

City of Canal Fulton, Ohio

Annual Comprehensive Financial Report



For the Year Ended December 31, 2024



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Columbus, Ohio 43215
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City Council
City of Canal Fulton
155 East Market Street
Canal Fulton, Ohio 44614

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

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

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

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

December 01, 2025

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Introductory Section

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CITY OF CANAL FULTON, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2024

Prepared by The Department of Finance

Traci Meredith
Director of Finance

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City of Canal Fulton, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2024
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City of Canal Fulton

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Canal Fulton, Ohio 44614

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June 27, 2025

To the Citizens, Mayor, and Members of Council
of the City of Canal Fulton, Ohio:

I am pleased to present our 2024 Annual Comprehensive Financial Report for the City of Canal Fulton for your review. This report, for the year ended December 31, 2024, has been prepared using generally accepted accounting principles for governments, and contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Canal Fulton (the City). This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting. Ohio law requires that every general purpose local government prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have an annual audit. This report is published to fulfill that requirement for the year ended December 31, 2024.

Responsibility for both the accuracy of the data and completeness and fairness of the entire presentation rests with the management of the City, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the City to be subjected to an annual audit by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. Clark, Schaefer, Hackett was selected to perform these services and has issued unmodified ("clean") opinions on the City's financial statements for the year ended December 31, 2024. The Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

"A Friendly Community Since 1814"

Profile of the Government

History of Canal Fulton

The Village of Milan, named after Milan, Italy, was the first settlement west of the Tuscarawas River in Stark County. The Village, located on the present site of Canal Fulton, was platted and recorded in Canton, Ohio on March 23, 1814. Several years after this, plans for the construction of a canal connecting Lake Erie to the Ohio River were prepared. The canal route lay through Stark County and, as a result, its construction produced twenty-five new villages in the County from 1826-1836. The first of these villages founded was Fulton. It was located on the east side of the Tuscarawas River opposite Milan. In 1832, the name "Canal" was prefixed to Fulton as it conveyed a more dynamic quality. Several years later, the Village was incorporated and, in 1853, Canal Fulton, West Fulton and Milan merged to form one community.

The Ohio and Erie Canal was completed in 1832. The canal ran from Cleveland on Lake Erie to Portsmouth on the Ohio River. It was the first important commercial avenue in the State. The census of 1840 reported that Stark County, as a direct result of the canal, was being transformed into one of the nation's greatest trade centers. Canal Fulton's commercial activity primarily served the canal traffic and the exporters of farm produce. The Canal Era began to come to an end in 1869 with the arrival of the railroad. Canal Fulton had grown rapidly with its two main commercial ventures: canal work and coal mining, but when these ceased, the population and commercial activity declined.

Today, Canal Fulton serves the surrounding rural area as an education, retail, and transportation center. Several industries are located in the City, but most of the residents commute to work outside the community. In the 1990's, communities along the Ohio-Erie Canalway began working together to reconstruct the old canal towpath into a multi-use trail. Now with most of this trail completed, Canal Fulton has become a destination for cyclists, hikers, equestrian, and bird watchers throughout the region. Tourism has also become a factor in Canal Fulton's commercial activity. Canal Fulton's historic district, which is listed in the National Register of Historical Places, has over eighty sites including buildings and homes. Canal Fulton is also home to the St. Helena III, one of only four canal boats operating in Ohio. Visitors can cruise an original section of the canal where they see Lock IV, a canal lock that retains much of its original appearance.

Profile of the City

The City of Canal Fulton, encompassing an area of approximately 3.3 square miles, is located in the northwest portion of Stark County, Ohio. The City has a population of 5,325 as reported in 2020 by the Bureau of Census. Canal Fulton is a "home-rule" city as defined by the State of Ohio Revised Code and operates pursuant to its Charter under a Mayor, City Council, and City Manager form of government. The representative branch of the City's government consists of the Mayor and six City Council members who are elected at large to staggered four-year terms. The Mayor presides over all meetings of City Council and appoints the City Manager, upon confirmation of City Council, who serves as the Chief Administrative Officer of the City. The Mayor also appoints the Director of Law, the Director of Finance, the Police Chief, the Fire Chief, and members to a number of boards and commissions, upon confirmation of City Council. The Mayor does not have the authority to vote on ordinances or resolutions unless there is a tie among City Council members, nor does the Mayor have the power to veto legislation passed by City Council. City Council establishes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes.

The City provides a full range of municipal services to its citizens, including police and fire protection, emergency medical service, parks and recreation, street maintenance and repairs, zoning and other general government services. In addition, water, sanitary sewer, and storm sewer services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses, payments on debt and adequate infrastructure maintenance, repair, replacement and expansion. Health services are provided by the Stark County Health Department. Solid waste collection is provided by private contractors selected by customers (the City does not contract with those private contractors).

The City owns six parks offering residents a variety of activities to improve health and fitness. Various features include a small fishing pond, walking trails, children playgrounds, picnic areas, tennis courts, baseball fields, basketball courts, and enclosed fence areas for dog exercise. Several gazebos and pavilions are available for special occasions.

The City's residents are served by a diversified set of transportation options, including State Routes 21, 93, and 236, and I-77 in Canton. It is served by Amtrak for passenger rail service located in nearby Alliance, and is served by passenger and freight air services at Akron-Canton Regional Airport, located approximately 10 miles from the City. Public mass transit for the area is provided by the Stark Area Regional Transit Authority (SARTA) which offers fixed route and curb service within and between the cities of Stark County.

Youth education is provided locally by the Northwest Local School District and Saints Philip and James, a Holy Cross Academy Catholic School. Additionally, several public and private two-year and four-year colleges and universities are within commuting distance, including the University of Mount Union, the University of Akron, Kent State University, Northeastern Ohio College of Medicine, Walsh University, Malone College, and the Stark State College of Technology. Several museums and attractions are located within a 20 minute drive from the City including the Pro Football Hall of Fame, the McKinley Presidential Library and Museum, the Akron Zoo, and the Akron Art Museum. These and other area attractions offer a variety of cultural and educational programs to the residents of Canal Fulton.

Economic Condition

Summary of Local Economy

While there is some commercial property within the City, Canal Fulton is generally classified as a bedroom community with most residents commuting to work outside the City. As a result, the City's local economy is dependent on conditions throughout Stark County and the surrounding areas. The economic conditions in Stark County have been steadily improving since the start of the COVID-19 pandemic in 2020. For example, the Stark County unemployment rate reached a high of 14.9 percent in April, 2020, but has now declined to 4.6 percent in December, 2024, which is now lower than any time in 2018 and 2019 before the pandemic. The local economic conditions have a significant impact on the City's income tax collections, which accounts for over 60 percent of the funding for the City's general government operations. The following table shows the City's income tax collections the last ten years by component:

Income Tax Collections

Year of Collection	Collections from Individual Returns	Collections from Business Net Profit Returns	Collections from Payroll Withholdings	Total Collections
2015	\$902,118	\$216,211	\$1,300,300	\$2,418,629
2016	842,049	168,704	1,424,034	2,434,787
2017	763,713	176,184	1,380,269	2,320,166
2018	728,448	170,562	1,434,264	2,333,274
2019	758,368	194,279	1,481,923	2,434,570
2020	589,430	335,091	1,830,459	2,754,980
2021	475,875	403,141	1,940,150	2,819,166
2022	509,095	388,758	2,219,691	3,117,544
2023	482,456	372,872	2,380,977	3,236,305
2024	508,918	397,944	2,505,146	3,412,008

Note: All income tax information is presented on a cash basis.

The table above shows that the City's total income tax collections achieved an average annual growth rate of over four percent between 2015 and 2024. Although some of the fluctuations can be attributed to the local economy, it is important to note that the State of Ohio also passed House Bill 5 in 2014, which changed the laws governing municipal income tax collections for the 2016 tax year (2017 collection year for individuals). Some of the changes include revisions to the due dates for submitting payroll withholdings, higher thresholds for requiring individuals and businesses to submit estimated tax payments, and uniform rules for processing business net profit/loss returns. The City also passed a tax reform in 2019 that raised the tax rate from 1.5 percent to 2.0 percent, while giving the citizens full credit for taxes paid to other cities, taking effect January 1, 2020. Prior to the recent tax reform, the City only gave Citizens credit for 50 percent of taxes paid to other cities. The new laws, the City's tax reform, and the improving economy contribute to the variances shown in the table.

The City's residential tax base consists of approximately 2,400 housing units and includes new construction as well as a collection of century homes located in the historic district. Property values inside the City increased roughly three and a third percent from 2023 to 2024 due to continued commercial and residential development and a strong housing market within the City. The U.S. Census Bureau reports that the City's homeowner vacancy rate was 4.7 percent during the 2020 census, which was the same as the 2010 census. This is further illustrated by the City's total population reported in the 2020 census (5,325) and the 2010 census (5,479) remaining relatively stable when compared to the 2000 census (5,061). Given the City's status as a bedroom community, this stability has been important in ensuring consistent tax revenues and the overall health of the community.

Moving forward, several businesses within the City are currently expanding their operations and the City expects some growth in new housing construction over the next several years. This economic growth will be beneficial to the City and community, and the City is working to encourage and assist these expansions. Additionally, the City is undertaking several major transportation and infrastructure improvement projects that will also help facilitate future growth.

Long-Term Financial Planning

As part of the annual budget process, the City Manager and City Council review a three-year financial forecast, which serves as a planning tool to identify and prepare for future needs and funding.

With the recent growth in income tax revenues, the City has made it a priority to set aside resources to help maintain long-term financial stability. Specifically, the City established the general capital projects reserve fund to be used in accumulating resources to replace vehicles and equipment in the future. The City had \$1,059,985 unencumbered balances available in the fund, on a cash basis, as of December 31, 2024. Similarly, the City had \$283,125 unencumbered balances, on a cash basis, set aside for emergencies as of December 31, 2024.

Relevant Financial Policies

The following is relevant legislation that governs the City's financial operations:

- Section 182.01 of the City's administrative code specifies that 95.0 percent of income tax collections be distributed to the general fund and the remaining 5.0 percent be placed in the police fund.
- Ordinance 35-19 stipulates that 70.0 percent of water utility charges be used for water operations, 17.0 percent for water debt service, and 13.0 percent for water capital projects.
- Ordinance 36-19 stipulates that 83.0 percent of sewer utility charges be used for sewer operations, 6.5 percent for sewer debt service, and 10.5 percent for sewer capital projects.
- Ordinance 40-21 establishes employee pay rates and allocates personnel costs among the various governmental and enterprise funds.

Major Initiatives

The City worked on the following initiatives in 2024:

- The City spent over \$400,000 on road improvements that included various asphalt, concrete and other road repairs throughout the City.
- The City made a significant investment in its historic downtown in 2024 by hanging lights, flowers and concrete/asphalt repair to roads and sidewalks. The total cost of the project was approximately \$60,000.
- The City continued to develop the new community park in 2024 spending approximately \$65,000 to construct a road that connects the City's senior center, Muhlhauser Park, and the YMCA to the new community park.
- The City started a process of replacing the underground airline at the Waste Water Plant in 2024 spending approximately \$20,000.

Awards and Acknowledgements

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 for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is only valid for one year. The City of Canal Fulton has received a certificate for the past year. The City believes our current report continues to conform to Certificate of Achievement program requirements, and has submitted it to the Governmental Finance Officers Association to determine eligibility for another Certificate of Achievement.

Successful preparation of a report of this scope could not have been accomplished without the dedication of the Finance Department staff. Further appreciation is extended to the Mayor, the City Manager, City Council, the Stark County Auditor's Office, and the Local Government Services Section of Auditor of State Keith Faber's Office. In addition, we would like to thank the residents and taxpayers of the City for entrusting us with the administration of their local government.

Respectfully submitted,



Traci Meredith
Finance Director
City of Canal Fulton

**City of Canal Fulton
Stark County, Ohio**

*Principal Officials
December 31, 2024*

Elected Officials

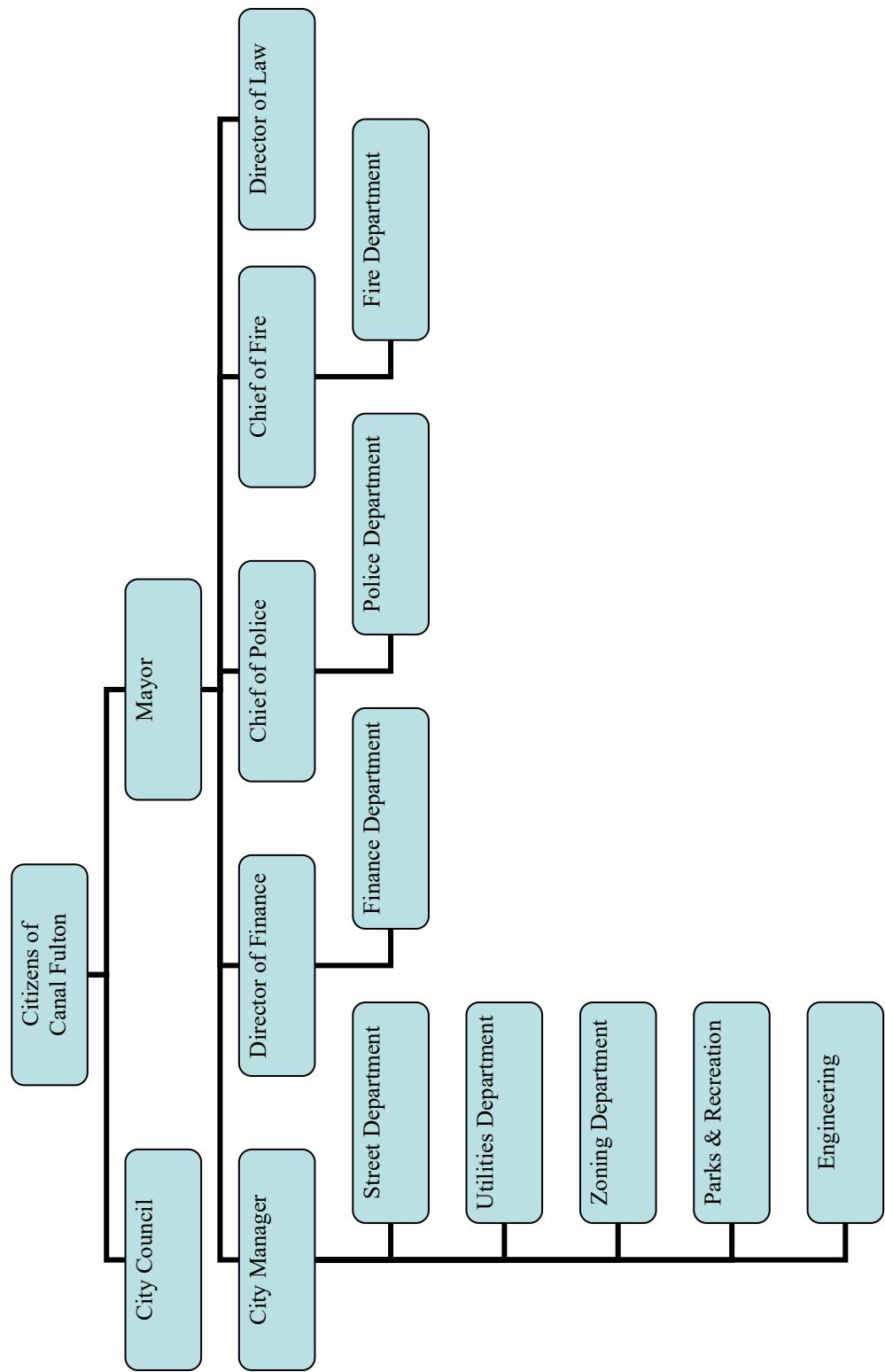
Mayor	Joseph Schultz
City Council President	Doug Morgan
City Council Member	Mark Cozy
City Council Member	Scott Svab
City Council Member	James Kiefer
City Council Member	Jeanann VanDenberg
City Council Member	Susan Mayberry

Appointed Officials

City Manager	Dan Bucher Jr
Director of Finance	William Rouse (1)
Director of Law	Alex McCallion
Chief of Police	Sara Wilson
Chief of Fire	Shawn Yerian

(1) Effective January 1, 2025, this individual was replaced by Traci Meredith as Director of Finance.

City of Canal Fulton
Organization Chart – December 31, 2024





Government Finance Officers Association

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

Presented to

**City of Canal Fulton
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Monell

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

City Council
City of Canal Fulton, Ohio
155 East Market Street
Canal Fulton, Ohio 44614

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Canal Fulton, Ohio (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General, Police, and Fire/EMS 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 27, 2025

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City of Canal Fulton, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2024
Unaudited

The discussion and analysis for the City of Canal Fulton's (the City) financial statements provide an overall review of the financial activity of the City for the twelve months ended December 31, 2024. The intent of this discussion is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the basic financial statements and the notes to the basic financial statements.

Financial Highlights

Financial highlights for 2024 are as follows:

- The 2024 income tax collections on a cash basis were approximately \$3.4 million, which was 5.4 percent higher than the prior year. The higher income tax collections are primarily due to growth in employment and wages inside the City during 2024.
- In 2022 and 2023, the City used its budget stabilization fund to provide up-front cash resources to build a walking trail and other improvements at the new community park. The City spent approximately \$248,000 on the park improvements over the two-year period and received approximately \$221,000 in reimbursements from a State capital grant and other sources. The balance in the budget stabilization fund at the conclusion of 2023 was approximately \$221,000. The City restored the balance in the budget stabilization fund to \$283,125 at the conclusion of 2024.
- The income tax collections exceeded the projections in the general fund in 2024, which allowed the City to process a year-end transfer to the capital projects fund. As a result, the fund balance in the general capital projects reserve fund saw an increase from \$701,124 to \$1,060,726, which is being held in reserve for future road improvements.
- The City's 2024 water and sewer charges for services, on a cash basis, increased by 4.7 percent and 9.1 percent, respectively. The changes were due to a combination of the City's utility billing ordinances, which tie annual rate increases to changes in the consumer price index, and residential and commercial growth inside the City.

Using this Annual Financial Report

This report consists of a series of financial statements and notes to those statements. These statements are prepared and organized in a manner that allows the reader to look at the financial activities of the City of Canal Fulton as a whole and allows the reader to obtain a more detailed view of the City's operations, if they prefer.

The statement of net position and the statement of activities provide information from a summary perspective showing the effects of the operations for the year 2024 and how they affected the operations of the City as a whole.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. 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 Canal Fulton, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2024
Unaudited

Reporting the City of Canal Fulton as a Whole

Statement of Net Position and Statement of Activities

The statement of net position and the statement of activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting.

This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

These two statements report the City's net position and changes in that position. The change in net position is important since it is an indication of whether the financial position of the City is improving or declining; however, to properly evaluate the operation of the City, certain non-cash items should be taken into consideration. These items would include the current economic situation as a whole, the current tax base for the City and the age and condition of the City's buildings and infrastructure.

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

Governmental Activities – Most of the City's programs and services are reported here, including general government, police, fire, transportation, and leisure time activities.

Business-Type Activities – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The City's business-type activities are water, sewer, and storm sewer.

Reporting on the Most Significant Funds of the City of Canal Fulton

Fund Financial Statements

The analysis of the City's major funds begins on page 12. Fund financial statements give a detailed report of the activities within the funds. The City currently has nineteen funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Canal Fulton. Some funds provide for streets, police, fire and emergency medical service protection, capital improvements, water service and sewer service. Some also provide for the purchase of capital assets, while others provide for the payment of principal and interest on debt. Each fund is in some ways an entity unto itself. Each fund, other than the general fund, has a designated revenue stream and designated uses for the monies within the fund.

In this report, the focus is on seven major funds, the general fund, the police fund, the fire/EMS fund, the general capital projects reserve fund, the water fund, the sewer fund, and the storm sewer fund.

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Governmental Funds All of the City's major activities (excluding the Utility Department) are reported in the governmental funds. This report shows how monies flow into and out of these funds and also shows what balances are available for future expenditures. The accounting method used to report this activity is the modified accrual method. This method reports cash and like-cash items that can be converted into cash. This shows what level of financial resources are available or will be available to provide the services that the general government will provide in the near future. These services include police, fire, and emergency medical service protection, as well as improving and maintaining the City's streets. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and the governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities. The City of Canal Fulton has three enterprise operations under the proprietary classification. They are the water, sewer, and storm sewer funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The City of Canal Fulton as a Whole

The statement of net position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2024 as it compares to 2023.

	Table 1 Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	\$6,690,104	\$5,866,549	\$3,247,095	\$2,880,325	\$9,937,199	\$8,746,874
Net Pension Asset	40,988	29,448	48,110	31,897	89,098	61,345
Net OPEB Asset	39,273	0	27,379	0	66,652	0
Capital Assets, Net	14,874,601	14,467,187	13,167,138	11,025,469	28,041,739	25,492,656
<i>Total Assets</i>	<i>21,644,966</i>	<i>20,363,184</i>	<i>16,489,722</i>	<i>13,937,691</i>	<i>38,134,688</i>	<i>34,300,875</i>
Deferred Outflows of Resources						
Deferred Charge on Refunding	1,333	1,469	5,378	5,914	6,711	7,383
Pension	975,298	1,237,182	381,139	465,481	1,343,570	1,663,491
OPEB	118,094	189,235	35,359	69,544	150,388	258,134
<i>Total Deferred Outflows of Resources</i>	<i>1,094,725</i>	<i>1,427,886</i>	<i>421,876</i>	<i>540,939</i>	<i>1,500,669</i>	<i>1,929,008</i>
Liabilities						
Current and Other Liabilities	454,202	403,152	145,150	111,825	599,352	514,977
Long-Term Liabilities:						
Due Within One Year	200,067	127,202	205,362	198,639	405,429	325,841
Due in More than One Year:						
Net Pension Liability	2,998,917	3,206,581	1,005,272	1,030,162	4,004,189	4,236,743
Net OPEB Liability	161,912	190,170	0	22,864	161,912	213,034
Other Amounts	414,488	417,638	2,041,472	1,384,710	2,455,960	1,802,348
<i>Total Liabilities</i>	<i>4,229,586</i>	<i>4,344,743</i>	<i>3,397,256</i>	<i>2,748,200</i>	<i>7,626,842</i>	<i>7,092,943</i>
Deferred Inflows of Resources						
Property Taxes	641,580	550,642	0	0	641,580	550,642
Pension	246,813	246,713	29,064	58,954	263,010	266,495
OPEB	185,069	200,610	20,715	7,861	202,719	207,826
<i>Total Deferred Inflows of Resources</i>	<i>\$1,073,462</i>	<i>\$997,965</i>	<i>\$49,779</i>	<i>\$66,815</i>	<i>\$1,107,309</i>	<i>\$1,024,963</i>

(continued)

City of Canal Fulton, Ohio
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Table 1
Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Net Position						
Net Investment in Capital Assets	\$14,492,912	\$13,958,936	\$11,055,228	\$9,477,426	\$25,548,140	\$23,436,362
Restricted for:						
Debt Service	46,373	44,136	0	0	46,373	44,136
Capital Projects	525,877	493,587	0	0	525,877	493,587
Street Repair and Maintenance	410,882	434,296	0	0	410,882	434,296
Police Protection	410,446	435,701	0	0	410,446	435,701
St Helena II Canal Boat	64,616	54,834	0	0	64,616	54,834
Pension and OPEB Plans	80,261	29,448	75,489	31,897	155,750	61,345
Other Purposes	3,591	3,591	0	0	3,591	3,591
Unclaimed Monies	15,745	8,085	0	0	15,745	8,085
Unrestricted (Deficit)	1,385,940	985,748	2,333,846	2,154,292	3,719,786	3,140,040
<i>Total Net Position</i>	<i>\$17,436,643</i>	<i>\$16,448,362</i>	<i>\$13,464,563</i>	<i>\$11,663,615</i>	<i>\$30,901,206</i>	<i>\$28,111,977</i>

New Accounting Pronouncements

For 2024, the City implemented GASB Statement No. 101 *Compensated Absences*. The City also implemented GASB Statement No. 100 *Accounting Changes and Error Corrections*, which does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principle. The implementation of GASB 101 resulted in recognizing an additional compensated absences liabilities of \$184,962 in governmental activities and \$95,024 in business-type activities at January 1, 2024. These amounts also impacted beginning net position for the cumulative effect of additional compensated absences expense (See Note 3).

Governmental Activities

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2024. 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. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange; however, the City is not responsible for certain key factors affecting the balance of 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 health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained previously, 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.

Total net position increased during the year due to increases in cash and cash equivalents and capital assets, with decreases in net pension liability, net OPEB liability and other long-term liabilities. Income taxes and investment earnings/interest both increased during the year, directly affecting cash and cash equivalents. Capital assets increased as a result of current year additions outpacing current year depreciation, with additions including downtown improvements, equipment and machinery, and various department vehicles. The decrease in long-term liabilities was mainly caused by a decrease in net pension liability.

By comparing assets and deferred outflows of resources and liabilities and deferred inflows of resources, one can see the overall position of the City has improved over the prior year, as evidenced by an increase in net position. Management continues to diligently plan expenses, staying carefully within the City's revenues in an effort to maintain excellent levels of service within the constraints of the budget.

Table 2 shows the change in net position for 2024 as it compares to 2023.

Table 2
Change in Net Position

	Governmental Activities		Business - Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services and Sales	\$329,056	\$292,345	\$2,502,785	\$2,357,560	\$2,831,841	\$2,649,905
Operating Grants and Contributions	864,939	806,889	0	0	864,939	806,889
Capital Grants and Contributions	87,514	264,953	1,708,098	37,500	1,795,612	302,453
Total Program Revenues	1,281,509	1,364,187	4,210,883	2,395,060	5,492,392	3,759,247
General Revenues:						
Property Taxes	569,853	530,490	0	0	569,853	530,490
Income Taxes	3,509,796	3,277,193	0	0	3,509,796	3,277,193
Hotel Taxes	4,419	5,127	0	0	4,419	5,127
Permissive Motor Vehicle Licenses Taxes	60,669	65,465	0	0	60,669	65,465
Grants and Entitlements	15,209	202,761	0	0	15,209	202,761
Unrestricted Contributions	0	6,832	0	0	0	6,832
Investment Earnings/Interest	358,815	352,052	0	0	358,815	352,052
Gain on Sale of Capital Assets	14,883	0	2,175	0	17,058	0
Other	173,344	48,071	99,526	133,123	272,870	181,194
Total General Revenues	4,706,988	4,487,991	101,701	133,123	4,808,689	4,621,114
Total Revenues	\$5,988,497	\$5,852,178	\$4,312,584	\$2,528,183	\$10,301,081	\$8,380,361

(continued)

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Table 2
Change in Net Position (continued)

	Governmental Activities		Business - Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program Expenses						
General Government	\$981,651	\$909,412	\$0	\$0	\$981,651	\$909,412
Security of Persons and Property	2,647,356	2,623,756	0	0	2,647,356	2,623,756
Transportation	925,736	901,200	0	0	925,736	901,200
Leisure Time Activities	244,265	225,007	0	0	244,265	225,007
Interest	16,246	21,834	0	0	16,246	21,834
Water	0	0	1,127,960	991,885	1,127,960	991,885
Sewer	0	0	1,217,255	1,199,880	1,217,255	1,199,880
Storm Sewer	0	0	71,397	56,168	71,397	56,168
Total Program Expenses	<u>4,815,254</u>	<u>4,681,209</u>	<u>2,416,612</u>	<u>2,247,933</u>	<u>7,231,866</u>	<u>6,929,142</u>
Change in Net Position	<u>1,173,243</u>	<u>1,170,969</u>	<u>1,895,972</u>	<u>280,250</u>	<u>3,069,215</u>	<u>1,451,219</u>
Net Position Beginning of Year as Previously Reported	16,448,362	15,277,393	11,663,615	11,383,365	28,111,977	26,660,758
Restatement - Change in Accounting Principle	<u>(184,962)</u>	<u>0</u>	<u>(95,024)</u>	<u>0</u>	<u>(279,986)</u>	<u>0</u>
Restated Net Position Beginning of Year	<u>16,263,400</u>	<u>15,277,393</u>	<u>11,568,591</u>	<u>11,383,365</u>	<u>27,831,991</u>	<u>26,660,758</u>
Net Position End of Year	<u>\$17,436,643</u>	<u>\$16,448,362</u>	<u>\$13,464,563</u>	<u>\$11,663,615</u>	<u>\$30,901,206</u>	<u>\$28,111,977</u>

New Accounting Pronouncements

The above table separately reflects the restatement for changes in accounting principles related to the implementation of GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 100, *Accounting Changes and Error Corrections* does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principle. The 2023 information does not reflect activity related to the additional compensated absences expenses required under GASB 101, *Compensated Absences*. (See also explanation of new accounting pronouncements provided related to Net Position - Table 1 and explanation provided in Note 3.)

Governmental Activities

Overall, revenues for governmental activities increased \$136,319 or 2.33 percent. This increase primarily resulted from an increase in income tax revenue offset by a decrease in capital grants and contributions. The funding for governmental activities comes from several different sources, the most significant being the City's municipal income tax. Other prominent sources are operating grants, property taxes, and investment earnings/interest.

The City's income tax was established to be effective January 1, 1984 at a rate of 0.5 percent. The City's income tax rate gradually increased since then through a series of voter approved levies, with the most recent occurring in November 2019 when voters elected to increase the income tax rate to 2.0 percent effective January 1, 2020. Also, January 1, 2020, the City Council approved a 100 percent credit of the City's income tax rate for taxes paid to other political subdivisions in Ohio, up to 2.0 percent. The City's income tax revenue equaled \$3,509,796 in 2024, which was 7.1 percent higher than 2023 (\$3,277,193).

Overall, governmental program expenses increased \$134,045 or 2.86 percent as a result of salary increases. The operations of the City's police and fire departments account for the largest expenses of the governmental activities. The City's police department is a full-time 24-hour a day, 365-days a year

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department, with a chief, secretary, and 10 patrolmen comprising the full-time employees. The fire department is staffed by part-time firefighters. The remaining amount, after program revenues, that is needed to operate the police and fire departments is subsidized by the general fund and income tax revenue.

Business-Type Activities

The City operates a Utility Department consisting of water and storm sewer services. The water utility includes a water treatment plant, the water distribution system, and the water utility administration. The sewer utility includes the wastewater collection system, wastewater treatment plant, and sewer utility administration.

In November 2023, the City entered into a cooperative agreement with the Ohio Water Department Authority (OWDA) and the Ohio Public Works Commission (OPWC) to provide financing for the construction of a new water tower. The City was approved for a loan of \$1.6 million from OWDA and a \$900,000 loan and a \$2.1 million grant from OPWC to fund the project.

The water utility services 2,275 customer accounts, which include customers within the City as well as customers outside of the City. The City owns and maintains the water treatment plant, which is located within the City, and the water lines of the distribution system, which are primarily located within the City, used to service the customers of the water utility.

Residential water customers within the City pay a water rate of \$2.83 per thousand gallons of usage plus a minimum fixed-rate charge of \$23.83 per month. Residential water customers outside the City pay a water rate of \$7.09 per thousand gallons of usage plus a minimum fixed-rate charge of \$23.83 per month. The City's utility billing ordinance stipulates that the per gallon water usage charge and minimum fixed-rate monthly charge are subject to inflationary increases based on the Consumer Price Index (CPI).

The City's water treatment plant treats an average of 435,000 gallons of water per day with a capacity to treat an additional 400,000 gallons per day. The raw water is supplied by five wells in the well field co-located with the water treatment plant, which was built in 1989.

The sewer utility services 2,218 customer accounts. The City owns and maintains the sewer lines of the collection system, which are located primarily within the City, and the wastewater treatment plant, which is located in neighboring Lawrence Township.

Sewer customers with a water meter pay a sewer rate of \$3.45 per thousand gallons of usage plus a minimum fixed-rate charge of \$23.25 per month. Sewer customers without a water meter pay an unmetered flat sewer rate of \$38.76 per month. As of December 31, 2024, there were 57 sewer customer accounts paying the flat sewer rate. The City's utility billing ordinance stipulates that the per gallon sewer charge and minimum fixed-rate monthly charge are subject to inflationary increases based on CPI.

The City's wastewater treatment plant treats an average of 575,000 gallons of wastewater per day with a capacity to treat an additional 925,000 gallons per day. The wastewater treatment plant was built in 1983.

Through the Joint User Cost System with the Stark County Metropolitan Sewer District, the City receives wastewater from a portion of the Stark County Metropolitan Sewer District system located in northwestern Stark County and then processes this wastewater at the City's wastewater treatment plant. The Stark County Metropolitan Sewer District subsequently reimburses the City forty-percent of capital expenditures incurred for the wastewater treatment plant. In addition, the Stark County Metropolitan

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Sewer District reimburses the City for the operating expenses incurred within the Joint User Costs System based upon the number of City and Stark County Metropolitan Sewer District users connected to the sewer system.

As of December 31, 2024, the Joint User Cost System had 2,954 single family home equivalent connections, of which the combined total of all City sewer customers comprised 84 percent of the single family home equivalent connections and the remaining 16 percent were located in the Stark County Metropolitan Sewer District. In 2024, the City sewer utility received \$163,823 (on a cash basis) from the Stark County Metropolitan Sewer District for the operations of the Joint User Cost System.

The storm sewer fund was established to account for a \$2.00 water bill charge paid by all water customers on a monthly basis for the provision of storm drainage runoff service to the residents and commercial users located within the City.

The revenues and expenses for the three utilities are reported under the business-type activities in Table 2. Increases in these rates contributed to the increase in charges for services in sales and to the increase in cash and cash equivalents. The majority of revenues are derived from charges for services.

The City's Funds

Information about the City's governmental funds begins on page 20. These funds are accounted for using the modified accrual basis of accounting. The City's general fund reflected an increase in fund balance, because revenues outpaced expenditures due to an increase in property tax, income tax and investment earning/interest. Coupled with increased transfers in from the general fund, the police fund had an increase in fund balance due to increases in revenues outpacing the continued increase of operational expenditures. The fire/EMS fund had an increase in fund balance as revenues outpaced expenditures due to an increase in charges for services and intergovernmental revenues plus consistent transfers in from the general fund exceeding expenditures to provide for 2024 operations. The general capital projects reserve fund saw an increase in fund balance due to the transfers in from the general fund sufficiently covering capital outlay expenditures.

Information about the proprietary funds starts on page 27. These funds are accounted for on an accrual basis. The water and sewer funds had operating income due to charges being sufficient to cover the cost of operations. The storm sewer fund had an operating loss due to the storm sewer charges not being able to cover all costs of storm sewer operations, with depreciation being the largest expense.

Budgeting Highlights

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures, and encumbrances. The most significant budgeted fund is the general fund. The legal level of budgetary control is at the personnel costs and other non-payroll costs appropriation groups within each department, as established by appropriation ordinance passed by City Council. Any budgetary modifications at this level may only be made by supplemental appropriation ordinance of City Council. City Council approves an annual budget resolution detailing its initial expenditure budget at the more detailed expense line-item level than the original appropriation ordinance. The budget resolution grants the Finance Director authority to shift the budget expenditures between individual expense line-items as long as the total appropriations of the appropriation groups are not violated and the changes are reported to City Council monthly. Interfund transfers are approved for their total annual amount as a part of the annual appropriation ordinance and supplemental appropriation ordinances passed by City Council. Monthly posting of interfund transfers and advances as well as their year-to-date totals are reported to City Council monthly.

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Strong emphasis is placed on fund balances. The Finance Director reviews the fund balances on a daily basis. Special attention is paid to the City's largest funds, which are the general, water, and sewer funds. Council receives a monthly report showing the beginning fund balance for all funds at the beginning of the year, monthly and year-to-date revenues and expenditures, and the current fund balance.

Line item reports are reviewed regularly by the Finance Director. The department heads, as well as the City Manager, also monitor their appropriations to ensure the entire operation of the City operates within the appropriations.

For the general fund, final budgeted revenues were the same as original budgeted revenues, and actual revenue collections were higher than original and final budgeted revenues. The increase in budgeted to actual revenue was primarily due to higher than expected income tax and interest revenues.

Also, in the general fund, the final budgeted expenditures were slightly higher than the original budgeted expenditures. The difference between actual expenditures and final appropriations was due to diligent oversight of expenditures. The City's ending unencumbered cash balance in the general fund was higher than the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land and construction in progress, are reported net of depreciation. Additions to capital assets included improvements to downtown and the community park, a Hustler Mower, road improvements, and Pickle Ball courts. Due to additions outpacing depreciation, capital assets increased over the prior year.

During 2024, the water enterprise fund had approximately \$2.5 million in construction in progress for the new water tower and related line study as well as new well exploration and construction. For more information on capital assets, refer to Note 15 of the basic financial statements.

Debt Administration

During 2005, the City issued \$730,000 of Water Improvement Bonds for the purpose of constructing a waterline for the Northwest Local School District.

During 2006, the City issued \$1,500,000 in fire station bonds, the proceeds of which were used to finance the construction of a new fire station.

During 2020, the City issued \$800,000 of Various Purpose Refunding Bonds to retire the remaining \$785,000 of the 2018 Various Purpose Improvement General Obligation Bonds.

During 2024, the City entered into a contractual agreement for construction loans from OWDA. The City's outstanding unfinalized OWDA loan balance as of December 31, 2024 was \$744,865.

The OPWC loans are comprised of nine separate, zero percent interest loans. The purpose of these loans are for the construction and improvement of various water, sewer, and storm sewer projects. These loans will be repaid over a period of 30 years by user fees. The loans will be retired anywhere from 2025 to 2051.

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As of December 31, 2024, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$15,071,166 and the unvoted legal debt margin was \$7,577,771.

See Note 14 in the financial statements for more information regarding the City's debt.

Current Financial Issues

Over the past thirty years, income tax collections (on a cash basis) have increased from \$420,958 in 1994, to \$3,412,008 in 2024. This is largely attributed to a combination of annexing the Northwest Local School District in 2008 and various voter approved, tax increases, bringing the City's income tax rate to 2 percent in 2020. The Northwest Local School District was the City's largest employer in 2023. Based on the voter approved ballot language, one tenth of a percent of the City's income tax is dedicated to the Police Department. The remaining one and nine tenths of a percent is receipted into the general fund, from where it is distributed to various City departments and funds via transfers in the annual appropriation ordinances adopted by City Council. Transfers from the general fund to the various funds are used to support the operating expenses and capital improvements for all City departments except the water and sewer utilities. Because income taxes represent the primary source for funding the City's traditional government functions (Police, Fire, Administration, etc.), it is important that the City continue to promote economic development.

City Council adopted ordinances in 2011 and 2012 that created five-year phase in plans for increasing the water and sewer rates, and allowing for inflationary rate increases annually thereafter. The increase in water fees has enabled the City to stop the historical practice of subsidizing the water utility via transfers from the general fund. Similarly, the sewer rate increase has enabled the sewer utility to make substantial investments in capital upgrades including needed building repairs, reconstruction of the influent bar screen, and required maintenance to sewer infrastructure. The rate increases have also allowed both utilities to build reserves to fund future capital improvements and meet increased debt service requirements and take on special projects that will help improve overall efficiency like the comprehensive meter replacement program.

In addition to building reserve balances in the utility funds, the City has an emergency reserve with a total balance of approximately \$283,000 at the end of 2024. This reserve was originally established by City Council in 2010 to accumulate resources to help the City better withstand downturns in the local economy or the sudden loss of key revenues. Similarly, City Council created a capital projects reserve fund in 2015 and a general capital projects reserve fund in 2023 to accumulate resources to help replace vehicles and equipment in the future. The general capital projects reserve fund had a balance of \$1,059,985 at the end of 2024.

The combination of the City's improved income tax collections, conservative budgeting practices, recent utility rate increases and infrastructure improvements, and continued funding for the reserve funds have helped ensure that the City is financially stable and positioned to meet future challenges.

Contacting the City's Finance Department

This report is intended to provide our citizens, and anyone interested in the financial aspects of the City of Canal Fulton a general overview of our financial operation. If there are any questions, please feel free to contact the Finance Director, Traci Meredith, City of Canal Fulton, 155 East Market Street, Canal Fulton, Ohio 44614, telephone (330) 854-6761, or website at www.cityofcanalfulton-oh.gov.

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Basic Financial Statements

City of Canal Fulton, Ohio

Statement of Net Position

December 31, 2024

	Governmental Activities	Business-Type Activities *	Total *
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,860,545	\$3,065,487	\$7,926,032
Materials and Supplies Inventory	25,051	954	26,005
Accounts Receivable	28,013	180,654	208,667
Intergovernmental Receivable	305,445	0	305,445
Income Taxes Receivable	798,076	0	798,076
Property Taxes Receivable	667,447	0	667,447
Permissive Motor Vehicle License Taxes Receivable	5,527	0	5,527
Net Pension Asset (See Note 16)	40,988	48,110	89,098
Net OPEB Asset (See Note 17)	39,273	27,379	66,652
Nondepreciable Capital Assets	5,272,890	3,236,886	8,509,776
Depreciable Capital Assets, Net	9,601,711	9,930,252	19,531,963
<i>Total Assets</i>	<u>21,644,966</u>	<u>16,489,722</u>	<u>38,134,688</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	1,333	5,378	6,711
Pension	975,298	381,139	1,343,570
OPEB	118,094	35,359	150,388
<i>Total Deferred Outflows of Resources</i>	<u>1,094,725</u>	<u>421,876</u>	<u>1,500,669</u>
Liabilities			
Accounts Payable	102,413	27,932	130,345
Accrued Wages	98,654	44,836	143,490
Contracts Payable	92,813	17,120	109,933
Intergovernmental Payable	33,692	9,866	43,558
Accrued Interest Payable	968	1,224	2,192
Accrued Vacation Leave Payable	86,227	44,172	130,399
Deposits Held Payable	39,435	0	39,435
Long-Term Liabilities:			
Due Within One Year	200,067	205,362	405,429
Due In More Than One Year:			
Net Pension Liability (See Note 16)	2,998,917	1,005,272	4,004,189
Net OPEB Liability (See Note 17)	161,912	0	161,912
Other Amounts	414,488	2,041,472	2,455,960
<i>Total Liabilities</i>	<u>4,229,586</u>	<u>3,397,256</u>	<u>7,626,842</u>
Deferred Inflows of Resources			
Property Taxes	641,580	0	641,580
Pension	246,813	29,064	263,010
OPEB	185,069	20,715	202,719
<i>Total Deferred Inflows of Resources</i>	<u>1,073,462</u>	<u>49,779</u>	<u>1,107,309</u>
Net Position			
Net Investment in Capital Assets	14,492,912	11,055,228	25,548,140
Restricted for:			
Debt Service	46,373	0	46,373
Capital Projects	525,877	0	525,877
Street Repair and Maintenance	410,882	0	410,882
Police Protection	410,446	0	410,446
St Helena II Canal Boat	64,616	0	64,616
Pension and OPEB Plans	80,261	75,489	155,750
Other Purposes	3,591	0	3,591
Unclaimed Monies	15,745	0	15,745
Unrestricted	1,385,940	2,333,846	3,719,786
<i>Total Net Position</i>	<u>\$17,436,643</u>	<u>\$13,464,563</u>	<u>\$30,901,206</u>

*After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$981,651	\$59,812	\$134,847	\$2,197
Security of Persons and Property	2,647,356	234,495	296,653	29,000
Transportation	925,736	1,217	403,351	0
Leisure Time Activities	244,265	33,532	30,088	56,317
Interest	16,246	0	0	0
<i>Total Governmental Activities</i>	<i>4,815,254</i>	<i>329,056</i>	<i>864,939</i>	<i>87,514</i>
Business-Type Activities:				
Water	1,127,960	1,224,950	0	1,708,098
Sewer	1,217,255	1,214,424	0	0
Storm Sewer	71,397	63,411	0	0
<i>Total Business-Type Activities</i>	<i>2,416,612</i>	<i>2,502,785</i>	<i>0</i>	<i>1,708,098</i>
<i>Total</i>	<i>\$7,231,866</i>	<i>\$2,831,841</i>	<i>\$864,939</i>	<i>\$1,795,612</i>

General Revenues

Property Taxes Levied for:
 General Purposes
 Debt Service
 Capital Projects
 Income Tax Levied for:
 General Purposes
 Other Purposes
 Hotel Taxes
 Permissive Motor Vehicle License Taxes
 Grants and Entitlements not
 Restricted to Specific Programs
 Investment Earnings/Interest
 Gain on Sale of Capital Assets
 Other

Total General Revenues

Change in Net Position

*Net Position Beginning of Year
 as Previously Reported*

*Change in Accounting
 Principle (See Note 3)*

Restated Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

<u>Net (Expense) Revenue and Changes in Net Position</u>		
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
(\$784,795)	\$0	(\$784,795)
(2,087,208)	0	(2,087,208)
(521,168)	0	(521,168)
(124,328)	0	(124,328)
<u>(16,246)</u>	<u>0</u>	<u>(16,246)</u>
<u>(3,533,745)</u>	<u>0</u>	<u>(3,533,745)</u>
0	1,805,088	1,805,088
0	(2,831)	(2,831)
<u>0</u>	<u>(7,986)</u>	<u>(7,986)</u>
<u>0</u>	<u>1,794,271</u>	<u>1,794,271</u>
<u>(3,533,745)</u>	<u>1,794,271</u>	<u>(1,739,474)</u>
340,976	0	340,976
113,745	0	113,745
115,132	0	115,132
3,334,232	0	3,334,232
175,564	0	175,564
4,419	0	4,419
60,669	0	60,669
15,209	0	15,209
358,815	0	358,815
14,883	2,175	17,058
<u>173,344</u>	<u>99,526</u>	<u>272,870</u>
<u>4,706,988</u>	<u>101,701</u>	<u>4,808,689</u>
<u>1,173,243</u>	<u>1,895,972</u>	<u>3,069,215</u>
16,448,362	11,663,615	28,111,977
<u>(184,962)</u>	<u>(95,024)</u>	<u>(279,986)</u>
<u>16,263,400</u>	<u>11,568,591</u>	<u>27,831,991</u>
<u>\$17,436,643</u>	<u>\$13,464,563</u>	<u>\$30,901,206</u>

City of Canal Fulton, Ohio

Balance Sheet

Governmental Funds

December 31, 2024

	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$1,343,103	\$577,610	\$700,385	\$1,138,726	\$1,041,950	\$4,801,774
Materials and Supplies Inventory	0	0	0	0	25,051	25,051
Accounts Receivable	3,300	397	24,316	0	0	28,013
Intergovernmental Receivable	97,547	0	0	0	207,898	305,445
Income Taxes Receivable	758,158	39,918	0	0	0	798,076
Property Taxes Receivable	434,068	0	0	0	233,379	667,447
Permissive Motor Vehicle License Taxes	0	0	0		5,527	5,527
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	19,336	0	0	0	39,435	58,771
<i>Total Assets</i>	\$2,655,512	\$617,925	\$724,701	\$1,138,726	\$1,553,240	\$6,690,104
Liabilities						
Accounts Payable	\$25,188	\$23,706	\$23,270	\$0	\$30,249	\$102,413
Accrued Wages	20,425	45,423	23,839	0	8,967	98,654
Contracts Payable	8,229	0	0	78,000	6,584	92,813
Intergovernmental Payable	9,586	12,905	9,437	0	1,764	33,692
Deposits Held Payable from Restricted Assets	0	0	0	0	39,435	39,435
<i>Total Liabilities</i>	63,428	82,034	56,546	78,000	86,999	367,007
Deferred Inflows of Resources						
Property Taxes	419,247	0	0	0	222,333	641,580
Unavailable Revenue	517,252	24,155	0	0	138,055	679,462
<i>Total Deferred Inflows of Resources</i>	936,499	24,155	0	0	360,388	1,321,042
Fund Balances						
Nonspendable	19,336	0	0	0	25,051	44,387
Restricted	0	511,736	0	0	994,219	1,505,955
Committed	0	0	668,155	1,060,726	86,583	1,815,464
Assigned	108,725	0	0	0	0	108,725
Unassigned	1,527,524	0	0	0	0	1,527,524
<i>Total Fund Balances</i>	1,655,585	511,736	668,155	1,060,726	1,105,853	5,002,055
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	\$2,655,512	\$617,925	\$724,701	\$1,138,726	\$1,553,240	\$6,690,104

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2024*

Total Governmental Fund Balances \$5,002,055

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 14,874,601

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:

Delinquent Property Taxes	25,867
Income Taxes	482,924
Intergovernmental	<u>170,671</u>
Total	679,462

Accrued vacation leave payable is a contractually required benefit not expected to be paid with expendable available financial resources and therefore not reported in the funds. (86,227)

Deferred outflows of resources represent deferred charges on refundings, which are not reported in the funds. 1,333

Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. (968)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds	(383,659)
Compensated Absences	<u>(230,896)</u>
Total	(614,555)

The net pension/OPEB assets/liabilities are not available, or due and payable, in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds:

Net Pension Asset	40,988
Net OPEB Asset	39,273
Deferred Outflows - Pension	975,298
Deferred Outflows - OPEB	118,094
Net Pension Liability	(2,998,917)
Net OPEB Liability	(161,912)
Deferred Inflows - Pension	(246,813)
Deferred Inflows - OPEB	<u>(185,069)</u>
Total	<u>(2,419,058)</u>

Net Position of Governmental Activities \$17,436,643

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$330,935	\$0	\$0	\$0	\$221,354	\$552,289
Income Taxes	3,218,753	169,477	0	0	0	3,388,230
Permissive Motor Vehicle License Taxes	0	0	0	0	60,669	60,669
Hotel Taxes	4,419	0	0	0	0	4,419
Charges for Services	33,871	0	231,958	0	15,127	280,956
Licenses and Permits	40,013	0	0	0	0	40,013
Fines and Forfeitures	0	662	0	0	1,875	2,537
Intergovernmental	159,666	167,745	123,206	243,540	433,079	1,127,236
Investment Earnings/Interest	358,815	0	0	0	11,586	370,401
Rent	5,550	0	0	0	0	5,550
Contributions and Donations	2,062	4,852	850	0	67,157	74,921
Other	92,755	3,991	29,501	557	46,540	173,344
<i>Total Revenues</i>	<i>4,246,839</i>	<i>346,727</i>	<i>385,515</i>	<i>244,097</i>	<i>857,387</i>	<i>6,080,565</i>
Expenditures						
Current:						
General Government	907,924	0	0	0	3,411	911,335
Security of Persons and Property	0	1,550,933	877,645	0	0	2,428,578
Transportation	18,604	0	0	0	490,388	508,992
Leisure Time Activities	192,253	0	0	0	6,452	198,705
Capital Outlay	0	0	0	384,495	706,786	1,091,281
Debt Service:						
Principal Retirement	0	0	0	0	126,698	126,698
Interest	0	0	0	0	17,214	17,214
<i>Total Expenditures</i>	<i>1,118,781</i>	<i>1,550,933</i>	<i>877,645</i>	<i>384,495</i>	<i>1,350,949</i>	<i>5,282,803</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>3,128,058</i>	<i>(1,204,206)</i>	<i>(492,130)</i>	<i>(140,398)</i>	<i>(493,562)</i>	<i>797,762</i>
Other Financing Sources (Uses)						
Sale of Capital Assets	0	3,556	0	0	13,627	17,183
Transfers In	0	1,280,500	569,000	500,000	618,000	2,967,500
Transfers Out	(2,967,500)	0	0	0	0	(2,967,500)
<i>Total Other Financing Sources (Uses)</i>	<i>(2,967,500)</i>	<i>1,284,056</i>	<i>569,000</i>	<i>500,000</i>	<i>631,627</i>	<i>17,183</i>
<i>Net Change in Fund Balances</i>	<i>160,558</i>	<i>79,850</i>	<i>76,870</i>	<i>359,602</i>	<i>138,065</i>	<i>814,945</i>
<i>Fund Balances Beginning of Year</i>	<i>1,495,027</i>	<i>431,886</i>	<i>591,285</i>	<i>701,124</i>	<i>967,788</i>	<i>4,187,110</i>
<i>Fund Balances End of Year</i>	<i>\$1,655,585</i>	<i>\$511,736</i>	<i>\$668,155</i>	<i>\$1,060,726</i>	<i>\$1,105,853</i>	<i>\$5,002,055</i>

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2024*

Net Change in Fund Balances - Total Governmental Funds \$814,945

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

Governmental funds report capital outlay as an expenditure;
 however, in the statement of activities, the cost of those assets is
 allocated over their estimated useful lives as depreciation expense.
 This is the amount by which capital outlay plus capital contributions
 exceeded depreciation in the current period:

Capital Asset Additions	1,213,076
Capital Contributions	29,000
Current Year Depreciation	<u>(832,362)</u>
Total	409,714

Governmental funds only report the disposal of capital assets to the
 extent proceeds are received from the sale. In the statement of activities,
 a gain or loss is reported for each disposal. (2,300)

Revenues in the statement of activities that do not provide current
 financial resources are not reported as revenues in the funds:

Delinquent Property Taxes	17,564
Income Taxes	121,566
Grants	<u>(275,081)</u>
Total	(135,951)

Repayment of long-term obligations is an expenditure in the
 governmental funds, but the repayment reduces
 long-term liabilities in the statement of net position. 126,698

Some expenses reported in the statement of activities do not require
 the use of current financial resources and therefore are not
 reported as expenditures in the governmental funds:

Accrued Interest	467
Amortization of Deferred Charges	(136)
Amortization of Premiums on Debt	<u>637</u>
Total	968

Some expenses reported in the statement of activities do not require
 the use of current financial resources and therefore are not
 reported as expenditures in governmental funds:

Accrued Vacation Leave Payable	5,141
Compensated Absences	<u>(15,123)</u>
Total	(9,982)

Contractually required contributions are reported as expenditures
 in governmental funds; however, the statement of net position
 reports these amounts as deferred outflows:

Pension	243,393
OPEB	5,411
Total	248,804

Except for amounts reported as deferred inflows/outflows, changes
 in the net pension/OPEB assets/liabilities are reported as
 pension/OPEB expense in the statement of activities:

Pension	(286,173)
OPEB	6,520
Total	<u>(279,653)</u>

Change in Net Position of Governmental Activities \$1,173,243

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
*Statement of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund
 For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property Taxes	\$324,054	\$324,054	\$330,935	\$6,881
Income Taxes	3,008,950	3,008,950	3,241,348	232,398
Hotel Taxes	0	0	4,419	4,419
Charges for Services	15,250	15,250	33,871	18,621
Licenses and Permits	28,000	28,000	43,613	15,613
Intergovernmental	178,008	178,008	166,924	(11,084)
Interest	110,500	110,500	358,815	248,315
Rent	4,500	4,500	5,550	1,050
Contributions and Donations	0	0	2,062	2,062
Other	3,525	3,525	19,963	16,438
<i>Total Revenues</i>	<u>3,672,787</u>	<u>3,672,787</u>	<u>4,207,500</u>	<u>534,713</u>
Expenditures				
Current:				
General Government	1,051,298	1,105,423	1,007,179	98,244
Transportation	25,776	25,776	19,277	6,499
Leisure Time Activities	231,021	231,021	204,515	26,506
<i>Total Expenditures</i>	<u>1,308,095</u>	<u>1,362,220</u>	<u>1,230,971</u>	<u>131,249</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,364,692</u>	<u>2,310,567</u>	<u>2,976,529</u>	<u>665,962</u>
Other Financing Uses				
Transfers Out	(2,467,500)	(2,967,500)	(2,967,500)	0
<i>Net Change in Fund Balance</i>	<u>(102,808)</u>	<u>(656,933)</u>	<u>9,029</u>	<u>665,962</u>
<i>Fund Balance Beginning of Year</i>	<u>806,390</u>	<u>806,390</u>	<u>806,390</u>	<u>0</u>
Prior Year Encumbrances Appropriated	112,736	112,736	112,736	0
<i>Fund Balance End of Year</i>	<u>\$816,318</u>	<u>\$262,193</u>	<u>\$928,155</u>	<u>\$665,962</u>

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Income Taxes	\$157,590	\$157,590	\$170,660	\$13,070
Fines and Forfeitures	250	250	365	115
Intergovernmental	159,185	159,185	167,745	8,560
Contributions and Donations	500	500	4,752	4,252
Other	12,000	12,000	3,991	(8,009)
<i>Total Revenues</i>	329,525	329,525	347,513	17,988
Expenditures				
Current:				
Security of Persons and Property	1,683,548	1,683,549	1,635,719	47,830
<i>Excess of Revenues Under Expenditures</i>	(1,354,023)	(1,354,024)	(1,288,206)	65,818
Other Financing Sources				
Sale of Capital Assets	0	0	3,556	3,556
Transfers In	1,280,500	1,280,500	1,280,500	0
<i>Total Other Financing Sources</i>	1,280,500	1,280,500	1,284,056	3,556
<i>Net Change in Fund Balance</i>	(73,523)	(73,524)	(4,150)	69,374
<i>Fund Balance Beginning of Year</i>	414,568	414,568	414,568	0
Prior Year Encumbrances Appropriated	73,934	73,934	73,934	0
<i>Fund Balance End of Year</i>	<u>\$414,979</u>	<u>\$414,978</u>	<u>\$484,352</u>	<u>\$69,374</u>

See accompanying notes to the basic financial statement:

City of Canal Fulton, Ohio
*Statement of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Fire/EMS Fund
 For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for Services	\$720,853	\$195,000	\$207,742	\$12,742
Intergovernmental	0	0	131,907	131,907
Contributions and Donations	0	0	750	750
Other	<u>59,147</u>	<u>16,000</u>	<u>29,501</u>	<u>13,501</u>
<i>Total Revenues</i>	<i>780,000</i>	<i>211,000</i>	<i>369,900</i>	<i>158,900</i>
Expenditures				
Current:				
Security of Persons and Property	<u>817,379</u>	<u>1,213,451</u>	<u>1,133,508</u>	<u>79,943</u>
<i>Excess of Revenues Under Expenditures</i>	<i>(37,379)</i>	<i>(1,002,451)</i>	<i>(763,608)</i>	<i>238,843</i>
Other Financing Sources				
Transfers In	<u>0</u>	<u>569,000</u>	<u>569,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<i>(37,379)</i>	<i>(433,451)</i>	<i>(194,608)</i>	<i>238,843</i>
<i>Fund Balance Beginning of Year</i>	<i>586,083</i>	<i>586,083</i>	<i>586,083</i>	<i>0</i>
Prior Year Encumbrances Appropriated	<u>37,362</u>	<u>37,362</u>	<u>37,362</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><i>\$586,066</i></u>	<u><i>\$189,994</i></u>	<u><i>\$428,837</i></u>	<u><i>\$238,843</i></u>

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2024

	Water	Sewer	Storm Sewer	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$1,689,776	\$1,305,835	\$69,876	\$3,065,487
Materials and Supplies Inventory	157	797	0	954
Accounts Receivable	94,562	81,093	4,999	180,654
<i>Total Current Assets</i>	<u>1,784,495</u>	<u>1,387,725</u>	<u>74,875</u>	<u>3,247,095</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Net Pension Asset	24,054	24,056	0	48,110
Net OPEB Asset	9,381	17,998	0	27,379
Nondepreciable Capital Assets	2,880,309	356,577	0	3,236,886
Depreciable Capital Assets, Net	4,564,083	3,016,443	2,349,726	9,930,252
<i>Total Noncurrent Assets</i>	<u>7,477,827</u>	<u>3,415,074</u>	<u>2,349,726</u>	<u>13,242,627</u>
<i>Total Assets</i>	<u>9,262,322</u>	<u>4,802,799</u>	<u>2,424,601</u>	<u>16,489,722</u>
Deferred Outflows of Resources				
Deferred Charge on Refunding	2,689	2,689	0	5,378
Pension	232,597	172,876	0	405,473
OPEB	18,117	17,267	0	35,384
<i>Total Deferred Outflows of Resources</i>	<u>253,403</u>	<u>192,832</u>	<u>0</u>	<u>446,235</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	6,075	21,857	0	27,932
Accrued Wages	22,417	22,419	0	44,836
Contracts Payable	6,585	6,585	3,950	17,120
Intergovernmental Payable	4,933	4,933	0	9,866
Accrued Interest Payable	973	251	0	1,224
Accrued Vacation Leave Payable	22,086	22,086	0	44,172
General Obligation Bonds Payable	68,647	13,647	0	82,294
OPWC Loans Payable	70,659	12,417	6,886	89,962
Compensated Absences Payable	16,553	16,553	0	33,106
<i>Total Current Liabilities</i>	<u>218,928</u>	<u>120,748</u>	<u>10,836</u>	<u>350,512</u>
<i>Long-Term Liabilities:</i>				
Net Pension Liability	502,585	502,687	0	1,005,272
General Obligation Bonds Payable	120,842	120,842	0	241,684
OPWC Loans Payable	755,283	141,222	61,978	958,483
OWDA Loans Payable	744,865	0	0	744,865
Compensated Absences Payable	48,220	48,220	0	96,440
<i>Total Long-Term Liabilities</i>	<u>2,171,795</u>	<u>812,971</u>	<u>61,978</u>	<u>3,046,744</u>
<i>Total Liabilities</i>	<u>2,390,723</u>	<u>933,719</u>	<u>72,814</u>	<u>3,397,256</u>
Deferred Inflows of Resources				
Pension	29,585	23,813	0	53,398
OPEB	10,442	10,298	0	20,740
<i>Total Deferred Inflows of Resources</i>	<u>40,027</u>	<u>34,111</u>	<u>0</u>	<u>74,138</u>
Net Position				
Net Investment in Capital Assets	5,686,785	3,087,581	2,280,862	11,055,228
Restricted for Pension Plan	33,435	42,054	0	75,489
Unrestricted	1,364,755	898,166	70,925	2,333,846
<i>Total Net Position</i>	<u>\$7,084,975</u>	<u>\$4,027,801</u>	<u>\$2,351,787</u>	<u>\$13,464,563</u>

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
*Statement of Revenues,
 Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended December 31, 2024*

	Water	Sewer	Storm Sewer	Total
Operating Revenues				
Charges for Services	\$1,224,950	\$1,214,424	\$63,411	\$2,502,785
Other	52,011	45,094	2,421	99,526
<i>Total Operating Revenues</i>	<u>1,276,961</u>	<u>1,259,518</u>	<u>65,832</u>	<u>2,602,311</u>
Operating Expenses				
Personal Services	379,965	377,557	0	757,522
Fringe Benefits	189,303	200,976	0	390,279
Contractual Services	254,678	298,389	14,504	567,571
Materials and Supplies	53,838	115,301	0	169,139
Depreciation	189,157	186,142	54,538	429,837
Other	40,838	35,341	2,355	78,534
<i>Total Operating Expenses</i>	<u>1,107,779</u>	<u>1,213,706</u>	<u>71,397</u>	<u>2,392,882</u>
<i>Operating Income (Loss)</i>	<u>169,182</u>	<u>45,812</u>	<u>(5,565)</u>	<u>209,429</u>
Non-Operating Revenues (Expenses)				
Gain on Sale of Capital Assets	0	2,175	0	2,175
Interest	(20,181)	(3,549)	0	(23,730)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(20,181)</u>	<u>(1,374)</u>	<u>0</u>	<u>(21,555)</u>
<i>Income (Loss) before Capital Contributions</i>	<u>149,001</u>	<u>44,438</u>	<u>(5,565)</u>	<u>187,874</u>
Capital Contributions	<u>1,708,098</u>	<u>0</u>	<u>0</u>	<u>1,708,098</u>
<i>Change in Net Position</i>	<u>1,857,099</u>	<u>44,438</u>	<u>(5,565)</u>	<u>1,895,972</u>
<i>Net Position Beginning of Year as Previously Reported</i>	<u>5,276,499</u>	<u>4,029,764</u>	<u>2,357,352</u>	<u>11,663,615</u>
<i>Change in Accounting Principle (See Note 3)</i>	<u>(48,623)</u>	<u>(46,401)</u>	<u>0</u>	<u>(95,024)</u>
<i>Restated Net Position Beginning of Year</i>	<u>5,227,876</u>	<u>3,983,363</u>	<u>2,357,352</u>	<u>11,568,591</u>
<i>Net Position End of Year</i>	<u>\$7,084,975</u>	<u>\$4,027,801</u>	<u>\$2,351,787</u>	<u>\$13,464,563</u>

See accompanying notes to the basic financial statements

City of Canal Fulton, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Water	Sewer	Storm Sewer	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$1,226,539	\$1,214,515	\$63,603	\$2,504,657
Other Cash Receipts	52,011	45,094	2,421	99,526
Cash Payments to Employees for Services	(559,935)	(560,180)	0	(1,120,115)
Cash Payments for Goods and Services	(299,836)	(402,993)	(11,999)	(714,828)
Other Cash Payments	(40,838)	(35,341)	(2,355)	(78,534)
<i>Net Cash Provided by Operating Activities</i>	<i>377,941</i>	<i>261,095</i>	<i>51,670</i>	<i>690,706</i>
Cash Flows from Capital and Related Financing Activities				
Proceeds from Sale of Capital Assets	0	2,175	0	2,175
Capital Contributions	1,708,098	0	0	1,708,098
OWDA Loans Issued	744,865	0	0	744,865
Principal Paid on Bonds	(63,151)	(13,151)	0	(76,302)
Interest Paid on Bonds	(20,850)	(3,306)	0	(24,156)
Principal Paid on OPWC Loans	(85,672)	(12,417)	(6,887)	(104,976)
Payments for Capital Acquisitions	(2,478,506)	(49,875)	(43,125)	(2,571,506)
<i>Net Cash Used in Capital and Related Financing Activities</i>	<i>(195,216)</i>	<i>(76,574)</i>	<i>(50,012)</i>	<i>(321,802)</i>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<i>182,725</i>	<i>184,521</i>	<i>1,658</i>	<i>368,904</i>
<i>Cash and Cash Equivalents Beginning of Year</i>	<i>1,507,051</i>	<i>1,121,314</i>	<i>68,218</i>	<i>2,696,583</i>
<i>Cash and Cash Equivalents End of Year</i>	<i><u>\$1,689,776</u></i>	<i><u>\$1,305,835</u></i>	<i><u>\$69,876</u></i>	<i><u>\$3,065,487</u></i>

(continued)

City of Canal Fulton, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2024

	Water	Sewer	Storm Sewer	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating Income (Loss)	\$169,182	\$45,812	(\$5,565)	\$209,429
Adjustments:				
Depreciation	189,157	186,142	54,538	429,837
(Increase) Decrease in Assets:				
Materials and Supplies Inventory	43	219	0	262
Accounts Receivable	1,589	91	192	1,872
Net Pension Asset	1,152	2,749	0	3,901
Net OPEB Asset	3,415	3,681	0	7,096
Decrease in Deferred Outflows of Resources:				
Pension	100,523	64,597	0	165,120
OPEB	20,407	19,881	0	40,288
Increase (Decrease) in Liabilities:				
Accounts Payable	32	4,922	(1,445)	3,509
Accrued Wages	6,532	6,533	0	13,065
Contracts Payable	6,585	6,585	3,950	17,120
Intergovernmental Payable	258	(5,231)	0	(4,973)
Accrued Vacation Leave Payable	1,374	1,374	0	2,748
Compensated Absences Payable	3,846	3,846	0	7,692
Net Pension Liability	37,190	53,579	0	90,769
Decrease in Deferred Inflows of Resources:				
Pension	(137,930)	(108,511)	0	(246,441)
OPEB	(25,414)	(25,174)	0	(50,588)
<i>Net Cash Provided by Operating Activities</i>	<u>\$377,941</u>	<u>\$261,095</u>	<u>\$51,670</u>	<u>\$690,706</u>

See accompanying notes to the basic financial statements

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City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 1 – Description of the City and Reporting Entity

As a result of the 2000 census, Canal Fulton, formerly known as the Village of Canal Fulton, became the City of Canal Fulton. The City of Canal Fulton (the "City") is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a Mayor-City Manager-Council form of government. The Mayor and Council are elected to staggered four year terms. The City Manager is appointed by the Mayor upon confirmation by City Council.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City. The primary government provides the following services to its citizens: water and utilities, storm sewer activities, park operations (leisure time activities), street maintenance and repairs, police and fire protection, emergency medical services, and administrative duties.

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; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. There are no component units included as part of this report.

The City participates in the Local Organized Governments in Cooperation, which is defined as a joint venture, the Northwest Stark Senior Citizens Commission, which is defined as a related organization, as well as the Stark County Regional Planning Commission, the Stark Council of Governments, and the Stark County District Board of Health as jointly governed organizations. These organizations are presented in Notes 11, 12, and 13 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City of Canal Fulton 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 principles. The more significant of the City's accounting policies are described as follows.

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.

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. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and investment/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 governmental program or business activity is self-financing or draws from the general revenues of the City.

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

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. The City's funds are classified as either governmental or proprietary.

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

General Fund The general fund accounts for and reports 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 charter of the City of Canal Fulton and/or the general laws of Ohio.

Police Fund The police fund accounts for and reports income taxes levied and restricted for expenditures related to police protection in the City.

Fire/EMS Fund The fire/EMS fund accounts for and reports charges for services committed to expenditures related to fire protection and emergency medical services in the City.

General Capital Projects Reserve Fund The general capital projects reserve fund, established in 2023, accounts for and reports transfers committed by City Council for the purchase of capital assets.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City has no internal service funds.

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

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

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

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

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using 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 the City are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and 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 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 fund net position. For the proprietary funds, the statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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 and the statements presented for proprietary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Revenues - Exchange and Nonexchange 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year-end.

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines, investment earnings/interest, and grants.

Deferred Outflows/Inflows of Resources In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for the deferred charges on refundings, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 16 and 17.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance 2025 operations. These amounts have been recorded as a deferred inflow 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 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. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 21. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 16 and 17).

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

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Investment earnings/interest in the pool is presented as “equity in pooled cash and cash equivalents”.

During 2024, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings/interest revenue credited to the general fund during 2024 amounted to \$358,815, which includes \$295,145 assigned from other City funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended when used. Inventory consists of expendable supplies held for consumption.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund includes unclaimed monies, which are legally required to be maintained until the end of a five-year holding period, and general trust. Restricted assets in the fire demolition special revenue fund represent insurance settlement amounts held in trust for property demolitions. Restricted assets in the enterprise funds represent amounts held in trust by the pension and OPEB plans for future benefits.

Capital Assets

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

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition 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. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

<u>Description</u>	<u>Estimate Lives</u>
Buildings and Improvements	50 years
Equipment and Machinery	5-10 years
Vehicles	5-15 years
Infrastructure	20-75 years

The City's current infrastructure consists of roads, storm sewers and water and sewer lines. Pursuant to GASB Statement No. 34, which includes guidance based upon an entity's size, the City only reports the infrastructure acquired after 2002.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of resources restricted to capital acquisitions and construction.

Compensated Absences

For the City, compensated absences includes leave for which employees may receive cash payments when the leave is used for time off or receive cash payments for unused leave upon termination of employment. These payments could occur during employment or upon termination of employment. Compensated absences generally do not have a set payment schedule. The City does not offer noncash settlements. The City uses a first-in first-out flow assumption for compensated absences.

Liabilities should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates and is allowed to be carried over to subsequent years, and the leave is more likely than not to be used for time off or otherwise paid in cash. For the City, this leave includes sick and vacation time. However, the City also has certain compensated absences that are dependent upon the occurrence of a sporadic events that affects a relatively small proportion of employees. A liability for these types of leave is recognized when the leave commences. For the City this type of leave includes bereavement leave, military leave, personal leave, on-the-job injury leave, and court leave. Holiday leave taken on a specific date, not at the discretion of the employee is recognized as a liability when used. The liability for compensated absences includes salary related payments, as applicable.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service. Since the City's policy limits the accrual of vacation time to the amount accrued in one year, the outstanding liability is recorded as "accrued vacation leave payable" on the statement of net position rather than as a long-term liability.

Liabilities for compensated absences are recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liabilities (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 plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

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, 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. Net pension/OPEB liabilities 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. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Fund Balances

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. Nonspendable fund balance in the general fund includes unclaimed monies legally required to be maintained until the end of a five-year holding period offset by any estimated liability for payments to claimants.

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.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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 the highest level formal action (ordinance or resolution, as both are equally legally binding) 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 or resolution, as both are equally legally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the 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 is 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.

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

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

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 amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net Position

Net position represents the difference between all other elements in the statement of 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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position for pension and OPEB plans represent the corresponding restricted asset amounts held in trust by the pension and OPEB plans for future benefits. Net position restricted for other purposes include resources restricted for the general trust. Restricted net position for unclaimed monies represents amounts required to be maintained until the end of a five-year holding period offset by any estimated liability for payments to claimants.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

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 charges for services for water, sewer, and storm sewer services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

Interfund Balances

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension and OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity-wide statement of net position.

Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between 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. Interfund payments for 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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Premiums

On the government-wide financial statements, premiums are deferred and amortized for the term of the debt issuances using the straight-line method. Premiums are presented as an increase of the face amount of the debt issuance payable. On governmental fund statements, premiums are received in the year the debt issuances are issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources or deferred inflows of resources on the statement of net position.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the corresponding governmental funds. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the personal services and individual object level within each department for all funds. Any budgetary modifications at this level may only be made by resolution of City Council. Authority to further allocate Council appropriations within departments has been given to the Finance Director.

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

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

Note 3 – Changes in Accounting Principles and Restatement of Net Position

Change in Accounting Principles

For 2024, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, and related guidance from GASB Implementation Guide No. 2023-1, *Implementation Guidance Update — 2023*. The City also implemented Question 5.1 from GASB Implementation Guide No. 2021-1, *Implementation Guidance Update — 2021* and GASB Statement No. 101, *Compensated Absences*.

GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision-useful, understandable, and comprehensive information for users about accounting changes and error corrections.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Question 5.1 from Implementation Guide 2021-1 addresses the collective significance of applying the capitalization threshold to individual items in a group of assets. The City reviewed its capital asset groupings and determined there were no asset groups where individually the assets were under the capitalization threshold yet were significant collectively.

The implementation of GASB Statement No. 100 and GASB Implementation Guides 2021-1 and 2023-1 did not have any effect on beginning net position/fund balance.

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The effects of implementing the GASB pronouncement is shown in the following table.

The City's financial statements report compensated absences in two separate line items, Vacation benefits payable are reported separately from the remainder of the compensated absences liability (see page 37). The compensated absences restatement amount includes vacation benefits payable of \$3,035 for governmental activities and \$2,562 for business type activities (\$2,392 water enterprise fund and \$170 sewer enterprise fund) and compensated absences payable amounts of \$181,927 for governmental activities and \$92,462 for business type activities (\$46,231 water enterprise fund and \$46,231 sewer enterprise fund.)

Restatement of Net Position

For the City, GASB Statement No. 101 increased the compensated absences liability and the cumulative effects of compensated absence related expense on beginning net position as shown on the following table.

	12/31/2023 As Previously Reported	Change in Accounting Principles		12/31/2023 As Restated/ Adjusted
		GASB 101		
Government-Wide				
Governmental Activities	\$16,448,362	(\$184,962)	\$16,263,400	
Business-Type Activities	11,663,615	(95,024)	11,568,591	
Total Primary Government	\$28,111,977	(\$279,986)	\$27,831,991	
Governmental Funds				
Major Funds:				
General	\$1,495,027	\$0	\$1,495,027	
Police	431,886	0	431,886	
Fire/EMS	591,285	0	591,285	
General Capital Projects Reserve	701,124	0	701,124	
All Other Governmental Funds	967,788	0	967,788	
Total Governmental Funds	\$4,187,110	\$0	\$4,187,110	
Proprietary Funds				
Enterprise Funds:				
Water	\$5,276,499	(\$48,623)	\$5,227,876	
Sewer	4,029,764	(46,401)	3,983,363	
Storm Sewer	2,357,352	0	2,357,352	
Total Proprietary Funds	\$11,663,615	(\$95,024)	\$11,568,591	

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 4 – 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 balance - budget (non-GAAP basis) and actual presented for the general fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues and other sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Budgetary revenues and expenditures of the park deposits, unclaimed monies and budget stabilization funds are reclassified to the general fund for GAAP reporting.
4. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the major special revenue funds.

Net Change in Fund Balance General and Major Special Revenue Funds			
GAAP Basis	General	Police	Fire/EMS
	\$160,558	\$79,850	\$76,870
Net Adjustment for Revenue Accruals	30,653	786	(15,615)
Net Adjustment for Expenditure Accruals	19,133	8,472	15,685
Perspective Differences:			
Park Deposits	(500)	0	0
Unclaimed Monies	(7,660)	0	0
Budget Stabilization	(61,832)	0	0
Encumbrances	(131,323)	(93,258)	(271,548)
Budget Basis	<u><u>\$9,029</u></u>	<u><u>(\$4,150)</u></u>	<u><u>(\$194,608)</u></u>

Note 5 – Deposits and Investments

The City is a charter City and has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon 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 five 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 Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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 City's 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 repayment of all public monies deposited in the financial institution.

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

1. United States Treasury bills, bonds, notes, 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, 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. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. 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;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage and 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 settlement, 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.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City has passed an ordinance allowing the City to 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.

Investments

As of December 31, 2024, the City had investments in STAR Ohio in the amount of \$7,457,102. The investments in STAR Ohio are valued at net asset value (NAV) per share and had an average maturity of 27.2 days as of December 31, 2024.

Credit Risk STAR Ohio carries a credit rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization. The City has no investment policy that addresses credit risk.

Note 6 – Receivables

Receivables at December 31, 2024, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, and accounts (billings for utility service). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2024 for real and public utility property taxes represents collections of 2023 taxes.

2024 real property taxes were levied after October 1, 2024, on the assessed value as of January 1, 2024, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2024 real property taxes are collected in and intended to finance 2025.

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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2024 public utility property taxes which became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 with real property taxes.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The full tax rate for all City operations for the year ended December 31, 2024, was \$4.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2024 property tax receipts were based are as follows:

<u>Assessed Value</u>	
Real Estate	
Residential/Agricultural	\$113,950,440
Commercial Industrial/PU	33,203,680
Public Utility Property	2,713,780
Total Assessed Value	<u><u>\$149,867,900</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Canal Fulton. 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, 2024, and for which there is an enforceable legal claim. In governmental funds, the entire receivable has been offset by deferred inflows of resources – property taxes since the current taxes were not levied to finance 2024 operations and the collection of delinquent taxes during the available period are 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 has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies a municipal income tax of 2.0 percent on substantially all earned income arising from employment, residency, or business activities within the City. The City allows a credit of 100 percent for the income tax paid to another municipality to a maximum of half the total amount assessed.

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 general fund and the police special revenue fund.

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

		<u>Amount</u>
<i>Governmental Activities:</i>		
Gasoline Tax		\$168,085
Local Government		66,379
Homestead and Rollback		39,132
Motor Vehicle License Tax		30,956
Recycling Grant		893
Total Governmental Activities		<u><u>\$305,445</u></u>

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 7 – Contingencies

Litigation

The City is party to legal proceedings as of December 31, 2024.

Grants

The City receives 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 any other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2024.

Note 8 – Other Employee Benefits

Compensated Absences

Vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn ten or more days of vacation per year, depending upon length of service. Effective 2023, employees can now carry over their normal vacation accrual amount plus five days at year end. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at a rate of 4.6 hours for each completed pay period of 80 hours. Sick leave accumulation is unlimited, but upon retirement, employees can be paid twenty-five percent of accumulated, unused sick leave.

Medical and Dental Insurance

The City provides medical, dental, and vision benefits to employees through the Stark County Educational Service Center. The City also provides \$25,000 of life insurance for employees through the Stark County Educational Service Center. The City's portion of monthly premiums for 2024 were \$2,367.71 for family and \$972.83 for single.

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan and Buckeye Deferred Compensation Plan. These plans were created in accordance with Internal Revenue Code Section 457 and are considered an other employee benefit plan. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Note 9 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the City contracted with The Ohio Municipal Joint Self Insurance Pool for various types of insurance.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The coverage and deductible are as follows:

Type of Coverage	Deductible	Coverage
General Liability	\$0	\$3,000,000
Employers Liability	0	3,000,000
Employee Benefits	0	3,000,000
Law Enforcement Officers Liability	5,000	3,000,000
Public Officials Liability	1,000	3,000,000
Automobile	0	3,000,000
Property	1,000	19,110,725
Electronic Equipment/Media Coverage	500	73,000
Public Employee Dishonesty	250	50,000
Boiler and Machinery	1,000	19,160,725
Emergency Medical Services Liability	1,000	3,000,000
Municipal Attorney and Law Director	1,000	1,000,000

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

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

Note 10 – Internal Activity

Interfund Transfers

Interfund transfers for the year ended December 31, 2024, consisted of the following:

Transfer to	Transfer From
	General
Police	\$1,280,500
Fire/EMS	569,000
General Capital Projects Reserve	500,000
Other Governmental Funds	618,000
Total	\$2,967,500

The transfers from the general fund to the police and fire/EMS special revenue funds were to supplement the operations of those funds. The transfers from the general fund to the general capital projects reserve fund were for the purchase of capital assets. The transfers from the general fund to the other governmental funds were for debt payments and capital projects within the City.

Internal Balances – Change in Proportionate Share

The City uses an internal proportionate share to allocate its net pension/OPEB liability (asset) and corresponding deferred outflows/inflows of resources and pension/OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension/OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Balances related to the internal proportionate share for pension and OPEB at December 31, 2024, were as follows:

	Pension		OPEB	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Governmental Activities	\$11,421	\$1,446	\$86	\$2,979
Business-Type Activities:				
Water	22,153	15,024	1,927	111
Sewer	3,627	20,731	1,077	0
<i>Total Enterprise Funds/Business-Type Activities</i>	<i>25,780</i>	<i>35,755</i>	<i>3,004</i>	<i>111</i>
Elimination from Proprietary Fund Statements	(24,334)	(24,334)	(25)	(25)
Total Business-Type Activities	1,446	11,421	2,979	86
Total	<u><u>\$12,867</u></u>	<u><u>\$12,867</u></u>	<u><u>\$3,065</u></u>	<u><u>\$3,065</u></u>

Note 11 – Joint Venture

The City participates in the Local Organized Governments in Cooperation (LOGIC), a statutorily created political subdivision of the State formed in 1986 to provide safety dispatching services. LOGIC is a joint venture among the City, Jackson Township, Lawrence Township, City of Massillon, and Hills and Dales Village, with each participant providing one representative to serve on the board. Each representative has a membership share based on the percentage of contractual financial contributions to the total funding, and each participant is entitled to vote its percentage share. The board has total authority over the operation of LOGIC, including budgeting, appropriating, contracting, and designating management. Continued existence of LOGIC is dependent on the City's continued participation; however, the City does not have an equity interest in the LOGIC. LOGIC does not provide specific financial benefits or impose specific financial burdens on the City. During 2024, the City made contributions of \$125,064, but does not have an equity interest in LOGIC. Financial statements of LOGIC may be obtained from Local Organized Governments in Cooperation, 2601 Cleveland Avenue, Canton, Ohio 44709.

Note 12 – Related Organization

Four of the nine members of the Northwest Stark Senior Citizens Commission (Senior Citizens Commission) are appointed by the Mayor of the City. Four of the nine members of the Senior Citizens Commission are elected by the members of the Northwest Stark Senior Center. These eight members of the Senior Citizens Commission elect the remaining member. The Senior Citizens Commission administers its own staff and does not rely on the City to finance deficits. The City is not financially accountable for the Senior Citizens Commission nor is the Senior Citizens Commission financially dependent on the City. During 2024, the City did not contribute any funds to the Senior Citizens Commission. Financial information may be obtained by contacting the Senior Citizens Commission at 853 Locust Street, Canal Fulton, Ohio 44614.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 13 – Jointly Governed Organizations

Stark County Regional Planning Commission

The City participates in the Stark County Regional Planning Commission (Planning Commission), which is a statutorily created political subdivision of the State. The Planning Commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 64 member board, the City appoints one member. The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Planning 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 Planning Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Planning Commission's liabilities. In 2024, the City contributed a total of \$532 to the Planning Commission. Complete financial statements can be obtained from the Stark County Regional Planning Commission, 201 3rd Street NE, Suite 201, Canton, Ohio 44702.

Stark Council of Governments

The City participates in the Stark Council of Governments (Council) which is a statutorily created political subdivision of the State. The Council is jointly governed among Stark County and its municipalities and townships which direct the operations of the Stark County Metropolitan Narcotics Unit and the Stark County Crime Laboratory. Of the 27 members, the City has one appointed member. Each member's control over the operation of the Council is limited to its representation on the board. The board exercises total authority over the operation of the Council including budgeting, appropriation, contracting, and designating management. The Council is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City did not contribute any funds to the Council in 2024. Complete financial statements can be obtained from the Stark Council of Governments, P.O. Box 21451 Canton, Ohio 44701-1451.

Stark County District Board of Health

The City participates in the Stark County District Board of Health (Health District) which is a statutorily created political subdivision of the State. The Health District is jointly governed by Stark County townships, villages, the City of Canal Fulton, the City of Louisville, and the City of North Canton. Of the 8 board members, the City has one appointed member. The board is made up of various professionals who are equally representative of the general health district. The board exercises total authority over the operation of the Health District including budgeting, appropriation, contracting, and designating management. The Health District is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City contributed \$29,597 to the Health District in 2024. Complete financial statements can be obtained from the Stark County Combined General Health District, 3951 Convenience Circle NW, Canton, Ohio 44718.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 14 – Long-Term Obligations

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<i>Governmental Activities:</i>			
General Obligation Bonds:			
Fire Station Bonds 1 - 2006	4.25-5%	\$750,000	December 1, 2025
Fire Station Bonds 2 - 2006	4.25-5	750,000	December 1, 2025
Various Purpose Refunding Bonds - 2020	2.24	402,984	December 1, 2033
<i>Business-Type Activities:</i>			
General Obligation Bonds:			
Northwest Waterline Bonds - 2005	3.0-4.5	730,000	March 15, 2025
Various Purpose Refunding Bonds - 2020	2.24	397,016	December 1, 2033
OPWC Loans from Direct Borrowings:			
Water Treatment Plant Loan - 2003	0	600,595	July 1, 2024
Milan Street Waterline Loan - 2006	0	331,649	January 1, 2026
Wooster/Milan Waterline Loan - 2016	0	533,411	January 1, 2037
Poplar/Steiner Waterline Loan - 2016	0	304,899	January 1, 2037
Locust Abandonment Waterline Loan - 2016	0	29,260	January 1, 2037
Cherry Street Waterline Loan - 2021	0	325,585	July 1, 2051
High Street Sanitary Sewer Loan - 2009	0	116,357	January 1, 2041
WWTP Screening Improvements - 2014	0	170,750	July 1, 2035
Wooster Street Storm Sewer - 2014	0	137,727	January 1, 2035
OWDA Loan from Direct Borrowings:			
Westside Water Storage Tank - 2024	4.30	744,865	Not Finalized

The changes in the City's long-term obligations during the year consist of the following:

	Restated Amount Outstanding 1/1/2024	Additions	Deletions	Amount Outstanding 12/31/2024	Amounts Due in One Year
<i>Governmental Activities:</i>					
<u>General Obligation Bonds:</u>					
Fire Station Bonds 1	\$105,000	\$0	\$50,000	\$55,000	\$55,000
Premium on Fire Station Bonds 1	901	0	451	450	0
Fire Station Bonds 2	105,000	0	50,000	55,000	55,000
Premium on Fire Station Bonds 2	373	0	186	187	0
2020 Various Purpose Refunding Bonds	299,720	0	26,698	273,022	27,705
Total General Obligation Bonds	<u>510,994</u>	<u>0</u>	<u>127,335</u>	<u>383,659</u>	<u>137,705</u>
<u>Other Long-Term Obligations:</u>					
Compensated Absences	215,773	15,123 *	0	230,896	62,362
<u>Net Pension Liability:</u>					
OPERS	950,998	0	94,580	856,418	0
OP&F	2,255,583	0	113,084	2,142,499	0
Total Net Pension Liability	<u>3,206,581</u>	<u>0</u>	<u>207,664</u>	<u>2,998,917</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OPERS	21,110	0	21,110	0	0
OP&F	169,060	0	7,148	161,912	0
Total Net OPEB Liability	<u>190,170</u>	<u>0</u>	<u>28,258</u>	<u>161,912</u>	<u>0</u>
Total Governmental Activities	<u>\$4,123,518</u>	<u>\$15,123</u>	<u>\$363,257</u>	<u>\$3,775,384</u>	<u>\$200,067</u>

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

<i>Business-Type Activities</i>	Restated	Amount Outstanding	Amount Outstanding	Amount Due in One Year			
	1/1/2024						
<u>General Obligation Bonds:</u>							
Northwest Waterline Bonds:							
Term Bonds - Water	\$105,000	\$0	\$50,000	\$55,000			
Premium on Northwest Waterline Bonds	256	0	256	0			
Various Purpose Refunding Bonds 2020:							
Serial Bonds - Water	147,640	0	13,151	134,489			
Serial Bonds - Sewer	147,640	0	13,151	134,489			
Total General Obligation Bonds	<u>400,536</u>	<u>0</u>	<u>76,558</u>	<u>323,978</u>			
<u>OPWC Loans from Direct Borrowings:</u>							
Water - Treatment Plant	15,014	0	15,014	0			
Water - Milan Street	33,165	0	16,582	16,583			
Water - Wooster/Milan	346,718	0	26,671	320,047			
Water - Poplar/Steiner	198,184	0	15,245	182,939			
Water - Locust Abandonment	19,019	0	1,463	17,556			
Water - Cherry Street	299,514	0	10,697	288,817			
Sewer - High Street Sanitary Sewer	67,875	0	3,879	63,996			
Sewer - WWTP Screening Improvements	98,181	0	8,538	89,643			
Storm Sewer - Wooster Street Storm Sewer	75,751	0	6,887	68,864			
Total OPWC Loans	<u>1,153,421</u>	<u>0</u>	<u>104,976</u>	<u>1,048,445</u>			
<u>OWDA Loan from Direct Borrowings:</u>							
Water - Westside Water Storage Tank	0	<u>744,865</u>	0	<u>744,865</u>			
Compensated Absences	<u>121,854</u>	<u>7,692</u> *	0	<u>129,546</u>			
Net Pension Liability - OPERS:							
Water	415,972	86,613	0	502,585			
Sewer	614,190	0	111,503	502,687			
Total Net Pension Liability - OPERS	<u>1,030,162</u>	<u>86,613</u>	<u>111,503</u>	<u>1,005,272</u>			
Net OPEB Liability - OPERS:							
Water	9,233	0	9,233	0			
Sewer	13,631	0	13,631	0			
Total Net OPEB Liability - OPERS	<u>22,864</u>	<u>0</u>	<u>22,864</u>	<u>0</u>			
Total Business-Type Activities	<u>\$2,728,837</u>	<u>\$839,170</u>	<u>\$315,901</u>	<u>\$3,252,106</u>			
* The change in compensated absences above is a net change for the year.							

The fire station bonds 1 and 2 and the governmental portion of the 2020 various purpose improvement bonds are paid from the general obligation debt retirement fund.

On March 15, 2005, the City issued \$730,000 of Water Improvement Bonds for the purpose of constructing a waterline for the Northwest Local School District. The bonds are subject to mandatory sinking fund redemption before maturity. Interest payments, at rates ranging from 3 percent to 4.5 percent per year are payable on March 15 and September 15 of each year, until the principal amount is paid. The Water Improvement Bonds are paid from the water fund. The enterprise portion of the 2020 various purpose refunding bonds are paid from the water and sewer funds.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Redemption Provisions

Mandatory Sinking Fund Redemption The Northwest waterline bonds maturing on March 15, 2025 are term bonds and are subject to mandatory sinking redemption requirements with the balance of \$55,000 to be paid at maturity on March 15, 2025.

On September 3, 2020, the City issued general obligation bonds, in the amount of \$800,000, to refund the 2018 various purpose improvement bonds in order to take advantage of lower interest rates. The bonds were issued with an interest rates of 2.24 percent. The bonds were issued for a 14 year period with a final maturity on December 1, 2033. The bonds will be retired through the downtown improvement debt service fund, water fund, and sewer fund. The refunded bonds are considered defeased and the liability has been removed from the City's financial statements. As of December 31, 2024, \$383,659 of the defeased bonds remain outstanding.

The City's outstanding OPWC loans from direct borrowings related to business-type activities of \$1,048,445 contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and, as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

The City has entered into contractual agreements for construction loans from the Ohio Water Development Authority (OWDA). Under the terms of these agreements, the OWDA will reimburse, advance or directly pay the construction costs of approved projects. The OWDA will capitalize administrative costs and construction interest and then add them to the total amount of the final loan.

The City's outstanding unfinalized OWDA loan from direct borrowings of \$744,865 related to business-type activities contain provisions that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements.

The City has pledged future water revenues net of expenses to repay OPWC and OWDA loans. These loans are payable solely from net revenues and are payable through 2051. Annual principal payments on these loans are expected to require less than 24 percent of net revenues and less than 7 percent of total revenues. The total principal remaining to be paid on the loans is \$1,570,807. Principal paid for the current year was \$85,672, total net revenues were \$358,339, and total operating revenues were \$1,276,961.

The City has pledged future sewer revenues net of expenses to repay OPWC loans. These loans are payable solely from net revenues and are payable through 2041. Annual principal payments on these loans are expected to require less than 6 percent of net revenues and less than 1 percent of total revenues. The total principal remaining to be paid on the loans is \$153,639. Principal paid for the current year was \$12,417, total net revenues were \$231,954, and total operating revenues were \$1,259,518.

The City has pledged future storm sewer revenues net of expenses to repay an OPWC loan. This loan is payable solely from net revenues and is payable though 2034. Annual principal and interest payments on the debt issues are expected to require less than 14 percent of net revenues and less than 11 percent of total revenues. The total principal remaining to be paid on the loan is \$68,864. Principal paid for the current year was \$6,887, total net revenues were \$48,973 and total operating revenues were \$65,832.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

There is no repayment schedule for the net pension liability; however, employer pension and OPEB contributions are made from the general fund, the street maintenance, police, and fire/EMS special revenue funds, and the water and sewer enterprise funds. Increases and decreases to compensated absences are presented net on the previous table.

As of December 31, 2024, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$15,071,166 and the unvoted legal debt margin was \$7,577,771.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2024, are as follows:

Year	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2025	\$137,705	\$11,616
2026	28,209	5,495
2027	28,713	4,863
2028	29,720	4,220
2029	30,224	3,554
2030-2033	128,451	7,267
Total	<u><u>\$383,022</u></u>	<u><u>\$37,015</u></u>

Year	Business-Type Activities				From Direct Borrowings OPWC Loans
	General Obligation Bonds		Term		
	Serial	Principal	Interest	Principal	Interest
2025		\$27,294	\$6,026	\$55,000	\$1,238
2026		27,792	5,414	0	0
2027		28,288	4,792	0	0
2028		29,280	4,158	0	0
2029		29,776	3,502	0	0
2030-2034		126,548	7,160	0	0
2035-2039		0	0	0	0
2040-2044		0	0	0	0
2045-2049		0	0	0	0
2050-2051		0	0	0	0
Total		<u><u>\$268,978</u></u>	<u><u>\$31,052</u></u>	<u><u>\$55,000</u></u>	<u><u>\$1,238</u></u>
					<u><u>\$1,048,445</u></u>

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Note 15 – Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	Balance 1/1/2024	Additions	Deductions	Balance 12/31/2024
Governmental Activities				
<i>Capital Assets, not being depreciated</i>				
Land	\$3,376,557	\$245,220	(\$2,300)	\$3,619,477
Construction in Progress	1,522,835	130,578	0	1,653,413
Total Capital Assets, not being depreciated	4,899,392	375,798	(2,300)	5,272,890
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	6,526,011	73,772	0	6,599,783
Equipment and Machinery	1,904,793	142,597	0	2,047,390
Vehicles	2,396,534	194,101	(210,697)	2,379,938
Infrastructure:				
Roads	7,771,405	455,808	0	8,227,213
Total Capital Assets, being depreciated	18,598,743	866,278	(210,697)	19,254,324
Less Accumulated Depreciation:				
Buildings and Improvements	(3,203,631)	(141,541)	0	(3,345,172)
Equipment and Machinery	(1,358,597)	(142,620)	0	(1,501,217)
Vehicles	(1,263,489)	(159,910)	210,697	(1,212,702)
Infrastructure:				
Roads	(3,205,231)	(388,291)	0	(3,593,522)
Total Accumulated Depreciation	(9,030,948)	(832,362)*	210,697	(9,652,613)
Total Capital Assets being depreciated, Net	9,567,795	33,916	0	9,601,711
Governmental Activities Capital Assets, Net	\$14,467,187	\$409,714	(\$2,300)	\$14,874,601

* Depreciation expense was charged to governmental activities as follows:

General Government	\$47,251
Security of Persons and Property	256,384
Transportation	492,406
Leisure Time Activities	36,321
Total Depreciation Expense	\$832,362

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

	Balance 1/1/2024	Additions	Deductions	Balance 12/31/2024
Business-Type Activities				
<i>Capital Assets, not being depreciated</i>				
Land	\$350,014	\$0	\$0	\$350,014
Construction in Progress	367,872	2,519,000	0	2,886,872
Total Capital Assets, not being depreciated	717,886	2,519,000	0	3,236,886
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	5,684,981	0	0	5,684,981
Equipment and Machinery	421,532	9,381	0	430,913
Vehicles	232,065	0	(25,915)	206,150
Infrastructure:				
Water Lines	8,050,516	0	0	8,050,516
Sewer Lines	5,222,742	0	0	5,222,742
Storm Sewers	4,869,885	43,125	0	4,913,010
Total Capital Assets, being depreciated	24,481,721	52,506	(25,915)	24,508,312
Less Accumulated Depreciation:				
Buildings and Improvements	(3,735,835)	(143,893)	0	(3,879,728)
Equipment and Machinery	(291,940)	(29,875)	0	(321,815)
Vehicles	(197,350)	(10,788)	25,915	(182,223)
Infrastructure:				
Water Lines	(4,256,482)	(131,764)	0	(4,388,246)
Sewer Lines	(3,171,950)	(60,863)	0	(3,232,813)
Storm Sewers	(2,520,581)	(52,654)	0	(2,573,235)
Total Accumulated Depreciation	(14,174,138)	(429,837)	25,915	(14,578,060)
Total Capital Assets being depreciated, Net	10,307,583	(377,331)	0	9,930,252
Business-Type Activities Capital Assets, Net	\$11,025,469	\$2,141,669	\$0	\$13,167,138

Note 16 – Defined Benefit Pension Plans

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

Net Pension Liability (Asset)/Net OPEB Liability (Asset)

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/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) calculations are 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 these estimates annually.

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 17 for the required OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2024, the combined plan was consolidated into the traditional pension plan, as approved by the legislature in House Bill 33. The traditional pension plan includes members of the legacy combined plan, a hybrid defined benefit/defined contribution plan which was closed to new members effective January 1, 2022. New members are no longer able to select the combined plan and current members are no longer able to make a plan change to the combined plan. The combined plan was consolidated into the traditional pension plan effective January 1, 2024, as a separate division. No changes were made to the benefit design features of the combined plan as part of this consolidation so that members in this plan will experience no changes. The City's 2024 net pension liability (asset) for OPERS is measured as of December 31, 2023, and reflects the traditional plan and the combined plan as two separate plans. The City's 2025 financial statements will reflect the effects of the combined plan being consolidated into the traditional pension 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 Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

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

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

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined

City of Canal Fulton, Ohio
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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 and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

		State and Local	
		Traditional	Combined
2024 Statutory Maximum Contribution Rates			
Employer		14.0 %	14.0 %
Employee *		10.0 %	10.0 %
2024 Actual Contribution Rates			
Employer:			
Pension **		14.0 %	12.0 %
Post-employment Health Care Benefits **		0.0	2.0
Total Employer		<u><u>14.0 %</u></u>	<u><u>14.0 %</u></u>
Employee		<u><u>10.0 %</u></u>	<u><u>10.0 %</u></u>

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

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

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

For 2024, the City's contractually required contribution was \$170,846 for the traditional plan and \$16,643 for the combined plan. Of these amounts, \$15,106 is reported as an intergovernmental payable for the traditional plan and \$1,473 for the combined plan.

City of Canal Fulton, Ohio
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Ohio Police & Fire Pension Fund (OP&F)

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced previously for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent 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 3.0 percent 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 Canal Fulton, Ohio
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Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$157,148 for 2024. Of this amount, \$10,810 is reported as an intergovernmental payable.

Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.00711100%	0.02898600%	0.02217590%	
Prior Measurement Date	<u>0.00670700%</u>	<u>0.02602800%</u>	<u>0.02374540%</u>	
Change in Proportionate Share	<u>0.00040400%</u>	<u>0.00295800%</u>	<u>-0.00156950%</u>	
Proportionate Share of the:				
Net Pension Liability	\$1,861,690	\$0	\$2,142,499	\$4,004,189
Net Pension (Asset)	0	(89,098)	0	(89,098)
Pension Expense	236,746	6,500	157,520	400,766

City of Canal Fulton, Ohio
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At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$30,428	\$3,610	\$68,780	\$102,818
Changes of assumptions	0	3,307	135,404	138,711
Net difference between projected and actual earnings on pension plan investments	375,768	14,491	242,790	633,049
Changes in proportion and differences between City contributions and proportionate share of contributions	47,267	12,492	64,596	124,355
City contributions subsequent to the measurement date	170,846	16,643	157,148	344,637
Total Deferred Outflows of Resources	\$624,309	\$50,543	\$668,718	\$1,343,570
Deferred Inflows of Resources				
Differences between expected and actual experience	\$0	\$8,813	\$23,961	\$32,774
Changes of assumptions	0	0	32,536	32,536
Changes in proportion and differences between City contributions and proportionate share of contributions	5,591	13,938	178,171	197,700
Total Deferred Inflows of Resources	\$5,591	\$22,751	\$234,668	\$263,010

\$344,637 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 or increase to the net pension asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
2025	\$121,233	\$2,255	\$57,116	\$180,604
2026	140,353	4,030	84,978	229,361
2027	239,794	8,462	158,138	406,394
2028	(53,508)	(2,173)	(13,107)	(68,788)
2029	0	763	(9,925)	(9,162)
Thereafter	0	(2,188)	(298)	(2,486)
Total	\$447,872	\$11,149	\$276,902	\$735,923

City of Canal Fulton, Ohio
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Actuarial Assumptions – OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2023, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.3 percent, simple through 2024, then 2.05 percent, simple	2.3 percent, simple through 2024, then 2.05 percent, simple
Post-January 7, 2013 Retirees (Prior Year)	3.0 percent, simple through 2023, then 2.05 percent, simple	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was

City of Canal Fulton, Ohio
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determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other Investments	5.00	3.46
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.9 percent) or one percentage point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$2,930,799	\$1,861,690	\$972,500
OPERS Combined Plan	(53,914)	(89,098)	(116,814)

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
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Actuarial Assumptions – OP&F

The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants, which was 6.03 years at December 31, 2023.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2023, are presented as follows:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	2.2 percent simple per year

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

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

City of Canal Fulton, Ohio
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Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	<u>2.00</u>	3.50
 Total	 <u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

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 in the previous table, 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 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payment of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	Current		
	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$2,837,898	\$2,142,499	\$1,564,205

City of Canal Fulton, Ohio
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Note 17 – Defined Benefit OPEB Plans

See Note 16 for a description of the net OPEB liability (asset).

Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined, and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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

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

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

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

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

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

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

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

City of Canal Fulton, Ohio
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Age 59 or younger Retirees Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

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

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

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

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

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

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

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

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

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

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

City of Canal Fulton, Ohio
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OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,774 for 2024. Of this amount, \$245 is reported as an intergovernmental payable.

City of Canal Fulton, Ohio
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Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5 percent 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.

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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 \$4,135 for 2024. Of this amount, \$284 is reported as an intergovernmental payable.

OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.00738500%	0.02217590%	
Prior Measurement Date	<u>0.00697400%</u>	<u>0.02374540%</u>	
Change in Proportionate Share	<u>0.00041100%</u>	<u>-0.00156950%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$0	\$161,912	\$161,912
Net OPEB (Asset)	(66,652)	0	(66,652)
OPEB Expense	(9,444)	1,218	(8,226)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$7,786	\$7,786
Changes of assumptions	17,159	55,716	72,875
Net difference between projected and actual earnings on OPEB plan investments	40,028	11,956	51,984
Changes in proportion and differences between City contributions and proportionate share of contributions	0	10,834	10,834
City contributions subsequent to the measurement date	<u>2,774</u>	<u>4,135</u>	<u>6,909</u>
Total Deferred Outflows of Resources	<u><u>\$59,961</u></u>	<u><u>\$90,427</u></u>	<u><u>\$150,388</u></u>

City of Canal Fulton, Ohio
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	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$9,487	\$29,755	\$39,242
Changes of assumptions	28,651	104,268	132,919
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>2,609</u>	<u>27,949</u>	<u>30,558</u>
Total Deferred Inflows of Resources	<u><u>\$40,747</u></u>	<u><u>\$161,972</u></u>	<u><u>\$202,719</u></u>

\$6,909 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase in the net OPEB asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2025	(\$3,381)	(\$7,252)	(\$10,633)
2026	2,177	(9,934)	(7,757)
2027	31,158	(6,926)	24,232
2028	(13,514)	(16,349)	(29,863)
2029	0	(15,683)	(15,683)
Thereafter	<u>0</u>	<u>(19,536)</u>	<u>(19,536)</u>
Total	<u><u>\$16,440</u></u>	<u><u>(\$75,680)</u></u>	<u><u>(\$59,240)</u></u>

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (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 the System and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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Wage Inflation	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.70 percent
Prior Year Single Discount Rate	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.77 percent
Prior Year Municipal Bond Rate	4.05 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2038
Actuarial Cost Method	Individual Entry Age

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

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other Investments	5.00	2.43
Total	100.00%	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. 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 percent and a municipal bond rate of 3.77 percent. (Fidelity Index's "20-Year Municipal GO AA Index") The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (4.70 percent) or one percentage point higher (6.70 percent) than the current rate:

	Current		
	1% Decrease (4.70%)	Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$36,630	(\$66,652)	(\$152,205)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years

City of Canal Fulton, Ohio
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from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB (asset)	(\$69,419)	(\$66,652)	(\$63,511)

Actuarial Assumptions – OP&F

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation are presented as follows:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.50 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended Discount Rate:	
Current measurement rate	4.07 percent
Prior measurement rate	4.27 percent
Cost-of-Living Adjustments	2.2 percent simple per year
Projected Depletion Year of OPEB Assets	2038

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Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 16.

Discount Rate For 2023, the total OPEB liability was calculated using the discount rate of 4.07 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.5 percent was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38 percent was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07 percent.

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. To illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 4.07 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07 percent), or one percentage point higher (5.07 percent), than the current rate:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City's proportionate share of the net OPEB liability	\$199,432	\$161,912	\$130,315

Note 18 – Significant Commitments

Contractual Commitments

As of December 31, 2024, the City had the following contract balances for various projects:

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Project	Contractor	Contract Amount
Elevated Water Storage Tank Improvement Project	RBS General Contracting, LLC	\$1,696,908
Denshire Drive NW Resurfacing Project	Geauga Highway Company	78,000
2024 Asphalt Resurfacing Project	Karvo Companies, Inc.	280,691

All of the remaining commitment amounts were encumbered at year end.

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<i>Governmental Funds:</i>	<i>Proprietary Funds:</i>
General	\$131,323
Police	93,258
Fire/EMS	271,548
General Capital Projects Reserve	78,741
Other Governmental Funds	<u>191,329</u>
Total	<u><u>\$766,199</u></u>

Note 19 – Fund Balances

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

Fund Balances	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Materials and Supplies Inventory	\$0	\$0	\$0	\$0	\$25,051	\$25,051
General Trust	3,591	0	0	0	0	3,591
Unclaimed Monies	<u>15,745</u>	0	0	0	0	<u>15,745</u>
<i>Total Nonspendable</i>	<u><u>19,336</u></u>	0	0	0	<u>25,051</u>	<u>44,387</u>
<u>Restricted to:</u>						
Street Repair and Maintenance	0	0	0	0	313,272	313,272
Police Protection	0	511,736	0	0	53,522	565,258
St. Helena II	0	0	0	0	64,616	64,616
Debt Service	0	0	0	0	42,036	42,036
Capital Projects	0	0	0	0	520,773	520,773
<i>Total Restricted</i>	<u>0</u>	<u>511,736</u>	0	0	<u>994,219</u>	<u>1,505,955</u>
<u>Committed to:</u>						
Fire Protection	0	0	668,155	0	0	668,155
Capital Projects	0	0	0	1,060,726	86,583	1,147,309
<i>Total Committed</i>	<u>\$0</u>	<u>\$0</u>	<u>\$668,155</u>	<u>\$1,060,726</u>	<u>\$86,583</u>	<u>\$1,815,464</u>

(continued)

City of Canal Fulton, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Fund Balances (continued)	General	Police	Fire/ EMS	General Capital Projects Reserve	Other Governmental Funds	Total
<u>Assigned to:</u>						
Purchases on Order:						
General Government	95,288	0	0	0	0	95,288
Transportation	472	0	0	0	0	472
Leisure Time Activities	12,965	0	0	0	0	12,965
<i>Total Assigned</i>	<i>108,725</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>108,725</i>
Unassigned	1,527,524	0	0	0	0	1,527,524
Total Fund Balances	\$1,655,585	\$511,736	\$668,155	\$1,060,726	\$1,105,853	\$5,002,055

In addition to the above fund balance constraints, the City has a general fund budget stabilization arrangement that does not meet the criteria to be classified as restricted or committed. Pursuant to Ohio Revised Code Section 5705.13, the City established a budget stabilization by resolution to provide options to respond to unexpected infrastructure failure, or disaster situations. Expenditures of a recurring nature are not addressed through the use of this arrangement. City Council authorized the funding of this arrangement as resources become available in the general fund. The balance in the reserve at December 31, 2024, was \$283,125.

Note 20 – Asset Retirement Obligations

The Governmental Accounting Standard Board's (GASB) Statement No. 83, *Certain Asset Retirement Obligations*, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City may be responsible to address any public safety issues associated with their lift stations, requiring the City to record an asset retirement obligation (ARO). There may be additional AROs related to public safety issues; however, these amounts are not reasonably estimable. Currently, there is significant uncertainty as to what items would need to be addressed; therefore, a reliable estimated amount could not be determined.

Note 21 – Subsequent Event

At the request of the City, the Ohio Auditor of State's Special Investigations Unit initiated an investigation into the operations of the City's Income Tax Department. As of the date of this report, the investigation remains ongoing. The outcome of this matter and any potential financial or operational impact cannot be determined at this time.

Required Supplementary Information

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Ten Years

	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.00711100%	0.00670700%	0.00687100%	0.00670000%
City's Proportionate Share of the Net Pension Liability	\$1,861,690	\$1,981,160	\$597,804	\$992,124
City's Covered Payroll	\$1,170,550	\$1,039,664	\$997,257	\$943,714
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.04%	190.56%	59.94%	105.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.00652800%	0.00697900%	0.00704100%	0.00723300%	0.00716800%	0.00733100%
\$1,290,304	\$1,911,407	\$1,104,597	\$1,642,490	\$1,241,590	\$884,200
\$918,429	\$943,886	\$929,262	\$935,058	\$892,150	\$898,775
140.49%	202.50%	118.87%	175.66%	139.17%	98.38%
82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
*Last Seven Years (1) **

	2024	2023	2022	2021
City's Proportion of the Net Pension Asset	0.02898600%	0.02602800%	0.02447700%	0.03384600%
City's Proportionate Share of the Net Pension Asset	\$89,098	\$61,345	\$96,441	\$97,702
City's Covered Payroll	\$133,100	\$121,093	\$111,593	\$149,157
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	66.94%	50.66%	86.42%	65.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	144.55%	137.14%	169.88%	157.67%

(1) Although this schedule is intended to show information for ten years, information prior to 2018 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2020	2019	2018
0.03246200%	0.03083000%	0.03035700%
\$67,694	\$34,475	\$41,325
\$144,507	\$131,857	\$124,331
46.84%	26.15%	33.24%
145.28%	126.64%	137.28%

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability/Asset
Ohio Public Employees Retirement System - OPEB Plan
*Last Eight Years (1) **

	2024	2023	2022	2021
City's Proportion of the Net OPEB Liability/Asset	0.00738500%	0.00697400%	0.00711100%	0.00723700%
City's Proportionate Share of the Net OPEB Asset	\$66,652	\$0	\$222,728	\$128,933
City's Proportionate Share of the Net OPEB Liability	\$0	\$43,974	\$0	\$0
City's Covered Payroll	\$1,303,650	\$1,160,757	\$1,108,850	\$1,094,546
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-5.11%	3.79%	-20.09%	-11.78%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	128.23%	115.57%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017
0.00712100%	0.00755000%	0.00757000%	0.00766000%
\$0	\$0	\$0	\$0
\$983,595	\$984,341	\$822,045	\$773,685
\$1,075,886	\$1,075,743	\$1,053,593	\$1,046,375
91.42%	91.50%	78.02%	73.94%
47.80%	46.33%	54.14%	54.04%

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Ten Years

	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.02217590%	0.02374540%	0.02230940%	0.02359000%
City's Proportionate Share of the Net Pension Liability	\$2,142,499	\$2,255,583	\$1,393,760	\$1,608,151
City's Covered Payroll	\$703,821	\$640,932	\$631,995	\$645,026
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	304.41%	351.92%	220.53%	249.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.63%	62.90%	75.03%	70.65%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.02509850%	0.02501600%	0.02499900%	0.02550200%	0.02608600%	0.02718150%
\$1,690,769	\$2,041,966	\$1,534,302	\$1,615,271	\$1,678,131	\$1,408,114
\$612,437	\$670,011	\$609,637	\$607,695	\$589,974	\$598,700
276.07%	304.77%	251.67%	265.80%	284.44%	235.20%
69.89%	63.07%	70.91%	68.36%	66.77%	71.71%

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund
*Last Eight Years (1) **

	2024	2023	2022	2021
City's Proportion of the Net OPEB Liability	0.02217590%	0.02374540%	0.02230940%	0.02359000%
City's Proportionate Share of the Net OPEB Liability	\$161,912	\$169,060	\$244,532	\$249,940
City's Covered Payroll	\$703,821	\$640,932	\$631,995	\$645,026
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	23.00%	26.38%	38.69%	38.75%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	51.89%	52.59%	46.90%	45.40%

(1) Although this schedule is intended to show information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017
0.02509850%	0.02501600%	0.02499900%	0.02550200%
\$247,917	\$227,811	\$1,416,407	\$1,210,523
\$612,437	\$670,011	\$609,637	\$607,695
40.48%	34.00%	232.34%	199.20%
47.08%	46.57%	14.13%	15.96%

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2024	2023	2022	2021
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$170,846	\$163,877	\$145,553	\$139,616
Contributions in Relation to the Contractually Required Contribution	<u>(170,846)</u>	<u>(163,877)</u>	<u>(145,553)</u>	<u>(139,616)</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City Covered Payroll	\$1,220,329	\$1,170,550	\$1,039,664	\$997,257
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Liability/Asset - Combined Plan				
Contractually Required Contribution	\$16,643	\$15,972	\$16,953	\$15,623
Contributions in Relation to the Contractually Required Contribution	<u>(16,643)</u>	<u>(15,972)</u>	<u>(16,953)</u>	<u>(15,623)</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City Covered Payroll	\$138,692	\$133,100	\$121,093	\$111,593
Pension Contributions as a Percentage of Covered Payroll	<u>12.00%</u>	<u>12.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability/Asset - OPEB Plan				
Contractually Required Contribution	\$2,774	\$2,662	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>(2,774)</u>	<u>(2,662)</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City Covered Payroll (1)	\$1,359,021	\$1,303,650	\$1,160,757	\$1,108,850
OPEB Contributions as a Percentage of Covered Payroll	<u>0.20%</u>	<u>0.20%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$132,120	\$128,580	\$132,144	\$120,804	\$112,207	\$107,058
(132,120)	(128,580)	(132,144)	(120,804)	(112,207)	(107,058)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$943,714	\$918,429	\$943,886	\$929,262	\$935,058	\$892,150
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>
\$20,882	\$20,231	\$18,460	\$16,163	\$13,358	\$14,366
(20,882)	(20,231)	(18,460)	(16,163)	(13,358)	(14,366)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$149,157	\$144,507	\$131,857	\$124,331	\$111,317	\$119,717
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>12.00%</u>	<u>12.00%</u>
\$67	\$518	\$824	\$11,223	\$21,431	\$20,517
(67)	(518)	(824)	(11,223)	(21,431)	(20,517)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,094,546	\$1,075,886	\$1,075,743	\$1,053,593	\$1,046,375	\$1,018,089
<u>0.01%</u>	<u>0.05%</u>	<u>0.08%</u>	<u>1.07%</u>	<u>2.05%</u>	<u>2.02%</u>

City of Canal Fulton, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	\$157,148	\$133,726	\$121,777	\$120,079
Contributions in Relation to the Contractually Required Contribution	<u>(157,148)</u>	<u>(133,726)</u>	<u>(121,777)</u>	<u>(120,079)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$827,095	\$703,821	\$640,932	\$631,995
Pension Contributions as a Percentage of Covered Payroll	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>
Net OPEB Liability				
Contractually Required Contribution	\$4,135	\$3,519	\$3,205	\$3,160
Contributions in Relation to the Contractually Required Contribution	<u>(4,135)</u>	<u>(3,519)</u>	<u>(3,205)</u>	<u>(3,160)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$122,555	\$116,363	\$127,302	\$115,831	\$115,462	\$112,095
(122,555)	(116,363)	(127,302)	(115,831)	(115,462)	(112,095)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$645,026	\$612,437	\$670,011	\$609,637	\$607,695	\$589,974
<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>	<u>19.00%</u>
\$3,225	\$3,062	\$3,350	\$3,048	\$3,038	\$2,950
(3,225)	(3,062)	(3,350)	(3,048)	(3,038)	(2,950)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>	<u>19.50%</u>

City of Canal Fulton, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2024

Changes in Assumptions – OPERS Pension – Traditional Plan

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019 through 2021	2018 and 2017	2016 and prior
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, retirees are as follows:

2024	2.3 percent, simple through 2024 then 2.05 percent, simple
2023	3.0 percent, simple through 2023 then 2.05 percent, simple
2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for

City of Canal Fulton, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2024

mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OPERS Pension – Combined Plan

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	2022	2019 through 2021	2018
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

Since 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

City of Canal Fulton, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2024

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	See Below	See Below
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

For 2017 and prior the investment rate of return was 8.25 percent. Beginning in 2018, the OP&F Board adopted a change in the investment rate of return, changing it from 8.25 percent for 2017 and prior to 8 percent. Beginning in 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022 and forward.

Beginning in 2023, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Beginning in 2023, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Beginning in 2023, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Beginning in 2023, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

Prior to 2023, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

Prior to 2023, 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.

City of Canal Fulton, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2024

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

Changes in Assumptions – OPERS OPEB

Wage Inflation:	
Beginning in 2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
Beginning in 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2024	3.77 percent
2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2024	5.70 percent
2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2024	5.50 percent, initial 3.5 percent, ultimate in 2038
2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

City of Canal Fulton, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2024

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:

2024	4.07 percent
2023	4.27 percent
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

In 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent beginning in 2022.

Changes in Benefit Terms – OPERS OPEB

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 2021.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

**Combining and Individual Fund Statements and
Schedules**

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Street Maintenance Fund – To account for and report State gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

State Highway Fund – To account for and report State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

Motor Vehicle License Fund – To account for and report the permissive motor vehicle license tax levied by the City and the permissive motor vehicle license taxes received from County permissive motor vehicle license fees. The proceeds are restricted for street maintenance.

Enforcement and Education Fund – To account for the collection of fines that are restricted to educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol and to reinforce the “Say No to Drugs” message.

Law Enforcement Trust Fund – To account for and report restricted monies received from drug fines and forfeited bonds restricted for security of persons and property.

Canal Boat Fund – To account for and report charges for services that are restricted for canal boat maintenance and costs of events held on the canal.

Fire Demolition Fund – To account for and report insurance settlement monies held by the City until such time that the properties have been suitably demolished. The fund did not have any budgetary activity in 2024; therefore, budgetary information is not provided.

Unclaimed Monies Fund – To account for and report nonspendable revenues received from various unclaimed funds. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

General Trust Fund – To account for and report nonspendable revenues received as donations to various City departments. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. The fund did not have any budgetary activity in 2024; therefore, budgetary information is not provided.

Park Deposits Fund – To account for and report revenue from rental deposits which provides for the furnishings and upkeep of City parks. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Budget Stabilization Fund – To account for and provide options to respond to unexpected infrastructure failure or disaster situations. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

General Obligation Debt Retirement Fund – To account for and report property taxes, other revenues, and transfers from the general fund restricted for debt payments.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Parks and Recreation Capital Projects Fund – To account for and report fines, licenses, and permits and contributions and donations receipts committed for the purpose of improving existing park and recreation facilities.

Downtown Capital Improvement Fund – To account for and report initial debt proceeds restricted for related capital outlays according to the debt covenants.

Capital Improvements Fund – The capital improvements fund accounts for and reports grant monies restricted for the purchase of capital assets.

Fire Equipment Fund – To account for and report property tax monies restricted for the purchase of Fire- and EMS-related capital assets.

City of Canal Fulton, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$382,671	\$34,294	\$624,985	\$1,041,950
Materials and Supplies Inventory	25,051	0	0	25,051
Intergovernmental Receivable	199,041	7,742	1,115	207,898
Property Taxes Receivable	0	125,339	108,040	233,379
Permissive Motor Vehicle License Taxes	5,527	0	0	5,527
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	39,435	0	0	39,435
<i>Total Assets</i>	<u>\$651,725</u>	<u>\$167,375</u>	<u>\$734,140</u>	<u>\$1,553,240</u>
Liabilities				
Accounts Payable	\$11,505	\$0	\$18,744	\$30,249
Accrued Wages	8,967	0	0	8,967
Contracts Payable	6,584	0	0	6,584
Intergovernmental Payable	1,764	0	0	1,764
Deposits Held Payable from Restricted Assets	39,435	0	0	39,435
<i>Total Liabilities</i>	<u>68,255</u>	<u>0</u>	<u>18,744</u>	<u>86,999</u>
Deferred Inflows of Resources				
Property Taxes	0	119,397	102,936	222,333
Unavailable Revenue	127,009	5,942	5,104	138,055
<i>Total Deferred Inflows of Resources</i>	<u>127,009</u>	<u>125,339</u>	<u>108,040</u>	<u>360,388</u>
Fund Balances				
Nonspendable	25,051	0	0	25,051
Restricted	431,410	42,036	520,773	994,219
Committed	0	0	86,583	86,583
<i>Total Fund Balances</i>	<u>456,461</u>	<u>42,036</u>	<u>607,356</u>	<u>1,105,853</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$651,725</u></u>	<u><u>\$167,375</u></u>	<u><u>\$734,140</u></u>	<u><u>\$1,553,240</u></u>

City of Canal Fulton, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$0	\$109,694	\$111,660	\$221,354
Permissive Motor Vehicle License Taxes	60,669	0	0	60,669
Charges for Services	15,127	0	0	15,127
Fines and Forfeitures	1,875	0	0	1,875
Intergovernmental	415,673	15,209	2,197	433,079
Investment Earnings/Interest	11,586	0	0	11,586
Contributions and Donations	1,107	0	66,050	67,157
Other	34,410	0	12,130	46,540
<i>Total Revenues</i>	<u>540,447</u>	<u>124,903</u>	<u>192,037</u>	<u>857,387</u>
Expenditures				
Current:				
General Government	0	1,909	1,502	3,411
Transportation	490,388	0	0	490,388
Leisure Time Activities	6,452	0	0	6,452
Capital Outlay	0	0	706,786	706,786
Debt Service:				
Principal Retirement	0	126,698	0	126,698
Interest	0	17,214	0	17,214
<i>Total Expenditures</i>	<u>496,840</u>	<u>145,821</u>	<u>708,288</u>	<u>1,350,949</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>43,607</u>	<u>(20,918)</u>	<u>(516,251)</u>	<u>(493,562)</u>
Other Financing Sources				
Sale of Capital Assets	0	0	13,627	13,627
Transfers In	0	18,000	600,000	618,000
<i>Total Other Financing Sources</i>	<u>0</u>	<u>18,000</u>	<u>613,627</u>	<u>631,627</u>
<i>Net Change in Fund Balances</i>	<u>43,607</u>	<u>(2,918)</u>	<u>97,376</u>	<u>138,065</u>
<i>Fund Balances Beginning of Year</i>	<u>412,854</u>	<u>44,954</u>	<u>509,980</u>	<u>967,788</u>
<i>Fund Balances End of Year</i>	<u><u>\$456,461</u></u>	<u><u>\$42,036</u></u>	<u><u>\$607,356</u></u>	<u><u>\$1,105,853</u></u>

City of Canal Fulton, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Street Maintenance	State Highway	Motor Vehicle License	Enforcement and Education
Assets				
Equity in Pooled Cash and Cash Equivalents	\$174,029	\$75,878	\$14,626	\$18,271
Materials and Supplies Inventory	25,051	0	0	0
Intergovernmental Receivable	184,113	14,928	0	0
Permissive Motor Vehicle License Taxes	0	0	5,527	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
<i>Total Assets</i>	<u><u>\$383,193</u></u>	<u><u>\$90,806</u></u>	<u><u>\$20,153</u></u>	<u><u>\$18,271</u></u>
Liabilities				
Accounts Payable	\$11,505	\$0	\$0	\$0
Accrued Wages	8,967	0	0	0
Contracts Payable	6,584	0	0	0
Intergovernmental Payable	1,764	0	0	0
Deposits Held Payable from Restricted Assets	0	0	0	0
<i>Total Liabilities</i>	<u><u>28,820</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
Deferred Inflows of Resources				
Unavailable Revenue	117,484	9,525	0	0
Fund Balances				
Nonspendable	25,051	0	0	0
Restricted	211,838	81,281	20,153	18,271
<i>Total Fund Balances</i>	<u><u>236,889</u></u>	<u><u>81,281</u></u>	<u><u>20,153</u></u>	<u><u>18,271</u></u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$383,193</u></u>	<u><u>\$90,806</u></u>	<u><u>\$20,153</u></u>	<u><u>\$18,271</u></u>

Law Enforcement Trust	Canal Boat	Fire Demolition	Total Nonmajor Special Revenue Funds
\$35,251	\$64,616	\$0	\$382,671
0	0	0	25,051
0	0	0	199,041
0	0	0	5,527
0	0	39,435	39,435
\$35,251	\$64,616	\$39,435	\$651,725
\$0	\$0	\$0	\$11,505
0	0	0	8,967
0	0	0	6,584
0	0	0	1,764
0	0	39,435	39,435
0	0	39,435	68,255
0	0	0	127,009
0	0	0	25,051
35,251	64,616	0	431,410
35,251	64,616	0	456,461
\$35,251	\$64,616	\$39,435	\$651,725

City of Canal Fulton, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Street Maintenance	State Highway	Motor Vehicle License	Enforcement and Education
Revenues				
Permissive Motor Vehicle License Taxes	\$0	\$0	\$60,669	\$0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	150
Intergovernmental	372,792	27,687	15,194	0
Investment Earnings/Interest	6,763	3,504	1,319	0
Contributions and Donations	0	0	0	0
Other	34,410	0	0	0
<i>Total Revenues</i>	<i>413,965</i>	<i>31,191</i>	<i>77,182</i>	<i>150</i>
Expenditures				
Current:				
Transportation	382,662	18,805	88,921	0
Leisure Time Activities	0	0	0	0
<i>Total Expenditures</i>	<i>382,662</i>	<i>18,805</i>	<i>88,921</i>	<i>0</i>
<i>Net Change in Fund Balances</i>	<i>31,303</i>	<i>12,386</i>	<i>(11,739)</i>	<i>150</i>
<i>Fund Balances Beginning of Year</i>	<i>205,586</i>	<i>68,895</i>	<i>31,892</i>	<i>18,121</i>
<i>Fund Balances End of Year</i>	<i><u>\$236,889</u></i>	<i><u>\$81,281</u></i>	<i><u>\$20,153</u></i>	<i><u>\$18,271</u></i>

Law Enforcement Trust	Canal Boat	Special Revenue Funds	Total Nonmajor
\$0	\$0	\$60,669	
0	15,127	15,127	
1,725	0	1,875	
0	0	415,673	
0	0	11,586	
0	1,107	1,107	
0	0	34,410	
<hr/>	<hr/>	<hr/>	<hr/>
1,725	16,234	540,447	
<hr/>	<hr/>	<hr/>	<hr/>
0	0	490,388	
0	6,452	6,452	
<hr/>	<hr/>	<hr/>	<hr/>
0	6,452	496,840	
<hr/>	<hr/>	<hr/>	<hr/>
1,725	9,782	43,607	
<hr/>	<hr/>	<hr/>	<hr/>
33,526	54,834	412,854	
<hr/>	<hr/>	<hr/>	<hr/>
<u>\$35,251</u>	<u>\$64,616</u>	<u>\$456,461</u>	

City of Canal Fulton, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2024

	Parks and Recreation Capital Projects	Downtown Capital Improvement	Capital Improvements	Fire Equipment	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$86,583	\$146,308	\$253,327	\$138,767	\$624,985
Intergovernmental Receivable	0	0	0	1,115	1,115
Property Taxes Receivable	0	0	0	108,040	108,040
<i>Total Assets</i>	<u>\$86,583</u>	<u>\$146,308</u>	<u>\$253,327</u>	<u>\$247,922</u>	<u>\$734,140</u>
Liabilities					
Accounts Payable	\$0	\$8,400	\$10,344	\$0	\$18,744
Deferred Inflows of Resources					
Property Taxes	0	0	0	102,936	102,936
Unavailable Revenue	0	0	0	5,104	5,104
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>108,040</u>	<u>108,040</u>
Fund Balances					
Restricted	0	137,908	242,983	139,882	520,773
Committed	86,583	0	0	0	86,583
<i>Total Fund Balances</i>	<u>86,583</u>	<u>137,908</u>	<u>242,983</u>	<u>139,882</u>	<u>607,356</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$86,583</u>	<u>\$146,308</u>	<u>\$253,327</u>	<u>\$247,922</u>	<u>\$734,140</u>

City of Canal Fulton, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024

	Parks and Recreation Capital Projects	Downtown Capital Improvement	Capital Improvements	Fire Equipment	Total Nonmajor Capital Projects Funds
Revenues					
Property Taxes	\$0	\$0	\$0	\$111,660	\$111,660
Intergovernmental	0	0	0	2,197	2,197
Contributions and Donations	66,050	0	0	0	66,050
Other	0	12,130	0	0	12,130
<i>Total Revenues</i>	<i>66,050</i>	<i>12,130</i>	<i>0</i>	<i>113,857</i>	<i>192,037</i>
Expenditures					
Current:					
General Government Capital Outlay	0	0	0	1,502	1,502
	53,584	81,145	499,983	72,074	706,786
<i>Total Expenditures</i>	<i>53,584</i>	<i>81,145</i>	<i>499,983</i>	<i>73,576</i>	<i>708,288</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>12,466</i>	<i>(69,015)</i>	<i>(499,983)</i>	<i>40,281</i>	<i>(516,251)</i>
Other Financing Sources					
Sale of Capital Assets	6,092	0	7,535	0	13,627
Transfers In	50,000	70,000	480,000	0	600,000
<i>Total Other Financing Sources</i>	<i>56,092</i>	<i>70,000</i>	<i>487,535</i>	<i>0</i>	<i>613,627</i>
<i>Net Change in Fund Balances</i>	<i>68,558</i>	<i>985</i>	<i>(12,448)</i>	<i>40,281</i>	<i>97,376</i>
<i>Fund Balances Beginning of Year</i>	<i>18,025</i>	<i>136,923</i>	<i>255,431</i>	<i>99,601</i>	<i>509,980</i>
<i>Fund Balances End of Year</i>	<i><u>\$86,583</u></i>	<i><u>\$137,908</u></i>	<i><u>\$242,983</u></i>	<i><u>\$139,882</u></i>	<i><u>\$607,356</u></i>

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in Fund Balances
– Budget (Non-GAAP Basis) and Actual**

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund*
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property Taxes	\$324,054	\$324,054	\$330,935	\$6,881
Income Taxes	3,008,950	3,008,950	3,241,348	232,398
Hotel Taxes	0	0	4,419	4,419
Charges for Services	15,250	15,250	33,871	18,621
Licenses and Permits	28,000	28,000	43,613	15,613
Intergovernmental	178,008	178,008	166,924	(11,084)
Interest	110,500	110,500	358,815	248,315
Rent	4,500	4,500	5,550	1,050
Contributions and Donations	0	0	2,062	2,062
Other	3,525	3,525	19,963	16,438
<i>Total Revenues</i>	<i>3,672,787</i>	<i>3,672,787</i>	<i>4,207,500</i>	<i>534,713</i>
Expenditures				
Current:				
General Government				
City Council				
Personal Services	26,968	26,968	24,727	2,241
Materials and Supplies	1,000	1,000	1,000	0
City Council Total	27,968	27,968	25,727	2,241
Mayor's Office				
Personal Services	174,897	174,897	174,714	183
Contractual Services	139,770	140,447	120,938	19,509
Materials and Supplies	14,348	13,670	12,792	878
Capital Outlay	7,731	7,232	4,830	2,402
Other	0	500	500	0
Mayor's Office Total	336,746	336,746	313,774	22,972
Finance Department				
Personal Services	74,063	81,063	78,183	2,880
Contractual Services	59,241	58,697	54,446	4,251
Materials and Supplies	13,840	7,385	2,358	5,027
Capital Outlay	500	500	0	500
Finance Department Total	147,644	147,645	134,987	12,658
Legal Department				
Contractual Services	58,105	93,105	90,221	2,884
Engineering Department				
Contractual Services	25,000	42,125	37,132	4,993
Materials and Supplies	5,000	0	0	0
Engineering Department Total	\$30,000	\$42,125	\$37,132	\$4,993

(continued)

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)*
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Land/Buildings				
Personal Services	\$103,935	\$110,935	\$107,877	\$3,058
Contractual Services	93,291	92,574	78,042	14,532
Materials and Supplies	13,184	13,900	9,533	4,367
Land/Buildings Total	210,410	217,409	195,452	21,957
Income Tax				
Personal Services	85,980	85,980	85,484	496
Contractual Services	51,204	51,314	43,143	8,171
Materials and Supplies	14,713	14,613	8,731	5,882
Capital Outlay	1,000	1,000	0	1,000
Other	87,528	87,518	72,528	14,990
Income Tax Total	240,425	240,425	209,886	30,539
General Government Total	1,051,298	1,105,423	1,007,179	98,244
Transportation				
Street Lighting				
Contractual Services	25,776	25,776	19,277	6,499
Leisure Time Activities				
Parks and Recreation				
Personal Services	153,749	153,749	145,811	7,938
Contractual Services	56,460	65,460	48,247	17,213
Materials and Supplies	19,762	10,762	9,577	1,185
Capital Outlay	1,050	1,050	880	170
Leisure Time Activities Total	231,021	231,021	204,515	26,506
<i>Total Expenditures</i>	1,308,095	1,362,220	1,230,971	131,249
<i>Excess of Revenues Over Expenditures</i>	2,364,692	2,310,567	2,976,529	665,962
Other Financing Uses				
Transfers Out	(2,467,500)	(2,967,500)	(2,967,500)	0
<i>Net Change in Fund Balance</i>	(102,808)	(656,933)	9,029	665,962
<i>Fund Balance Beginning of Year</i>	806,390	806,390	806,390	0
Prior Year Encumbrances Appropriated	112,736	112,736	112,736	0
<i>Fund Balance End of Year</i>	<u>\$816,318</u>	<u>\$262,193</u>	<u>\$928,155</u>	<u>\$665,962</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Income Taxes	\$157,590	\$157,590	\$170,660	\$13,070
Fines and Forfeitures	250	250	365	115
Intergovernmental	159,185	159,185	167,745	8,560
Contributions and Donations	500	500	4,752	4,252
Other	12,000	12,000	3,991	(8,009)
<i>Total Revenues</i>	<i>329,525</i>	<i>329,525</i>	<i>347,513</i>	<i>17,988</i>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	1,372,138	1,372,140	1,348,332	23,808
Contractual Services	236,744	244,402	223,867	20,535
Materials and Supplies	45,718	38,059	37,158	901
Capital Outlay	28,948	28,948	26,362	2,586
<i>Total Expenditures</i>	<i>1,683,548</i>	<i>1,683,549</i>	<i>1,635,719</i>	<i>47,830</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(1,354,023)</i>	<i>(1,354,024)</i>	<i>(1,288,206)</i>	<i>65,818</i>
Other Financing Sources				
Sale of Capital Assets	0	0	3,556	3,556
Transfers In	1,280,500	1,280,500	1,280,500	0
<i>Total Other Financing Sources</i>	<i>1,280,500</i>	<i>1,280,500</i>	<i>1,284,056</i>	<i>3,556</i>
<i>Net Change in Fund Balance</i>	<i>(73,523)</i>	<i>(73,524)</i>	<i>(4,150)</i>	<i>69,374</i>
<i>Fund Balance Beginning of Year</i>	<i>414,568</i>	<i>414,568</i>	<i>414,568</i>	<i>0</i>
Prior Year Encumbrances Appropriated	73,934	73,934	73,934	0
<i>Fund Balance End of Year</i>	<i>\$414,979</i>	<i>\$414,978</i>	<i>\$484,352</i>	<i>\$69,374</i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire/EMS Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for Services	\$720,853	\$195,000	\$207,742	\$12,742
Intergovernmental	0	0	131,907	131,907
Contributions and Donations	0	0	750	750
Other	<u>59,147</u>	<u>16,000</u>	<u>29,501</u>	<u>13,501</u>
<i>Total Revenues</i>	<i>780,000</i>	<i>211,000</i>	<i>369,900</i>	<i>158,900</i>
Expenditures				
Current:				
Security of Persons and Property				
Personal Services	558,543	603,542	574,656	28,886
Contractual Services	215,887	220,587	220,419	168
Materials and Supplies	41,491	132,792	81,903	50,889
Capital Outlay	1,458	256,530	256,530	0
<i>Total Expenditures</i>	<i>817,379</i>	<i>1,213,451</i>	<i>1,133,508</i>	<i>79,943</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(37,379)</i>	<i>(1,002,451)</i>	<i>(763,608)</i>	<i>238,843</i>
Other Financing Sources				
Transfers In	0	569,000	569,000	0
<i>Net Change in Fund Balance</i>	<i>(37,379)</i>	<i>(433,451)</i>	<i>(194,608)</i>	<i>238,843</i>
<i>Fund Balance Beginning of Year</i>	<i>586,083</i>	<i>586,083</i>	<i>586,083</i>	<i>0</i>
Prior Year Encumbrances Appropriated	37,362	37,362	37,362	0
<i>Fund Balance End of Year</i>	<u><i>\$586,066</i></u>	<u><i>\$189,994</i></u>	<u><i>\$428,837</i></u>	<u><i>\$238,843</i></u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Capital Projects Reserve Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	\$0	\$0	\$243,540	\$243,540
Other	0	0	557	557
<i>Total Revenues</i>	<i>0</i>	<i>0</i>	<i>244,097</i>	<i>244,097</i>
Expenditures				
Capital Outlay	101,460	439,460	429,680	9,780
<i>Excess of Revenues Under Expenditures</i>	<i>(101,460)</i>	<i>(439,460)</i>	<i>(185,583)</i>	<i>253,877</i>
Other Financing Sources				
Transfers In	500,000	500,000	500,000	0
<i>Net Change in Fund Balance</i>	<i>398,540</i>	<i>60,540</i>	<i>314,417</i>	<i>253,877</i>
<i>Fund Balance Beginning of Year</i>	<i>694,108</i>	<i>694,108</i>	<i>694,108</i>	<i>0</i>
Prior Year Encumbrances Appropriated	51,460	51,460	51,460	0
<i>Fund Balance End of Year</i>	<i><u>\$1,144,108</u></i>	<i><u>\$806,108</u></i>	<i><u>\$1,059,985</u></i>	<i><u>\$253,877</u></i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for Services	\$227,607	\$1,142,900	\$1,226,539	\$83,639
Intergovernmental	418,213	2,100,000	1,708,098	(391,902)
OPWC Loan Issued	179,234	900,000	0	(900,000)
OWDA Loan Issued	326,015	1,650,981	744,865	(906,116)
Other	2,031	10,200	52,011	41,811
<i>Total Revenues</i>	<i>1,153,100</i>	<i>5,804,081</i>	<i>3,731,513</i>	<i>(2,072,568)</i>
Expenses				
Personal Services	378,225	381,120	375,195	5,925
Fringe Benefits	215,514	212,619	208,978	3,641
Contractual Services	181,928	194,053	179,645	14,408
Materials and Supplies	67,107	96,107	93,406	2,701
Capital Outlay	348,613	4,596,613	4,596,215	398
Other	500	500	40,838	(40,338)
Debt Service:				
Principal Retirement	164,086	164,086	164,086	0
Interest	11,308	25,250	20,850	4,400
<i>Total Expenses</i>	<i>1,367,281</i>	<i>5,670,348</i>	<i>5,679,213</i>	<i>(8,865)</i>
<i>Net Change in Fund Equity</i>	<i>(214,181)</i>	<i>133,733</i>	<i>(1,947,700)</i>	<i>(2,081,433)</i>
<i>Fund Equity Beginning of Year</i>	<i>1,286,458</i>	<i>1,286,458</i>	<i>1,286,458</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>220,593</i>	<i>220,593</i>	<i>220,593</i>	<i>0</i>
<i>Fund Equity (Deficit) End of Year</i>	<i><u>\$1,292,870</u></i>	<i><u>\$1,640,784</u></i>	<i><u>(\$440,649)</u></i>	<i><u>(\$2,081,433)</u></i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2024

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,094,808	\$1,094,808	\$1,214,515	\$119,707
Sale of Capital Assets	0	0	2,175	2,175
Other	9,500	9,500	45,094	35,594
<i>Total Revenues</i>	<u>1,104,308</u>	<u>1,104,308</u>	<u>1,261,784</u>	<u>157,476</u>
Expenses				
Personal Services	378,225	381,120	375,226	5,894
Fringe Benefits	214,813	211,919	209,192	2,727
Contractual Services	337,297	336,222	313,990	22,232
Materials and Supplies	112,991	125,991	124,418	1,573
Capital Outlay	252,366	252,566	251,935	631
Other	300	300	35,341	(35,041)
Debt Service:				
Principal Retirement	30,321	30,320	25,816	4,504
Interest	3,595	3,595	3,306	289
<i>Total Expenses</i>	<u>1,329,908</u>	<u>1,342,033</u>	<u>1,339,224</u>	<u>2,809</u>
<i>Net Change in Fund Equity</i>	<u>(225,600)</u>	<u>(237,725)</u>	<u>(77,440)</u>	<u>160,285</u>
<i>Fund Equity Beginning of Year</i>	<u>1,026,015</u>	<u>1,026,015</u>	<u>1,026,015</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>95,299</u>	<u>95,299</u>	<u>95,299</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$895,714</u>	<u>\$883,589</u>	<u>\$1,043,874</u>	<u>\$160,285</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Storm Sewer Fund
For the Year Ended December 31, 2024

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$60,000	\$60,000	\$63,603	\$3,603
Other	300	300	2,421	2,121
<i>Total Revenues</i>	<i>60,300</i>	<i>60,300</i>	<i>66,024</i>	<i>5,724</i>
Expenses				
Contractual Services	55,499	55,499	55,499	0
Other	0	0	2,355	(2,355)
Debt Service:				
Principal Retirement	6,887	6,887	6,887	0
<i>Total Expenses</i>	<i>62,386</i>	<i>62,386</i>	<i>64,741</i>	<i>(2,355)</i>
<i>Net Change in Fund Equity</i>	<i>(2,086)</i>	<i>(2,086)</i>	<i>1,283</i>	<i>3,369</i>
<i>Fund Equity Beginning of Year</i>	<i>65,718</i>	<i>65,718</i>	<i>65,718</i>	<i>0</i>
Prior Year Encumbrances Appropriated	2,500	2,500	2,500	0
<i>Fund Equity End of Year</i>	<i>\$66,132</i>	<i>\$66,132</i>	<i>\$69,501</i>	<i>\$3,369</i>

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Street Maintenance Fund
 For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	\$374,300	\$374,300	\$374,414	\$114
Interest	1,500	1,500	6,763	5,263
Other	4,500	4,500	34,410	29,910
<i>Total Revenues</i>	<i>380,300</i>	<i>380,300</i>	<i>415,587</i>	<i>35,287</i>
Expenditures				
Current:				
Transportation				
Personal Services	221,307	221,307	208,800	12,507
Contractual Services	95,364	133,318	131,827	1,491
Materials and Supplies	47,939	42,085	40,215	1,870
Capital Outlay	32,337	12,562	12,415	147
Other	200	0	0	0
<i>Total Expenditures</i>	<i>397,147</i>	<i>409,272</i>	<i>393,257</i>	<i>16,015</i>
<i>Net Change in Fund Balance</i>	<i>(16,847)</i>	<i>(28,972)</i>	<i>22,330</i>	<i>51,302</i>
<i>Fund Balance Beginning of Year</i>	<i>109,437</i>	<i>109,437</i>	<i>109,437</i>	<i>0</i>
Prior Year Encumbrances Appropriated	14,324	14,324	14,324	0
<i>Fund Balance End of Year</i>	<i><u>\$106,914</u></i>	<i><u>\$94,789</u></i>	<i><u>\$146,091</u></i>	<i><u>\$51,302</u></i>

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 State Highway Fund
 For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	\$30,200	\$30,200	\$27,818	(\$2,382)
Interest	15	15	3,504	3,489
<i>Total Revenues</i>	<i>30,215</i>	<i>30,215</i>	<i>31,322</i>	<i>1,107</i>
Expenditures				
Current:				
Transportation				
Contractual Services	37,891	37,891	23,891	14,000
Materials and Supplies	2,700	2,700	0	2,700
<i>Total Expenditures</i>	<i>40,591</i>	<i>40,591</i>	<i>23,891</i>	<i>16,700</i>
<i>Net Change in Fund Balance</i>	<i>(10,376)</i>	<i>(10,376)</i>	<i>7,431</i>	<i>17,807</i>
<i>Fund Balance Beginning of Year</i>	<i>52,470</i>	<i>52,470</i>	<i>52,470</i>	<i>0</i>
Prior Year Encumbrances Appropriated	10,891	10,891	10,891	0
<i>Fund Balance End of Year</i>	<i>\$52,985</i>	<i>\$52,985</i>	<i>\$70,792</i>	<i>\$17,807</i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Permissive Motor Vehicle License Taxes	\$60,262	\$60,262	\$60,262	\$0
Intergovernmental	20,318	20,318	15,194	(5,124)
Interest	50	50	1,319	1,269
<i>Total Revenues</i>	<i>80,630</i>	<i>80,630</i>	<i>76,775</i>	<i>(3,855)</i>
Expenditures				
Current:				
Transportation				
Contractual Services	34,000	59,000	59,000	0
Materials and Supplies	64,503	39,503	39,503	0
<i>Total Expenditures</i>	<i>98,503</i>	<i>98,503</i>	<i>98,503</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>(17,873)</i>	<i>(17,873)</i>	<i>(21,728)</i>	<i>(3,855)</i>
<i>Fund Balance Beginning of Year</i>	<i>7,269</i>	<i>7,269</i>	<i>7,269</i>	<i>0</i>
Prior Year Encumbrances Appropriated	19,503	19,503	19,503	0
<i>Fund Balance End of Year</i>	<i>\$8,899</i>	<i>\$8,899</i>	<i>\$5,044</i>	<i>(\$3,855)</i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$400	\$400	\$150	(\$250)
Expenditures				
Current:				
Security of Persons and Property				
Materials and Supplies	400	400	0	400
<i>Net Change in Fund Balance</i>	0	0	150	150
<i>Fund Balance Beginning of Year</i>	18,121	18,121	18,121	0
<i>Fund Balance End of Year</i>	<u>\$18,121</u>	<u>\$18,121</u>	<u>\$18,271</u>	<u>\$150</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$1,000	\$1,000	\$1,725	\$725
Expenditures				
Current:				
Security of Persons and Property				
Capital Outlay	1,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	0	0	1,725	1,725
<i>Fund Balance Beginning of Year</i>	33,526	33,526	33,526	0
<i>Fund Balance End of Year</i>	<u>\$33,526</u>	<u>\$33,526</u>	<u>\$35,251</u>	<u>\$1,725</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Canal Boat Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for Services	\$7,500	\$7,500	\$15,127	\$7,627
Contributions and Donations	1,500	1,500	1,107	(393)
<i>Total Revenues</i>	<i>9,000</i>	<i>9,000</i>	<i>16,234</i>	<i>7,234</i>
Expenditures				
Current:				
Leisure Time Activities				
Contractual Services	8,800	6,716	2,560	4,156
Materials and Supplies	5,250	8,084	4,084	4,000
Capital Outlay	1,500	1,000	0	1,000
Other	250	0	0	0
<i>Total Expenditures</i>	<i>15,800</i>	<i>15,800</i>	<i>6,644</i>	<i>9,156</i>
<i>Net Change in Fund Balance</i>	<i>(6,800)</i>	<i>(6,800)</i>	<i>9,590</i>	<i>16,390</i>
<i>Fund Balance Beginning of Year</i>	<i>54,834</i>	<i>54,834</i>	<i>54,834</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i>\$48,034</i>	<i>\$48,034</i>	<i>\$64,424</i>	<i>\$16,390</i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Unclaimed Monies Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Other	\$0	\$0	\$7,660	\$7,660
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	7,660	7,660
<i>Fund Balance Beginning of Year</i>	<u>8,085</u>	<u>8,085</u>	<u>8,085</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$8,085</u>	<u>\$8,085</u>	<u>\$15,745</u>	<u>\$7,660</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Deposits Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Other	\$0	\$0	\$500	\$500
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	500	500
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$500</u>	<u>\$500</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Budget Stabilization Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Other	\$0	\$0	\$61,832	\$61,832
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	61,832	61,832
<i>Fund Balance Beginning of Year</i>	221,293	221,293	221,293	0
<i>Fund Balance End of Year</i>	<u>\$221,293</u>	<u>\$221,293</u>	<u>\$283,125</u>	<u>\$61,832</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Debt Retirement Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property Taxes	\$118,957	\$118,957	\$109,694	(\$9,263)
Intergovernmental	15,917	15,917	15,216	(701)
<i>Total Revenues</i>	<i>134,874</i>	<i>134,874</i>	<i>124,910</i>	<i>(9,964)</i>
Expenditures				
Current:				
General Government				
Contractual Services	8,500	8,500	1,909	6,591
Debt Service:				
Principal Retirement	126,194	127,202	127,202	0
Interest	22,800	21,792	17,214	4,578
<i>Total Debt Service</i>	<i>148,994</i>	<i>148,994</i>	<i>144,416</i>	<i>4,578</i>
<i>Total Expenditures</i>	<i>157,494</i>	<i>157,494</i>	<i>146,325</i>	<i>11,169</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(22,620)</i>	<i>(22,620)</i>	<i>(21,415)</i>	<i>1,205</i>
Other Financing Sources				
Transfers In	18,000	18,000	18,000	0
<i>Net Change in Fund Balance</i>	<i>(4,620)</i>	<i>(4,620)</i>	<i>(3,415)</i>	<i>1,205</i>
<i>Fund Balance Beginning of Year</i>	<i>37,205</i>	<i>37,205</i>	<i>37,205</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i><u>\$32,585</u></i>	<i><u>\$32,585</u></i>	<i><u>\$33,790</u></i>	<i><u>\$1,205</u></i>

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual*
 Parks and Recreation Capital Projects Fund
 For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Contributions and Donations	\$60,000	\$10,000	\$66,050	\$56,050
Expenditures				
Capital Outlay	60,070	60,070	56,465	3,605
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(70)</i>	<i>(50,070)</i>	<i>9,585</i>	<i>59,655</i>
Other Financing Sources				
Sale of Capital Assets	0	0	6,092	6,092
Transfers In	0	50,000	50,000	0
<i>Total Other Financing Sources</i>	<i>0</i>	<i>50,000</i>	<i>56,092</i>	<i>6,092</i>
<i>Net Change in Fund Balance</i>	<i>(70)</i>	<i>(70)</i>	<i>65,677</i>	<i>65,747</i>
<i>Fund Balance Beginning of Year</i>	<i>17,955</i>	<i>17,955</i>	<i>17,955</i>	<i>0</i>
Prior Year Encumbrances Appropriated	70	70	70	0
<i>Fund Balance End of Year</i>	<i><u>\$17,955</u></i>	<i><u>\$17,955</u></i>	<i><u>\$83,702</u></i>	<i><u>\$65,747</u></i>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Downtown Capital Improvement Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Other	\$79,395	\$9,395	\$12,130	\$2,735
Expenditures				
Capital Outlay	192,979	192,979	107,447	85,532
<i>Excess of Revenues Under Expenditures</i>	(113,584)	(183,584)	(95,317)	88,267
Other Financing Sources				
Transfers In	0	70,000	70,000	0
<i>Net Change in Fund Balance</i>	(113,584)	(113,584)	(25,317)	88,267
<i>Fund Balance Beginning of Year</i>	13,944	13,944	13,944	0
Prior Year Encumbrances Appropriated	122,979	122,979	122,979	0
<i>Fund Balance End of Year</i>	<u>\$23,339</u>	<u>\$23,339</u>	<u>\$111,606</u>	<u>\$88,267</u>

City of Canal Fulton, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2024

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government				
Capital Outlay	73,012	73,012	60,689	12,323
Security of Persons and Property				
Capital Outlay	115,306	125,306	124,942	364
Transportation				
Capital Outlay	359,011	359,011	353,697	5,314
<i>Total Expenditures</i>	<u>547,329</u>	<u>557,329</u>	<u>539,328</u>	<u>18,001</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(547,329)</u>	<u>(557,329)</u>	<u>(539,328)</u>	<u>18,001</u>
Other Financing Sources				
Sale of Capital Assets	0	0	7,535	7,535
Transfers In	480,000	480,000	480,000	0
<i>Total Other Financing Sources</i>	<u>480,000</u>	<u>480,000</u>	<u>487,535</u>	<u>7,535</u>
<i>Net Change in Fund Balance</i>	<u>(67,329)</u>	<u>(77,329)</u>	<u>(51,793)</u>	<u>25,536</u>
<i>Fund Balance Beginning of Year</i>	<u>191,741</u>	<u>191,741</u>	<u>191,741</u>	<u>0</u>
Prior Year Encumbrances Appropriated	63,829	63,829	63,829	0
<i>Fund Balance End of Year</i>	<u>\$188,241</u>	<u>\$178,241</u>	<u>\$203,777</u>	<u>\$25,536</u>

City of Canal Fulton, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Fire Equipment Fund
 For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property Taxes	\$103,106	\$103,106	\$111,660	\$8,554
Intergovernmental	2,500	2,500	2,180	(320)
<i>Total Revenues</i>	<u>105,606</u>	<u>105,606</u>	<u>113,840</u>	<u>8,234</u>
Expenditures				
Current:				
General Government:				
Contractual Services	2,500	2,500	1,502	998
Capital Outlay	186,557	186,557	186,298	259
<i>Total Expenditures</i>	<u>189,057</u>	<u>189,057</u>	<u>187,800</u>	<u>1,257</u>
<i>Net Change in Fund Balance</i>	<u>(83,451)</u>	<u>(83,451)</u>	<u>(73,960)</u>	<u>9,491</u>
<i>Fund Balance Beginning of Year</i>	<u>93,503</u>	<u>93,503</u>	<u>93,503</u>	<u>0</u>
Prior Year Encumbrances Appropriated	58,330	58,330	58,330	0
<i>Fund Balance End of Year</i>	<u><u>\$68,382</u></u>	<u><u>\$68,382</u></u>	<u><u>\$77,873</u></u>	<u><u>\$9,491</u></u>

Statistical Section

Statistical Section

This part of the City of Canal Fulton, 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(s)</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.	S2-S11
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and the municipal income tax.	S12-S19
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.	S20-S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S29-S31
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.	S32-S37

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

City of Canal Fulton, Ohio

Net Position By Component

Last Ten Years

(Accrual Basis of Accounting)

	2024	2023	2022	2021
Governmental Activities				
Net Investment in Capital Assets	\$14,492,912	\$13,958,936	\$12,826,786	\$12,012,038
Restricted:				
Debt Service	46,373	44,136	40,073	39,338
Capital Projects	525,877	493,587	758,864	776,354
Street Repair and Maintenance	410,882	434,296	584,204	593,610
Police Protection	410,446	435,701	528,895	492,595
St Helena II Canal Boat	64,616	54,834	38,679	0
Pension and OPEB Plans	80,261	29,448	134,053	36,570
Other Purposes	3,591	3,591	3,591	36,359
Unclaimed Monies	15,745	8,085	8,085	8,085
Unrestricted (Deficit)	<u>1,385,940</u>	<u>985,748</u>	<u>354,163</u>	<u>(108,107)</u>
<i>Total Governmental Activities Net Position</i>	<u>17,436,643</u>	<u>16,448,362</u>	<u>15,277,393</u>	<u>13,886,842</u>
Business-Type Activities				
Net Investment in Capital Assets	11,055,228	9,477,426	9,484,334	9,076,475
Restricted for Pension and OPEB Plans	75,489	31,897	185,116	45,740
Unrestricted	<u>2,333,846</u>	<u>2,154,292</u>	<u>1,713,915</u>	<u>1,521,186</u>
<i>Total Business-Type Activities Net Position</i>	<u>13,464,563</u>	<u>11,663,615</u>	<u>11,383,365</u>	<u>10,643,401</u>
Primary Government				
Net Investment in Capital Assets	25,548,140	23,436,362	22,311,120	21,088,513
Restricted	1,633,280	1,535,575	2,281,560	2,028,651
Unrestricted	<u>3,719,786</u>	<u>3,140,040</u>	<u>2,068,078</u>	<u>1,413,079</u>
<i>Total Primary Government Net Position</i>	<u>\$30,901,206</u>	<u>\$28,111,977</u>	<u>\$26,660,758</u>	<u>\$24,530,243</u>

(1) The City reported the impact of GASB Statement No. 84 on net position beginning in 2018.
 (2) The City reported the impact of GASB Statement No. 75 on net position beginning in 2017.
 (3) Beginning in 2016, storm sewer capital assets and related debt were restated from governmental activities to business-type activities.

2020	2019	2018 (1)	2017 (2)	2016 (3)	2015
\$11,931,755	\$11,479,443	\$10,876,002	\$9,814,140	\$9,442,004	\$9,570,228
23,315	39,289	20,276	0	12,121	17,928
339,139	323,330	432,538	1,128,667	1,334,524	425,433
626,934	568,174	425,479	440,477	447,347	396,260
496,454	346,339	214,246	288,092	230,585	259,268
0	0	0	0	0	0
0	0	0	0	0	0
17,372	17,916	7,366	17,777	13,501	9,843
8,085	1,956	1,956	1,956	1,956	1,956
(784,224)	(964,386)	(1,549,033)	(1,808,732)	(268,626)	258,710
<u>12,658,830</u>	<u>11,812,061</u>	<u>10,428,830</u>	<u>9,882,377</u>	<u>11,213,412</u>	<u>10,939,626</u>
9,194,164	9,139,463	8,987,568	8,641,577	8,544,408	6,621,541
0	0	0	0	0	0
<u>913,453</u>	<u>835,623</u>	<u>1,256,400</u>	<u>1,421,426</u>	<u>1,569,975</u>	<u>1,238,405</u>
<u>10,107,617</u>	<u>9,975,086</u>	<u>10,243,968</u>	<u>10,063,003</u>	<u>10,114,383</u>	<u>7,859,946</u>
21,125,919	20,618,906	19,863,570	18,455,717	17,986,412	16,191,769
1,511,299	1,297,004	1,101,861	1,876,969	2,040,034	1,110,688
129,229	(128,763)	(292,633)	(387,306)	1,301,349	1,497,115
<u>\$22,766,447</u>	<u>\$21,787,147</u>	<u>\$20,672,798</u>	<u>\$19,945,380</u>	<u>\$21,327,795</u>	<u>\$18,799,572</u>

City of Canal Fulton, Ohio

*Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)*

	2024	2023	2022	2021
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
General Government	\$59,812	\$57,778	\$53,514	\$40,789
Security of Persons and Property	234,495	208,380	180,458	194,383
Transportation	1,217	3,732	0	0
Leisure Time Activities	33,532	22,455	18,278	24,458
Subtotal - Charges for Services	<u>329,056</u>	<u>292,345</u>	<u>252,250</u>	<u>259,630</u>
Operating Grants and Contributions:				
General Government	134,847	170,262	38,772	36,279
Security of Persons and Property	296,653	217,944	220,096	285,712
Transportation	403,351	418,683	444,512	514,916
Leisure Time Activities	30,088	0	40	676
Subtotal - Operating Grants and Contributions	<u>864,939</u>	<u>806,889</u>	<u>703,420</u>	<u>837,583</u>
Capital Grants and Contributions:				
General Government	2,197	264,953	13,000	0
Security of Persons and Property	29,000	0	0	0
Transportation	0	0	0	41,293
Leisure Time Activities	56,317	0	55,643	0
Subtotal - Capital Grants and Contributions	<u>87,514</u>	<u>264,953</u>	<u>68,643</u>	<u>41,293</u>
<i>Total Governmental Activities Program Revenues</i>	<u>1,281,509</u>	<u>1,364,187</u>	<u>1,024,313</u>	<u>1,138,506</u>
Business-type Activities:				
Charges for Services:				
Water	1,224,950	1,178,044	1,148,399	1,053,991
Sewer	1,214,424	1,117,116	1,103,534	997,781
Storm Sewer	63,411	62,400	61,672	60,455
Operating Grants and Contributions				
Storm Sewer	0	0	0	0
Capital Grants and Contributions				
Water	1,708,098	37,500	394,671	0
Sewer	0	0	0	0
Storm Sewer	0	0	0	44,200
<i>Total Business-type Activities Program Revenues</i>	<u>4,210,883</u>	<u>2,395,060</u>	<u>2,708,276</u>	<u>2,156,427</u>
<i>Total Primary Government Program Revenues</i>	<u>5,492,392</u>	<u>3,759,247</u>	<u>3,732,589</u>	<u>3,294,933</u>
Expenses				
Governmental Activities:				
General Government	981,651	909,412	536,499	644,608
Security of Persons and Property	2,647,356	2,623,756	2,099,135	2,141,061
Transportation	925,736	901,200	1,050,790	777,193
Leisure Time Activities	244,265	225,007	178,163	99,825
Interest	16,246	21,834	30,820	42,531
<i>Total Governmental Activities Expenses</i>	<u>4,815,254</u>	<u>4,681,209</u>	<u>3,895,407</u>	<u>3,705,218</u>
Business-Type Activities				
Water	1,127,960	991,885	896,545	741,574
Sewer	1,217,255	1,199,880	1,042,114	887,879
Storm Sewer	71,397	56,168	124,547	87,219
<i>Total Business-Type Activities Expenses</i>	<u>2,416,612</u>	<u>2,247,933</u>	<u>2,063,206</u>	<u>1,716,672</u>
<i>Total Primary Government Expenses</i>	<u>7,231,866</u>	<u>6,929,142</u>	<u>5,958,613</u>	<u>5,421,890</u>
Net (Expense)/Revenue				
Governmental Activities	(3,533,745)	(3,317,022)	(2,871,094)	(2,566,712)
Business-Type Activities	1,794,271	147,127	645,070	439,755
<i>Total Primary Government Net Expense</i>	<u>(\$1,739,474)</u>	<u>(\$3,169,895)</u>	<u>(\$2,226,024)</u>	<u>(\$2,126,957)</u>

2020	2019	2018 (1)	2017	2016	2015 (2)
\$85,571	\$30,084	\$41,894	\$38,739	\$43,865	\$16,811
178,411	148,765	146,856	136,847	118,968	131,280
4,585	0	1,311	1,284	1,794	306
0	34,497	41,238	51,440	57,297	43,181
<u>268,567</u>	<u>213,346</u>	<u>231,299</u>	<u>228,310</u>	<u>221,924</u>	<u>191,578</u>
0	0	0	0	0	9,285
483,337	149,696	439,612	41,002	4,065	8,622
415,151	484,481	361,949	334,599	350,761	330,533
5,856	2,944	4,188	4,079	168	41
<u>904,344</u>	<u>637,121</u>	<u>805,749</u>	<u>379,680</u>	<u>354,994</u>	<u>348,481</u>
0	0	69,742	0	0	0
0	49,479	102,509	0	0	0
42,941	0	92,414	196,221	2,416,960	20
4,587	681,802	7,485	2,326	2,751	5,180
<u>47,528</u>	<u>731,281</u>	<u>272,150</u>	<u>198,547</u>	<u>2,419,711</u>	<u>5,200</u>
<u>1,220,439</u>	<u>1,581,748</u>	<u>1,309,198</u>	<u>806,537</u>	<u>2,996,629</u>	<u>545,259</u>
1,025,182	984,545	948,232	931,320	922,925	886,090
1,011,138	911,741	906,509	901,630	969,515	979,301
59,882	58,808	58,023	52,372	0	0
0	16,640	0	0	0	0
0	0	38,099	0	0	0
0	0	45,040	0	0	0
0	0	112,314	352,701	0	0
<u>2,096,202</u>	<u>1,971,734</u>	<u>2,108,217</u>	<u>2,238,023</u>	<u>1,892,440</u>	<u>1,865,391</u>
<u>3,316,641</u>	<u>3,553,482</u>	<u>3,417,415</u>	<u>3,044,560</u>	<u>4,889,069</u>	<u>2,410,650</u>
729,108	797,909	749,583	968,111	1,055,431	1,016,114
2,410,912	1,181,505	2,181,540	1,894,929	2,027,991	1,811,002
639,771	854,859	813,188	557,060	205,825	507,694
126,669	196,714	143,612	112,419	120,034	123,410
45,096	57,345	92,628	67,326	57,890	56,621
<u>3,951,556</u>	<u>3,088,332</u>	<u>3,980,551</u>	<u>3,599,845</u>	<u>3,467,171</u>	<u>3,514,841</u>
851,549	1,129,232	916,730	873,302	762,036	680,771
1,089,560	1,096,143	1,024,207	1,002,379	870,450	935,430
80,052	55,941	70,993	79,452	0	0
<u>2,021,161</u>	<u>2,281,316</u>	<u>2,011,930</u>	<u>1,955,133</u>	<u>1,632,486</u>	<u>1,616,201</u>
<u>5,972,717</u>	<u>5,369,648</u>	<u>5,992,481</u>	<u>5,554,978</u>	<u>5,099,657</u>	<u>5,131,042</u>
(2,731,117)	(1,506,584)	(2,671,353)	(2,793,308)	(470,542)	(2,969,582)
75,041	(309,582)	96,287	282,890	259,954	249,190
<u>(\$2,656,076)</u>	<u>(\$1,816,166)</u>	<u>(\$2,575,066)</u>	<u>(\$2,510,418)</u>	<u>(\$210,588)</u>	<u>(\$2,720,392)</u>

(continued)

City of Canal Fulton, Ohio

*Changes in Net Position
Last Ten Years (continued)
(Accrual Basis of Accounting)*

	2024	2023	2022	2021
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$340,976	\$432,239	\$315,289	\$252,472
Debt Service	113,745	0	112,275	111,130
Capital Projects	115,132	98,251	97,414	96,969
Income Taxes levied for:				
General Purposes	3,334,232	3,113,229	2,980,313	2,793,587
Other Purposes	175,564	163,964	139,441	143,988
Hotel Taxes	4,419	5,127	0	0
Permissive Motor Vehicle License Taxes	60,669	65,465	65,590	0
Grants and Entitlements not Restricted to				
Specific Programs	15,209	202,761	339,536	319,214
Unrestricted Contributions	0	6,832	2,161	600
Investment Earnings/Interest	358,815	352,052	105,293	4,381
Gain on Sale of Capital Assets	14,883	0	17,353	2,952
Other	173,344	48,071	86,980	69,431
Total Governmental Activities	4,706,988	4,487,991	4,261,645	3,794,724
Business-Type Activities				
Interest	0	0	0	2,229
Gain on Sale of Capital Assets	2,175	0	0	4,906
Other	99,526	133,123	94,894	88,894
Total Business-Type Activities	101,701	133,123	94,894	96,029
Total Primary Government	4,808,689	4,621,114	4,356,539	3,890,753
Transfers				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
	0	0	0	0
Change in Net Position				
Governmental Activities	1,173,243	1,170,969	1,390,551	1,228,012
Business-type Activities	1,895,972	280,250	739,964	535,784
	\$3,069,215	\$1,451,219	\$2,130,515	\$1,763,796

(1) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018

(2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015

2020	2019	2018 (1)	2017	2016	2015 (2)
\$248,814	\$242,040	\$215,404	\$207,001	\$209,304	\$188,988
109,729	106,101	103,926	85,639	91,915	97,869
96,655	84,597	85,410	89,069	0	0
2,600,921	2,276,114	2,162,932	2,305,909	2,037,563	2,327,106
146,536	163,476	155,323	165,590	146,321	167,111
0	0	0	0	0	0
0	0	0	0	0	0
146,112	135,532	122,413	88,763	123,128	119,315
50	4,451	0	0	0	0
31,491	104,471	97,077	27,022	2,897	4,875
0	0	168,058	0	0	15,000
197,578	65,133	103,672	66,737	51,879	61,075
<u>3,577,886</u>	<u>3,181,915</u>	<u>3,214,215</u>	<u>3,035,730</u>	<u>2,663,007</u>	<u>2,981,339</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>57,490</u>	<u>40,700</u>	<u>84,678</u>	<u>62,210</u>	<u>75,804</u>	<u>6,507</u>
<u>57,490</u>	<u>40,700</u>	<u>84,678</u>	<u>62,210</u>	<u>75,804</u>	<u>6,507</u>
<u>3,635,376</u>	<u>3,222,615</u>	<u>3,298,893</u>	<u>3,097,940</u>	<u>2,738,811</u>	<u>2,987,846</u>
0	0	0	0	0	64,600
0	0	0	0	0	(64,600)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
846,769	1,675,331	542,862	242,422	2,192,465	76,357
132,531	(268,882)	180,965	345,100	335,758	191,097
<u>\$979,300</u>	<u>\$1,406,449</u>	<u>\$723,827</u>	<u>\$587,522</u>	<u>\$2,528,223</u>	<u>\$267,454</u>

City of Canal Fulton, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021
General Fund				
Nonspendable	\$19,336	\$11,676	\$11,676	\$11,676
Assigned	108,725	99,583	105,009	63,922
Unassigned	<u>1,527,524</u>	<u>1,383,768</u>	<u>1,265,226</u>	<u>1,328,537</u>
Total General Fund	<u>1,655,585</u>	<u>1,495,027</u>	<u>1,381,911</u>	<u>1,404,135</u>
All Other Governmental Funds				
Nonspendable	25,051	30,892	30,888	27,119
Restricted	1,505,955	1,350,757	1,778,078	1,745,355
Committed	1,815,464	1,310,434	1,005,134	714,494
Assigned	0	0	0	0
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total All Other Governmental Funds	<u>3,346,470</u>	<u>2,692,083</u>	<u>2,814,100</u>	<u>2,486,968</u>
Total Governmental Funds	<u>\$5,002,055</u>	<u>\$4,187,110</u>	<u>\$4,196,011</u>	<u>\$3,891,103</u>

Note: During 2018, the City implemented GASB Statement No. 84.

2020	2019	2018	2017	2016	2015
\$11,676	\$5,547	\$5,547	\$1,956	\$1,956	\$1,956
72,661	37,449	84,712	36,113	64,161	154,679
1,130,951	1,013,272	919,076	984,782	890,246	931,960
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,215,288	1,056,268	1,009,335	1,022,851	956,363	1,088,595
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
27,242	32,535	32,212	27,024	26,722	25,867
1,359,711	1,097,741	1,297,131	1,506,928	1,803,102	1,441,228
708,209	446,801	409,891	305,908	246,618	250,382
0	0	1,644	1,644	1,644	1,855
0	0	0	(996,274)	0	0
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
2,095,162	1,577,077	1,740,878	845,230	2,078,086	1,719,332
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$3,310,450	\$2,633,345	\$2,750,213	\$1,868,081	\$3,034,449	\$2,807,927

City of Canal Fulton, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021
Revenues				
Property Taxes	\$552,289	\$535,857	\$530,741	\$459,078
Income Taxes	3,388,230	3,238,002	3,130,624	2,885,042
Permissive Motor Vehicle License Taxes	60,669	65,465	65,590	0
Hotel Taxes	4,419	5,127	0	0
Special Assessments	0	0	635	3,465
Charges for Services	280,956	245,609	205,585	213,277
Fines, Licenses and Permits (2)	42,550	42,356	40,565	37,883
Intergovernmental	1,127,236	1,051,484	1,081,957	1,140,381
Investment Earnings/Interest	370,401	352,052	105,293	4,381
Rent	5,550	4,380	5,465	5,005
Contributions and Donations	74,921	6,832	34,682	9,879
Other	<u>173,344</u>	<u>48,071</u>	<u>86,980</u>	<u>69,431</u>
<i>Total Revenues</i>	<i>6,080,565</i>	<i>5,595,235</i>	<i>5,288,117</i>	<i>4,827,822</i>
Expenditures				
Current:				
General Government	911,335	1,015,159	896,364	806,471
Security of Persons and Property	2,428,578	2,315,884	2,097,802	2,021,534
Transportation	508,992	670,530	910,946	583,227
Leisure Time Activities	198,705	194,894	130,885	113,133
Capital Outlay	1,091,281	1,258,674	691,606	491,466
Debt Service:				
Principal Retirement	126,698	126,194	244,801	235,448
Interest	17,214	22,801	32,097	41,010
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<i>5,282,803</i>	<i>5,604,136</i>	<i>5,004,501</i>	<i>4,292,289</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>797,762</i>	<i>(8,901)</i>	<i>283,616</i>	<i>535,533</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	17,183	0	21,292	45,120
Refunding Bonds Issued	0	0	0	0
Payment to Refunding Bond Escrow Agent	0	0	0	0
Inception of Financed Purchase	0	0	0	0
Notes Issued	0	0	0	0
Premium on Note Issuance	0	0	0	0
Transfers In	2,967,500	3,623,716	2,501,000	2,300,000
Transfers Out	<u>(2,967,500)</u>	<u>(3,623,716)</u>	<u>(2,501,000)</u>	<u>(2,300,000)</u>
<i>Total Other Financing Sources (Uses)</i>	<i>17,183</i>	<i>0</i>	<i>21,292</i>	<i>45,120</i>
<i>Net Change in Fund Balances</i>	<i>\$814,945</i>	<i>(\$8,901)</i>	<i>\$304,908</i>	<i>\$580,653</i>
Debt Service as a Percentage of Noncapital Expenditures (1)	3.5%	3.9%	7.6%	7.5%

(1) The large increases in 2016 was due to the retirement of long-term notes with short-term note proceeds.

(2) Combines Licenses and Permits and Fines and Forfeitures.

2020	2019	2018	2017	2016	2015
\$449,600	\$437,049	\$399,281	\$383,734	\$299,717	\$286,690
2,787,670	2,430,744	2,320,096	2,350,351	2,440,861	2,432,858
0	0	0	0	0	0
0	0	0	0	0	0
2,875	2,700	0	0	0	0
184,137	183,907	187,995	190,094	171,885	177,251
79,530	23,629	43,304	38,216	50,039	14,327
1,133,681	1,503,716	752,953	717,700	2,890,064	518,265
31,491	104,471	97,077	27,022	3,185	4,875
2,025	3,110	0	0	0	0
6,056	8,275	17,499	10,255	3,684	3,579
197,578	65,133	103,672	66,737	51,879	61,075
<u>4,874,643</u>	<u>4,762,734</u>	<u>3,921,877</u>	<u>3,784,109</u>	<u>5,911,314</u>	<u>3,498,920</u>
790,301	691,029	691,533	897,086	1,026,444	970,280
2,157,407	1,924,474	1,947,734	1,756,630	1,827,881	1,706,800
406,934	391,499	415,029	586,499	496,842	554,821
102,391	98,600	109,666	106,870	96,704	98,481
432,392	1,480,406	803,384	409,955	2,031,999	577,517
260,805	232,362	220,849	1,105,799	1,123,953	95,818
47,308	61,232	89,990	87,638	60,371	48,700
2,486	0	0	0	6,400	7,460
<u>4,200,024</u>	<u>4,879,602</u>	<u>4,278,185</u>	<u>4,950,477</u>	<u>6,670,594</u>	<u>4,059,877</u>
<u>674,619</u>	<u>(116,868)</u>	<u>(356,308)</u>	<u>(1,166,368)</u>	<u>(759,280)</u>	<u>(560,957)</u>
0	0	173,058	0	0	15,000
402,984	0	415,577	0	0	0
(400,498)	0	0	0	0	0
0	0	580,340	0	0	134,918
0	0	0	0	1,000,000	1,000,000
0	0	0	0	6,400	7,460
2,148,000	1,984,025	2,999,248	1,791,200	1,776,600	1,828,940
(2,148,000)	(1,984,025)	(2,999,248)	(1,791,200)	(1,776,600)	(1,764,340)
<u>2,486</u>	<u>0</u>	<u>1,168,975</u>	<u>0</u>	<u>1,006,400</u>	<u>1,221,978</u>
<u>\$677,105</u>	<u>(\$116,868)</u>	<u>\$812,667</u>	<u>(\$1,166,368)</u>	<u>\$247,120</u>	<u>\$661,021</u>
9.3%	8.3%	9.1%	28.5%	29.4%	4.5%

City of Canal Fulton, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2024	\$113,950,440	\$33,203,680	\$420,440,343	\$2,713,780	\$10,855,120
2023	111,200,060	31,352,340	407,292,571	2,476,430	9,905,720
2022	108,681,820	30,372,750	397,298,771	2,458,150	9,832,600
2021	82,802,100	28,008,210	316,600,886	2,326,840	9,307,360
2020	81,602,610	27,855,630	312,737,829	2,185,560	8,742,240
2019	80,144,960	27,888,470	308,666,943	2,009,780	8,039,120
2018	71,388,160	23,213,080	270,289,257	1,936,070	7,744,280
2017	70,381,950	22,898,350	266,515,143	1,805,160	7,220,640
2016	69,985,570	22,700,260	264,816,657	1,656,380	6,625,520
2015	62,658,180	21,382,750	240,116,943	1,560,960	6,243,840

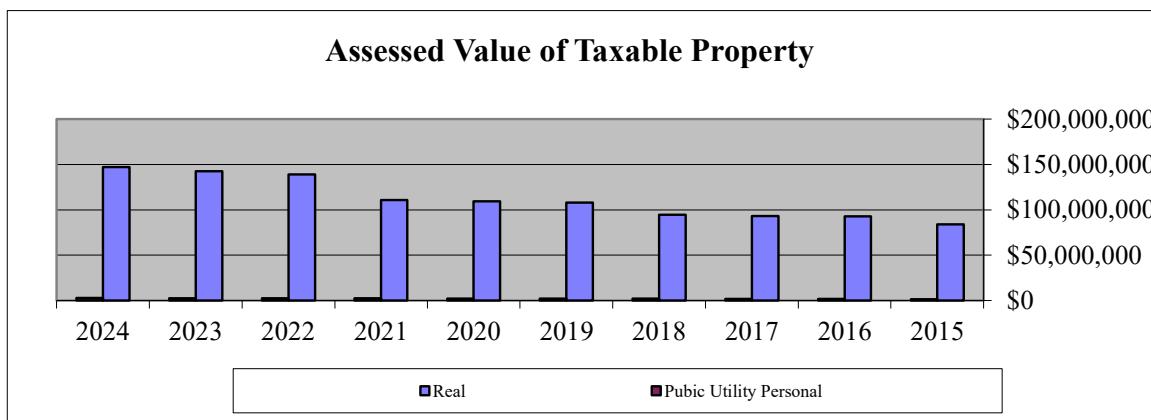
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Stark County Auditor

Assessed Value	Total Estimated		
	Actual Value	Ratio	Direct Tax Rate
\$149,867,900	\$431,295,463	34.75%	\$4.40
145,028,830	417,198,291	34.76	4.40
141,512,720	407,131,371	34.76	4.40
113,137,150	325,908,246	34.71	4.60
111,643,800	321,480,069	34.73	4.60
110,043,210	316,706,063	34.75	4.60
96,537,310	278,033,537	34.72	4.60
95,085,460	273,735,783	34.74	4.70
94,342,210	271,442,177	34.76	4.60
85,601,890	246,360,783	34.75	3.80



City of Canal Fulton, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2024	2023	2022	2021
Unvoted Millage				
Operating	\$2.5000	\$2.5000	\$2.5000	\$2.5000
Debt	0.9000	0.9000	0.9000	1.1000
Capital Projects	1.0000	1.0000	1.0000	1.0000
Total Unvoted Millage	\$4.4000	\$4.4000	\$4.4000	\$4.6000

Overlapping Rates by Taxing District

Northwest Local School District

Residential/Agricultural Real	\$28.3000	\$28.6000	\$28.6000	\$29.6000
Commercial/Industrial and Public Utility Real	28.5928	28.6000	28.6000	29.6648
General Business and Public Utility Personal	51.1000	51.4000	51.4000	52.4000

Stark County JVSD

Residential/Agricultural Real	2.0000	2.0000	2.0000	2.0000
Commercial/Industrial and Public Utility Real	2.0000	2.0000	2.0000	2.0000
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000

Stark County

Residential/Agricultural Real	7.3196	7.3714	7.3714	8.2811
Commercial/Industrial and Public Utility Real	8.6147	8.5505	8.5505	9.0099
General Business and Public Utility Personal	11.5000	11.5000	11.5000	11.5000

Canal Fulton Library

Residential/Agricultural Real	1.1978	1.2759	1.2759	1.5489
Commercial/Industrial and Public Utility Real	1.5894	1.5617	1.5617	1.6710
General Business and Public Utility Personal	2.0000	2.0000	2.0000	2.0000

Stark County Parks

Residential/Agricultural Real	0.6907	0.6976	0.6976	0.8204
Commercial/Industrial and Public Utility Real	0.7890	0.7811	0.7811	0.8376
General Business and Public Utility Personal	1.0000	1.0000	1.0000	1.0000

Source: Ohio Department of Taxation

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Voted real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2020	2019	2018	2017	2016	2015
\$2.5000	\$2.5000	\$2.5000	\$2.5000	\$2.5000	\$2.5000
1.1000	1.1000	1.1000	1.2000	2.1000	1.3000
1.0000	1.0000	1.0000	1.0000	0.0000	0.0000
\$4.6000	\$4.6000	\$4.6000	\$4.7000	\$4.6000	\$3.8000
\$29.6000	\$30.5000	\$31.6000	\$32.6561	\$33.2000	\$35.8668
29.6648	30.7693	31.7305	35.0735	35.0700	36.6052
52.4000	53.3000	54.4000	55.0000	55.1000	56.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
8.2811	8.0589	8.0803	8.6770	8.7200	9.2924
9.0091	8.8684	8.7898	9.6374	9.6100	10.0762
11.5000	11.5000	11.5000	11.5000	11.5000	11.5000
0.7743	0.7969	0.8004	0.8846	0.9100	1.9977
0.8347	0.8448	0.8366	0.9737	0.9700	2.0000
1.0000	1.0000	1.0000	1.0000	1.0000	2.0000
0.8204	0.8237	0.8267	0.9106	0.9200	0.9971
0.8376	0.8467	0.8367	0.9443	0.9400	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

City of Canal Fulton, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections (1)	Percentage of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2024	\$614,716	\$597,617	97.22 %	\$14,085	\$611,702
2023	595,163	583,034	97.96	8,303	591,337
2022	581,111	569,981	98.08	6,644	576,625
2021	506,583	496,836	98.08	11,986	508,822
2020	500,254	488,257	97.60	10,310	498,567
2019	493,267	476,071	96.51	10,453	486,524
2018	453,161	436,658	96.36	9,419	446,077
2017	437,470	422,071	96.48	7,262	429,333
2016	339,632	335,105	98.67	6,460	341,565
2015	325,287	320,379	98.49	7,339	327,718

Source: Stark County Fiscal Officer

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

Percentage of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
99.51 %	\$25,870	4.21 %
99.36	18,995	3.19
99.23	13,670	2.35
100.44	19,433	3.84
99.66	17,940	3.59
98.63	12,241	2.48
98.44	16,653	3.67
98.14	14,731	3.37
100.57	12,554	3.70
100.75	10,843	3.33

City of Canal Fulton, Ohio
Principal Real Estate Property Taxpayers
2024 and 2015

Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Real Property Assessed Valuation
Schalmo Properties, Incorporated	\$3,996,510	2.72 %
United Church Homes, Incorporated	2,309,480	1.57
Centennial Apartments, LTD	1,590,450	1.08
Avalon Foodservice, Incorporated	1,252,160	0.85
G & B Properties, Incorporated	1,219,160	0.83
Vandenberg E.K.	773,540	0.53
DMK Development - Canal Fulton, LLC	740,540	0.50
Campbell Oil Company	676,030	0.46
KHELP Properties, LTD	674,080	0.45
McCullly Properties	621,750	0.42
Total	\$13,853,700	9.41 %
Total Real Property Assessed Valuation	\$147,154,120	
2015		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Real Real Assessed Valuation
Schalmo Properties, Incorporated	\$4,414,090	5.25 %
Avalon Food Service, Incorporated	1,115,210	1.33
KHELP Properties, LTD	631,180	0.75
Vandenberg E.K.	620,260	0.74
G & B Properties, Incorporated	544,640	0.65
Willison Realty, LLC	503,150	0.60
CFO Realty Associates	470,760	0.56
Madison Home Associates	407,760	0.49
Oakes Galen SR Trustee	405,350	0.48
Lakeview Estates, LTD	403,520	0.47
Total	\$9,515,920	11.32 %
Total Real Property Assessed Valuation	\$84,040,930	

Source: Stark County Auditor

(1) The amounts presented represent the assessed values upon which 2024 and 2015 collections were based.

City of Canal Fulton, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

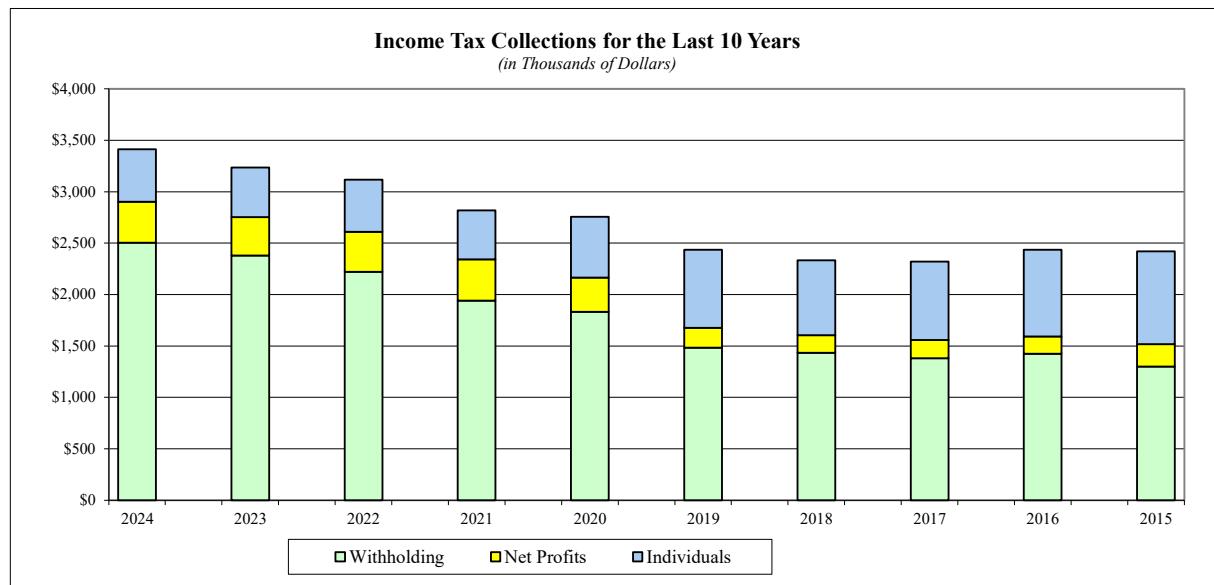
Tax Year	Tax Rate (1)	Total Tax Collected (2)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2024	2.00%	\$3,412,008	\$2,505,146	73.42%	\$397,944	11.66%	\$508,918	14.92%
2023	2.00	3,236,305	2,380,977	73.57	372,872	11.52	482,456	14.91
2022	2.00	3,117,544	2,219,691	71.20	388,758	12.47	509,095	16.33
2021	2.00	2,819,166	1,940,150	68.82	403,141	14.30	475,875	16.88
2020	2.00	2,754,980	1,830,459	66.44	335,091	12.16	589,430	21.40
2019	1.50	2,434,570	1,481,923	60.87	194,279	7.98	758,368	31.15
2018	1.50	2,333,274	1,434,264	61.47	170,562	7.31	728,448	31.22
2017	1.50	2,320,166	1,380,269	59.49	176,184	7.59	763,713	32.92
2016	1.50	2,434,787	1,424,034	58.49	168,704	6.93	842,049	34.58
2015	1.50	2,418,629	1,300,300	53.76	216,211	8.94	902,118	37.30

Source: City Income Tax Department

(1) The City's basic income tax rate may only be increased by a majority vote of the City's residents.

(2) Gross Collections - Cash Basis of Accounting

Note : The City is prohibited by statute from presenting information regarding individual taxpayers.



City of Canal Fulton, Ohio

*Legal Debt Margin
Last Ten Years*

	2024	2023	2022	2021
Total Assessed Property Value	<u>\$149,867,900</u>	<u>\$145,028,830</u>	<u>\$141,512,720</u>	<u>\$113,137,150</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>15,736,130</u>	<u>15,228,027</u>	<u>14,858,836</u>	<u>11,879,401</u>
Debt Outstanding:				
Various Purpose General Obligation Bonds	652,000	805,000	957,000	1,103,000
Water Improvement Enterprise Bonds	55,000	105,000	155,000	200,000
Various Purpose Notes	0	0	0	0
OPWC Loans	1,048,445	1,153,421	1,273,412	1,422,636
OWDA Loan	744,865	0	0	0
Total Gross Indebtedness	2,500,310	2,063,421	2,385,412	2,725,636
Less:				
OPWC Loans	(1,048,445)	(1,153,421)	(1,273,412)	(1,422,636)
OWDA Loan	(744,865)	0	0	0
Various Purpose Notes	0	0	0	0
Amount Available in Debt Service	(42,036)	(44,954)	(39,716)	(32,404)
Total Net Debt Applicable to Debt Limit	<u>664,964</u>	<u>640,276</u>	<u>873,704</u>	<u>1,108,576</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$15,071,166</u>	<u>\$14,587,751</u>	<u>\$13,985,132</u>	<u>\$10,770,825</u>
Legal Debt Margin as a Percentage of the Debt Limit	95.77%	95.80%	94.12%	90.67%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$8,242,735</u>	<u>\$7,976,586</u>	<u>\$7,783,200</u>	<u>\$6,222,543</u>
Total Gross Indebtedness	2,500,310	2,063,421	2,385,412	2,725,636
Less:				
Total Debt Outside Limitations	(1,048,445)	(1,153,421)	(1,273,412)	(1,422,636)
Amount Available in Debt Service	(42,036)	(44,954)	(39,716)	(32,404)
Net Debt Within 5 ½ % Limitations	<u>664,964</u>	<u>640,276</u>	<u>873,704</u>	<u>1,108,576</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$7,577,771</u>	<u>\$7,336,310</u>	<u>\$6,909,496</u>	<u>\$5,113,967</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	91.93%	91.97%	88.77%	82.18%

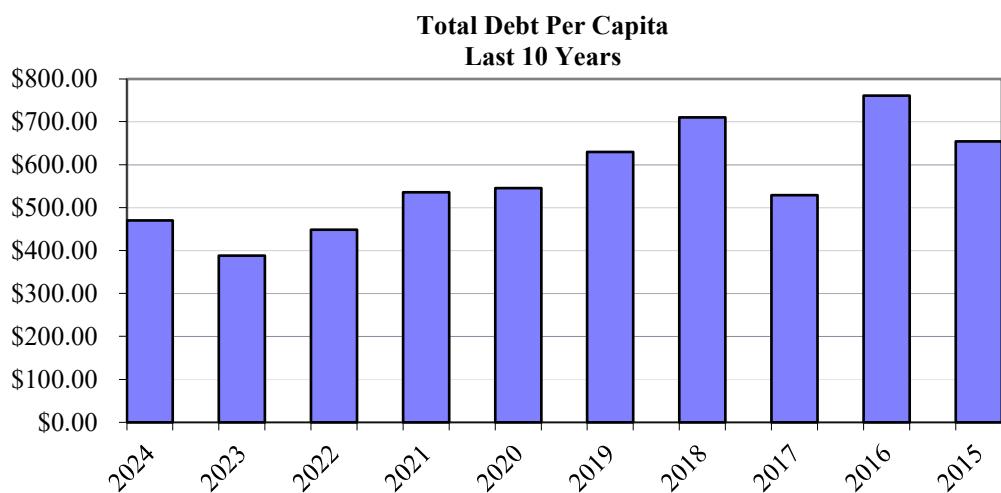
Source: City Financial Records

2020	2019	2018	2017	2016	2015
<u>\$111,643,800</u>	<u>\$110,043,210</u>	<u>\$96,537,310</u>	<u>\$95,085,460</u>	<u>\$94,342,210</u>	<u>\$85,601,890</u>
<u>11,722,599</u>	<u>11,554,537</u>	<u>10,136,418</u>	<u>9,983,973</u>	<u>9,905,932</u>	<u>8,988,198</u>
1,243,000	1,370,000	1,490,000	745,000	815,000	885,000
245,000	285,000	325,000	365,000	400,000	435,000
0	0	0	1,730,000	1,000,000	1,000,000
1,250,685	1,399,642	1,548,602	1,697,558	1,821,273	1,084,526
0	0	0	0	0	0
2,738,685	3,054,642	3,363,602	4,537,558	4,036,273	3,404,526
(1,250,685)	(1,399,642)	(1,548,602)	(1,697,558)	(1,821,273)	(1,084,526)
0	0	0	0	0	0
0	0	0	(1,730,000)	(1,000,000)	(1,000,000)
(18,236)	(38,193)	(21,722)	(22,649)	(26,085)	(28,080)
<u>1,378,584</u>	<u>1,425,842</u>	<u>1,684,668</u>	<u>974,106</u>	<u>1,058,490</u>	<u>1,151,520</u>
<u>\$10,344,015</u>	<u>\$10,128,695</u>	<u>\$8,451,750</u>	<u>\$9,009,867</u>	<u>\$8,847,442</u>	<u>\$7,836,678</u>
88.24%	87.66%	83.38%	90.24%	89.31%	87.19%
<u>\$6,140,409</u>	<u>\$6,052,377</u>	<u>\$5,309,552</u>	<u>\$5,229,700</u>	<u>\$5,188,822</u>	<u>\$4,708,104</u>
2,738,685	3,054,642	3,363,602	4,537,558	4,036,273	3,404,526
(1,250,685)	(1,399,642)	(1,548,602)	(1,697,558)	(1,821,273)	(1,084,526)
(18,236)	(38,193)	(21,722)	(22,649)	(26,085)	(28,080)
<u>1,378,584</u>	<u>1,425,842</u>	<u>1,684,668</u>	<u>2,704,106</u>	<u>2,058,490</u>	<u>2,151,520</u>
<u>\$4,761,825</u>	<u>\$4,626,535</u>	<u>\$3,624,884</u>	<u>\$2,525,594</u>	<u>\$3,130,332</u>	<u>\$2,556,584</u>
77.55%	76.44%	68.27%	48.29%	60.33%	54.30%

City of Canal Fulton, Ohio
Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years

Year	Governmental Activities			
	General Obligation Bonds	Bond Anticipation Notes	OPWC Loans	Financed Purchases
2024	\$383,659	\$0	\$0	\$0
2023	510,994	0	0	0
2022	637,825	0	0	0
2021	759,152	0	0	124,111
2020	874,974	0	0	244,373
2019	984,348	0	0	388,984
2018	1,085,035	0	0	521,296
2017	750,095	0	0	81,805
2016	820,731	1,006,400	123,954	117,604
2015	891,368	1,007,460	130,841	164,670

Note: Population and Personal Income data are presented on page S30.



Business-Type Activities

General Obligation Bonds	OPWC Loans	OWDA Loans	Total Debt	Percentage of Personal Income	Per Capita
\$323,978	\$1,048,445	\$744,865	\$2,500,947	1.55 %	\$469.66
400,536	1,153,421	0	2,064,951	1.28	387.78
476,597	1,273,412	0	2,387,834	1.48	448.42
547,162	1,422,636	0	2,853,061	1.77	535.79
617,231	1,250,685	0	2,987,263	2.48	545.22
675,749	1,399,642	0	3,448,723	2.87	629.44
735,954	1,548,602	0	3,890,887	3.24	710.15
366,787	1,697,558	0	2,896,245	2.41	528.61
402,043	1,697,319	0	4,168,051	3.47	760.73
437,298	953,685	0	3,585,322	2.98	654.38

City of Canal Fulton, Ohio

*Ratio of General Obligation Bonded Debt to Estimated
Actual Value and Bonded Debt Per Capita
Last Ten Years*

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Bonded Debt (3)	Ratio of Bonded Debt to Estimated Actual Value of Taxable Property	Bonded Debt Per Capita
2024	5,325	\$431,295,463	\$707,637	0.16 %	\$133
2023	5,325	417,198,291	911,530	0.22	171
2022	5,325	407,131,371	1,114,422	0.27	209
2021	5,325	325,908,246	1,306,314	0.40	245
2020	5,479	321,480,069	1,492,205	0.46	272
2019	5,479	316,706,063	1,660,097	0.52	303
2018	5,479	278,033,537	1,820,989	0.65	332
2017	5,479	273,735,783	1,116,882	0.41	204
2016	5,479	271,442,177	1,222,774	0.45	223
2015	5,479	246,360,783	1,328,666	0.54	243

(1) U. S. Bureau of Census, Census of Population. 2021-2024 from 2020 Federal Census; 2015-2020 from 2010 Federal Census.

(2) Stark County Auditor

(3) Includes all general obligation bonded debt.

Note: Although the general obligation debt retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

City of Canal Fulton, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2024

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Canal Fulton			
General Obligation Bonds	<u>\$383,659</u>	100 %	<u>\$383,659</u>
Overlapping			
Northwest Local School District			
General Obligation Bonds	2,561,277	35.30	904,131
Stark County			
General Obligation Bonds	8,105,000	1.31	106,176
Wayne Public Library District			
General Obligation Bonds	<u>430,000</u>	3.08	<u>13,244</u>
<i>Total Overlapping Debt</i>	<u>11,096,277</u>		<u>1,023,550</u>
Total	<u><u>\$11,479,936</u></u>		<u><u>\$1,407,209</u></u>

Source: Stark County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Canal Fulton, Ohio
Pledged Revenue Coverage
Water
Last Ten Years

Year	Water Operating Revenues	Water Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2024	\$1,276,961	\$918,622	\$358,339	\$85,672	4.18
2023	1,223,889	792,394	431,495	100,688	4.29
2022	1,266,108	684,554	581,554	100,687	5.78
2021	1,104,884	526,256	578,628	94,668	6.11
2020	1,054,640	660,867	393,773	89,991	4.38
2019	998,428	927,100	71,328	89,991	0.79
2018	989,301	711,472	277,829	89,991	3.09
2017	971,931	688,252	283,679	89,991	3.15
2016	957,241	618,596	338,645	46,612	7.27
2015	886,553	535,285	351,268	57,750	6.08

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the water enterprise fund.

Source: City financial records

City of Canal Fulton, Ohio
Pledged Revenue Coverage
Sewer
Last Ten Years

Year	Sewer Operating Revenues	Sewer Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2024	\$1,259,518	\$1,027,564	\$231,954	\$12,417	18.68
2023	1,156,116	1,009,121	146,995	12,417	11.84
2022	1,149,285	846,790	302,495	41,651	7.26
2021	1,033,410	689,063	344,347	52,080	6.61
2020	1,039,004	894,811	144,193	52,080	2.77
2019	938,459	890,431	48,028	52,082	0.92
2018	950,118	822,236	127,882	52,080	2.46
2017	923,229	807,406	115,823	52,081	2.22
2016	1,011,003	686,562	324,441	52,080	6.23
2015	985,345	767,950	217,395	47,812	4.55

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the sewer enterprise fund.

Source: City financial records

City of Canal Fulton, Ohio
Pledged Revenue Coverage
Storm Sewer
Last Eight Years

Year	Storm Sewer Operating Revenues	Storm Sewer Operating Expenses (1)	Net Available Revenues	Principal (2)	Coverage
2024	\$65,832	\$16,859	\$48,973	\$6,887	7.11
2023	110,678	2,205	108,473	6,886	15.75
2022	64,335	71,128	(6,793)	6,886	(0.99)
2021	62,827	31,354	31,473	6,886	4.57
2020	60,048	29,871	30,177	6,886	4.38
2019	58,907	5,877	53,030	6,887	7.70
2018	58,023	27,669	30,354	6,885	4.41
2017	52,372	26,291	26,081	6,887	3.79

(1) Direct operating expenses do not include depreciation expense.

(2) Revenue debt includes OPWC loans payable solely from net revenues in the storm sewer enterprise fund.

Source: City financial records

City of Canal Fulton, Ohio

Principal Employers

2024 and 2015

2024

<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Northwest Local School District	321	9.61%
United Church Homes, Incorporated	188	5.63
YMCA of Central Stark County	168	5.03
Echoing Hills Village, Incorporated	147	4.40
Skipco Financial Adjusters, Incorporated	145	4.34
City of Canal Fulton	118	3.53
USA Precast Concrete Limited	103	3.08
Bell Stores, Incorporated	83	2.48
Avalon Foodservice, Incorporated	80	2.39
Communication Exhibits, Incorporated	76	2.27
 Total	 <u>1,429</u>	 <u>42.76%</u>
 Total Employment within the City	 <u>3,342</u>	

2015

<u>Employer</u>	<u>Employees</u>
Northwest Local School District	400
Echoing Hills Village, Incorporated	250
United Church Homes, Incorporated	238
Skipco Financial Adjusters, Incorporated	129
City of Canal Fulton	108
Communication Exhibits, Incorporated	99
Hydrochem Industrial Services, Incorporated	87
Avalon Foodservice, Incorporated	80
ZVN Properties, Incorporated	79
BJAAM Environmental, Incorporated	40
 Total	 <u>1,510</u>
 Total Employment within the City	 <u>N/A</u>

Source: City Records

N/A - Information not available

City of Canal Fulton, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2024	5,325	\$161,613,750	\$30,350	\$48,908	43.4
2023	5,325	161,613,750	30,350	48,908	43.4
2022	5,325	161,613,750	30,350	48,908	43.4
2021	5,325	161,613,750	30,350	48,908	43.4
2020	5,479	120,214,739	21,941	50,332	40.3
2019	5,479	120,214,739	21,941	50,332	40.3
2018	5,479	120,214,739	21,941	50,332	40.3
2017	5,479	120,214,739	21,941	50,332	40.3
2016	5,479	120,214,739	21,941	50,332	40.3
2015	5,479	120,214,739	21,941	50,332	40.3

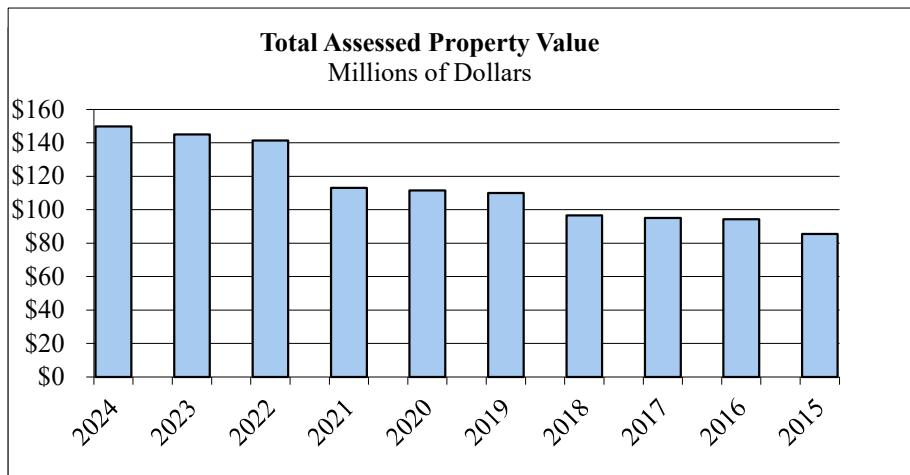
(1) **Source:** U. S. Census - 2021-2024 from 2020 Federal Census; 2015-2020 from 2010 Federal Census

(2) **Source:** Ohio Department of Education and Workforce Website: "<http://www.ode.state.oh.us/data/>"

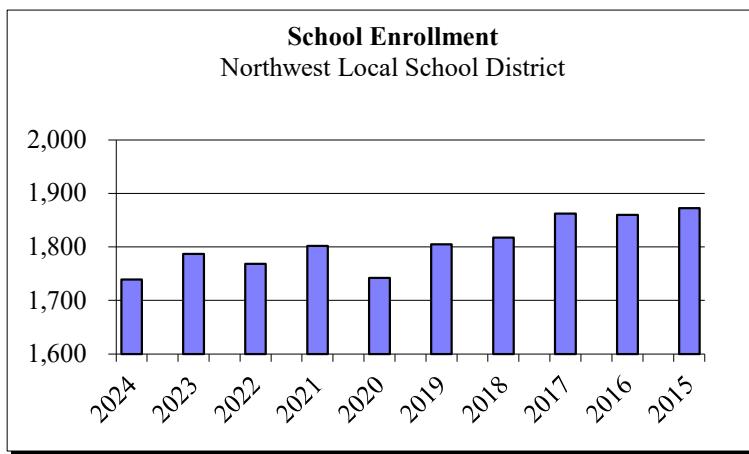
(3) **Source:** Ohio Department of Job and Family Services & Stark County Annual Comprehensive Financial Report.

(4) **Source:** Stark County Auditor's Office

(5) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (1)	Public School Enrollment (2)	Stark County Unemployment Rate (3)	Total Assessed Property Value (4)
27.2 %	1,739	4.6 %	\$149,867,900
27.2	1,787	3.3	145,028,830
27.2	1,768	3.8	141,512,720
27.2	1,802	3.6	113,137,150
20.5	1,742	4.4	111,643,800
20.5	1,805	4.4	110,043,210
20.5	1,817	5.2	96,537,310
20.5	1,862	5.0	95,085,460
20.5	1,860	5.2	94,342,210
20.5	1,872	5.3	85,601,890



City of Canal Fulton, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2024	2023	2022	2021
General Government				
Council	3.00	3.00	3.00	3.00
Administration	4.50	4.50	5.00	3.00
Finance	3.50	2.50	3.50	3.50
Law	0.00	0.00	0.00	1.50
Community Service	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Security of Persons and Property				
Police	12.00	12.50	12.50	13.50
Fire	29.50	30.50	27.00	32.50
Leisure Time Activities				
Recreation and Parks	4.30	5.20	5.00	3.50
Canal Boat	0.00	0.00	0.00	0.00
Transportation				
Streets	4.00	4.00	4.00	4.00
Utilities				
Water	3.50	3.50	3.50	3.50
Sewer	3.50	3.50	3.50	3.50
Totals:	67.80	69.20	67.00	71.50

Source: City Payroll Department W2 Listing

Method: Using 1.0 for each full-time employee, 0.50 for each part-time employee, and 0.30 for seasonal employees.

2020	2019	2018	2017	2016	2015
3.00	3.00	3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00	3.00	3.00
4.50	3.50	3.50	3.50	3.50	3.50
1.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50
0.00	1.20	2.70	0.90	1.50	1.80
14.00	14.00	13.00	12.00	12.50	12.50
36.00	27.50	27.00	23.50	23.00	21.00
1.80	1.10	1.10	1.30	1.40	1.40
0.00	3.00	3.00	3.30	2.70	3.30
5.00	4.00	4.00	4.00	4.00	4.00
3.50	3.50	3.50	3.50	3.75	3.75
<u>3.50</u>	<u>3.50</u>	<u>3.50</u>	<u>3.50</u>	<u>3.75</u>	<u>3.75</u>
76.30	68.30	68.30	62.50	63.10	62.00

City of Canal Fulton, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2024	2023	2022	2021
General Government				
<i>Council and Clerk</i>				
Number of ordinances proposed	30	32	33	40
Number of resolutions proposed	19	13	17	22
<i>Finance Department</i>				
Value of payments issued (1)	\$9,834,180	\$7,733,273	\$7,293,407	\$6,824,180
General fund interest earnings for fiscal year (cash basis)	\$358,815	\$335,241	\$99,705	\$4,095
Number of receipt transactions processed (1)	2,093	1,959	1,991	1,893
General fund receipts (cash basis in thousands)	\$4,207	\$4,372	\$3,607	\$3,147
General fund expenditures/net financing (cash basis in thousands)	\$4,067	\$4,396	\$3,594	\$3,222
Ending general fund balance (cash basis in thousands)	\$928	\$806	\$742	\$671
<i>Income Tax Department</i>				
Number of annual withholding forms processed	5,772	5,238	5,017	4,323
Number of business net profit forms processed	419	329	297	333
Number of individual returns processed	1,225	1,901	1,834	1,945
Amount of penalties and interest collected	\$468	\$12,138	\$9,074	\$11,612
Annual number of balance due/estimated payment forms processed	0	537	478	852
Annual number of reconciliations of withholdings processed	615	628	648	609
Security of Persons and Property				
<i>Police</i>				
Number of traffic stops	1,352	1,050	968	1,361
Number of arrests	78	71	82	130
DUI arrests	21	17	17	38
Motor vehicle accidents	103	95	88	81
<i>Fire</i>				
EMS calls for service	706	721	598	600
Fire calls for service	168	148	235	196
Fire safety inspections	266	195	11	12
Number of times mutual aid given	18	20	18	2
Number of times mutual aid received	26	24	25	18
Transportation				
<i>Street resurfacing (miles)</i>				
Street resurfacing (miles)	3.30	3.94	4.25	4.15
Tons of salt used	480	481	375	736
Utilities				
<i>Water</i>				
Minimum water rate	\$23.83	\$23.15	\$21.74	\$21.01
Rate per thousand gallons used	\$2.83	\$2.75	\$2.59	\$2.50
Number of water accounts (1)	2,275	2,265	2,259	2,229
Total water collections (2)	\$1,139,430	\$1,126,320	\$1,037,681	\$987,087
<i>Sewer</i>				
Minimum sewer rate	\$23.25	\$22.60	\$21.22	\$20.50
Rate per thousand gallons used	\$3.45	\$3.35	\$3.14	\$3.04
Number of sewer accounts (1)	2,218	2,198	2,198	2,176
Total sewer collections (2)	\$973,283	\$968,084	\$892,888	\$862,980

Source: City Records (unless otherwise noted)

(1) N/A indicates that the information is not available for the indicated year.

(2) This represents only collections from City residents for utility service and does not include tap-in fees or revenue from Stark County.

2020	2019	2018	2017	2016	2015
36 17	43 16	53 32	39 35	36 29	35 41
\$6,423,693 \$29,211 1,729 \$3,136 \$3,096 \$665	\$6,854,906 \$99,156 1,774 \$2,792 \$2,787 \$566	\$10,204,363 \$92,764 1,808 \$2,676 \$2,972 \$541	\$7,305,062 \$25,727 1,752 \$2,565 \$2,578 \$778	\$9,069,803 \$4,640 1,727 \$2,649 \$2,647 \$770	\$5,785,401 \$4,302 1,695 \$2,591 \$2,382 \$768
3,945 324 2,174 \$9,785 953 546	4,477 364 2,802 \$59,415 2,342 689	5,065 386 2,887 \$67,675 2,700 710	6,471 399 3,195 \$62,649 2,588 712	5,756 438 3,041 \$56,291 2,385 676	4,230 494 3,353 \$63,374 1,726 699
1,260 78 15 89	2,482 127 21 100	2,104 133 23 114	1,575 140 17 116	1,041 106 19 115	1,237 119 29 120
526 216 64 9 23	675 274 183 18 11	617 239 120 32 63	596 269 165 28 58	602 270 206 16 18	859 379 154 29 54
0 400	1.02 775	2.40 882	2.63 392	2.56 384	3.81 877
\$20.80 \$2.47 2,160 \$971,594	\$20.41 \$2.43 2,128 \$963,333	\$19.97 \$2.38 2,109 \$948,741	\$19.66 \$2.34 2,158 \$929,492	\$19.50 \$2.32 2,075 \$916,961	\$18.75 \$2.32 2,122 \$879,656
\$20.30 \$3.01 2,038 \$854,361	\$19.92 \$2.95 2,007 \$826,518	\$19.49 \$2.89 1,990 \$814,079	\$19.18 \$2.84 2,023 \$797,063	\$19.03 \$2.82 1,957 \$790,189	\$18.03 \$2.82 1,963 \$758,970

City of Canal Fulton, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2024	2023	2022	2021
General Government				
Buildings	3	3	3	3
Vehicles	0	0	0	2
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	15	15	14	15
Fire				
Stations	2	2	2	2
Vehicles	9	7	7	7
Leisure Time Activities				
Recreation				
Buildings	8	8	8	7
Transportation				
Service				
Buildings	3.3	3.3	3.3	3.3
Vehicles	11	10	10	9
Utilities				
Water				
Buildings	1.3	1.3	1.3	1.3
Vehicles	6.5	7.5	7.5	7.5
Sewer				
Buildings	10.3	10.3	10.3	10.3
Vehicles	6.5	7.5	7.5	7.5

Source: City Records

2020	2019	2018	2017	2016	2015
3 2	3 2	3 2	4 2	4 2	4 2
1 18	1 15	1 14	1 12	1 11	1 10
2 11	2 10	2 9	2 8	2 8	2 8
7	7	7	7	7	7
3.3 10	3.3 10	3.3 9	3 8	3 7	3 6
1.3 8.5	1.3 8.5	1.3 7.5	1 7	1 7	1 9
10.3 8.5	10.3 8.5	10.3 7.5	10 7	10 7	10 9

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**CITY OF CANAL FULTON
STARK COUNTY, OHIO**

REGULAR AUDIT

FOR YEAR ENDED DECEMBER 31, 2024

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**INDEPENDENT AUDITORS' 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 Council
City of Canal Fulton, Ohio
155 East Market Street
Canal Fulton, Ohio 44614

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Canal Fulton, Ohio (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of audit findings and responses as item 2024-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City's Response to Finding

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 27, 2025

City of Canal Fulton, Ohio
Schedule of Audit Findings and Responses
December 31, 2024

Finding 2024-001: Material Weakness – Income Tax Processing Controls

Condition: It was determined the individual responsible for income tax processing at the City did not complete internal control steps in place on a timely basis during the audit period. Several batches of income tax receipts were discovered unprocessed in a desk drawer, thereby overriding the controls established to ensure timely and accurate reporting and depositing of funds. While there is no indication of monies paid to the City not being accounted for at this time, the City has requested the Auditor of State's Office to conduct a special review of the City's income tax department to determine the exact extent of issues noted within the department.

Recommendation: We would typically recommend the City implement rotation of duties between available personnel or oversight reviews be established to ensure required internal controls performed in the income tax collection and processing are done so on a timely basis. However, as a result of the condition noted above, the City has elected to utilize a third-party, Regional Income Tax Authority (RITA), effective October of 2025 to handle the collection and processing of the City's income tax receipts.

Management's Response: The City concurs with the finding noted above and has already taken steps to address the situation, as well as ensuring such issues will not occur again in the future.

City of Canal Fulton, Ohio
Schedule of Prior Year Findings
December 31, 2024

Finding 2023-001: Material Weakness – Financial Reporting

Condition: Audit adjustments were noted and made for an intergovernmental receivable originally recorded as revenue within the fund financial statements even though the amounts were not received by the City within the defined available period. Once made, the adjustment resulted in the general capital projects reserve fund being reported as a major fund instead of part of the other governmental funds opinion unit. Other adjustments, which were not deemed significant to any opinion unit were also noted during the audit and not posted in the final financial statements.

Recommendation: We recommend the City work with its third-party preparer to help ensure the final financial statements presented for audit are properly stated.

Current Status: Corrected. No similar findings were noted in the 2024 audit.



OHIO AUDITOR OF STATE KEITH FABER



CITY OF CANAL FULTON

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 12/11/2025

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov