<u><u>\$ 663,034</u></u>	<u><u>\$ 22,151,195</u></u>

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CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Deck	Mills Industrial Park TIF
Assets:					
Equity in pooled cash and cash equivalents	\$ 873,989	\$ 193,536	\$ 266,977	\$ 113,774	\$ 394,363
Receivables:					
Property and other taxes	-	-	-	-	-
Income taxes	-	-	-	-	-
Accounts	1,778	-	-	-	-
Accrued interest	-	-	-	-	-
Due from other governments	1,278,122	82,496	629,828	-	-
Loans receivable	-	-	-	-	-
Materials and supplies inventory	37,048	-	-	-	-
Prepayments	23,785	1,649	-	417	-
Total assets	<u>\$ 2,214,722</u>	<u>\$ 277,681</u>	<u>\$ 896,805</u>	<u>\$ 114,191</u>	<u>\$ 394,363</u>
Liabilities:					
Accounts payable	\$ 97,295	\$ -	\$ -	\$ 5,571	\$ -
Accrued wages and benefits payable	49,280	3,277	-	-	-
Due to other funds	890	137	-	-	-
Due to other governments	7,614	507	-	88,015	-
Deposits held and due to others	-	-	-	-	-
Payroll withholding payable	23,065	1,411	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>178,144</u>	<u>5,332</u>	<u>-</u>	<u>93,586</u>	<u>-</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	-	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-	-
Income tax revenue not available	-	-	-	-	-
Intergovernmental revenue not available	636,760	36,182	-	-	-
Miscellaneous revenue not available	125	-	-	-	-
Total deferred inflows of resources	<u>636,885</u>	<u>36,182</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Nonspendable	60,833	1,649	-	417	-
Restricted	1,338,860	234,518	896,805	20,188	394,363
Committed	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	<u>1,399,693</u>	<u>236,167</u>	<u>896,805</u>	<u>20,605</u>	<u>394,363</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 2,214,722</u></u>	<u><u>\$ 277,681</u></u>	<u><u>\$ 896,805</u></u>	<u><u>\$ 114,191</u></u>	<u><u>\$ 394,363</u></u>

Gervasi 1700, LLC TIF	Lesh Rd /30th St TIF	Crime Lab	Court Computer	Court	Law Department	Dispute Resolution	SARTA Area Improvement
\$ 116,075	\$ 63,860	\$ 147,658	\$ 194,246	\$ 1,539,577	\$ 1,054	\$ 642	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	8	-	-	
-	-	-	-	-	-	-	
-	-	3,697	14,189	38,383	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	1,161	2,550	-	-	
\$ 116,075	\$ 63,860	\$ 151,355	\$ 209,596	\$ 1,580,518	\$ 1,054	\$ 642	
\$ 70,866	\$ -	\$ -	\$ 1,969	\$ 30,094	\$ -	\$ -	
-	-	-	-	5,926	-	-	
-	-	-	-	-	-	-	
-	-	-	-	916	-	-	
-	-	-	-	-	-	-	
-	-	-	-	2,835	-	-	
-	-	-	-	-	-	-	
70,866	-	-	1,969	39,771	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
45,209	63,860	151,355	206,466	1,538,197	1,054	642	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
45,209	63,860	151,355	207,627	1,540,747	1,054	642	
\$ 116,075	\$ 63,860	\$ 151,355	\$ 209,596	\$ 1,580,518	\$ 1,054	\$ 642	

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2021

	Park Department	Youth Development	Federal Forfeiture	Probation Award	Enforcement and Education	Indigent Driver Alcohol Treatment
Assets:						
Equity in pooled cash and cash equivalents	\$ 3,886,666	\$ 4,470	\$ 60,106	\$ 12,995	\$ 25,573	\$ 83,489
Receivables:						
Property and other taxes	4,692,747	-	-	-	-	-
Income taxes	-	-	-	-	-	-
Accounts	233	-	-	-	-	-
Accrued interest	-	-	-	-	-	-
Due from other governments	-	-	-	-	410	1,293
Loans receivable	-	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-	-
Prepayments	28,390	-	89	108	-	-
Total assets	<u>\$ 8,608,036</u>	<u>\$ 4,470</u>	<u>\$ 60,195</u>	<u>\$ 13,103</u>	<u>\$ 25,983</u>	<u>\$ 84,782</u>
Liabilities:						
Accounts payable	\$ 141,119	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits payable	57,038	-	-	-	-	-
Due to other funds	5,674	-	-	-	-	-
Due to other governments	10,994	-	12,142	-	-	-
Deposits held and due to others	-	-	-	-	-	-
Payroll withholding payable	29,376	-	424	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>244,201</u>	<u>-</u>	<u>12,566</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Property taxes levied for the next fiscal year	3,717,994	-	-	-	-	-
Delinquent property tax revenue not available	974,753	-	-	-	-	-
Income tax revenue not available	-	-	-	-	-	-
Intergovernmental revenue not available	-	-	-	-	-	-
Miscellaneous revenue not available	-	-	-	-	-	-
Total deferred inflows of resources	<u>4,692,747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	28,390	-	89	108	-	-
Restricted	20,613	4,470	47,540	12,995	25,983	84,782
Committed	3,622,085	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances (deficit)	<u>3,671,088</u>	<u>4,470</u>	<u>47,629</u>	<u>13,103</u>	<u>25,983</u>	<u>84,782</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,608,036</u>	<u>\$ 4,470</u>	<u>\$ 60,195</u>	<u>\$ 13,103</u>	<u>\$ 25,983</u>	<u>\$ 84,782</u>

Law Enforcement Trust	Municipal Probation Services	Misdemeanor Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant	Supplementary Police Forces	Police	Fire
\$ 27,143	\$ 363,071	\$ 80,752	\$ 125,590	\$ 102,628	\$ 108	\$ 194,967	\$ 6,389
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,345	15,037	42,651	991	-	-	33,576	88,864
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,985	2,251	-	-	-	-	-
<u>\$ 62,488</u>	<u>\$ 380,093</u>	<u>\$ 125,654</u>	<u>\$ 126,581</u>	<u>\$ 102,628</u>	<u>\$ 108</u>	<u>\$ 228,543</u>	<u>\$ 95,253</u>
\$ -	\$ 2,325	\$ -	\$ -	\$ 51,314	\$ -	\$ -	\$ -
-	3,730	4,512	-	-	-	-	-
-	-	-	-	65,831	-	168,089	88,864
-	576	697	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,851	2,086	-	-	-	-	-
-	-	-	-	-	-	-	-
-	8,482	7,295	-	117,145	-	168,089	88,864
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	88,864
-	-	-	-	-	-	-	88,864
-	1,985	2,251	-	-	-	-	-
62,488	369,626	116,108	126,581	-	108	60,454	-
-	-	-	-	-	-	-	-
-	-	-	-	(14,517)	-	-	(82,475)
62,488	371,611	118,359	126,581	(14,517)	108	60,454	(82,475)
<u>\$ 62,488</u>	<u>\$ 380,093</u>	<u>\$ 125,654</u>	<u>\$ 126,581</u>	<u>\$ 102,628</u>	<u>\$ 108</u>	<u>\$ 228,543</u>	<u>\$ 95,253</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2021

	Vacant/ Foreclosed Registry	Canton Merchandising	Jobs Ohio	HOF Village	Neighborhood Development	Pretrial Award
Assets:						
Equity in pooled cash and cash equivalents	\$ 306,658	\$ 13,990	\$ -	\$ 98,313	\$ 1,039,236	\$ 4,451
Receivables:						
Property and other taxes	-	-	-	-	-	-
Income taxes	-	-	-	-	175,308	-
Accounts	-	-	-	53,172	-	-
Accrued interest	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Materials and supplies inventory	-	10,621	-	-	-	-
Prepayments	403	-	-	-	-	397
Total assets	<u>\$ 307,061</u>	<u>\$ 24,611</u>	<u>\$ -</u>	<u>\$ 151,485</u>	<u>\$ 1,214,544</u>	<u>\$ 4,848</u>
Liabilities:						
Accounts payable	\$ 1,136	\$ -	\$ -	\$ -	\$ 66,522	\$ -
Accrued wages and benefits payable	879	-	-	-	-	-
Due to other funds	-	-	5,735	-	-	-
Due to other governments	136	51	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-
Payroll withholding payable	399	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>2,550</u>	<u>51</u>	<u>5,735</u>	<u>-</u>	<u>66,522</u>	<u>-</u>
Deferred inflows of resources:						
Property taxes levied for the next fiscal year	-	-	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-	-	-
Income tax revenue not available	-	-	-	-	20,348	-
Intergovernmental revenue not available	-	-	-	-	-	-
Miscellaneous revenue not available	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,348</u>	<u>-</u>
Fund balances:						
Nonspendable	403	10,621	-	-	-	397
Restricted	304,108	13,939	-	151,485	1,127,674	4,451
Committed	-	-	-	-	-	-
Unassigned (deficit)	-	-	(5,735)	-	-	-
Total fund balances (deficit)	<u>304,511</u>	<u>24,560</u>	<u>(5,735)</u>	<u>151,485</u>	<u>1,127,674</u>	<u>4,848</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 307,061</u></u>	<u><u>\$ 24,611</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 151,485</u></u>	<u><u>\$ 1,214,544</u></u>	<u><u>\$ 4,848</u></u>

Building Escrow		Vacant / Foreclosure Depository		Other		Downtown Canton TDD		Comprehensive Plan Implement		Total Nonmajor Special Revenue Funds	
\$ 141,352		\$ 1,948,845		\$ 447,554		\$ 84,887		\$ 5,752,545		\$ 18,717,529	
-		-		-		-		-		4,692,747	
-		-		-		-		1,051,845		1,227,153	
-		-		13,610		-		13,786		82,587	
-		-		-		-		-		-	
-		-		116,606		-		-		2,381,488	
-		-		-		-		6,295,111		6,295,111	
-		-		-		-		-		47,669	
-		-		3,892		-		2,074		69,151	
<u>\$ 141,352</u>		<u>\$ 1,948,845</u>		<u>\$ 581,662</u>		<u>\$ 84,887</u>		<u>\$ 13,115,361</u>		<u>\$ 33,513,435</u>	
\$ -		\$ -		\$ 17,020		\$ -		\$ 297,889		\$ 783,120	
-		-		8,482		-		4,580		137,704	
-		-		98,356		-		4,800,000		5,233,576	
-		-		1,311		-		707		123,666	
141,352		-		-		-		-		141,352	
-		-		4,723		-		2,061		68,231	
<u>141,352</u>		<u>-</u>		<u>129,892</u>		<u>-</u>		<u>5,105,237</u>		<u>6,487,649</u>	
-		-		-		-		-		3,717,994	
-		-		-		-		-		974,753	
-		-		-		-		122,087		142,435	
-		-		46,903		-		-		808,709	
-		-		1,270		-		-		1,395	
<u>-</u>		<u>-</u>		<u>48,173</u>		<u>-</u>		<u>122,087</u>		<u>5,645,286</u>	
-		-		3,892		-		2,074		116,820	
-		1,948,845		1,005		84,887		7,885,963		17,345,622	
-		-		398,700		-		-		4,020,785	
-		-		-		-		-		(102,727)	
-		1,948,845		403,597		84,887		7,888,037		21,380,500	
<u>\$ 141,352</u>		<u>\$ 1,948,845</u>		<u>\$ 581,662</u>		<u>\$ 84,887</u>		<u>\$ 13,115,361</u>		<u>\$ 33,513,435</u>	

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Street Construction, Maintenance, and Repair	State Highway	Municipal Road	Cornerstone Parking Deck	Mills Industrial Park TIF
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	- -	- -	- -	221,712	- -
Charges for services	- -	- -	- -	- -	- -
Licenses, permits, and fees	- -	- -	- -	- -	- -
Fines and forfeitures	- -	- -	- -	- -	- -
Intergovernmental	3,986,794	285,417	- -	- -	- -
Interest and investment income	23	4	- -	- -	- -
Rental income	- -	- -	- -	4,568	- -
Contributions and donations	- -	- -	- -	- -	- -
Operating grants	- -	- -	- -	- -	- -
Capital grants	- -	- -	629,828	- -	- -
Payment in lieu of taxes	- -	- -	- -	- -	68,058
Other local taxes	- -	- -	- -	- -	- -
Other	34,399	- -	13,395	- -	- -
Total revenues	<u>4,021,216</u>	<u>285,421</u>	<u>643,223</u>	<u>226,280</u>	<u>68,058</u>
Expenditures:					
Current:					
General government	- -	- -	- -	- -	- -
Security of persons and property	1,597,231	13,784	- -	205,127	- -
Transportation	2,548,794	249,292	261,935	- -	- -
Community environment	- -	- -	- -	- -	- -
Leisure time activities	- -	- -	- -	- -	- -
Capital outlay	- -	- -	- -	- -	- -
Debt service:					
Principal retirement	- -	- -	- -	- -	- -
Total expenditures	<u>4,146,025</u>	<u>263,076</u>	<u>261,935</u>	<u>205,127</u>	<u>- -</u>
Excess of revenues over (under) expenditures	<u>(124,809)</u>	<u>22,345</u>	<u>381,288</u>	<u>21,153</u>	<u>68,058</u>
Other financing sources:					
Proceeds from sale of capital assets	- -	- -	- -	- -	- -
Capital lease transactions	- -	- -	- -	- -	- -
Transfers in	- -	- -	- -	- -	- -
Total other financing sources	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balance	<u>(124,809)</u>	<u>22,345</u>	<u>381,288</u>	<u>21,153</u>	<u>68,058</u>
Fund balances (deficit)					
at beginning of year	<u>1,524,502</u>	<u>213,822</u>	<u>515,517</u>	<u>(548)</u>	<u>326,305</u>
Fund balances (deficit) at end of year	<u><u>\$ 1,399,693</u></u>	<u><u>\$ 236,167</u></u>	<u><u>\$ 896,805</u></u>	<u><u>\$ 20,605</u></u>	<u><u>\$ 394,363</u></u>

		BJA FY20 COVID-19 Emergency						Law Department			
Gervasi 1700, LLC TIF	Urban TIF	Supply Fund	Lesh Rd /30th St TIF	Crime Lab	Court Computer	Court	Dispute Resolution	SARTA Area Improvement			
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	30,291	204,239	557,546	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	185	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	34	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
48,604	108,794	-	6,085	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	23	-	-	-	-	-
48,604	108,794	34	6,085	30,291	204,239	557,754	-	-	-	-	-
<hr/>											
-	108,794	35,090	-	-	260,132	407,408	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
70,866	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
13,767	-	100,793	-	-	-	-	-	-	-	-	-
84,633	108,794	135,883	-	-	260,132	407,408	-	-	-	-	-
(36,029)	-	(135,849)	6,085	30,291	(55,893)	150,346	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
(36,029)	-	(135,849)	6,085	30,291	(55,893)	150,346	-	-	-	-	-
<hr/>											
81,238	-	135,849	57,775	121,064	263,520	1,390,401	1,054	-	-	-	642
\$ 45,209	\$ -	\$ -	\$ 63,860	\$ 151,355	\$ 207,627	\$ 1,540,747	\$ 1,054	\$ -	-	-	642

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Park Department	Youth Development	Federal Forfeiture	Probation Award	Enforcement and Education	Indigent Driver Alcohol Treatment
Revenues:						
Property and other local taxes	\$ 3,684,994	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	-	-	-	-	-	-
Charges for services	190	-	-	-	-	-
Licenses, permits, and fees	96,454	-	-	-	-	-
Fines and forfeitures	-	-	-	-	6,346	44,757
Intergovernmental	149,930	-	-	-	-	-
Interest and investment income	-	-	22	-	-	-
Rental income	129,620	-	-	-	-	-
Contributions and donations	25,125	-	-	-	-	-
Operating grants	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-
Other local taxes	-	-	-	-	-	-
Other	758,948	-	7,986	-	-	-
Total revenues	4,845,261	-	8,008	-	6,346	44,757
Expenditures:						
Current:						
General government	-	-	-	80	-	18,750
Security of persons and property	-	-	116,834	-	-	-
Transportation	-	-	-	-	-	-
Community environment	-	-	-	-	-	-
Leisure time activities	3,719,512	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Total expenditures	3,719,512	-	116,834	80	-	18,750
Excess (deficiency) of revenues over (under) expenditures	1,125,749	-	(108,826)	(80)	6,346	26,007
Other financing sources:						
Proceeds from sale of capital assets	-	-	-	-	-	-
Capital lease transactions	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-
Net change in fund balance	1,125,749	-	(108,826)	(80)	6,346	26,007
Fund balances (deficit)						
at beginning of year	2,545,339	4,470	156,455	13,183	19,637	58,775
Fund balances (deficit) at end of year	\$ 3,671,088	\$ 4,470	\$ 47,629	\$ 13,103	\$ 25,983	\$ 84,782

Law Enforcement Trust	Municipal Probation Services	Misdemeanor Community Sanction Grant	Prisoner Housing	Local Law Enforcement Block Grant	Supplementary Police Forces	Police	Fire
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	258,634	-	-	-	-	-	-
-	-	-	-	-	-	-	-
60,979	-	-	14,511	-	-	-	-
-	-	-	-	102,628	-	7,843	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	243
-	-	213,255	-	-	-	390,280	201,991
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	986	-	-	-	-	-	-
60,979	259,620	213,255	14,511	102,628	-	398,123	202,234
-	225,644	159,957	-	-	-	-	-
53,500	-	-	-	102,628	-	384,435	309,939
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	37,826	-	-
53,500	225,644	159,957	-	140,454	-	384,435	309,939
7,479	33,976	53,298	14,511	(37,826)	-	13,688	(107,705)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	47,998	-
-	-	-	-	-	-	47,998	-
7,479	33,976	53,298	14,511	(37,826)	-	61,686	(107,705)
55,009	337,635	65,061	112,070	23,309	108	(1,232)	25,230
\$ 62,488	\$ 371,611	\$ 118,359	\$ 126,581	\$ (14,517)	\$ 108	\$ 60,454	\$ (82,475)

(Continued)

**CITY OF CANTON
STARK COUNTY, OHIO**
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Vacant/ Foreclosed Registry	Canton Merchandising	Jobs Ohio	HOF Village	Neighborhood Development
Revenues:					
Property and other local taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Income taxes	- -	- -	- -	- -	1,315,843 -
Charges for services	64,125	- -	- -	- -	- -
Licenses, permits, and fees	- -	- -	- -	- -	- -
Fines and forfeitures	- -	- -	- -	- -	- -
Intergovernmental	- -	- -	- -	- -	- -
Interest and investment income	- -	- -	- -	- -	- -
Rental income	- -	- -	- -	- -	- -
Contributions and donations	- -	- -	- -	- -	200,000 -
Operating grants	- -	- -	- -	- -	- -
Capital grants	- -	- -	- -	- -	- -
Payment in lieu of taxes	- -	- -	- -	1,336,396 -	- -
Other local taxes	- -	- -	- -	463,091 -	- -
Other	- -	705	- -	- -	- -
Total revenues	<u>64,125</u>	<u>705</u>	<u>-</u>	<u>1,799,487</u>	<u>1,515,843</u>
Expenditures:					
Current:					
General government	36,678	2,907	- -	- -	561,452 -
Security of persons and property	82,265	- -	- -	- -	- -
Transportation	- -	- -	- -	- -	500,000 -
Community environment	- -	- -	- -	- -	- -
Leisure time activities	- -	- -	- -	1,651,517 -	- -
Capital outlay	- -	- -	- -	- -	- -
Debt service:					
Principal retirement	- -	- -	- -	- -	- -
Total expenditures	<u>118,943</u>	<u>2,907</u>	<u>-</u>	<u>1,651,517</u>	<u>1,061,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,818)</u>	<u>(2,202)</u>	<u>-</u>	<u>147,970</u>	<u>454,391</u>
Other financing sources:					
Proceeds from sale of capital assets	- -	- -	- -	- -	- -
Capital lease transactions	- -	- -	- -	- -	- -
Transfers in	- -	- -	- -	- -	- -
Total other financing sources	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balance	<u>(54,818)</u>	<u>(2,202)</u>	<u>-</u>	<u>147,970</u>	<u>454,391</u>
Fund balances (deficit)					
at beginning of year	<u>359,329</u>	<u>26,762</u>	<u>(5,735)</u>	<u>3,515</u>	<u>673,283</u>
Fund balances (deficit) at end of year	<u><u>\$ 304,511</u></u>	<u><u>\$ 24,560</u></u>	<u><u>\$ (5,735)</u></u>	<u><u>\$ 151,485</u></u>	<u><u>\$ 1,127,674</u></u>

Pretrial Award	Vacant / Foreclosure Depository	Other	Downtown Canton TDD	Comprehensive Plan Implement	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 7,895,057	\$ 3,684,994
-	-	-	-	-	9,210,900
-	390,000	-	-	-	1,726,737
-	-	-	-	-	96,454
-	-	-	-	-	126,778
-	-	-	-	-	4,532,612
-	-	-	-	21,756	21,839
-	-	37,825	-	-	172,013
-	-	100,000	-	386,451	711,819
-	-	421,443	-	-	1,226,969
-	-	-	-	-	629,828
-	-	-	-	-	1,567,937
-	-	-	84,887	-	547,978
-	-	56,097	-	49,531	922,070
-	390,000	615,365	84,887	8,352,795	25,178,928
3,213	-	238,712	-	2,755,712	4,814,529
-	437,525	157,112	-	-	3,460,380
-	-	102,615	-	1,197,851	4,931,353
-	-	-	-	-	-
-	-	-	-	-	5,371,029
-	-	-	-	-	-
-	-	117,512	-	-	269,898
3,213	437,525	615,951	-	3,953,563	18,847,189
(3,213)	(47,525)	(586)	84,887	4,399,232	6,331,739
-	-	-	-	-	-
-	-	-	-	-	47,998
-	-	-	-	-	47,998
(3,213)	(47,525)	(586)	84,887	4,399,232	6,379,737
8,061	1,996,370	404,183	-	3,488,805	15,000,763
<u>\$ 4,848</u>	<u>\$ 1,948,845</u>	<u>\$ 403,597</u>	<u>\$ 84,887</u>	<u>\$ 7,888,037</u>	<u>\$ 21,380,500</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 3,850,000	\$ 3,954,066	\$ 104,066
Interest and investment income	-	23	23
Other	150,000	40,398	(109,602)
Total revenues	<u>4,000,000</u>	<u>3,994,487</u>	<u>(5,513)</u>
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Traffic Divisions - Traffic Engineer/Parking Meter:</i>			
Personal services	352,092	342,056	10,036
Materials and supplies	32,450	32,448	2
Contractual services	20,648	14,871	5,777
Capital outlay	27,697	26,350	1,347
Other	365	365	-
<i>Total Traffic Divisions - Traffic Engineer/Parking Meter</i>	<u>433,252</u>	<u>416,090</u>	<u>17,162</u>
<i>Traffic Divisions - Traffic Sign and Paint:</i>			
Personal services	280,207	233,952	46,255
Materials and supplies	103,975	103,774	201
Contractual services	62,251	59,240	3,011
Capital outlay	16,350	16,350	-
Other	1,849	1,848	1
<i>Total Traffic Divisions - Traffic Sign and Paint</i>	<u>464,632</u>	<u>415,164</u>	<u>49,468</u>
<i>Traffic Divisions - Traffic Signal:</i>			
Personal services	491,879	455,174	36,705
Materials and supplies	122,276	121,206	1,070
Contractual services	165,153	164,458	695
Capital outlay	139,862	139,862	-
Other	941	941	-
<i>Total Traffic Divisions - Traffic Signal</i>	<u>920,111</u>	<u>881,641</u>	<u>38,470</u>
Total Security of Persons and Property	<u>1,817,995</u>	<u>1,712,895</u>	<u>105,100</u>
Transportation:			
<i>Engineering - Daily Operations:</i>			
Personal services	22,668	22,076	592
Materials and supplies	830,092	830,091	1
Contractual services	72,753	66,119	6,634
Capital outlay	43,166	43,166	-
<i>Total Engineering - Daily Operations</i>	<u>968,679</u>	<u>961,452</u>	<u>7,227</u>
<i>Street Maintenance:</i>			
Personal services	1,141,055	954,973	186,082
Materials and supplies	535,089	488,856	46,233
Contractual services	252,970	230,924	22,046
Capital outlay	4,250	-	4,250
Other	26,904	14,104	12,800
<i>Total Street Maintenance</i>	<u>1,960,268</u>	<u>1,688,857</u>	<u>271,411</u>
Total Transportation	<u>2,928,947</u>	<u>2,650,309</u>	<u>278,638</u>
Total expenditures	<u>4,746,942</u>	<u>4,363,204</u>	<u>383,738</u>
Net change in fund balance	<u>(746,942)</u>	<u>(368,717)</u>	<u>378,225</u>
Fund balance at beginning of year	784,178	784,178	-
Prior year encumbrances appropriated	205,542	205,542	-
Fund balance at end of year	<u>\$ 242,778</u>	<u>\$ 621,003</u>	<u>\$ 378,225</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Intergovernmental	\$ 230,000	\$ 283,297	\$ 53,297
Interest and investment income	1,000	4	(996)
Other	5,000	-	(5,000)
Total revenues	<u>236,000</u>	<u>283,301</u>	<u>47,301</u>
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Traffic Divisions - Traffic Signal:</i>			
Contractual services	10,000	10,000	-
Capital outlay	20,000	20,000	-
<i>Total Traffic Divisions - Traffic Signal</i>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Transportation:			
<i>Street Maintenance:</i>			
Personal services	156,424	133,719	22,705
Materials and supplies	36,259	33,008	3,251
Contractual services	100,250	87,950	12,300
Capital outlay	1,000	-	1,000
<i>Total Street Maintenance</i>	<u>293,933</u>	<u>254,677</u>	<u>39,256</u>
Total expenditures	<u>323,933</u>	<u>284,677</u>	<u>39,256</u>
Net change in fund balance	(87,933)	(1,376)	86,557
Fund balance at beginning of year	170,363	170,363	-
Prior year encumbrances appropriated	12,749	12,749	-
Fund balance at end of year	<u>\$ 95,179</u>	<u>\$ 181,736</u>	<u>\$ 86,557</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
MUNICIPAL ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 300,000	\$ -	\$ (300,000)	
Other	25,000	13,395	(11,605)	
Intergovernmental-federal	15,000	92,556	77,556	
Total revenues	<u>340,000</u>	<u>105,951</u>	<u>(234,049)</u>	
Expenditures:				
Current:				
Transportation:				
<i>Engineering - Daily Operations:</i>				
Materials and supplies	383,246	383,246	-	
Contractual services	-	-	-	
Capital outlay	705,015	466,148	238,867	
<i>Total Engineering - Daily Operations</i>	<u>1,088,261</u>	<u>849,394</u>	<u>238,867</u>	
Net change in fund balance	(748,261)	(743,443)	4,818	
Fund balance at beginning of year	320,039	320,039	-	
Prior year encumbrances appropriated	428,223	428,223	-	
Fund balance at end of year	<u>\$ 1</u>	<u>\$ 4,819</u>	<u>\$ 4,818</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
CORNERSTONE PARKING DECK FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 183,347	\$ 221,862	\$ 38,515
Rental income	3,000	4,818	1,818
Other	-	72	72
Total revenues	<u>186,347</u>	<u>226,752</u>	<u>40,405</u>
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Personal services	13,033	13,030	3
<i>Traffic Division - Traffic Engineer/Parking Meter:</i>			
Personal services	417	417	-
Materials and supplies	11,806	11,806	-
Contractual services	202,754	198,671	4,083
Other	1,429	1,429	-
<i>Total Traffic Division - Traffic Engineer/Parking Meter</i>	<u>216,406</u>	<u>212,323</u>	<u>4,083</u>
Total expenditures	<u>229,439</u>	<u>225,353</u>	<u>4,086</u>
Net change in fund balance	(43,092)	1,399	44,491
Fund balance at beginning of year	57,122	57,122	-
Prior year encumbrances appropriated	33,130	33,130	-
Fund balance at end of year	<u><u>\$ 47,160</u></u>	<u><u>\$ 91,651</u></u>	<u><u>\$ 44,491</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MILLS INDUSTRIAL PARK TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Payment in lieu of taxes	\$ 75,000	\$ 68,058	\$ (6,942)	
Expenditures:				
Current:				
Transportation:				
<i>Engineering - Daily Operations:</i>				
Materials and supplies	326,306	-	326,306	
Net change in fund balance	(251,306)	68,058	319,364	
Fund balance at beginning of year	326,305	326,305	-	
Fund balance at end of year	<u>\$ 74,999</u>	<u>\$ 394,363</u>	<u>\$ 319,364</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GERVASI 1700, LLC TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Payment in lieu of taxes	\$ 50,000	\$ 48,604	\$ (1,396)	
Expenditures:				
Current:				
Transportation:				
<i>Engineering - Daily Operations:</i>				
Materials and supplies	74,239	70,866	3,373	
Debt Service:				
Principal retirement	13,767	13,767	-	
Total expenditures	88,006	84,633	3,373	
Net change in fund balance	(38,006)	(36,029)	1,977	
Fund balance at beginning of year	81,238	81,238	-	
Fund balance at end of year	<u>\$ 43,232</u>	<u>\$ 45,209</u>	<u>\$ 1,977</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
URBAN TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Payment in lieu of taxes	\$ 110,000	\$ 108,794	\$ (1,206)	
Expenditures:				
Current:				
General Government				
<i>Historic Onesto TIF:</i>				
Other	60,522	60,522		-
<i>Innovation District TIF:</i>				
Other	49,478	48,272	1,206	
Total expenditures	110,000	108,794	1,206	
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BJA FY20 COVID-19 EMERGENCY SUPPLY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Operating grants	\$ 20,000	\$ -	\$ (20,000)	
Investment income	-	51	51	
Total Revenues	<u>20,000</u>	<u>51</u>	<u>(19,949)</u>	
Expenditures:				
Current:				
General Government				
<i>General government - support administration:</i>				
Personal services	50,848	37,964	12,884	
Capital outlay	100,796	100,793	3	
Total expenditures	<u>151,644</u>	<u>138,757</u>	<u>12,887</u>	
Excess of revenues over (under) expenditures	(131,644)	(138,706)	(7,062)	
Other financing sources (uses):				
Transfers out	(2,051)	(2,051)	-	
Total other financing sources (uses)	<u>(2,051)</u>	<u>(2,051)</u>	<u>-</u>	
Net change in fund balance	(133,695)	(140,757)	(7,062)	
Fund balance at beginning of year	140,757	140,757	-	
Fund balance at end of year	<u>\$ 7,062</u>	<u>\$ -</u>	<u>\$ (7,062)</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LESH RD /30TH ST TIF FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Payment in lieu of taxes	\$ 6,150	\$ 6,085	\$ (65)	
Expenditures:				
Current:				
Transportation:				
<i>Engineering - Daily Operations:</i>				
Materials and supplies	51,625	-	51,625	
Net change in fund balance	(45,475)	6,085	51,560	
Fund balance at beginning of year	57,775	57,775		
Fund balance at end of year	\$ 12,300	\$ 63,860	\$ 51,560	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CRIME LAB FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 20,000	\$ 29,749	\$ 9,749
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration.</i>	78,097	-	78,097
Capital outlay	—	—	—
Net change in fund balance	(58,097)	29,749	87,846
Fund balance at beginning of year	117,909	117,909	-
Fund balance at end of year	\$ 59,812	\$ 147,658	\$ 87,846

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT COMPUTER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 245,000	\$ 202,859	\$ (42,141)
Other	2,500	-	(2,500)
Total revenues	247,500	202,859	(44,641)
Expenditures:			
Current:			
General Government:			
<i>Courts/Clerk - Clerk of Courts Administration:</i>			
Personal services	142,740	92,449	50,291
Materials and supplies	59,554	33,750	25,804
Contractual services	92,869	85,030	7,839
Capital outlay	84,690	61,218	23,472
Other	1,000	-	1,000
<i>Total Courts/Clerk - Clerk of Courts Administration</i>	380,853	272,447	108,406
Net change in fund balance	(133,353)	(69,588)	63,765
Fund balance at beginning of year	244,404	244,404	-
Prior year encumbrances appropriated	9,276	9,276	-
Fund balance at end of year	\$ 120,327	\$ 184,092	\$ 63,765

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT CAPITAL IMPROVEMENT SPECIAL PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ 425,000	\$ 467,701	\$ 42,701	
Other	5,000	15	(4,985)	
Total revenues	<u>430,000</u>	<u>467,716</u>	<u>37,716</u>	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge - Judge Administration:</i>				
Personal services	302,580	245,475	57,105	
Materials and supplies	46,353	35,245	11,108	
Contractual services	89,896	84,848	5,048	
Capital outlay	344,151	28,659	315,492	
Other	42,065	14,139	27,926	
<i>Total Courts/Judge - Judge Administration</i>	<u>825,045</u>	<u>408,366</u>	<u>416,679</u>	
Net change in fund balance	(395,045)	59,350	454,395	
Fund balance at beginning of year	911,044	911,044	-	
Prior year encumbrances appropriated	20,362	20,362	-	
Fund balance at end of year	<u>\$ 536,361</u>	<u>\$ 990,756</u>	<u>\$ 454,395</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LEGAL RESEARCH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ 25,000	\$ 19,684	\$ (5,316)	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge- Judge Administration:</i>				
Materials and supplies	12	12		-
Contractual services	8,000	4,600		3,400
Capital outlay	40,000	-		40,000
<i>Total Courts/Judge - Judge Administration</i>	<u>48,012</u>	<u>4,612</u>		<u>43,400</u>
Net change in fund balance	(23,012)	15,072		38,084
Fund balance at beginning of year	63,493	63,493		-
Prior year encumbrances appropriated	12	12		-
Fund balance at end of year	<u>\$ 40,493</u>	<u>\$ 78,577</u>		<u>\$ 38,084</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT GPS COST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ 2,500	\$ 665	\$ (1,835)	
Expenditures:				
Current:				
General Government				
<i>Courts/Judge - Judge Administration:</i>				
Contractual services	3,400	-	3,400	
Net change in fund balance	(900)	665	1,565	
Fund balance at beginning of year	3,323	3,323	-	
Fund balance at end of year	<u>\$ 2,423</u>	<u>\$ 3,988</u>	<u>\$ 1,565</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 IGNITION INTERLOCK/ALCOHOL MONITORING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ 70,000	\$ 66,524	\$ (3,476)	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge- Judge Administration.</i>				
Contractual services	204,398	54,398	150,000	
Net change in fund balance	(134,398)	12,126	146,524	
Fund balance at beginning of year	362,095	362,095	-	
Prior year encumbrances appropriated	14,398	14,398	-	
Fund balance at end of year	<u>\$ 242,095</u>	<u>\$ 388,619</u>	<u>\$ 146,524</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LAW DEPARTMENT DISPUTE RESOLUTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Other	\$ 250	\$ -	\$ (250)	
Expenditures:				
Current:				
General Government:				
<i>Law Director - Administration:</i>				
Contractual services	1,000	-	1,000	
Net change in fund balance	(750)	-	750	
Fund balance at beginning of year	1,054	1,054	-	
Fund balance at end of year	<u>\$ 304</u>	<u>\$ 1,054</u>	<u>\$ 750</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
SARTA AREA IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget			
			Positive (Negative)			
Expenditures:						
Current:						
Transportation:						
<i>Engineering - Daily Operations:</i>						
Contractual services	\$ 642	\$ -	\$ 642			
Net change in fund balance	(642)	-		642		
Fund balance at beginning of year	642	642	-			
Fund balance at end of year	\$ -	\$ 642	\$ 642			

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PARK DEPARTMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Property taxes	\$ 3,892,000	\$ 3,684,994	\$ (207,006)
Intergovernmental	-	149,930	149,930
Licenses and permits	128,000	96,454	(31,546)
Rental income	60,150	129,770	69,620
Contributions and donations	2,000	25,125	23,125
Other	211,250	758,172	546,922
Total revenues	4,293,400	4,844,445	551,045
Expenditures:			
Current:			
Leisure Time Activities:			
<i>Park Division - Special Parks Funds:</i>			
Personal services	2,553,749	2,372,867	180,882
Materials and supplies	654,058	485,841	168,217
Contractual services	1,552,676	999,919	552,757
Capital outlay	674,421	334,651	339,770
Other	130,186	93,717	36,469
<i>Total Park Division - Special Parks Funds</i>	<i>5,565,090</i>	<i>4,286,995</i>	<i>1,278,095</i>
Excess of expenditures over revenues	(1,271,690)	557,450	1,829,140
Other financing sources:			
Sale of capital assets	5,000	4,881	(119)
Net change in fund balance	(1,266,690)	562,331	1,829,021
Fund balance at beginning of year	2,138,274	2,138,274	-
Prior year encumbrances appropriated	575,617	575,617	-
Fund balance at end of year	\$ 1,447,201	\$ 3,276,222	\$ 1,829,021

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 YOUTH DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 4,470	\$ 4,470	\$ -
Fund balance at end of year	<u>\$ 4,470</u>	<u>\$ 4,470</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FEDERAL FORFEITURE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 35,000	\$ -	\$ (35,000)
Investment income	- 22	22	22
Other	251	7,986	7,735
Total revenues	35,251	8,008	(27,243)
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Personal services	20,650	16,369	4,281
Materials and supplies	85,470	52,535	32,935
Contractual services	41,900	29,308	12,592
Capital outlay	54,611	46,391	8,220
Other	18,900	4,000	14,900
<i>Total Police Administration</i>	221,531	148,603	72,928
Net change in fund balance	(186,280)	(140,595)	45,685
Fund balance at beginning of year	155,146	155,146	-
Prior year encumbrances appropriated	32,989	32,989	-
Fund balance at end of year	\$ 1,855	\$ 47,540	\$ 45,685

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PROBATION AWARD FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Operating grants	\$ 15,000	\$ -	\$ (15,000)	
Other	-	-	-	
Total revenues	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge- Judge Administration:</i>				
Personal services	5,911	108	5,803	
Contractual services	9,983	-	9,983	
<i>Total Courts/Judge- Judge Administration</i>	<u>15,894</u>	<u>108</u>	<u>15,786</u>	
Net change in fund balance	(894)	(108)	786	
Fund balance at beginning of year	<u>13,103</u>	<u>13,103</u>	<u>-</u>	
Fund balance at end of year	<u>\$ 12,209</u>	<u>\$ 12,995</u>	<u>\$ 786</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Fines and forfeitures	\$ 5,000	\$ 6,305	\$ 1,305	
Total revenues	<u>5,000</u>	<u>6,305</u>	<u>1,305</u>	
Expenditures:				
Current:				
Security of Persons and Property:				
<i>Police Administration:</i>				
Other	17,000	-	17,000	
Net change in fund balance	(12,000)	6,305	18,305	
Fund balance at beginning of year	18,163	18,163	-	
Prior year encumbrances appropriated	1,105	1,105	-	
Fund balance at end of year	<u>\$ 7,268</u>	<u>\$ 25,573</u>	<u>\$ 18,305</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
INDIGENT DRIVER ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 46,500	\$ 44,650	\$ (1,850)
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	73,750	37,500	36,250
Excess of expenditures over revenues	<u>(27,250)</u>	<u>7,150</u>	<u>34,400</u>
Other financing sources:			
Transfers in	35,000	-	(35,000)
Net change in fund balance	7,750	7,150	(600)
Fund balance at beginning of year	38,839	38,839	-
Prior year encumbrances appropriated	18,750	18,750	-
Fund balance at end of year	<u><u>\$ 65,339</u></u>	<u><u>\$ 64,739</u></u>	<u><u>\$ (600)</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Fines and forfeitures	\$ 60,000	\$ 26,676	\$ (33,324)	
Other	2,000	-	(2,000)	
Total revenues	62,000	26,676	(35,324)	
Expenditures:				
Current:				
Security of Persons and Property:				
<i>Police Administration:</i>				
Materials and supplies	8,991	6,491	2,500	
Contractual services	7,409	7,409	-	
Capital outlay	34,600	34,600	-	
Other	5,000	5,000	-	
<i>Total Police Administration</i>	56,000	53,500	2,500	
Net change in fund balance	6,000	(26,824)	(32,824)	
Fund balance at beginning of year	53,967	53,967	-	
Fund balance at end of year	\$ 59,967	\$ 27,143	\$ (32,824)	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MUNICIPAL PROBATION SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ -	\$ 256,791	\$ 256,791	
Other	<u>-</u>	<u>986</u>	<u>986</u>	
Total revenues	<u>-</u>	<u>257,777</u>	<u>257,777</u>	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge - Judge Administration:</i>				
Personal services	275,723	199,775	75,948	
Materials and supplies	9,136	8,624	512	
Contractual services	18,825	16,218	2,607	
Capital outlay	-	-	-	
Other	9,941	7,535	2,406	
<i>Total Courts/Judge - Judge Administration</i>	<u>313,625</u>	<u>232,152</u>	<u>81,473</u>	
Net change in fund balance	(313,625)	25,625	339,250	
Fund balance at beginning of year	324,136	324,136	-	
Prior year encumbrances appropriated	4,194	4,194	-	
Fund balance at end of year	<u>\$ 14,705</u>	<u>\$ 353,955</u>	<u>\$ 339,250</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MISDEMEANOR COMMUNITY SANCTION GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 170,000	\$ 170,604	\$ 604
Total Revenues	<u>170,000</u>	<u>170,604</u>	<u>604</u>
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	169,195	154,592	14,603
Contractual services	5,038	5,000	38
Other	28	-	28
<i>Total Courts/Judge- Judge Administration</i>	<u>174,261</u>	<u>159,592</u>	<u>14,669</u>
Net change in fund balance	(4,261)	11,012	15,273
Fund balance at beginning of year	67,654	67,654	-
Fund balance at end of year	\$ 63,393	\$ 78,666	\$ 15,273

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
PRISONER HOUSING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Fines and forfeitures	\$ 12,000	\$ 14,060	\$ 2,060	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge - Judge Administration:</i>				
Contractual services	73,000	19,000	54,000	
Net change in fund balance	(61,000)	(4,940)	56,060	
Fund balance at beginning of year	102,530	102,530	-	
Prior year encumbrances appropriated	9,000	9,000	-	
Fund balance at end of year	<u>\$ 50,530</u>	<u>\$ 106,590</u>	<u>\$ 56,060</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LOCAL LAW ENFORCEMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 51,314	\$ 102,628	\$ 51,314
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Capital outlay	37,826	37,826	-
<i>Total Police Administration</i>	<u>37,826</u>	<u>37,826</u>	<u>-</u>
Net change in fund balance	13,488	64,802	51,314
Fund balance at beginning of year	37,826	37,826	-
Fund balance at end of year	<u>\$ 51,314</u>	<u>\$ 102,628</u>	<u>\$ 51,314</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
CANTON POLICE YOUTH CORP FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget		
			Positive (Negative)		
Expenditures:					
Current:					
Security of Persons and Property:					
<i>Police Administration:</i>					
Materials and supplies	\$ 108	\$ -	\$ 108		
Net change in fund balance	(108)	-	108		
Fund balance at beginning of year	108				
Fund balance at end of year	\$ -	\$ 108	\$ 108		

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 D A R E PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget			
			Positive (Negative)			
Expenditures:						
Current:						
Security of Persons and Property:						
<i>Police Administration:</i>						
Materials and supplies	\$ 151	\$ -	\$ 151			
Net change in fund balance	(151)	-		151		
Fund balance at beginning of year	151	151	-			
Fund balance at end of year	\$ -	\$ 151	\$ 151			

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PROB IMPROV AND INCENT GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Other	\$ 210,000	\$ -	\$ (210,000)	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge - Judge Administration:</i>				
Contractual services	970	-	970	
Net change in fund balance	209,030	-	(209,030)	
Fund balance at beginning of year	\$ 969	\$ 969	\$ -	
Fund balance at end of year	<u>\$ 209,999</u>	<u>\$ 969</u>	<u>\$ (209,030)</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SAFE NEIGHBORHOOD HEROES GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Current:			
General operating:			
Security of persons and property:			
<i>Fire Administration:</i>			
Capital outlay	144,300	144,300	-
Other financing sources (uses):			
Transfers in	13,118	13,118	-
Transfers out	(1,000)	(1,000)	-
Advances in	131,182	131,182	-
Total other financing sources (uses)	<u>143,300</u>	<u>143,300</u>	-
Net change in fund balance	(1,000)	(1,000)	-
Fund balance at beginning of year	\$ 1,000	\$ 1,000	\$ -
Fund balance at end of year	\$ -	\$ -	\$ -

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
POLICE GRANTS AND DONATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget			
			Positive (Negative)			
Expenditures:						
Current:						
Security of Persons and Property:						
<i>Police Administration:</i>						
Materials and supplies	\$ 3,050	\$ -	\$ 3,050			
Contractual services	500	-	500			
Capital outlay	4,500	-	4,500			
<i>Total Police Administration</i>	<u>8,050</u>	<u>-</u>	<u>8,050</u>			
Net Change in Fund Balance	(8,050)	-	8,050			
Fund balance at beginning of year	<u>9,138</u>	<u>9,138</u>	<u>-</u>			
Fund balance at end of year	<u>\$ 1,088</u>	<u>\$ 9,138</u>	<u>\$ 8,050</u>			

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BYRNE MEMORIAL RECOVERY ACT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Other	\$ 7,443	\$ -	\$ (7,443)
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration</i> :			
Other	12,640	8,610	4,030
Excess of expenditures over revenues	(5,197)	(8,610)	(3,413)
Net change in fund balance	(5,197)	(8,610)	(3,413)
Fund balance at beginning of year	12,639	12,639	-
Fund balance at end of year	<u>\$ 7,442</u>	<u>\$ 4,029</u>	<u>\$ (3,413)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2017 COPS HIRING GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Operating grants	\$ 263,628	\$ 236,399	\$ (27,229)
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Police Administration:</i>			
Other	250,000	236,399	13,601
Net change in fund balance	13,628	-	(13,628)
Fund balance at beginning of year	<u><u>\$ 13,628</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Fund balance at end of year	<u><u>\$ 13,628</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (13,628)</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2010 LOCAL SOLICITATION BYRNE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 34,677	\$ 34,677	\$ -
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Materials and supplies	2,247	2,247	-
Capital outlay	32,430	32,430	-
Total expenditures	<u>34,677</u>	<u>34,677</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 POLICE EMS TRAINING AND EQUIPMENT GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 1,500	\$ 1,500	\$ -
Fund balance at end of year	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2020 COPS HIRING GRANT
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Operating grants	\$ 600,000	\$ 164,670	\$ (435,330)	
Expenditures:				
Current:				
Security of persons and property:				
<i>Police Administration:</i>				
Other	600,000	164,670	435,330	
Net change in fund balance	-	-	-	
Fund balance at beginning of year	\$ -	\$ -	\$ -	
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2021 BULLETPROOF VEST PARTNERSHIP
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
	Positive (Negative)		
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Other	\$ 34,880	\$ -	\$ 34,880
Excess of expenditures over revenues	(34,880)	-	34,880
Other financing sources:			
Transfers in	34,880	34,880	-
Net change in fund balance	-	34,880	34,880
Fund balance at beginning of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 34,880</u>	<u>\$ 34,880</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FIRE GRANTS AND DONATIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Donations	\$ -	\$ 243	\$ 243	
Expenditures:				
Current:				
Security of persons and property:				
<i>Fire Administration:</i>				
Materials and supplies	102	102		-
Net change in fund balance	(102)	141	243	
Fund balance at beginning of year	\$ 19	\$ 19	\$ -	
Prior year encumbrances appropriated	202	202	-	
Fund balance at end of year	<u>\$ 119</u>	<u>\$ 362</u>	<u>\$ 243</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 EMS TRAINING AND EQUIPMENT GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Other financing sources (uses):			
Transfers in	6,027	6,027	-
Net change in fund balance	6,027	6,027	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ 6,027</u></u>	<u><u>\$ 6,027</u></u>	<u><u>\$ -</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FIREFIGHTER ASSISTANCE GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Special projects			
Security of Persons and Property:			
<i>Fire Administration:</i>			
Other	\$ 1,167	\$ 1,167	\$ -
Net change in fund balance	(1,167)	(1,167)	-
Fund balance at beginning of year	1,167	1,167	-
Fund balance at end of year	\$ -	\$ -	\$ -

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
FIRE FEMA SAFER GRANT 2017 FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 350,000	\$ 222,474	\$ (127,526)
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Fire Administration:</i>			
Other	274,956	237,430	37,526
Net change in fund balance	75,044	(14,956)	(90,000)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	14,956	14,956	-
Fund balance at end of year	<u><u>\$ 90,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (90,000)</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2019 ASST TO FIREFIGHTERS GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
			Positive (Negative)
Expenditures:			
Current:			
Security of Persons and Property:			
<i>Fire Administration:</i>			
Contractual services	97,750	97,750	-
Net change in fund balance	(97,750)	(97,750)	-
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	97,750	97,750	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 VACANT/FORECLOSED REGISTRY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 100,000	\$ 64,125	\$ (35,875)
Other	65,000	-	(65,000)
Total revenues	<u>165,000</u>	<u>64,125</u>	<u>(100,875)</u>
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	37,591	36,666	925
Security of Persons and Property:			
<i>Safety Director - Code Enforcement Administration:</i>			
Materials and supplies	20,890	19,290	1,600
Contractual services	155,824	76,473	79,351
Capital outlay	1,500	-	1,500
Other	3,884	2,884	1,000
Total <i>Safety Director - Code Enforcement Administration</i>	<u>182,098</u>	<u>98,647</u>	<u>83,451</u>
<i>Street - Maintenance:</i>			
Contractual services	112,913	11,413	101,500
Total <i>Street - Maintenance</i>	<u>112,913</u>	<u>11,413</u>	<u>101,500</u>
Total expenditures	<u>332,602</u>	<u>146,726</u>	<u>185,876</u>
Net change in fund balance	(167,602)	(82,601)	85,001
Fund balance at beginning of year	333,324	333,324	-
Prior year encumbrances appropriated	46,997	46,997	-
Fund balance at end of year	<u>\$ 212,719</u>	<u>\$ 297,720</u>	<u>\$ 85,001</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
CANTON MERCHANDISING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Other	\$ 500	\$ 705	\$ 205	
Expenditures:				
Current:				
General Government:				
<i>Council Administration:</i>				
Materials and supplies	2,000	-	2,000	
Contractual services	538	118	420	
<i>Total Council Administration</i>	<u>2,538</u>	<u>118</u>	<u>2,420</u>	
Net change in fund balance	(2,038)	587	2,625	
Fund balance at beginning of year	13,244	13,244	-	
Prior year encumbrances appropriated	84	84	-	
Fund balance at end of year	<u>\$ 11,290</u>	<u>\$ 13,915</u>	<u>\$ 2,625</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MARKET SQUARE DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget		
			Positive (Negative)		
Expenditures:					
Current:					
General Government:					
<i>Park division - park administration:</i>					
Materials and supplies	78	-	78		
Net change in fund balance	(78)	-	78		
Fund balance at beginning of year	-	-	-		
Fund balance (deficit) at end of year	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ 78</u>		

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 HALL OF FAME VILLAGE TOURISM DEVELOPMENT DISTRICT
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payment in lieu of taxes	\$ 1,154,000	\$ 1,336,396	\$ 182,396
Other local taxes	542,500	413,434	(129,066)
Total Revenues	1,696,500	1,749,830	53,330
Expenditures:			
Current:			
Leisure Time Activities:			
<i>Hall of Fame Village - Tourism Development District:</i>			
Other	1,692,500	1,651,517	40,983
Net change in fund balance	4,000	98,313	94,313
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 4,000	\$ 98,313	\$ 94,313

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
NEIGHBORHOOD DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Municipal income taxes	\$ 1,250,000	\$ 1,274,363	\$ 24,363
Donations and contributions	50,000	200,000	150,000
 Total revenues	 1,300,000	 1,474,363	 174,363
Expenditures:			
Current:			
General Government:			
<i>General Government - Support Administration:</i>			
Materials and supplies	5,429	5,429	-
Contractual services	447,285	352,280	95,005
Capital outlay	622,180	520,578	101,602
Other	300,000	-	300,000
<i>Total General Government - Support Administration</i>	<i>1,374,894</i>	<i>878,287</i>	<i>496,607</i>
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	500,000	500,000	-
 Total expenditures	 1,874,894	 1,378,287	 496,607
Net change in fund balance	(574,894)	96,076	670,970
Fund balance at beginning of year	457,390	457,390	-
Prior year encumbrances appropriated	119,424	119,424	-
Fund balance at end of year	\$ 1,920	\$ 672,890	\$ 670,970

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PRETRIAL AWARD FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 34,000	\$ -	\$ (34,000)
Expenditures:			
Current:			
General government:			
<i>Courts/judge - judge administration</i>			
Personal services	2,170	397	1,773
Other	3,213	3,213	-
<i>Total Courts/judge - judge administration</i>	<u>5,383</u>	<u>3,610</u>	<u>1,773</u>
Net change in fund balance	28,617	(3,610)	(32,227)
Fund balance at beginning of year	8,061	8,061	-
Fund balance at end of year	<u>\$ 36,678</u>	<u>\$ 4,451</u>	<u>\$ (32,227)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEQUE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
BUILDING ESCROW FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Other	\$ 200,000	\$ 126,575	\$ (73,425)
Expenditures:			
Current:			
General Government:			
<i>Safety Director - Code Enforcement Administration</i>			
Other	200,000	78,061	121,939
Net change in fund balance	-	48,514	48,514
Fund balance at beginning of year	92,838	92,838	-
Fund balance at end of year	\$ 92,838	\$ 141,352	\$ 48,514

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 VACANT/FORECLOSURE DEPOSITORY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 750,000	\$ 390,000	\$ (360,000)
Expenditures:			
Current:			
General Government:			
<i>Safety Director - Code Enforcement Administration</i>			
Other	1,878,875	437,525	1,441,350
Net change in fund balance	(1,128,875)	(47,525)	1,081,350
Fund balance at beginning of year	1,996,370	1,996,370	-
Fund balance at end of year	<u>\$ 867,495</u>	<u>\$ 1,948,845</u>	<u>\$ 1,081,350</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 EMPLOYEE RECOGNITION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Expenditures:			
Current:			
General Government			
<i>Mayor Administration:</i>			
Contractual services	\$ 143	\$ -	\$ 143
Net change in fund balance	(143)	-	143
Fund balance at beginning of year	143	143	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 143</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CITY HALL PLAZA FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 173	\$ 173	\$ -
Fund balance at end of year	<u>\$ 173</u>	<u>\$ 173</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 RECYCLE OHIO GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 7,516	\$ 7,516	\$ -
Fund balance at end of year	<u>\$ 7,516</u>	<u>\$ 7,516</u>	<u>\$ -</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
GUARDRAIL/ATTENUATOR REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Other	\$ 100,000	\$ 43,757	\$ (56,243)	
Expenditures:				
Current:				
General Government				
<i>Law Director - Law Administration:</i>				
Capital outlay	10,000	-	10,000	
Other	30,387	10,387	20,000	
<i>Total Law Director - Law Administration</i>	<u>40,387</u>	<u>10,387</u>	<u>30,000</u>	
Transportation:				
<i>Street Maintenance:</i>				
Contractual services	500	-	500	
Capital outlay	121,270	114,990	6,280	
Other	10,000	-	10,000	
<i>Total Street Maintenance</i>	<u>131,770</u>	<u>114,990</u>	<u>16,780</u>	
Total Expenditures	<u>172,157</u>	<u>125,377</u>	<u>46,780</u>	
Net change in fund balance		(72,157)	(81,620)	(9,463)
Fund balance at beginning of year	171,556	171,556	-	
Prior year encumbrances appropriated	35,052	35,052	-	
Fund balance at end of year	<u>\$ 134,451</u>	<u>\$ 124,988</u>	<u>\$ (9,463)</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SOUTHEAST COMMUNITY CENTER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 862	\$ 862	\$ -
Fund balance at end of year	<u>\$ 862</u>	<u>\$ 862</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CENTENNIAL PLAZA MAINTENANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Contributions and donations	\$ 100,000	\$ 100,000	\$ -
Rental income	37,500	37,825	325
Total revenues	137,500	137,825	325
Expenditures:			
Current:			
General Government			
<i>General government - support administration:</i>			
Contractual services	150,000	60,000	90,000
Net change in fund balance	(12,500)	77,825	(89,675)
Fund balance at beginning of year	\$ 25,000	\$ 25,000	\$ -
Fund balance at end of year	<u>\$ 12,500</u>	<u>\$ 102,825</u>	<u>\$ (89,675)</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 THURMAN MUNSON MEMORIAL STADIUM DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 1,566	\$ 1,566	\$ -
Fund balance at end of year	<u>\$ 1,566</u>	<u>\$ 1,566</u>	<u>\$ -</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEQUE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
RECOVERY COURT ATP FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 5,475	\$ 5,475	\$ -
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	5,810	4,306	1,504
Contractual services	5,475	-	5,475
Total Courts/Judge - Judge Administration	<u>11,285</u>	<u>4,306</u>	<u>6,979</u>
Net change in fund balance	(5,810)	1,169	6,979
Fund balance at beginning of year	5,821	5,821	-
Prior year encumbrances appropriated	400	400	-
Fund balance at end of year	<u>\$ 411</u>	<u>\$ 7,390</u>	<u>\$ 6,979</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
US DEPT JUSTICE/BUREAU ASST FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
			Positive (Negative)
Revenues:			
Operating grants	\$ -	\$ 58,756	\$ 58,756
Expenditures:			
Current:			
General Government:			
<i>Police Administration:</i>			
Capital outlay	\$ 117,512	\$ 117,512	\$ -
Net change in fund balance	(117,512)	(58,756)	58,756
Fund balance at beginning of year	<u>117,512</u>	<u>117,512</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 58,756</u></u>	<u><u>\$ 58,756</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PROJECT SAFE NEIGHBORHOOD GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Operating grants	\$ -	\$ 16,800	\$ 16,800	
Expenditures:				
Current:				
General Government:				
<i>Police Administration.</i>				
Capital outlay	16,800	16,800		-
Net change in fund balance	(16,800)			16,800
Fund balance at beginning of year	16,800	16,800		-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 16,800</u>	<u>\$ 16,800</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 JUSTICE REINVEST GRANT PROBATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 240,000	\$ 187,612	\$ (52,388)
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Personal services	229,843	195,763	34,080
Contractual services	6,011	5,950	61
Other	524	524	-
<i>Total Courts/judge - judge administration</i>	<u>236,378</u>	<u>202,237</u>	<u>34,141</u>
Net change in fund balance	3,622	(14,625)	(18,247)
Fund balance at beginning of year	<u>32,817</u>	<u>32,817</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 36,439</u></u>	<u><u>\$ 18,192</u></u>	<u><u>\$ (18,247)</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT TECHNOLOGY GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Operating grants	\$ 37,308	\$ -	\$ (37,308)
Expenditures:			
Current:			
General Government:			
<i>Courts/Judge - Judge Administration:</i>			
Contractual services	37,308	-	37,308
Net change in fund balance	-	-	(74,616)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,616)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
SPECIALIZED DOCKET GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Operating grants	\$ 170,000	\$ 130,000	\$ (40,000)	
Expenditures:				
Current:				
General Government:				
<i>Courts/Judge - Judge Administration:</i>				
Personal services	209,996	102,979	107,017	
Net change in fund balance	(39,996)	27,021	67,017	
Fund balance at beginning of year	42,959	42,959	-	
Fund balance at end of year	<u>\$ 2,963</u>	<u>\$ 69,980</u>	<u>\$ 67,017</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
OCJS 2020 PROJECT SAFE NEIGHBORHOOD
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
	Positive (Negative)		
Expenditures:			
Current:			
Security of persons and property:			
<i>Police Administration:</i>			
Capital outlay	\$ 22,800	\$ 22,800	\$ -
Excess of expenditures over revenues	(22,800)	(22,800)	-
Other financing sources:			
Advances in	22,800	22,800	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
DOWNTOWN CANTON TDD
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Other	\$ -	\$ 84,887	\$ 84,887	
Net change in fund balance	-	84,887	84,887	
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	<u>\$ -</u>	<u>\$ 84,887</u>	<u>\$ 84,887</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMPREHENSIVE PLAN IMPLEMENTATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Municipal income taxes	\$ 7,100,000	\$ 7,646,180	\$ 546,180
Operating grants	-	98,000	98,000
Other	10,000	107,501	97,501
Contributions and donations	386,451	386,451	-
Total revenues	7,496,451	8,238,132	741,681
Expenditures:			
Current:			
General Government:			
<i>General Government - Support Administration:</i>			
Materials and supplies	24,086	3,779	20,307
Contractual services	653,758	370,174	283,584
Capital outlay	3,705,639	2,230,079	1,475,560
Other	2,545,245	2,257,105	288,140
<i>Total General Government - Support Administration</i>	6,928,728	4,861,137	2,067,591
<i>Mayor - Administration:</i>			
Personal services	157,101	153,000	4,101
Contractual services	300,000	300,000	-
Capital outlay	1,250,000	1,186,219	63,781
Other	1,001,000	1,000,000	1,000
<i>Total Mayor - Administration</i>	2,708,101	2,639,219	68,882
Transportation:			
<i>Engineering - Daily Operations:</i>			
Materials and supplies	1,013,907	1,013,906	1
Contractual services	504,023	504,023	-
Capital outlay	1,832,069	1,832,069	-
<i>Total Transportation</i>	3,349,999	3,349,998	1
Total Expenditures	12,986,828	10,850,354	2,136,474
Excess of expenditures over revenues	(5,490,377)	(2,612,222)	2,878,155
Other financing sources (uses):			
Advances in	500,000	-	(500,000)
Advances (out)	(200,000)	(200,000)	-
Total other financing sources (uses)	300,000	(200,000)	(500,000)
Net change in fund balance	(5,190,377)	(2,812,222)	2,378,155
Fund balance at beginning of year	2,233,246	2,233,246	-
Prior year encumbrances appropriated	3,316,035	3,316,035	-
Fund balance at end of year	\$ 358,904	\$ 2,737,059	\$ 2,378,155

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
INCOME TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal income taxes	\$ 3,500,000	\$ 3,049,401	\$ (450,599)
Other	103,000	3,616	(99,384)
Total revenues	3,603,000	3,053,017	(549,983)
Expenditures:			
Current:			
General Government			
<i>Law Administration:</i>			
Personal services	87,933	84,192	3,741
<i>Income Tax Administration:</i>			
Personal services	1,195,407	1,150,807	44,600
Materials and supplies	140,936	121,625	19,311
Contractual services	223,100	195,628	27,472
Capital outlay	29,050	6,794	22,256
Other	1,776,550	1,701,349	75,201
Total Income Tax Administration	3,365,043	3,176,203	188,840
Debt Service:			
Principal retirement	6,887	6,883	4
Total Expenditures	3,459,863	3,267,278	192,585
Net change in fund balance	143,137	(214,261)	(357,398)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	214,261	214,261	-
Fund balance at end of year	\$ 357,398	\$ -	\$ (357,398)

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2021

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ 104,642	\$ -	\$ 104,642
Cash with fiscal agent	3,019	-	3,019
Receivables:			
Accounts	-	7,152	7,152
Total assets	<u>\$ 107,661</u>	<u>\$ 7,152</u>	<u>\$ 114,813</u>
Deferred inflows of resources:			
Charges for services revenue not available	\$ -	\$ 7,152	\$ 7,152
Fund balances:			
Restricted	<u>107,661</u>	-	<u>107,661</u>
Total deferred inflows of resources and fund balances	<u>\$ 107,661</u>	<u>\$ 7,152</u>	<u>\$ 114,813</u>

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>General Obligation Bond Retirement</u>	<u>Total Non Major Debt Service</u>
Revenues:		
Interest and investment income	\$ 15,872	\$ 15,872
Total revenues	<u>15,872</u>	<u>15,872</u>
Net change in fund balances	15,872	15,872
Fund balances at beginning of year	91,789	91,789
Fund balances at end of year	<u>\$ 107,661</u>	<u>\$ 107,661</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Interest and investment income	\$ 16,000	\$ 15,872		\$ (128)
Expenditures:				
Current:				
Debt Service:				
Interest and fiscal charges	50,000	-		50,000
Net change in fund balance	(34,000)	15,872		49,872
Fund balance at beginning of year	88,770	88,770		-
Fund balance at end of year	<u>\$ 54,770</u>	<u>\$ 104,642</u>		<u>\$ 49,872</u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021

	2015 Construction Reconstruction Note	2006 City Infrastructure Bond	2006 Recreational Bond	2006 Construction/ Reconstruction Bond
Assets:				
Equity in pooled cash and cash equivalents	\$ 821	\$ 555,380	\$ 450,579	\$ 10,691
Accrued interest	-	-	2	-
Due from other governments	-	-	-	-
Total assets	<u>821</u>	<u>555,380</u>	<u>450,581</u>	<u>10,691</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted	821	555,380	450,581	10,691
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>821</u>	<u>555,380</u>	<u>450,581</u>	<u>10,691</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>821</u>	<u>555,380</u>	<u>450,581</u>	<u>10,691</u>

2006 Judges Facilities/ City Hall Renovation Bond	13st St NW Roadway Reconstruction	11th Street Improvement Project	Tuscarawas Street West Corridor Safety Project	49th St NW Stm Sewer Rehab Project	Totals Nonmajor Capital Projects Funds
\$ 1,744	\$ -	\$ -	\$ -	\$ -	\$ 1,019,215
-	3,140	-	-	51,683	2 54,823
<u>\$ 1,744</u>	<u>\$ 3,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,683</u>	<u>\$ 1,074,040</u>
 \$ -	 \$ 3,140	 \$ 77,278	 \$ 481	 \$ 330,107	 \$ 411,006
1,744	-	-	-	-	1,019,217
-	-	(77,278)	(481)	(278,424)	(356,183)
<u>1,744</u>	<u>-</u>	<u>(77,278)</u>	<u>(481)</u>	<u>(278,424)</u>	<u>663,034</u>
 <u>\$ 1,744</u>	 <u>\$ 3,140</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 51,683</u>	 <u>\$ 1,074,040</u>

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	2015	2006	2006	2006
	Construction Reconstruction Note	City Infrastructure Bond	Recreational Bond	Construction/ Reconstruction Bond
Revenues:				
Interest and investment income	-	-	89	-
Capital grants	-	-	-	-
Total revenues	-	-	89	-
Expenditures:				
Capital outlay	-	213,122	-	-
Debt service:				
Principal retirement	3,400,000	-	-	-
Interest and fiscal charges	104,179	-	-	-
Total expenditures	3,504,179	213,122	-	-
Excess of revenues over (under) expenditures	(3,504,179)	(213,122)	89	-
Other financing sources:				
Note issuance	3,300,000	-	-	-
Issuance of loans	-	-	-	-
Transfers in	145,000	-	-	-
Total other financing sources	3,445,000	-	-	-
Net change in fund balances	(59,179)	(213,122)	89	-
Fund balances (deficit) at beginning of year	60,000	768,502	450,492	10,691
Fund balances (deficit) at end of year	\$ 821	\$ 555,380	\$ 450,581	\$ 10,691

2006 Judges Facilities/ City Hall Renovation Bond	13st St NW Roadway Reconstruction	Mahoning Rd Corridor Project	11th St NW Improvement Project	3rd Street SE Bridge Project	Tuscarawas Street West Corridor Safety Project	49th St NW Storm Sewer Rehab Project
-	262,212	551,203	-	-	-	51,683
-	262,212	551,203	-	-	-	51,683
-	209,073	719,603	77,278	-	481	330,107
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	209,073	719,603	77,278	-	481	330,107
-	53,139	(168,400)	(77,278)	-	(481)	(278,424)
-	-	-	-	-	-	-
-	-	205,818	-	-	-	-
-	-	-	-	-	-	-
-	-	205,818	-	-	-	-
-	53,139	37,418	(77,278)	-	(481)	(278,424)
1,744	(53,139)	(37,418)	-	(67,621)	-	-
<u>\$ 1,744</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (77,278)</u>	<u>\$ (67,621)</u>	<u>\$ (481)</u>	<u>\$ (278,424)</u>

(Continued)

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)
 FOR THE YEAR ENDING DECEMBER 31, 2021

	36th St NW Storm Roadway Water & Sewer	2020 Paving Project Phase 2 Harmont NE	Fulton Rd Resurf Proj GP 1184	Total Nonmajor Capital Projects Funds
Revenues:				
Interest and investment income	-	-	-	\$ 89
Capital grants	<u>632,433</u>	<u>200,000</u>	<u>67,631</u>	<u>1,765,162</u>
Total revenues	<u>632,433</u>	<u>200,000</u>	<u>67,631</u>	<u>1,765,251</u>
Expenditures:				
Capital outlay	360,668	200,000	10	2,110,342
Debt service:				
Principal retirement	-	-	-	3,400,000
Interest and fiscal charges	-	-	-	104,179
Total expenditures	<u>360,668</u>	<u>200,000</u>	<u>10</u>	<u>5,614,521</u>
Excess of revenues over (under) expenditures	<u>271,765</u>	<u>-</u>	<u>67,621</u>	<u>(3,849,270)</u>
Other financing sources:				
Note issuance	-	-	-	3,300,000
Issuance of loans	-	-	-	205,818
Transfers in	-	-	-	145,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,650,818</u>
Net change in fund balances	271,765	-	67,621	(198,452)
Fund balances (deficit) at beginning of year	<u>(271,765)</u>	<u>-</u>	<u>-</u>	<u>861,486</u>
Fund balances (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,621</u>	<u>\$ 663,034</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2015 CONSTRUCTION/RECONSTRUCTION NOTE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
			Positive (Negative)
Expenditures:			
Debt Service:			
<i>Principle Retirement:</i>			
Various purpose loans	3,500,000	3,400,000	100,000
<i>Interest and Fiscal Charges:</i>			
Various purpose loans	110,000	104,179	5,821
Total Debt Service	<u>3,610,000</u>	<u>3,504,179</u>	<u>105,821</u>
<i>Total expenditures</i>	<u>3,610,000</u>	<u>3,504,179</u>	<u>105,821</u>
Excess of expenditures over revenues	<u>(3,610,000)</u>	<u>(3,504,179)</u>	<u>105,821</u>
Other financing sources:			
Transfers in	150,000	145,000	5,000
Note issuance	3,400,000	3,300,000	(100,000)
Total other financing sources	<u>3,550,000</u>	<u>3,445,000</u>	<u>(95,000)</u>
Net change in fund balance	(60,000)	(59,179)	10,821
Fund balance at beginning of year	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 821</u>	<u>\$ 10,821</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 CITY INFRASTRUCTURE BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 500,000	\$ -	\$ (500,000)
Intergovernmental	250,000	-	(250,000)
Total revenues	<u>750,000</u>	<u>-</u>	<u>(750,000)</u>
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering Administration	1,193,664	647,579	546,085
Excess of Expenditures Over Revenues	(443,664)	(647,579)	203,915
Other financing sources:			
Issuance of loans	35,000	-	(35,000)
Net change in fund balance	(408,664)	(647,579)	(203,915)
Fund balance at beginning of year	708,685	708,685	-
Prior year encumbrances appropriated	71,937	71,937	-
Fund balance at end of year	<u>\$ 371,958</u>	<u>\$ 133,043</u>	<u>\$ (203,915)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2006 RECREATIONAL BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Interest and investment income	\$ -	\$ 87	\$ 87	
Net change in fund balance		-	87	87
Fund balance at beginning of year	<u>450,492</u>	<u>450,492</u>		-
Fund balance at end of year	<u>\$ 450,492</u>	<u>\$ 450,579</u>	<u>\$ 87</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 CONSTRUCTION/RECONSTRUCTION BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 10,691	\$ 10,691	\$ -
Fund balance at end of year	<u>\$ 10,691</u>	<u>\$ 10,691</u>	<u>\$ -</u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 2006 JUDGES FACILITIES/CITY HALL RENOVATION BOND FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Fund balance at beginning of year	\$ 1,743	\$ 1,743	\$ -
Fund balance at end of year	<u>\$ 1,743</u>	<u>\$ 1,743</u>	<u>\$ -</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 13TH ST NW ROADWAY RECONSTRUCTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 803,921	\$ 800,781	\$ (3,140)	
Expenditures:				
Capital Outlay:				
<i>Service Director:</i>				
Engineering - 13th St NW Rdwy Recon Project	803,921	803,921		-
Net change in fund balance	-	(3,140)	(3,140)	
Fund balance (deficit) at beginning of year	(803,920)	(803,920)		-
Prior year encumbrances appropriated	803,920	803,920		-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (3,140)</u>	<u>\$ (3,140)</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MAHONING RD CORRIDOR PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 775,627	\$ 551,202	\$ (224,425)	
Expenditures:				
Capital Outlay:				
<i>Service Director:</i>				
Engineering - Mahoning Road Corridor Project	775,627	775,627		-
Excess of revenues over (under) expenditures	-	(224,425)		(224,425)
Other financing sources:				
Issuance of loans	-	205,819		205,819
Net change in fund balance	-	(18,606)		(18,606)
Fund balance (deficit) at beginning of year	(235,243)	(235,243)		-
Prior year encumbrances appropriated	235,243	235,243		-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (18,606)</u>	<u>\$ (18,606)</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 11TH ST NW IMPROVEMENT PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget
			Positive (Negative)
Revenues:			
Capital grants	\$ 240,000	\$ -	\$ (240,000)
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 11th St NW Improvement Project	227,760	107,760	120,000
Net change in fund balance	12,240	(107,760)	(120,000)
Fund balance (deficit) at beginning of year	(107,760)	(107,760)	-
Prior year encumbrances appropriated	107,760	107,760	-
Fund balance (deficit) at end of year	<u>\$ 12,240</u>	<u>\$ (107,760)</u>	<u>\$ (120,000)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
3RD STREET SE BRIDGE PROJECT GP 1167 FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Capital grants	\$ 88,466	\$ 88,466	\$ -
Expenditures:			
Capital Outlay:			
<i>Service director:</i>			
3rd St SE Bridge Project GP 1167	88,466	88,466	-
<i>Water:</i>			
37th Street Water Sewer Str Improvement Project	(181,556)	(181,556)	-
Total Expenditures	(93,090)	(93,090)	-
Excess of revenues over expenditures	181,556	181,556	-
Other financing sources:			
Issuance of loans	(255,000)	(181,556)	73,444
Net change in fund balance	(73,444)	-	73,444
Fund balance at beginning of year	(88,466)	(88,466)	-
Prior year encumbrances appropriated	88,466	88,466	-
Fund balance (deficit) at end of year	<u><u>\$ (73,444)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 73,444</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
TUSCARAWAS STREET WEST CORRIDOR SAFETY PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 1,338	\$ -	\$ (1,338)	
Expenditures:				
Capital Outlay:				
<i>Service Director:</i>				
Engineering - Tusc St W Corr Safety Project 92562	1,338	1,338		-
Net change in fund balance	-	(1,338)	(1,338)	
Fund balance (deficit) at beginning of year	(1,338)	(1,338)		-
Prior year encumbrances appropriated	1,338	1,338		-
Fund balance (deficit) at end of year	\$ -	\$ (1,338)	\$ (1,338)	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
3RD ST SE RESURFACING PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
	Positive (Negative)		
Revenues:			
Capital grants	\$ 73,525	\$ -	\$ (73,525)
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 3rd St SE Bridge Rehab Project	<u>73,525</u>	<u>73,525</u>	<u>-</u>
Net change in fund balance	-	(73,525)	(73,525)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (73,525)</u>	<u>\$ (73,525)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
12th STREET NW BRIDGE REPLACEMENT PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Capital grants	\$ 19,147	\$ -	\$ (19,147)
Net change in fund balance	19,147	-	(19,147)
Fund balance (deficit) at beginning of year	(19,146)	(19,146)	-
Prior year encumbrances appropriated	19,146	19,146	-
Fund balance at end of year	\$ 19,147	\$ -	\$ (19,147)

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 41ST ST NW ROADWAY RECONSTRUCTION PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 32,715	\$ -	\$ (32,715)	
Expenditures:				
Capital Outlay:				
<i>Service Director:</i>				
Engineering - 41th St NW Roadway Reconstruction Project	32,715	32,715		-
Net change in fund balance	-	(32,715)	(32,715)	
Fund balance (deficit) at beginning of year	(32,715)	(32,715)		-
Prior year encumbrances appropriated	32,715	32,715		-
Fund balance (deficit) at end of year	\$ -	\$ (32,715)	\$ (32,715)	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 30TH STREET NW RESURFACING PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Capital grants	\$ 381,478	\$ -	\$ (381,478)	
Expenditures:				
Capital Outlay:				
<i>Service Director:</i>				
Engineering - 30th St NW Resurf Proj GP 1238	381,478	-	381,478	
Net change in fund balance	-	-	-	
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 36TH ST NW STORM RDWY WTR&SWR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Capital grants	\$ 2,325,927	\$ 757,830	\$ (1,568,097)
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 36th St W Str, Rdwy, Wtr&Swr	<u>2,325,927</u>	<u>2,121,318</u>	<u>204,609</u>
Net change in fund balance	-	(1,363,488)	(1,363,488)
Fund balance (deficit) at beginning of year	(825,927)	(825,927)	-
Prior year encumbrances appropriated	<u>825,927</u>	<u>825,927</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ -</u></u>	<u><u>\$ (1,363,488)</u></u>	<u><u>\$ (1,363,488)</u></u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
2020 PAVING PROJECT PHASE 2 HARMONT NE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Capital grants	\$ 200,000	\$ 200,000	\$ -
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - 2020 Paving Proj Ph 2 Harmont NE	200,000	200,000	-
Net change in fund balance	-	-	-
Fund balance (deficit) at beginning of year	(178,110)	(178,110)	-
Prior year encumbrances appropriated	178,110	178,110	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STEESE AREA 39TH ST NW SEWER PROJECT
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Capital grants	\$ 1,500,000	\$ -	\$ (1,500,000)
Expenditures:			
Capital Outlay:			
<i>Service Director:</i>			
Engineering - Steese Area 39th St NW Sewer Project	1,500,000	1,500,000	-
Net change in fund balance	-	(1,500,000)	(1,500,000)
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (1,500,000)</u>	<u>\$ (1,500,000)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

Fund Description - Major Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates three Major enterprise funds:

Water Operating Fund

The water operating enterprise fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City and surrounding communities.

Sewer Operating Fund

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

Refuse Operating Fund

The refuse operating enterprise fund accounts for the provision of trash collection to the residents and commercial users located in the City.

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
WATER OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 20,371,500	\$ 21,129,663	\$ 758,163
Rental income	26,000	30,944	4,944
Capital grants	3,061,539	876,220	(2,185,319)
Other	-	106,229	106,229
Total revenues	<u>23,459,039</u>	<u>22,143,056</u>	<u>(1,315,983)</u>
Expenses:			
Personal services	8,154,922	7,414,022	740,900
Materials and supplies	2,231,863	1,964,543	267,320
Contractual services	8,638,344	7,756,938	881,406
Capital outlay	13,924,227	9,940,464	3,983,763
Claims	239,194	128,030	111,164
Other	81,696	52,617	29,079
Debt service:			
Principal retirement	2,725,977	2,607,702	118,275
Interest and fiscal charges	685,861	685,316	545
Total expenses	<u>36,682,084</u>	<u>30,549,632</u>	<u>6,132,452</u>
Excess of expenses over revenues	<u>(13,223,045)</u>	<u>(8,406,576)</u>	<u>4,816,469</u>
Nonoperating revenues (expenses):			
Sale of notes	1,650,000	-	(1,650,000)
Sale of assets	2,500	7,830	5,330
Transfer in	293,000	299,601	6,601
Transfer (out)	(349,749)	(344,350)	5,399
Loan proceeds	3,734,942	2,337,478	(1,397,464)
Capital contributions	200,000	-	(200,000)
Total nonoperating revenues (expenses)	<u>5,530,693</u>	<u>2,300,559</u>	<u>(3,230,134)</u>
Net change in fund balance	<u>(7,692,352)</u>	<u>(6,106,017)</u>	<u>1,586,335</u>
Fund balance at beginning of year	13,735,099	13,735,099	-
Prior year encumbrances appropriated	5,452,978	5,452,978	-
Fund balance at end of year	<u>\$ 11,495,725</u>	<u>\$ 13,082,060</u>	<u>\$ 1,586,335</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
SEWER OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 1,500	\$ (5,968)	\$ (7,468)
Intergovernmental	5,100,000	6,225,170	1,125,170
Licenses, permits, and fees	20,058,000	17,847,145	(2,210,855)
Rental income	10,000	8,851	(1,149)
Other	644,000	50,616	(593,384)
Total revenues	25,813,500	24,125,814	(1,687,686)
Expenses:			
Personal services	7,358,786	6,435,282	923,504
Materials and supplies	2,191,646	1,933,124	258,522
Contractual services	12,228,939	9,501,156	2,727,783
Capital outlay	13,741,613	3,772,676	9,968,937
Claims	1,343,150	1,327,285	15,865
Other	296,296	109,606	186,690
Debt service:			
Principal retirement	3,486,320	3,486,314	6
Interest and fiscal charges	2,146,966	2,146,959	7
Total expenses	42,793,716	28,712,402	14,081,314
Excess of expenses over revenues	(16,980,216)	(4,586,588)	12,393,628
Nonoperating revenues (expenses):			
Sale of assets	6,000	100	(5,900)
Sale of assets	3,640,000	-	(3,640,000)
Transfer in	1,500,000	1,520,000	20,000
Transfer (out)	(1,553,300)	(1,553,300)	-
Issuance of loans	2,457,670	2,115	(2,455,555)
Total nonoperating revenues (expenses)	6,050,370	(31,085)	(6,081,455)
Net change in fund balance	(10,929,846)	(4,617,673)	6,312,173
Fund balance (deficit) at beginning of year	12,389,951	12,389,951	-
Prior year encumbrances appropriated	6,387,715	6,387,715	-
Fund balance at end of year	\$ 7,847,820	\$ 14,159,993	\$ 6,312,173

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
REFUSE OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 7,600,000	\$ 8,191,718	\$ 591,718
Operating grants	50,000	45,375	(4,625)
Other	75,000	29,326	(45,674)
Total revenues	7,725,000	8,266,419	541,419
Expenses:			
Personal services	4,549,121	4,149,315	399,806
Materials and supplies	330,866	304,562	26,304
Contractual services	2,596,884	2,522,902	73,982
Capital outlay	828,891	798,440	30,451
Claims	8,000	2,634	5,366
Other	31,148	24,376	6,772
Debt Services:			
Principal Retirement	135,000	135,029	(29)
Interest and Fiscal Charges	30,000	29,971	29
Total expenses	8,509,910	7,967,229	542,681
Excess of expenses over revenues	(784,910)	299,190	1,084,100
Nonoperating revenues (expenses):			
Sale of assets	-	(16,283)	(16,283)
Transfer (out)	(50,000)	(50,000)	-
Total nonoperating revenues (expenses)	(50,000)	(66,283)	(16,283)
Net change in fund balance	(834,910)	232,907	1,067,817
Fund balance at beginning of year	1,198,873	1,198,873	-
Prior year encumbrances appropriated	234,968	234,968	-
Fund balance at end of year	\$ 598,931	\$ 1,666,748	\$ 1,067,817

**CITY OF CANTON
STARK COUNTY, OHIO**

Fund Descriptions - Non Major Enterprise Fund

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The City operates one Nonmajor Enterprise Fund:

Building Code Fund

The building code enterprise fund accounts for the provision of license and permit fees collection related to the enforcement of the city building code.

The budgetary statement is only shown, since the building code fund is the City's only nonmajor enterprise fund.

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BUILDING CODE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 1,735,500	\$ 2,142,524	\$ 407,024
Licenses, permits, and fees	541,250	631,066	89,816
Other	45,000	19,458	(25,542)
Intergovernmental-federal	-	4,217	4,217
Total revenues	2,321,750	2,797,265	475,515
Expenses:			
Personal services	1,531,487	1,363,315	168,172
Materials and supplies	47,881	47,853	28
Contractual services	1,087,803	1,067,701	20,102
Capital outlay	66,117	66,117	-
Claims	24,510	24,510	-
Other	6,844	6,844	-
Debt Services:			
Principal Retirement	-	2,071	(2,071)
Interest and Fiscal Charges	-	750	(750)
Total expenses	2,764,642	2,579,161	185,481
Net change in fund balance	(442,892)	218,104	660,996
Fund balance at beginning of year	1,445,073	1,445,073	-
Prior year encumbrances appropriated	202,967	202,967	-
Fund balance at end of year	\$ 1,205,148	\$ 1,866,144	\$ 660,996

**CITY OF CANTON
STARK COUNTY, OHIO**

Fund Description - Internal Service Funds

Internal Service Funds are established to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Workers' Compensation Retrospective Fund

To account for the charges to the operating funds on a percentage of payroll basis and the payment of premiums and claims under the retrospective rating plan as provided by the Ohio Bureau of Workers' Compensation.

Health Insurance Fund

To account for charges to the operating funds on a per employee basis for the health and hospitalization self insurance, eye and dental insurance and for payments to AFSCME for the unions' administered employees' eye and dental premiums. This fund also pays the salaries and fringe benefits of the employees responsible for administering and processing claims.

Compensated Absences Claim Fund

To account for charges to the operating funds on a per employee basis for the claims associated with and mandated by local and state fringe benefit provisions including accumulated sick time, continuing disability, banked vacation, and termination pay.

Vehicle Self Insurance Fund

To account for charges to the operating funds on a per fund basis for the claims associated with a vehicle self insurance fund. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

Motor Vehicles Department Fund

To account for charges to the operating funds on a per fund basis for the department of motor vehicles. This fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the internal service funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2021

	Workers' Compensation Retrospective	Health Insurance	Compensated Absences Claim	Total Nonmajor Internal Service
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 2,697,573	\$ 3,741,706	\$ 673,228	\$ 7,112,507
Receivables:				
Accounts	-	267,711	140,791	408,502
Prepayments	1,415	1,423	71,455	74,293
Due from other funds	-	-	128,119	128,119
Due from other governments	21,204	6,630	-	27,834
Due from component unit	85,961	28,485	-	114,446
Total assets	<u>2,806,153</u>	<u>4,045,955</u>	<u>1,013,593</u>	<u>7,865,701</u>
Liabilities:				
Current liabilities:				
Accounts payable	8,503	435,453	460	444,416
Payroll withholding payable	1,386	2,656	49,546	53,588
Accrued wages and benefits payable	2,778	5,432	126,616	134,826
Due to other governments	429	839	19,562	20,830
Compensated absences payable	-	-	1,711,860	1,711,860
Claims payable	506,924	553,107	-	1,060,031
Total current liabilities	<u>520,020</u>	<u>997,487</u>	<u>1,908,044</u>	<u>3,425,551</u>
Non-current liabilities:				
Compensated absences payable	-	-	6,580,685	6,580,685
Claims payable	1,162,216	-	-	1,162,216
Total non-current liabilities	<u>1,162,216</u>	<u>-</u>	<u>6,580,685</u>	<u>7,742,901</u>
Total liabilities	<u>1,682,236</u>	<u>997,487</u>	<u>8,488,729</u>	<u>11,168,452</u>
Net position:				
Unrestricted (deficit)	<u>\$ 1,123,917</u>	<u>\$ 3,048,468</u>	<u>\$ (7,475,136)</u>	<u>\$ (3,302,751)</u>

CITY OF CANTON
STARK COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Workers' Compensation Retrospective	Health Insurance	Compensated Absences Claim	Total Nonmajor Internal Service
Operating revenues:				
Charges for services	\$ 1,060,185	\$ 11,166,484	\$ 4,000,027	\$ 16,226,696
Other	86,238	2,102,783	2,569	2,191,590
Total operating revenues	<u>1,146,423</u>	<u>13,269,267</u>	<u>4,002,596</u>	<u>18,418,286</u>
Operating expenses:				
Personal services	-	307,972	2,085	310,057
Contract services	67,684	1,112,887	10,600	1,191,171
Materials and supplies	-	71	-	71
Benefit claims and expenses	-	-	4,780,811	4,780,811
Insurance claims and expenses	1,185,659	11,357,408	-	12,543,067
Total operating expenses	<u>1,253,343</u>	<u>12,778,338</u>	<u>4,793,496</u>	<u>18,825,177</u>
Operating income (loss)	<u>(106,920)</u>	<u>490,929</u>	<u>(790,900)</u>	<u>(406,891)</u>
Change in net position	<u>(106,920)</u>	<u>490,929</u>	<u>(790,900)</u>	<u>(406,891)</u>
Net position (deficit) at beginning of year	<u>1,230,837</u>	<u>2,557,539</u>	<u>(6,684,236)</u>	<u>(2,895,860)</u>
Net position (deficit) at end of year	<u><u>\$ 1,123,917</u></u>	<u><u>\$ 3,048,468</u></u>	<u><u>\$ (7,475,136)</u></u>	<u><u>\$ (3,302,751)</u></u>

CITY OF CANTON
STARK COUNTY, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Workers' Compensation Retrospective	Health Insurance	Compensated Absences Claim	Total Nonmajor Internal Service
Cash flows from operating activities:				
Cash received from charges for services	\$ 1,060,185	\$ 11,166,484	\$ 4,000,027	\$ 16,226,696
Cash received from other operations	89,024	1,900,756	2,569	1,992,349
Cash payments for personal services	(119,189)	(129,215)	-	(248,404)
Cash payments for contractual services	(69,434)	(1,113,007)	(36,752)	(1,219,193)
Cash payments for materials and supplies	-	(71)	-	(71)
Cash payments for insurance claims	(1,187,996)	(11,040,092)	-	(12,228,088)
Cash payments for benefits claims	-	-	(4,605,730)	(4,605,730)
Net cash provided by (used in) operating activities	(227,410)	784,855	(639,886)	(82,441)
Net increase (decrease) in cash and cash equivalents	(227,410)	784,855	(639,886)	(82,441)
Cash and cash equivalents at beginning of year	2,924,983	2,956,851	1,313,114	7,194,948
Cash and cash equivalents at end of year	\$ 2,697,573	\$ 3,741,706	\$ 673,228	\$ 7,112,507
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (106,920)	\$ 490,929	\$ (790,900)	\$ (406,891)
Changes in assets and liabilities:				
(Increase) in accounts receivable	-	(202,027)	-	(202,027)
Decrease in due from other governments	2,786	-	-	2,786
(Increase) in due from other funds	-	-	(89,004)	(89,004)
(Increase) in due from component unit	(2,337)	(17,551)	-	(19,888)
Decrease in prepayments	106	169	2,085	2,360
Increase (decrease) in accounts payable	(121,058)	174,206	460	53,608
Increase (decrease) in accrued wages and benefits	(5)	2,649	47,662	50,306
Increase in due to other governments	39	449	7,363	7,851
Increase (decrease) in payroll withholding payable	(21)	1,164	(26,152)	(25,009)
Increase in compensated absences payable	-	-	208,600	208,600
Increase in claims payable	-	334,867	-	334,867
Net cash provided by (used in) operating activities	\$ (227,410)	\$ 784,855	\$ (639,886)	\$ (82,441)

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
WORKERS' COMPENSATION RETROSPECTIVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Charges for services	\$ 1,500,000	\$ 1,060,185	\$ (439,815)	
Other	500,000	72,276	(427,724)	
Total revenues	<u>2,000,000</u>	<u>1,132,461</u>	<u>(867,539)</u>	
Expenses:				
Personal services	126,206	102,420	23,786	
Materials and supplies	2,850	-	2,850	
Contractual services	214,249	94,604	119,645	
Insurance claims and expenses	1,500,000	1,187,996	312,004	
Other	3,200	-	3,200	
Total expenses	<u>1,846,505</u>	<u>1,385,020</u>	<u>461,485</u>	
Net change in fund balance	153,495	(252,559)	(406,054)	
Fund balance at beginning of year	2,805,724	2,805,724		-
Prior year encumbrances appropriated	117,852	117,852		-
Fund balance at end of year	<u>\$ 3,077,071</u>	<u>\$ 2,671,017</u>	<u>\$ (406,054)</u>	

CITY OF CANTON
STARK COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 HEALTH INSURANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 10,600,000	\$ 11,166,484	\$ 566,484
Other	1,975,000	1,900,756	(74,244)
Total revenues	<u>12,575,000</u>	<u>13,067,240</u>	<u>492,240</u>
Expenses:			
Personal services	135,806	130,379	5,427
Materials and supplies	4,125	71	4,054
Contractual services	1,491,782	1,214,664	277,118
Insurance claims and expenses	12,678,385	12,667,521	10,864
Other	1,287	-	1,287
Total expenses	<u>14,311,385</u>	<u>14,012,635</u>	<u>298,750</u>
Net change in fund balance	(1,736,385)	(945,395)	790,990
Fund balance at beginning of year	1,739,765	1,739,765	-
Prior year encumbrances appropriated	1,215,594	1,215,594	-
Fund balance at end of year	<u>\$ 1,218,974</u>	<u>\$ 2,009,964</u>	<u>\$ 790,990</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
COMPENSATED ABSENCES CLAIM FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for services	\$ 4,050,000	\$ 4,000,027	\$ (49,973)
Other	407,000	2,569	(404,431)
Total revenues	<u>4,457,000</u>	<u>4,002,596</u>	<u>(454,404)</u>
Expenses:			
Personal services	4,963,500	4,605,730	357,770
Contractual services	20,000	10,600	9,400
Total expenses	<u>4,983,500</u>	<u>4,616,330</u>	<u>367,170</u>
Excess of revenues over (under) expenditures	(526,500)	(613,734)	(87,234)
Net change in fund balance	(526,500)	(613,734)	(87,234)
Fund balance at beginning of year	1,237,226	1,237,226	-
Prior year encumbrances appropriated	190	190	-
Fund balance at end of year	<u>\$ 710,916</u>	<u>\$ 623,682</u>	<u>\$ (87,234)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
VEHICLE SELF INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget	
			Positive (Negative)	
Revenues:				
Interest	\$ -	\$ 43	\$ 43	
Other	25,000	23,696	(1,304)	
Total revenues	25,000	23,739	(1,261)	
Expenses:				
Personal services	67,764	40,019	27,745	
Contractual services	97,800	84,191	13,609	
Insurance claim expenses	449,154	365,445	83,709	
Total expenses	614,718	489,655	125,063	
Excess of expenses over revenues	(589,718)	(465,916)	123,802	
Nonoperating revenue:				
Transfers in	280,000	276,000	(4,000)	
Net change in fund balance	(309,718)	(189,916)	119,802	
Fund balance at beginning of year	550,634	550,634	-	
Prior year encumbrances appropriated	41,674	41,674	-	
Fund balance at end of year	<u>\$ 282,590</u>	<u>\$ 402,392</u>	<u>\$ 119,802</u>	

**CITY OF CANTON
STARK COUNTY, OHIO**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
MOTOR VEHICLES DEPARTMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Final Budget	Actual	Variance with Final Budget
			Positive (Negative)
Revenues:			
Charges for services	\$ 3,400,000	\$ 3,324,052	\$ (75,948)
Other	150,000	62,444	(87,556)
Total revenues	<u>3,550,000</u>	<u>3,386,496</u>	<u>(163,504)</u>
Expenses:			
Personal services	1,431,493	1,382,787	48,706
Materials and supplies	1,398,499	1,378,671	19,828
Contractual services	676,810	632,517	44,293
Capital outlay	25,844	24,568	1,276
Insurance claim expenses	100	-	100
Other	11,375	8,667	2,708
Total expenses	<u>3,544,121</u>	<u>3,427,210</u>	<u>116,911</u>
Net change in fund balance	5,879	(40,714)	(46,593)
Fund balance at beginning of year	78,874	78,874	-
Prior year encumbrances appropriated	262,071	262,071	-
Fund balance at end of year	<u>\$ 346,824</u>	<u>\$ 300,231</u>	<u>\$ (46,593)</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

Fund Descriptions - Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. The following are the City's fiduciary fund types:

Custodial Funds

Custodial funds do not recognize revenues or expenditures, only changes in assets and liabilities. These funds are used to record the collection and payment of refundable deposits, taxes collected for other governments, and municipal court.

Downtown Special Improvement District Fund:

To keep track of property taxes collect by the City for a Special Improvement District. Once the City receives the money it is immediately reimbursed to the board of the district.

Building Department State Assessment Fund:

To account for assessments that are collected by the City on building projects on behalf of the state.

Jackson-Canton JEDD Fund:

To account for the receipt and disbursement of JEDD income taxes.

Municipal Court Fund:

To account for municipal court activities, including the civil division and trusteeship accounts not currently reflected on the City's records.

Board of Health Fund:

To account for Board of Health monies held by the City for various health education, prevention, and treatment programs in the City.

**CITY OF CANTON
STARK COUNTY, OHIO**

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2021

	Downtown Special Improvement District Fund	Building Department State Assessemement Fund	Jackson - Canton JEDD Fund	Municipal Court Fund
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 1,278	\$ 55,343	\$ -
Cash in segregated accounts	- -	- -	- -	93,137 -
Receivables (net of allowances for uncollectibles):				
Accounts	8,140 -	- -	- -	- -
Due from other governments	- -	- -	- -	- -
Total assets	<u>8,140</u>	<u>1,278</u>	<u>55,343</u>	<u>93,137</u>
Liabilities:				
Due to primary government	- -	- -	- -	- -
Due to other governments	- -	- -	- -	93,137 -
Payroll withholding payable	- -	- -	- -	- -
Total liabilities	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>93,137</u>
Net position:				
Restricted for individuals, organizations and other governments	8,140	1,278	55,343	- -
Total net position	<u><u>\$ 8,140</u></u>	<u><u>\$ 1,278</u></u>	<u><u>\$ 55,343</u></u>	<u><u>\$ -</u></u>

Board of Health Fund	Total
\$ 5,477,904	\$ 5,534,525
-	93,137
90,717	98,857
<u>353,339</u>	<u>353,339</u>
<u>5,921,960</u>	<u>6,079,858</u>
109,160	109,160
-	93,137
<u>59,204</u>	<u>59,204</u>
<u>168,364</u>	<u>261,501</u>
<u>5,753,596</u>	<u>5,818,357</u>
<u>\$ 5,753,596</u>	<u>\$ 5,818,357</u>

**CITY OF CANTON
STARK COUNTY, OHIO**

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

	Downtown Special Improvement District Fund	Building Department State Assessement Fund	Jackson - Canton JEDD Fund	Municipal Court Fund
Additions:				
Amounts received as fiscal agent	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures for other governments	- -	16,898	- -	1,449,713
Property tax collection for other governments	<u>186,328</u>	<u>-</u>	<u>1,136,870</u>	<u>-</u>
Total additions	<u>186,328</u>	<u>16,898</u>	<u>1,136,870</u>	<u>1,449,713</u>
Deductions:				
Distributions as fiscal agent	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures distributions to other governments	- -	16,712	- -	1,449,713
Property tax distributions to other governments	<u>188,244</u>	<u>-</u>	<u>1,147,643</u>	<u>-</u>
Total deductions	<u>188,244</u>	<u>16,712</u>	<u>1,147,643</u>	<u>1,449,713</u>
Net change in fiduciary net position	(1,916)	186	(10,773)	-
Net position beginning of year	<u>10,056</u>	<u>1,092</u>	<u>66,116</u>	<u>-</u>
Net position end of year	<u><u>\$ 8,140</u></u>	<u><u>\$ 1,278</u></u>	<u><u>\$ 55,343</u></u>	<u><u>\$ -</u></u>

Board of Health Fund	Total
\$ 7,422,970	\$ 7,422,970
- 1,466,611	
- 1,323,198	
<u>7,422,970</u>	<u>10,212,779</u>
 \$ 7,808,039	 7,808,039
- 1,466,425	
- 1,335,887	
<u>7,808,039</u>	<u>10,610,351</u>
 (385,069)	 (397,572)
<u>6,138,665</u>	<u>6,215,929</u>
 <u>\$ 5,753,596</u>	 <u>\$ 5,818,357</u>

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CANTON, OHIO

STATISTICAL
City of Canton, Ohio

**CITY OF CANTON
STARK COUNTY, OHIO
STATISTICAL SECTION**

This part of the City of Canton, 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>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S1 - S10
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes.	S11 - S12
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S13 - S23
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	S24 - S25
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S27 - S32
Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.	

CITY OF CANTON
STARK COUNTY, OHIO
 NET POSITION BY COMPONENT
 LAST TEN YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Governmental Activities				
Net investment in capital assets	\$ 167,834,977	\$ 161,172,446	\$ 148,563,517	\$ 134,323,608
Restricted	28,252,221	22,180,996	26,137,839	19,608,510
Unrestricted	(53,780,403)	(72,489,858)	(76,901,325)	(118,676,629)
Total Governmental Activities Net Position	<u>\$ 142,306,795</u>	<u>\$ 110,863,584</u>	<u>\$ 97,800,031</u>	<u>\$ 35,255,489</u>
Business-Type Activities				
Net investment in capital assets	\$ 129,989,301	\$ 121,744,301	\$ 109,824,923	\$ 93,402,528
Unrestricted	35,503,382	23,103,692	20,788,924	27,255,096
Total Business-Type Activities Net Position	<u>\$ 165,492,683</u>	<u>\$ 144,847,993</u>	<u>\$ 130,613,847</u>	<u>\$ 120,657,624</u>
Primary Government				
Net investment in capital assets	\$ 297,824,278	\$ 282,916,747	\$ 258,388,440	\$ 227,726,136
Restricted	28,252,221	22,180,996	26,137,839	19,608,510
Unrestricted	(18,277,021)	(49,386,166)	(56,112,401)	(91,421,533)
Total Primary Government Net Position	<u>\$ 307,799,478</u>	<u>\$ 255,711,577</u>	<u>\$ 228,413,878</u>	<u>\$ 155,913,113</u>

Note: The City has implemented GASB Statements No. 63 & 65 in fiscal year 2012.

Note: The City has implemented GASB Statements No. 75 in fiscal year 2018 and restated fiscal year 2017.

2017	2016	2015	2014	2013	2012
\$ 127,232,203	\$ 120,105,838	\$ 114,318,575	\$ 106,702,688	\$ 99,188,330	\$ 96,544,493
20,359,389	17,870,574	21,643,804	19,038,897	20,669,995	25,988,085
(119,444,515)	(63,674,938)	(62,270,207)	10,069,695	8,055,536	5,978,878
<u>\$ 28,147,077</u>	<u>\$ 74,301,474</u>	<u>\$ 73,692,172</u>	<u>\$ 135,811,280</u>	<u>\$ 127,913,861</u>	<u>\$ 128,511,456</u>
\$ 80,091,786	\$ 81,244,719	\$ 75,533,187	\$ 70,635,102	\$ 70,583,131	\$ 68,382,938
34,552,456	37,500,121	33,635,250	42,265,775	40,577,502	37,550,898
<u>\$ 114,644,242</u>	<u>\$ 118,744,840</u>	<u>\$ 109,168,437</u>	<u>\$ 112,900,877</u>	<u>\$ 111,160,633</u>	<u>\$ 105,933,836</u>
\$ 207,323,989	\$ 201,350,557	\$ 189,851,762	\$ 177,337,790	\$ 169,771,461	\$ 164,927,431
20,359,389	17,870,574	21,643,804	19,038,897	20,669,995	25,988,085
(84,892,059)	(26,174,817)	(28,634,957)	52,335,470	48,633,038	43,529,776
<u>\$ 142,791,319</u>	<u>\$ 193,046,314</u>	<u>\$ 182,860,609</u>	<u>\$ 248,712,157</u>	<u>\$ 239,074,494</u>	<u>\$ 234,445,292</u>

CITY OF CANTON
STARK COUNTY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCURAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Expenses				
<i>Governmental activities:</i>				
General government	\$ 22,317,191	\$ 37,839,708	\$ 28,025,343	\$ 23,835,090
Security of persons and property	41,486,099	46,358,477	8,837,144	51,177,610
Public health	-	-	1,232,398	9,104,599
Transportation	11,401,192	14,268,076	12,622,505	13,157,017
Community environment	6,954,076	6,898,548	5,321,317	6,073,153
Leisure time activities	6,468,004	6,886,494	6,667,334	5,396,449
Economic development	-	-	-	-
Interest and fiscal charges	353,183	403,843	458,779	832,149
<i>Total governmental activities expenses</i>	<u>88,979,745</u>	<u>112,655,146</u>	<u>63,164,820</u>	<u>109,576,067</u>
<i>Business-type activities:</i>				
Water	12,911,295	13,087,071	17,040,979	18,111,531
Sewer	14,385,898	17,151,513	15,504,917	17,822,870
Refuse	6,197,967	7,250,380	7,391,458	6,739,833
Building	1,358,349	2,556,414	2,560,417	2,222,500
<i>Total business-type activities expenses</i>	<u>34,853,509</u>	<u>40,045,378</u>	<u>42,497,771</u>	<u>44,896,734</u>
Total Primary Government Expenses	<u><u>\$ 123,833,254</u></u>	<u><u>\$ 152,700,524</u></u>	<u><u>\$ 105,662,591</u></u>	<u><u>\$ 154,472,801</u></u>
Program Revenues				
<i>Governmental activities:</i>				
Charges for services:				
EMS charges	\$ 2,629,583	\$ 2,631,301	\$ 2,465,507	\$ 2,271,759
Leisure time activities	226,264	173,710	183,892	183,261
Licenses, permits, and fees	1,093,708	719,466	779,435	824,804
Municipal court revenue	3,033,295	2,648,132	3,580,152	3,652,096
Other activities	6,903,017	8,510,162	7,274,893	7,505,583
Operating grants and contributions	14,568,356	25,512,200	14,009,562	19,621,140
Capital grants and contributions	2,698,851	3,851,157	9,479,469	8,231,824
<i>Total governmental activities program revenues</i>	<u>31,153,074</u>	<u>44,046,128</u>	<u>37,772,910</u>	<u>42,290,467</u>
<i>Business-type activities:</i>				
Charges for services:				
Water	21,088,086	20,404,573	19,654,394	19,153,280
Sewer	17,157,453	17,782,401	17,461,965	15,955,328
Refuse	8,242,411	7,605,258	7,399,720	5,817,983
Building	2,763,981	2,296,302	2,328,174	2,413,530
Operating grants and contributions	44,338	62,891	25,514	75,606
Capital grants and contributions	6,016,766	5,337,330	4,987,298	6,881,345
<i>Total business-type activities program revenues</i>	<u>55,313,035</u>	<u>53,488,755</u>	<u>51,857,065</u>	<u>50,297,072</u>
Total Primary Government Program Revenues	<u><u>\$ 86,466,109</u></u>	<u><u>\$ 97,534,883</u></u>	<u><u>\$ 89,629,975</u></u>	<u><u>\$ 92,587,539</u></u>

	2017		2016		2015		2014		2013		2012
\$	20,575,714	\$	21,401,267	\$	20,813,879	\$	19,609,570	\$	16,648,538	\$	18,204,815
42,659,988		45,317,984		42,879,044		38,759,803		37,209,092		37,355,205	
7,188,358		6,627,161		6,186,052		6,196,761		5,948,698		5,867,708	
10,885,075		14,177,868		14,538,968		12,065,377		13,253,789		12,752,256	
8,408,420		6,829,268		12,051,165		8,106,584		6,012,767		5,080,295	
5,003,179		3,703,459		3,417,987		3,549,040		3,329,290		2,101,343	
-		-		263,186		-		-		-	
412,469		361,969		386,900		442,388		542,745		573,423	
<u>95,133,203</u>		<u>98,418,976</u>		<u>100,537,181</u>		<u>88,729,523</u>		<u>82,944,919</u>		<u>81,935,045</u>	
17,763,510		14,639,812		14,174,629		15,387,377		13,029,402		12,706,700	
17,427,064		12,423,601		14,155,798		12,796,231		12,516,730		12,705,127	
6,717,023		6,892,183		6,354,269		6,257,256		5,924,125		5,342,650	
1,903,631		1,768,265		-		-		-		-	
<u>43,811,228</u>		<u>35,723,861</u>		<u>34,684,696</u>		<u>34,440,864</u>		<u>31,470,257</u>		<u>30,754,477</u>	
<u>\$ 138,944,431</u>		<u>\$ 134,142,837</u>		<u>\$ 135,221,877</u>		<u>\$ 123,170,387</u>		<u>\$ 114,415,176</u>		<u>\$ 112,689,522</u>	
\$	1,879,750	\$	1,721,128	\$	954,809	\$	2,963,877	\$	1,790,137	\$	1,989,838
196,873		46,712		45,781		30,379		29,550		10,890	
706,182		1,083,886		1,499,109		1,512,407		1,510,822		2,014,416	
3,527,414		3,397,151		2,765,518		2,867,661		3,401,332		3,458,555	
7,762,803		4,821,212		8,727,538		7,497,735		6,496,325		8,477,516	
16,479,341		16,591,905		9,787,441		12,203,279		9,361,804		6,951,732	
6,972,483		11,438,948		13,910,356		5,755,827		3,956,443		759,525	
<u>37,524,846</u>		<u>39,100,942</u>		<u>37,690,552</u>		<u>32,831,165</u>		<u>26,546,413</u>		<u>23,662,472</u>	
18,460,579		17,025,059		17,576,612		15,545,481		14,919,158		14,564,110	
15,804,202		14,340,312		14,925,552		13,407,709		13,914,466		14,487,135	
5,787,333		5,849,351		5,762,077		5,962,885		5,801,598		6,002,093	
1,893,728		2,011,319		-		-		-		-	
78,591		47,971		121,130		69,919		67,026		140,855	
2,562,096		4,854,422		9,770		600,402		1,943,958		1,869,089	
<u>44,586,529</u>		<u>44,128,434</u>		<u>38,395,141</u>		<u>35,586,396</u>		<u>36,646,206</u>		<u>37,063,282</u>	
<u>\$ 82,111,375</u>		<u>\$ 83,229,376</u>		<u>\$ 76,085,693</u>		<u>\$ 68,417,561</u>		<u>\$ 63,192,619</u>		<u>\$ 60,725,754</u>	

CITY OF CANTON
STARK COUNTY, OHIO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Net (Expenses)/Revenues				
Governmental Activities	\$ (57,826,671)	\$ (68,609,018)	\$ (25,391,910)	\$ (67,285,600)
Business-Type Activities	20,459,526	13,443,377	9,359,294	5,400,338
Total Primary Government				
Net Expense	<u>\$ (37,367,145)</u>	<u>\$ (55,165,641)</u>	<u>\$ (16,032,616)</u>	<u>\$ (61,885,262)</u>

**General Revenues and
Other Changes in Net Position**

Governmental activities:

Taxes:				
Municipal income taxes	\$ 68,558,692	\$ 58,926,120	\$ 63,689,354	\$ 53,456,724
Property and other taxes	5,837,538	6,080,705	5,435,783	5,503,406
Grants and entitlements not restricted to specific programs	7,817,314	8,058,438	7,090,245	7,116,496
Payment in lieu of taxes	1,567,937	1,061,906	1,050,880	144,666
Other local taxes	547,978	164,500	534,451	661,955
Interest and investment earnings	(325,680)	1,193,887	1,720,593	663,771
Other	5,266,103	6,187,015	4,020,169	6,846,994
Proceeds on sale of capital assets	-	-	-	-
Transfers	-	-	-	-
Total governmental activities	<u>89,269,882</u>	<u>81,672,571</u>	<u>83,541,475</u>	<u>74,394,012</u>

Business-type activities:

Interest and investment earnings	-	-	-	-
Other	173,554	768,403	549,431	582,975
Gain on sale of capital assets	11,610	22,366	47,498	30,069
Transfers	-	-	-	-
Total business-type activities	<u>185,164</u>	<u>790,769</u>	<u>596,929</u>	<u>613,044</u>
Total Primary Government	<u>\$ 89,455,046</u>	<u>\$ 82,463,340</u>	<u>\$ 84,138,404</u>	<u>\$ 75,007,056</u>

Special Item

Governmental activities:

Transfer of operations to Board of Health	\$ -	\$ -	\$ 2,292,578	\$ -
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Change in Net Position

Governmental activities	\$ 31,443,211	\$ 13,063,553	\$ 60,442,143	\$ 7,108,412
Business-type activities	20,644,690	14,234,146	9,956,223	6,013,382
Total Primary Government	<u>\$ 52,087,901</u>	<u>\$ 27,297,699</u>	<u>\$ 70,398,366</u>	<u>\$ 13,121,794</u>

2017	2016	2015	2014	2013	2012
\$ (57,608,357) 775,301	\$ (59,318,034) 8,404,573	\$ (62,846,629) 3,710,445	\$ (55,898,358) 1,145,532	\$ (56,398,506) 5,175,949	\$ (58,272,573) 6,308,805
<u>\$ (56,833,056)</u>	<u>\$ (50,913,461)</u>	<u>\$ (59,136,184)</u>	<u>\$ (54,752,826)</u>	<u>\$ (51,222,557)</u>	<u>\$ (51,963,768)</u>

\$ 50,015,065 5,158,048	\$ 44,357,696 4,746,457	\$ 45,014,757 4,463,752	\$ 50,699,714 4,916,636	\$ 45,912,805 2,473,315	\$ 44,311,327 3,769,181
7,470,873	6,728,791	6,815,424	5,040,384	5,356,271	8,245,851
101,910	120,375	43,687	25,948	35,312	-
89,096	-	-	-	-	-
490,540	425,963	433,892	206,592	58,749	56,735
4,549,880	4,057,189	-	2,906,503	1,964,459	1,503,350
-	-	4,060,560	-	-	13,663
-	(509,135)	-	-	-	-
<u>67,875,412</u>	<u>59,927,336</u>	<u>60,832,072</u>	<u>63,795,777</u>	<u>55,800,911</u>	<u>57,900,107</u>

-	-	-	-	1	3
3,635,391	652,386	877,805	558,770	50,847	22,840
15,353	10,309	(10,410)	35,942	-	39,961
-	509,135	-	-	-	-
<u>3,650,744</u>	<u>1,171,830</u>	<u>867,395</u>	<u>594,712</u>	<u>50,848</u>	<u>62,804</u>
<u>\$ 71,526,156</u>	<u>\$ 61,099,166</u>	<u>\$ 61,699,467</u>	<u>\$ 64,390,489</u>	<u>\$ 55,851,759</u>	<u>\$ 57,962,911</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 10,267,055	\$ 609,302	\$ (2,014,557)	\$ 7,897,419	\$ (597,595)	\$ (372,466)
4,426,045	9,576,403	4,577,840	1,740,244	5,226,797	6,371,609
<u>\$ 14,693,100</u>	<u>\$ 10,185,705</u>	<u>\$ 2,563,283</u>	<u>\$ 9,637,663</u>	<u>\$ 4,629,202</u>	<u>\$ 5,999,143</u>

CITY OF CANTON
STARK COUNTY, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
General Fund				
Nonspendable	\$ 5,454,906	\$ 2,440,352	\$ 510,065	\$ 464,494
Restricted	-	-	-	-
Committed	1,124,147	794,194	741,790	1,051,732
Assigned	6,943,283	5,938,370	1,524,342	1,637,333
Unassigned	7,168,559	9,364,146	10,801,876	3,173,724
Total General Fund	<u>\$ 20,690,895</u>	<u>\$ 18,537,062</u>	<u>\$ 13,578,073</u>	<u>\$ 6,327,283</u>
All Other				
Governmental Funds				
Nonspendable	\$ 138,594	\$ 160,951	\$ 46,195	\$ 37,174
Restricted	21,074,330	14,988,302	19,099,477	16,698,662
Committed	13,009,480	10,385,373	8,341,151	8,055,997
Unassigned (deficit)	(458,910)	(440,286)	(435,325)	(821,758)
Total All Other				
Governmental Funds				
	<u>\$ 33,763,494</u>	<u>\$ 25,094,340</u>	<u>\$ 27,051,498</u>	<u>\$ 23,970,075</u>

	2017		2016		2015		2014		2013		2012
\$	459,000	\$	471,541	\$	409,573	\$	400,706	\$	382,303	\$	289,197
-	-	-	-	-	-	-	-	-	-	-	89,191
1,166,310		1,091,198		836,374		772,068		950,255		1,081,844	
1,227,262		-		-		3,471,995		550,226		-	
-		(3,376,238)		(4,470,003)		1,435,402		6,502,030		7,602,998	
<u>\$</u>	<u>2,852,572</u>	<u>\$</u>	<u>(1,813,499)</u>	<u>\$</u>	<u>(3,224,056)</u>	<u>\$</u>	<u>6,080,171</u>	<u>\$</u>	<u>8,384,814</u>	<u>\$</u>	<u>9,063,230</u>

\$	38,603	\$	36,881	\$	102,984	\$	130,508	\$	41,347	\$	1,649,712
13,268,417		13,633,249		12,525,422		10,153,844		12,031,197		9,947,224	
7,485,097		6,374,838		4,479,326		4,044,125		3,395,680		3,670,094	
(1,749,678)		(1,917,973)		(938,552)		(97,954)		(193,112)		(5,810)	
<u>\$</u>	<u>19,042,439</u>	<u>\$</u>	<u>18,126,995</u>	<u>\$</u>	<u>16,169,180</u>	<u>\$</u>	<u>14,230,523</u>	<u>\$</u>	<u>15,275,112</u>	<u>\$</u>	<u>15,261,220</u>

CITY OF CANTON
STARK COUNTY, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Revenues:				
Property and other taxes	\$ 5,975,465	\$ 5,999,717	\$ 5,632,268	\$ 5,269,540
Municipal income taxes	68,914,401	59,595,993	62,602,915	53,880,960
Charges for services	12,816,065	13,006,250	12,826,300	11,989,243
Licenses, permits, and fees	880,440	823,752	880,594	1,245,021
Fines and forfeitures	295,276	269,024	461,489	789,067
Intergovernmental	14,158,831	21,040,432	11,226,345	10,730,164
Interest	(272,186)	1,229,348	1,741,967	696,345
Rental income	216,562	76,942	85,667	82,107
Contributions and donations	911,805	660,020	611,324	199,163
Operating grants	7,151,891	6,657,321	7,514,991	15,254,021
Capital grants	2,653,597	3,366,919	8,039,240	9,561,286
Payment in lieu of taxes	1,567,937	1,061,906	1,050,880	144,666
Other	4,722,788	4,338,222	3,124,164	3,492,385
Total revenues	<u>119,992,872</u>	<u>118,125,846</u>	<u>115,798,144</u>	<u>113,333,968</u>
Expenditures:				
General government	30,515,205	39,892,229	23,541,894	20,752,447
Security of persons and property	41,876,163	39,134,353	41,788,214	41,818,175
Public health	-	-	1,133,420	8,343,159
Transportation	6,617,322	7,524,053	5,202,623	6,431,466
Community environment	7,515,181	6,671,288	5,055,249	5,884,420
Leisure time activities	6,552,256	5,704,698	5,342,993	4,331,273
Capital outlay	14,286,893	15,951,093	23,674,315	15,302,467
Economic development	-	-	-	-
Debt service				
Principal	6,206,754	5,999,712	6,076,322	7,230,906
Interest and fiscal charges	353,373	415,897	465,901	652,771
Total expenditures	<u>113,923,147</u>	<u>121,293,323</u>	<u>112,280,931</u>	<u>110,747,084</u>
Excess (deficiency) of revenues over (under) expenditures	6,069,725	(3,167,477)	3,517,213	2,586,884
Other financing sources (uses):				
Sale of assets	-	37,132	44,735	6,533
Issuance of notes/loans/capital leases	4,753,262	6,632,176	7,854,000	6,308,930
Transfers in	192,998	782,338	12,639	55,335
Transfers out	(192,998)	(1,282,338)	(12,639)	(555,335)
Total other financing sources (uses)	<u>4,753,262</u>	<u>6,169,308</u>	<u>7,898,735</u>	<u>5,815,463</u>
Special item:				
Transfer of operations to Board of Health	-	-	(3,186,134)	-
Net change in fund balances	<u>\$ 10,822,987</u>	<u>\$ 3,001,831</u>	<u>\$ 8,229,814</u>	<u>\$ 8,402,347</u>
<i>Debt service as a percentage of noncapital expenditures</i>	5.09%	6.55%	7.50%	8.25%

	2017	2016	2015	2014	2013	2012
\$	5,209,704	\$ 4,481,612	\$ 4,316,978	\$ 4,192,204	\$ 2,574,747	\$ 3,392,212
49,666,607	45,247,080	46,693,386	48,536,712	45,921,847	44,401,532	
11,980,318	11,607,591	11,038,335	11,414,960	10,974,528	12,025,673	
1,164,527	945,545	1,499,109	1,530,879	1,510,822	1,558,750	
603,176	569,407	463,574	427,981	1,110,272	484,718	
11,059,243	10,338,129	10,575,834	8,827,418	8,321,048	8,442,716	
511,078	413,629	426,685	206,936	58,749	56,735	
96,253	73,504	69,812	54,916	51,364	78,507	
35,736	267,628	29,356	2,984	50,525	-	
13,051,518	12,285,017	8,855,961	9,381,059	8,849,719	8,636,489	
6,071,653	10,405,265	13,546,094	5,514,695	2,937,038	796,834	
101,910	120,375	43,687	25,948	35,312	-	
1,899,292	2,064,772	1,971,568	1,860,401	902,642	3,101,659	
101,451,015	98,819,554	99,530,379	91,977,093	83,298,613	82,975,825	
17,550,219	19,467,660	19,845,271	18,764,120	15,873,077	17,778,987	
37,561,425	37,688,666	40,092,514	37,200,157	35,303,024	35,807,944	
6,288,435	6,124,178	5,976,475	6,002,662	5,756,640	5,850,491	
4,358,155	5,553,419	6,540,963	4,487,506	3,726,545	3,309,625	
8,182,275	6,689,550	12,031,983	8,087,672	5,998,243	5,160,101	
3,894,076	2,857,130	2,685,847	2,759,895	2,629,571	1,436,169	
18,790,506	14,745,973	20,336,052	15,709,827	11,532,622	9,010,943	
-	-	263,186	-	-	-	
5,288,125	5,893,021	3,000,277	3,095,171	2,681,335	2,775,078	
403,894	370,289	375,133	453,690	500,053	592,355	
102,317,110	99,389,886	111,147,701	96,560,700	84,001,110	81,721,693	
(866,095)	(570,332)	(11,617,322)	(4,583,607)	(702,497)	1,254,132	
70,168	31,257	78,017	97,758	37,973	40,087	
8,127,442	3,907,447	4,173,735	1,136,617	-	-	
367,442	40,000	80,000	-	40,000	65,000	
(2,117,442)	(40,000)	(80,000)	-	(40,000)	(65,000)	
6,447,610	3,938,704	4,251,752	1,234,375	37,973	40,087	
-	-	-	-	-	-	
\$ 5,581,515	\$ 3,368,372	\$ (7,365,570)	\$ (3,349,232)	\$ (664,524)	\$ 1,294,219	
6.79%	7.18%	3.63%	4.28%	4.21%	4.38%	

CITY OF CANTON
STARK COUNTY, OHIO
INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS
(CASH BASIS OF ACCOUNTING)

Tax Year	Tax Rate (1)	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Corporations	Percentage of Taxes from Corporations	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes From Delinquent Accounts	Percentage of Taxes from Delinquent Accounts
2021	2.50%	\$ 64,300,111	\$ 49,499,826	76.98%	\$ 8,284,700	12.88%	\$ 4,698,385	7.31%	\$ 1,817,200	2.83%
2020	2.50%	57,668,168	47,097,188	81.67%	4,855,267	8.42%	4,246,654	7.36%	1,469,059	2.55%
2019	2.50%	64,723,178	50,232,415	77.61%	5,891,045	9.10%	5,558,594	8.59%	3,041,124	4.70%
2018	2.50%	54,531,663	42,906,957	78.68%	5,531,988	10.14%	3,619,871	6.64%	2,472,847	4.53%
2017	2.00%	53,106,892	39,776,565	74.90%	5,667,557	10.67%	3,535,200	6.66%	4,127,570	7.77%
2016	2.00%	51,223,298	38,385,018	74.94%	4,606,635	8.99%	3,352,182	6.54%	4,879,463	9.53%
2015	2.00%	46,385,997	36,254,046	78.16%	5,122,365	11.04%	3,131,067	6.75%	1,878,519	4.05%
2014	2.00%	49,024,719	38,010,089	77.53%	6,653,764	13.57%	2,641,532	5.39%	1,719,334	3.51%
2013	2.00%	47,631,995	38,100,594	79.99%	4,732,915	9.94%	2,402,215	5.04%	2,396,271	5.03%
2012	2.00%	45,526,540	38,425,049	84.40%	2,937,793	6.45%	2,270,644	4.99%	1,893,054	4.16%

(1) Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

CITY OF CANTON
STARK COUNTY, OHIO
INCOME TAX FILERS BY INCOME LEVEL
TAX YEARS 2021 AND 2012

Tax Year 2021

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	487	6.16%	\$ 76,071,667	26.07%
\$75,001-\$100,000	444	5.61%	38,486,287	13.19%
\$50,001-\$75,000	996	12.59%	60,429,143	20.71%
\$25,001-\$50,000	2,227	28.16%	81,179,149	27.82%
Under \$25,000	3,755	47.48%	35,630,352	12.21%
Total	7,909	100.00%	\$ 291,796,598	100.00%

Tax Year 2012

Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
Over \$100,000	719	2.86%	\$ 103,101,282	15.58%
\$75,001-\$100,000	986	3.92%	84,467,445	12.76%
\$50,001-\$75,000	2,454	9.75%	149,400,666	22.57%
\$25,001-\$50,000	5,619	22.33%	197,685,891	29.87%
Under \$25,000	15,385	61.14%	127,248,614	19.22%
Total	25,163	100.00%	\$ 661,903,898	100.00%

Source: City of Canton Income Tax Department

CITY OF CANTON
STARK COUNTY, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

	Governmental Activities					Business-Type Activities				
	General Obligation Bonds	Loans	Long-term Notes Payable	Capital Lease	General Obligation Bonds	Loans	Capital Lease			
2021	\$ -	\$ 4,744,733	\$ 4,500,000	\$ 1,699,760	\$ -	\$ 92,484,293	\$ 912,562			
2020	-	5,071,295	4,725,000	2,601,690	-	96,337,689	-			
2019	-	5,337,601	5,025,000	1,402,920	-	99,264,617	-			
2018	-	4,303,852	5,200,000	483,991	-	102,204,653	-			
2017	1,050,000	3,625,608	5,400,000	834,211	-	100,968,536	-			
2016	2,065,000	2,245,869	3,500,000	259,633	-	86,886,192	-			
2015	4,142,229	2,016,596	3,500,000	397,251	772,770	75,025,996	-			
2014	6,696,770	1,655,482	-	530,366	1,908,230	38,906,893	-			
2013	9,164,587	1,497,214	-	179,371	3,000,414	30,499,920	-			
2012	11,540,165	1,784,735	-	197,607	4,049,322	32,620,563	-			

(1) Source: US Census Bureau.

Total Primary Government	Total Personal Income	Percent of Personal Income	Population (1)	Per Capita
\$ 104,341,348	\$ 900,797,018	11.58%	70,426	\$ 1,482
108,735,674	1,400,990,989	7.76%	70,447	1,544
111,030,138	1,970,535,328	5.63%	70,002	1,586
112,192,496	1,861,073,120	6.03%	70,458	1,592
111,878,355	2,165,588,250	5.17%	70,909	1,578
94,956,694	2,086,860,000	4.55%	71,323	1,331
85,854,842	1,969,255,650	4.36%	73,007	1,176
49,697,741	2,032,581,050	2.45%	72,297	687
44,341,506	2,025,140,466	2.19%	72,683	610
50,192,392	2,034,784,650	2.47%	73,007	688

CITY OF CANTON
STARK COUNTY, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING (2)
LAST TEN YEARS

General Bonded Debt Outstanding

	Governmental Obligation	Business-Type Obligation	Total	Net Position Restricted for Debt Service	Net General Bonded Debt Outstanding
2021	\$ -	\$ -	\$ -	\$ 114,813	\$ (114,813)
2020	-	-	-	100,624	(100,624)
2019	-	-	-	86,113	(86,113)
2018	-	-	-	69,497	(69,497)
2017	1,050,000	-	1,050,000	34,988	1,015,012
2016	2,065,000	-	2,065,000	28,314	2,036,686
2015	4,142,229	772,770	4,914,999	54,923	4,860,076
2014	6,696,770	1,908,230	8,605,000	26,856	8,578,144
2013	9,164,587	3,000,414	12,165,001	19,617	12,145,384
2012	11,540,165	4,049,322	15,589,487	14,349	15,575,138

(1) Stark County Auditor's Office.

(2) This schedule has been revised in 2016 to include amounts externally restricted for the repayment of the principal of general bonded debt.

Estimated True Value of Taxable Property (1)	Ratio of Net Bonded Debt to Estimated True Value of Taxable Property		
		Net Bonded Debt per Capita	
\$ 2,502,235,057	0.00%	\$ (1.63)	
2,492,631,257	0.00%	(1.43)	
2,545,988,405	0.00%	(1.23)	
2,258,567,280	0.00%	(0.99)	
2,131,095,629	0.05%	14.31	
2,100,573,771	0.10%	28.56	
2,148,602,349	0.23%	66.57	
2,069,026,657	0.41%	118.65	
2,122,120,589	0.57%	167.10	
2,538,698,983	0.61%	213.34	

CITY OF CANTON
STARK COUNTY, OHIO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021

	<u>General Obligation Debt Outstanding (1)</u>	<u>Percentage Applicable to City (2)</u>	<u>Amount Applicable to City of Canton</u>
Direct			
City of Canton	\$ 10,944,493	100.00%	\$ 10,944,493
Overlapping Debt			
Stark County	14,747,563	9.70%	1,430,514
Canton City Schools	8,355,000	89.93%	7,513,652
Canton Local Schools	31,479,971	8.91%	2,804,865
Osnaburg Local Schools	5,835,000	5.10%	297,585
Total Overlapping Debt	<u>60,417,534</u>		<u>12,046,616</u>
Total	<u>\$ 71,362,027</u>		<u>\$ 22,991,109</u>

Source: Stark County, Ohio; County Auditor

(1) Includes general obligation debt except for those payable from enterprise funds

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

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CITY OF CANTON
STARK COUNTY, OHIO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

	2021	2020	2019	2018
Overall Debt Limitation (10.5% of Assessed Valuation)	\$ 91,957,138	\$ 91,604,199	\$ 90,005,488	\$ 79,844,609
Net Debt Within 10.5% Limitations	<u>(107,661)</u>	<u>(91,789)</u>	<u>(79,493)</u>	<u>(63,134)</u>
Overall Legal Debt Margin Within 10.5% Limitations	<u>\$ 92,064,799</u>	<u>\$ 91,695,988</u>	<u>\$ 90,084,981</u>	<u>\$ 79,907,743</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	-0.12%	-0.10%	-0.09%	-0.08%
Unvoted Debt Limitation (5.5% of Assessed Valuation)	\$ 48,168,025	\$ 47,983,152	\$ 47,145,732	\$ 41,823,367
Net Debt Within 5.5% Limitations	<u>(107,661)</u>	<u>(91,789)</u>	<u>(79,493)</u>	<u>(63,134)</u>
Unvoted Legal Debt Margin Within 5.5% Limitations	<u>\$ 48,275,686</u>	<u>\$ 48,074,941</u>	<u>\$ 47,225,225</u>	<u>\$ 41,886,501</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	-0.22%	-0.19%	-0.17%	-0.15%

Note: Under State of Ohio finance law, the City of Canton's outstanding general obligation debt should not exceed 10.5% of total assessed property value. In addition, the outstanding general obligation debt net voted debt should not exceed 5.5% of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

2017	2016	2015	2014	2013	2012
\$ 78,317,764	\$ 76,590,382	\$ 76,590,382	\$ 76,036,730	\$ 75,406,074	\$ 77,280,680
1,021,133	2,042,627	4,093,073	10,078,532	10,653,423	12,329,784
<u>\$ 77,296,631</u>	<u>\$ 74,547,755</u>	<u>\$ 72,497,309</u>	<u>\$ 65,958,198</u>	<u>\$ 64,752,651</u>	<u>\$ 64,950,896</u>
1.30%	2.67%	5.34%	13.25%	14.13%	15.95%
\$ 41,023,591	\$ 40,118,772	\$ 40,118,772	\$ 39,828,763	\$ 39,498,420	\$ 40,480,356
1,021,133	2,042,627	4,093,073	10,078,532	10,653,423	12,329,784
<u>\$ 40,002,458</u>	<u>\$ 38,076,145</u>	<u>\$ 36,025,699</u>	<u>\$ 29,750,231</u>	<u>\$ 28,844,997</u>	<u>\$ 28,150,572</u>
2.49%	5.09%	10.20%	25.30%	26.97%	30.46%

CITY OF CANTON
STARK COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
AS OF DECEMBER 31, 2021

Total Assessed Property Value	<u><u>\$ 875,782,270</u></u>
Overall Debt Limitation (10 1/2 % of Assessed Valuation)	<u><u>\$ 91,957,138</u></u>
Gross Indebtedness	104,341,348
Less:	
OWDA Loans	(89,200,573)
OPWC Loan	(7,051,953)
SIB Loans	(976,500)
Long-Term Notes Payable	(4,500,000)
Capital Lease	(2,612,322)
Debt Service Fund Balance	<u>(107,661)</u>
Net Debt Within 10 1/2 % Limitations	<u><u>(107,661)</u></u>
Legal Debt Margin Within 10 1/2 % Limitations	<u><u>\$ 92,064,799</u></u>
Unvoted Debt Limitation (5 1/2 % of Assessed Valuation)	\$ 48,168,025
Gross Indebtedness	104,341,348
Less:	
OWDA Loans	(89,200,573)
OPWC Loan	(7,051,953)
SIB Loans	(976,500)
Long-Term Notes Payable	(4,500,000)
Capital Lease	(2,612,322)
Debt Service Fund Balance	<u>(107,661)</u>
Net Debt Within 5 1/2 % Limitations	<u><u>(107,661)</u></u>
Legal Debt Margin Within 5 1/2 % Limitations	<u><u>\$ 48,275,686</u></u>

Source: Stark County, Ohio: County Auditor

CITY OF CANTON
STARK COUNTY, OHIO
PLEDGED REVENUE COVERAGE - WATER
LAST TEN YEARS

Year	Water	Water	Net	Debt Service (2)		Coverage
	Operating	Operating	Available	Principal	Interest	
	Revenues	Expenses (1)	Revenues			
2021	\$ 21,192,324	\$ 8,449,607	\$ 12,742,717	\$ 2,461,163	\$ 602,317	4.16
2020	20,798,243	8,926,729	11,871,514	2,047,453	657,041	4.39
2019	19,880,871	13,013,933	6,866,938	2,015,894	708,081	2.52
2018	19,212,411	14,187,213	5,025,198	1,916,880	761,085	1.88
2017	18,516,422	13,895,418	4,621,004	1,828,154	810,532	1.75
2016	17,077,822	11,864,387	5,213,435	1,690,414	858,350	2.05
2015	17,635,080	10,489,977	7,145,103	1,230,068	655,415	3.79
2014	15,558,604	12,561,631	2,996,973	1,207,800	693,767	1.58
2013	14,966,698	10,773,779	4,192,919	1,226,158	292,830	2.76
2012	14,585,591	10,128,499	4,457,092	1,352,707	872,374	2.00

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the water enterprise fund.

CITY OF CANTON
STARK COUNTY, OHIO
PLEDGED REVENUE COVERAGE - SEWER
LAST TEN YEARS

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Debt Service (2)		Coverage
	Principal	Interest				
2021	\$ 17,203,829	\$ 10,142,677	\$ 7,061,152	\$ 3,486,314	\$ 2,146,959	1.25
2020	18,002,338	12,977,623	5,024,715	3,367,327	2,248,705	0.89
2019	17,621,516	11,200,671	6,420,845	4,224,121	2,366,590	0.97
2018	16,461,823	13,448,984	3,012,839	4,090,914	2,487,139	0.46
2017	19,372,303	12,979,807	6,392,496	3,961,951	2,603,864	0.97
2016	14,905,867	10,696,474	4,209,393	896,391	92,616	4.26
2015	15,744,326	11,804,564	3,939,762	869,478	119,325	3.98
2014	13,952,785	10,399,217	3,553,568	846,280	142,524	3.59
2013	13,914,466	9,639,001	4,275,465	1,370,935	234,030	2.66
2012	14,490,594	9,797,750	4,692,844	1,324,728	273,002	2.94

(1) Direct operating expenses do not include depreciation expense.

(2) Debt service only includes OWDA and OPWC loans payable solely from net revenues in the sewer enterprise fund.

CITY OF CANTON
STARK COUNTY, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

	<u>Population (1)</u>	<u>Total Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate (2)</u>
2021	70,426	\$ 900,797,018	\$ 12,791	3.7%
2020	70,447	1,400,990,989	19,887	5.3%
2019	70,002	1,970,535,328	28,150	4.5%
2018	70,458	1,861,073,120	26,414	5.0%
2017	70,909	2,165,588,250	30,540	5.1%
2016	71,323	2,086,860,000	29,259	5.9%
2015	73,007	1,969,255,650	26,974	5.8%
2014	72,297	2,032,581,050	28,114	4.7%
2013	72,683	2,025,140,450	27,863	6.9%
2012	73,007	2,034,784,650	27,871	6.9%

(1) Source: US Census Bureau.

(2) Source: U.S. Dept. of Labor

**CITY OF CANTON
STARK COUNTY, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

2021

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	6,938	20.27%
Mercy Medical	Health Service	2,700	7.89%
Stark County	Government	2,241	6.55%
Canton City Schools	Education	2,009	5.87%
Fresh Mark Inc	Meat processing	1,918	5.60%
Timken Steel	Steel	1,900	5.55%
City of Canton	Municipal Government	949	2.77%
The Meter Devices Company	Technology	750	2.19%
Belden Brick Company	Brick and Masonry products	525	1.53%
MK Morse Co	Saw Blades and Accessories	500	1.46%
 Total		 <u>20,430</u>	 <u>59.68%</u>
 Estimated Total Employment within the City		 <u>34,235</u>	

2012

Employer	Nature of Activity	Employees	Percentage of Total City Employment
Aultman Hospital	Health Service	4,056	16.12%
The Timken Co.	Tapered roller bearings and steel	3,714	14.76%
Stark County	County Government	2,781	11.05%
Mercy Medical Center	Health Service	2,109	8.38%
Canton City School District	Education	1,494	5.94%
Fresh Mark Inc.	Meat Processing	1,327	5.27%
City of Canton	Municipal Government	900	3.58%
Republic Engineered Steels, Inc.	Hot-rolled and cold finished steel bars and specialty steels	816	3.24%
Nationwide Insurance	Insurance Provider	780	3.10%
Republic Storage Systems	Manufacturer, Metal Lockers & Equip	<u>395</u>	1.57%
 Total		 <u>18,372</u>	 <u>73.01%</u>
 Estimated Total Employment within the City		 <u>25,163</u>	

Source: Survey of Employers performed by City Community Development Department
and City Income Tax Department

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**CITY OF CANTON
STARK COUNTY, OHIO**

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2021	2020	2019	2018	2017
Governmental Employees					
General government	187	175	157	179	178
Security of persons and property	375	378	374	361	347
Public health	54	52	55	51	47
Transportation	45	51	50	46	38
Community development	13	16	16	15	13
Leisure time activities	31	30	30	27	28
Total Governmental Employees	705	702	682	679	651
 Business-Type Employees					
Water	88	88	85	85	89
Sewer	75	79	80	80	72
Refuse	61	60	61	60	62
Building Code	20	21	21	21	23
Total Business-Type Employees	244	248	247	246	246
Total Employees	949	950	929	925	897

Method: Part-time and seasonal employees are not included

Source: City of Canton Auditor's Office

	2016	2015	2014	2013	2012
	182	183	188	183	175
	372	380	379	361	367
	51	52	53	52	49
	47	47	50	46	44
	16	16	16	15	14
	17	21	21	14	14
	685	699	707	671	663
	86	90	85	85	84
	74	75	73	76	75
	61	67	63	61	56
	-	-	-	-	-
	221	232	221	222	215
	906	931	928	893	878

**CITY OF CANTON
STARK COUNTY, OHIO**
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2021	2020	2019	2018
General Government				
Departmental vehicles	54	52	52	48
Security of Persons and Property				
Police stations	5	5	5	5
Police department vehicles	119	120	113	118
Fire stations	7	7	7	7
Fire department vehicles	45	50	49	49
Intersections with				
traffic lights	195	198	198	199
Traffic department vehicles	17	17	16	17
Public Health				
Departmental vehicles	31	27	25	27
Transportation				
Area (in square miles)	25.70	25.70	25.70	25.70
Miles of streets	413.15	413.57	413.87	414.31
Bridges	24	24	24	24
Miles of storm sewers	219.85	219.85	219.55	219.35
Departmental vehicles	98	101	104	98
Leisure Time Activities				
Number of parks	62	61	61	61
Park acreage	825	825	825	825
Number of shelters	25	25	25	25
Number of baseball fields	41	41	41	41
Walking tracks	4	4	4	4
Walking bridges	17	17	17	17
Play equipment sets	44	44	44	43
Restrooms	21	21	21	20
Number of tennis courts	8	8	8	8
Swimming pools	1	1	1	1
Community centers	1	1	1	1
Departmental vehicles	47	51	48	51
Water				
Miles of water mains	643.12	672.36	668.10	666.28
Water treatment plants	3	3	3	3
Maximum daily capacity				
in gallons (in millions)	40,500	40,500	40,500	40,500
Number of fire hydrants	5,538	5,537	5,475	5,449
Departmental vehicles	96	95	92	92
Sewer				
Miles of sanitary sewers	354.20	364.31	364.31	363.25
Sewer treatment plants	1	1	1	1
Maximum daily capacity				
in gallons (in millions)				
Wet weather	88,000	88,000	88,000	88,000
Dry weather	39,000	39,000	39,000	39,000
Departmental vehicles	73	73	69	69
Refuse				
Departmental vehicles	28	27	26	27
Building Code				
Departmental vehicles	7	7	6	4

Source: Various City of Canton Departments

2017	2016	2015	2014	2013	2012
43	38	43	38	38	22
5	5	5	5	5	5
125	132	129	124	122	123
7	7	7	7	8	8
46	48	48	46	44	39
200	200	200	203	236	213
17	17	16	15	16	17
24	24	24	21	19	12
25.70	25.70	25.70	25.70	25.70	25.70
414.11	413.73	413.44	413.44	414.11	414.11
24	24	24	24	24	23
219.35	219.15	218.96	218.96	217.48	217.48
96	103	108	99	102	110
61	61	61	61	61	61
825	825	812	812	812	812
25	25	25	25	24	23
41	43	43	43	43	43
4	4	4	4	4	4
17	17	17	17	17	16
43	43	41	41	39	39
20	21	20	20	19	19
8	8	8	8	8	8
1	1	1	-	-	-
1	1	1	1	1	1
50	50	49	46	45	45
666.65	664.23	663.99	661.24	668.32	660.03
3	1	3	3	3	3
40,500	40,500	40,500	40,500	40,500	40,500
5,430	3,321	3,309	3,274	3,258	3,258
90	89	87	81	81	71
364.25	363.00	363.00	363.00	360.00	360.00
1	1	1	1	1	1
88,000	67,000	67,000	67,000	67,000	67,000
39,000	39,000	39,000	39,000	39,000	39,000
71	69	71	67	68	63
27	26	26	29	28	20
2	-	-	-	-	-

CITY OF CANTON
STARK COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN YEARS

Function/Program	2021	2020	2019	2018
General Government				
Auditor				
Purchase orders issued	6,016	6,174	7,197	6,974
Checks issued	14,981	15,158	15,211	14,830
Payroll checks issued	35,637	36,771	35,631	34,193
Civil service				
Tests administered	70	37	40	31
Courts				
Cases heard	21,032	18,496	27,936	28,372
Trials held	69	39	103	108
Probation cases	181	180	282	285
Community service				
Cases	1,028	1,057	1,879	2,215
House arrest cases	-	-	-	-
Income tax				
Refunds issued	1,596	1,434	1,647	1,811
Tax notifications mailed	42,620	41,063	39,940	39,160
Law department				
Claims	129	100	178	306
Trials conducted	23	8	40	137
Pretrials conducted	4,643	3,218	3,945	5,114
Prosecutor hearings	14	9	34	101
Criminal intakes	779	664	1,678	1,677
Security of Persons and Property				
Code enforcement				
Building permits issued	895	605	782	899
Building permits estimated value (in millions)	\$180,731	\$105,252	\$148,864	\$39,526
Police				
Physical arrests	1,575	2,050	3,360	3,594
Traffic violations	4,468	3,709	7,329	7,827
Parking violations	6,848	5,562	9,424	7,891
Fire				
Calls answered	18,069	16,117	16,318	15,175
Public Health				
Birth certificates issued	9,627	8,453	10,557	9,280
Death certificates issued	10,285	8,097	6,666	6,881
Nursing				
Home visits	125	251	276	329
Air pollution complaints				
Investigated	282	290	209	258
Food service inspections	614	695	1,192	1,159
Transportation				
Road salt expense	\$408,626	\$441,379	\$610,710	\$389,807
Leisure Time Activities				
Shelter/building permits issued	402	30	759	738
Water				
Number of service connections	44,516	44,616	44,575	44,543
Daily average consumption in gallons (in millions)	19,126.000	19.146	21.107	21.869
Sewer				
Number of active sewer accounts	26,481	26,547	25,981	25,981
Daily average treatment in gallons (in millions)	25.71	27.48	30.70	30.06

2017	2016	2015	2014	2013	2012
6,182	6,677	7,754	7,143	6,924	6,608
14,430	15,420	16,682	16,953	15,946	16,156
34,407	-	27,952	28,402	27,335	26,963
31	21	27	34	30	28
29,582	27,066	27,051	26,761	25,745	27,027
122	162	169	198	180	180
362	381	425	465	442	427
2,108	2,166	2,250	2,171	1,971	2,021
-	-	-	109	107	216
1,606	2,652	2,526	2,564	2,718	2,934
36,685	36,681	33,978	30,604	31,650	40,471
214	115	422	487	180	139
73	68	284	299	119	83
9,474	7,660	7,961	6,489	7,218	6,572
323	132	212	67	76	103
430	1,772	1,190	1,872	1,919	1,952
903	3,131	641	638	685	706
\$23,256	\$164,796	\$107,339	\$47,834	\$75,616	\$42,528
2,544	2,191	-	2,390	2,013	2,613
5,545	3,065	-	3,086	2,074	3,726
7,116	-	9,800	9,145	10,100	10,104
16,681	15,529	15,350	13,835	14,276	13,789
9,723	9,650	9,411	9,553	9,619	3,950
6,492	6,667	6,653	6,678	6,798	1,822
266	-	329	322	307	350
274	199	266	276	249	220
1,309	553	2,019	2,278	2,539	878
\$354,748	\$528,478	\$590,690	\$270,154	\$500,693	\$465,348
746	858	879	708	450	529
44,509	44,480	44,431	44,367	44,360	44,292
19.467	21.988	21.147	20.089	17.897	19.150
25,981	26,433	26,510	26,514	27,763	26,815
29.06	28.46	30.04	30.14	27.18	27.82

ANNUAL COMPREHENSIVE FINANCIAL REPORT

CANTON, OHIO



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City of Canton

**CITY OF CANTON
STARK COUNTY, OHIO**

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2021**

**CITY OF CANTON
STARK COUNTY, OHIO**

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**CITY OF CANTON
STARK COUNTY**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/ ADDITIONAL AWARD IDENTIFICATION	PASSED THROUGH TO SUBRECIPIENTS	CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE				
Passed through Ohio Department of Health: WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	76-2-0011-WA1421/76-2-0011-WA1522	\$ 665,278	\$ 1,293,959
Total U.S. Department of Agriculture			665,278	1,293,959
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through N/A: CDBG- Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants COVID-19 Community Development Block Grants/Entitlement Grants	14.218 14.218	N/A COVID-19, N/A	1,391,347 1,010,712	2,813,929 1,095,101
Total CDBG- Entitlement Grants Cluster				3,909,030
Emergency Solutions Grant Program COVID-19 Emergency Solutions Grant Program	14.231 14.231	N/A COVID-19, N/A	157,631 704,888	170,429 718,700
Total Emergency Solutions Grant Program				889,129
Home Investment Partnerships Program	14.239	N/A	938,680	975,614
Fair Housing Assistance Program, State and Local Fair Housing Assistance Program, State and Local	14.401 14.401	N/A N/A		45,090 2,347
Total Fair Housing Assistance Program, State and Local				47,437
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	N/A		74,004
Total U.S. Department of Housing and Urban Development			4,203,258	5,895,214
U.S. DEPARTMENT OF JUSTICE				
Passed Through N/A: COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	COVID-19, 2020-VD-BX-0551		140,809
Passed Through Ohio Department of Public Safety: Violence Against Women Formula Grants	16.588	2019-WF-VAZ-8223A/2019-WF-VAZ-8223		30,000
Project Safe Neighborhoods Project Safe Neighborhoods	16.609 16.609	2019-PS-PND-434 2020-PS-PND-434		16,800 22,800
Total Project Safe Neighborhoods				39,600
Passed Through N/A: 2017 Public Safety Partnership and Community Policing Grant 2020 Public Safety Partnership and Community Policing Grants	16.710 16.710	2017-UMWX-0082 2020-UMWX-0159		236,399 164,670
Total Public Safety Partnership and Community Policing Grants				401,069
Edward Byrne Memorial Justice Assistance Grant Program Edward Byrne Memorial Justice Assistance Grant Program	16.738 16.738	2019-DJ-BX-C438 2020-DJ-BX-0664		37,827 34,677
Total Edward Byrne Memorial Justice Assistance Grant Program				72,504
Body Worn Camera Policy and Implementation	16.835	2019-BC-BX-0012		58,756
Total U.S. Department of Justice				742,738
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through Ohio Department of Transportation: Highway Planning and Construction Cluster:				
Highway Planning and Construction Highway Planning and Construction Highway Planning and Construction Highway Planning and Construction	20.205 20.205 20.205 20.205	PID-90365 PID-90465 PID-91972 PID-104873		513,716 77,277 67,631 426,622
Total Highway Planning and Construction Cluster				1,085,246
Passed Through Ohio Department of Public Safety: Highway Safety Cluster:				
State and Community Highway Safety Total Highway Safety Cluster	20.600	69A37518300004020OH0		14,439 14,439
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2009-SC-N/I		19,413
Total U.S. Department of Transportation				1,119,098
U.S. DEPARTMENT OF TREASURY				
Passed Through N/A: COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	COVID-19, SLFRP1983	1,741,414	1,819,879
Passed Through Stark County Health Department: COVID-19 Coronavirus Relief Fund COVID-19 Coronavirus Relief Fund COVID-19 Coronavirus Relief Fund	21.019 21.019 21.019	COVID-19, 76-1-0012-VN0121 COVID-19, 76-1-0012-C00121 COVID-19, 76-1-0012-CT0120		20,000 280,047 97,563
Total Coronavirus Relief Funds				397,610
Total U.S. Environmental Protection Agency				2,217,489
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Passed Through the Ohio Environmental Protection Agency: Air Pollution Control Program Support	66.001	N/A		230,484
Total U.S. Environmental Protection Agency			1,741,414	230,484

(Continued)

**CITY OF CANTON
STARK COUNTY**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER/ ADDITIONAL AWARD IDENTIFICATION	PASSED THROUGH TO SUBRECIPIENTS	CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Stark County Health Department:</i> Public Health Emergency Preparedness	93.069	76-1-001-2-PH0522/76-1-001-2-PH0421		86,459
<i>Passed Through Cuyahoga County Health Department:</i> Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	N/A		51,270
<i>Passed Through Ohio Department of Health:</i> Immunization Cooperative Agreements	93.268	76-1-00121-VE0121		37,447
Immunization Cooperative Agreements	93.268	76-2-0012-GV0321	25,863	43,286
Total Immunization Cooperative Agreements				80,733
COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	76-1-0012-CT0121		22,107
COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	76-1-0012-E00121		88,418
Total COVID 19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				110,525
<i>Passed Through Stark County Health Department:</i> COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	76-1-0012-C00120		5,803
<i>Passed Through Stark County YWCA:</i>				
Head Start Cluster:				
Head Start	93.600	N/A		3,990
Total Head Start Cluster				3,990
<i>Passed Through Ohio Department of Health:</i>				
Medicaid Cluster:				
Medical Assistance Program	93.778	N/A		48,599
Total Medicaid Cluster				48,599
Opioid STR	93.788	76-2-0014-IN0322/76-2-0014-IN0423		36,419
Opioid STR	93.788	N/A		260
Total Opioid STR				36,679
HIV Prevention Activities - Health Department Based	93.940	76-2-0012-HP1421	32,198	178,541
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	76-2-0012-ST1321		46,542
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-1-DS1421		23,570
Maternal and Child Health Services Block Grant to the States	93.994	76-2-001-1-OE0321	14,531	89,742
Total Maternal and Child Health Services Block Grant to the States				113,312
Total U.S. Department of Health and Human Services				72,592
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Passed Through N/A:</i>				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N/A		237,430
Assistance to Firefighters Grant	97.044	N/A		97,750
Total U.S. Department of Homeland Security				335,180
Total Federal Financial Assistance				\$ 6,682,542 \$ 12,596,615
				-continued

**CITY OF CANTON
STARK COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Canton under programs of the federal government for the fiscal year ended December 31, 2021 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Canton, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Canton. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The City of Canton has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – SUBRECIPIENTS

The City passes certain federal awards received from various agencies to other governments or not-for-profit agencies (subrecipients). As Note 1 describes, the City reports expenditures of Federal awards to subrecipients when paid in cash. As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE 4 – REVOLVING LOAN FUND

The City has a revolving loan program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. This schedule reports loans made and administrative costs as disbursements. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans, however are not included as disbursements on this schedule. These loans are collateralized by mortgages on the property or asset acquired. At December 31, 2021, the gross amount of loans outstanding under this program was \$360,192.

NOTE 5 – MATCHING REQUIREMENTS

Certain federal programs require the City contribute non-federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds are not included on this schedule.

NOTE 6

The Highway Planning and Construction grant, PID-90365, includes some cash-basis expenditures from the previous year that were inadvertently omitted from the previous audits' Schedule of Expenditures of Federal Awards. The amount was paid in 2020, but not submitted for federal reimbursement until 2021, as it was unclear at the time if the portion would be considered federal.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance With
*Government Auditing Standards***

City of Canton
Stark County
218 Cleveland Avenue SW
Canton, Ohio 44702

To the Members of Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Canton, Stark County, Ohio, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements, and have issued our report thereon dated July 25, 2022, wherein we noted as described in Note 24 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Canton's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Canton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Canton's internal control.

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

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

Report on Compliance and Other Matters

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

City of Canton

Stark County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Page 2

Purpose of This Report

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

A handwritten signature in black ink that reads "Julian & Grube, Inc." The signature is fluid and cursive, with "Julian" and "Grube" connected by a horizontal line.

Julian & Grube, Inc.

July 25, 2022

**Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

City of Canton
Stark County
218 Cleveland Avenue SW
Canton, Ohio 44702

To the Member of Council and Mayor:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Canton's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Canton's major federal programs for the year ended December 31, 2021. The City of Canton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, the City of Canton complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

City of Canton

Stark County

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Page 2

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings as items 2021-001 through 2021-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Canton's responses to the noncompliance findings identified in our audit described in the accompanying corrective action plan. The City of Canton's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

City of Canton

Stark County

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2021-002, to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the City of Canton's response to the internal control over compliance findings identified in our audit described in the accompanying corrective action plan. The City of Canton's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Canton, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Canton's basic financial statements. We issued our unmodified report thereon dated July 25, 2022. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.

July 25, 2022

**CITY OF CANTON
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unmodified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	Yes
(d)(1)(v)	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
(d)(1)(vi)	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	Yes
(d)(1)(vii)	<i>Major Programs (listed):</i>	CDBG-Entitlement Grants Cluster; Emergency Solutions Grant Program (ALN 14.231); Home Investment Partnership Program (ALN 14.239); Highway Planning and Construction Cluster; COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (ALN 21.027)
(d)(1)(viii)	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

**CITY OF CANTON
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding Number	2021-001
ALN Title and Number	Community Development Block Grants/Entitlement Grants 14.218
Federal Award Number/Year	2021
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	N/A

Noncompliance – Reporting:

Under the requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282), as amended by Section 6202 of Public Law 110-252, hereafter referred as the “Transparency Act” that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Transparency Act Subaward Reporting System (FSRS). Key elements to be reported include: Subaward Name, Subaward DUNS #, Amount of Subaward, Subaward Obligation/Action Date, Date of Report Submission, Subaward Number, Subaward Project Description, and Subaward Names and Compensation of Highly Compensated Officers.

When testing the subawards administered by the City, it was noted some of the subawards were not reported to FSRS in a timely manner. Subawards were properly reported during the months, however the ones below were inadvertently left off and reported in a subsequent report at a later date:

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
17	0	5	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$1,359,280	\$0	\$540,025	\$0	\$0

By not reporting all subawards to FSRS in a timely manner, the City is in noncompliance with the Transparency Act, and could ultimately miss reporting required information.

We recommend the City comply with the Transparency Act and report all subawards granted with federal money in the proper periods.

**CITY OF CANTON
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS- continued

Finding Number	2021-002
ALN Title and Number	Home Investment Partnerships Program 14.239
Federal Award Number/Year	2021
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	N/A

Noncompliance/Significant Deficiency – Special Tests and Provisions:

During the period of affordability (i.e., the period for which the nonfederal entity must maintain subsidized housing) for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every three years for projects containing one to four units, (b) every two years for projects containing five to 25 units, and (c) every year for projects containing 26 or more units. The participating jurisdiction must perform on-site inspections of rental housing occupied by tenants receiving HOME-assisted tenant-based rental assistance to determine compliance with housing quality standards (24 CFR sections 92.209(i), 92.251(f), and 92.504(d)).

When testing the housing quality standards requirement, it was noted that no inspections took place during 2021. A waiver for inspections was issued, due to restrictions in place from COVID-19, however that waiver ended March 31, 2021.

By not performing the required inspections, the City is in noncompliance with the applicable sections noted above. In addition, the property standards that must be met and reported could potentially be to code or within the required guidelines.

We recommend the City inspect all required HOME assisted rental housing in the timeframe allotted per the specifications of the housing.

**CITY OF CANTON
STARK COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS- continued

Finding Number	2021-003
ALN Title and Number	Coronavirus State and Local Fiscal Recovery Funds 21.027
Federal Award Number/Year	2021
Federal Agency	U.S. Department of Treasury
Pass-Through Agency	N/A

Noncompliance – Reporting

There are three types of reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program that recipients must report to the Treasury: (1) Interim Report, (2) Project and Expenditure Report, and (3) Recovery Plan Performance Report.

- The Interim Report is to provide an initial overview of the status and uses of funding by reporting expenditures by Expenditure Category covering the period from March 3rd to July 31, 2021, by August 31, 2021 or sixty (60) days after first receiving funding if the recipient's date of award was between July 15, 2021 and October 15, 2021. The recipient was required to enter obligations and expenditures and, for each, select the specific expenditure category from the available options. This is a one-time report.
- The Project and Expenditure Report is a report on financial data, projects funded, expenditures, and contracts and subawards over \$50,000, and other information. Project and Expenditure Reports are due on a regular, recurring basis after the Interim Reports. The reporting frequency and deadlines vary by type of recipient and total allocation amount.
- The Recovery Plan Performance Report will provide information on the projects that large recipients are undertaking with program funding and how they plan to ensure program outcomes are achieved in an effective, efficient, and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. The Recovery Plan will be posted on the website of the recipient as well as provided to Treasury. The reporting threshold is based on the total allocation expected under the SLFRF program, not the funds received by the recipient as of the time of reporting. Treasury may extend reporting deadlines.

It was noted during the audit that the Interim Report was filed, indicating zero expenditures; however, expenditures totaling \$591,414 were noted and paid from the award by the City up to July 31, 2021.

It was noted during the audit the Recovery Plan Performance Report was not completed and or submitted, covering the award date to July 31, 2021, which should have been submitted by August 31, 2021.

The Project and Expenditure Report filed timely and no concerns were noted.

By not properly and timely filing the required reports, the City is in noncompliance with the requirements set forth by the US Department of Treasury. This could result in the Treasury not fully being aware of how the City is utilizing the funding in determining if the City is following other requirements and using the funding properly.

We recommend the City put in place procedures to better enable them to report timely and have an additional qualified individual review any reports created before they are submitted to the Treasury.



RICHARD A. MALLONN II

CANTON CITY AUDITOR

City Hall, Canton, Ohio 44702
Phone: (330) 489-3226

CORRECTIVE ACTION PLAN 2 CFR § 200.511(c) DECEMBER 31, 2021

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2021-001	City will be sure to include all subaward information and report it timely in accordance with the Federal Funding Accountability and Transparency Act	12/31/2022	Sharice Freeman Director
2021-002	Required inspections will be made on all applicable housing.	12/31/2022	Sharice Freeman Director
2021-003	This was a new grant, so some areas were missed, however, the City will attempt to comply with all required reporting going forward.	12/31/2022	Mark Crouse, Finance Director

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF CANTON

STARK COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 10/4/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov