



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF SPRINGDALE
HAMILTON COUNTY
DECEMBER 31, 2024**

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

City of Springdale
Hamilton County
11700 Springfield Pike
Springdale, Ohio 45246

To the City Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Springdale, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 30, 2025, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 100 *Accounting Changes and Error Corrections* and No. 101 *Compensated Absences*.

Report on Internal Control Over Financial Reporting

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

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

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

City of Springdale
Hamilton County
Independent Auditor's Report On Internal Control Over
Financial Reporting And On Compliance And Other Matters
Required By *Government Auditing Standards*
Page 2

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2024-001 and 2024-002.

City's Responses to Findings

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

July 30, 2025

**CITY OF SPRINGDALE
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2024**

FINDING NUMBER 2024-001

Noncompliance

Appropriations Exceeding Estimated Resources

Ohio Rev. Code § 5705.39 provides that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure there-from, as certified by the county budget commission, or in case of appeal, by the board of tax appeals. No appropriation measure shall become effective until the county auditor files with the appropriating authority a certificate that the total appropriations from each fund, taken together with all other outstanding appropriations, do not exceed such official estimate or amended official estimate. For purposes of this section of the Ohio Revised Code, estimated revenue is commonly referred to as "estimated resources" because it includes unencumbered fund balances.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, at December 31, 2024 the City's appropriations exceeded the amount certified as available by the budget commission as follows:

Fund	Appropriations Per Appropriations Resolution	Estimated Resources Per Official Certificate	Variance
Merchant Street TIF Fund	391,000	0	(391,000)
Sheraton Lane TIF Fund	400,000	0	(400,000)
Capital Improvement Fund	12,285,186	11,553,362	(731,824)

Failure to limit appropriations to the amount certified by the county budget commission due to deficiencies in the City's compliance monitoring policies and procedures could result in overspending and negative cash fund balances.

The City should draft, approve, and implement procedures to compare appropriations to estimated resources and, if adequate resources are available for additional appropriations, the City should submit an amended certificate of estimated resources to the budget commission for certification. If the resources are not available to cover the appropriations, an amendment to the appropriation resolution should be passed by the Council to reduce the appropriations.

Officials' Response:

We will closely monitor budgetary compliance and amend the appropriations and estimated revenue throughout the year to ensure compliance.

FINDING NUMBER 2024-002

Noncompliance

Expenditures Exceeding Appropriations

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the following instances of expenditures exceeding appropriations on December 31, 2024 were noted:

FINDING NUMBER 2024-002
(Continued)

Fund	Expenditures	Appropriations Per Appropriations Resolution	Variance
Cameron/Underwood Parks Fund	\$526,714	\$0	\$(526,714)
Adult Sports Fund	8,557	0	(8,557)
Grant Fund	454,419	403,646	(50,773)
Commerce Park TIF Fund	1,365,085	273,000	(1,092,085)
Law Enforcement Training Fund	35,833	3,772	(32,061)
Residential Recycling Incentive Fund	140,808	135,000	(5,808)
Unclaimed Moneys Fund	20,141	6,809	(13,332)

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The City Council should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Finance Director should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

Officials' Response:

We will closely monitor budgetary compliance and amend the appropriations and estimated revenue throughout the year to ensure compliance.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	<p>Financial statement misstatements were identified for the following items:</p> <ul style="list-style-type: none">• Accounts receivable for EMS and other activities at year-end.• TIF activity for various TIF funds.• Reclass income tax refund activity.• Reclass activity from a fund that was not properly budgeted or activated through proper legislation to the General Fund.	Partially corrected, reissued as management letter comment in 2024.	The 2023 audit was not complete until the end of 2024 which didn't allow the City to implement changes until 2025.

CITY OF SPRINGDALE, OHIO

Hamilton County, Ohio



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

CITY OF SPRINGDALE, OHIO



CITY OF SPRINGDALE, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

Prepared by the Finance Department

Brian Uhl, City Administrator

Stephanie Morgan
Acting Finance Officer/Tax Commissioner

CITY OF SPRINGDALE, OHIO



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HAMILTON COUNTY, OHIO**

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CITY OF SPRINGDALE, OHIO



INTRODUCTORY SECTION





July 30, 2025

Honorable Lawrence C. Hawkins, III, Members of City Council, and
Citizens of the City of Springdale
City of Springdale, Ohio
11700 Springfield Pike
Springdale, Ohio 45246

Dear Mayor Hawkins, Members of City Council, and Citizens:

The Annual Comprehensive Financial Report of the City of Springdale, Ohio, for the year-ended December 31, 2024, is hereby submitted. While there is no legal requirement for the preparation of this report, it represents a commitment by the City to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City of Springdale's activities have been included.

The Annual Comprehensive Financial Report is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, "*The Financial Reporting Entity: Omnibus, an Amendment of GASB Statements No. 14 and No. 34.*" GASB Statement No. 61 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other interested parties.

The Annual Comprehensive Financial Report is presented in three sections as follows:

1. *Introductory Section* – includes this letter of transmittal, which addresses the organization, accomplishments, and the operational structure of the City, a list of the principal officials and administrative personnel, the City's organizational table, and the Certificate of Achievement for Excellence in Financial Reporting for the year-ended December 31, 2023.
2. *Financial Section* – includes the Independent Auditors' Report, Management's Discussion and Analysis, basic financial statements and notes, which provide an overview of the City's financial position and operating results, required supplementary information, and the combining financial statements of nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.
3. *Statistical Section* – presents social and economic data, financial trend information, and data relative to the fiscal capacity of the City.

CITY OF SPRINGDALE, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found in the Financial Section immediately following the Independent Auditors' Report.

THE CITY OF SPRINGDALE

The City of Springdale is located in southwest Ohio in northern Hamilton County, approximately twenty miles from downtown Cincinnati. The City is 5.08 square miles and serves a residential population of 11,007 (2020 Census). The City maintains a highly developed commercial and industrial community, as well as stable residential neighborhoods.

The area was settled in the early 1800's, incorporated as a Village in December of 1959, and became a City in February of 1971. The City is a home rule municipal corporation operating under its own charter, initially adopted on November 3, 1964, and last amended in November of 2021.

The City operates under a non-partisan Council/Mayor form of government. Under this system, seven council members, who are the policy makers (three elected at-large and four elected by districts), serve four-year terms. The Mayor is the chief executive and administrative officer of the City and is elected at-large to a four-year term. The Mayor appoints the City Administrator, Assistant City Administrator, all department directors, and the Finance Officer/Tax Commissioner.

The City provides a full range of services including police and fire protection; parks and recreation; planning and zoning; building inspections; construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events; and general administrative services. Following is a brief summary of the City departments:

Administration Department - responsible for providing support to all elected officials, information to the public and leadership and administrative support to City employees in executing the policies of Council and the laws of the City through effective communication, fiscal management, human resource management, and risk management.

Economic Development Department - responsible for contributing to the economic health and vitality of all segments of the City's commercial, industrial, and retail business sectors.

Police Department - responsible for interacting with the community, promoting public safety and providing service through crime prevention, proactive and responsive patrols, investigations, and support services.

Fire Department - responsible for preserving life and property by maintaining a corps of professional, properly trained and fully equipped personnel capable of providing fire prevention, fire suppression and rescue, and emergency medical services.

CITY OF SPRINGDALE, OHIO

Letter of Transmittal
For the Year Ended December 31, 2024

Parks and Recreation Department - responsible for providing year-round leisure activities and providing well maintained facilities for City citizens of all ages and interests, and maintaining the City Community Center, playgrounds, and parks.

Building Department - responsible for ensuring a safe environment for the community through enforcing City and State codes relating to new and existing construction and land use regulation. The Building Official enforces the provisions of the City code, issues zoning and plan reviews, and issues permits for new construction, modifications, and repairs.

Health Department - responsible for protecting and promoting the health and well-being of the people who live and work in the City through effective health policy that promotes disease prevention and community health education.

Public Works Department - responsible for providing a safe, effective, aesthetically pleasing physical environment through street maintenance and improvement, public building, grounds and facilities maintenance, vehicle and equipment maintenance, and environmental services.

Finance Department - responsible for financial management of the City's funds by recording receipts and expenditures, maintaining accurate financial records, investing inactive funds, and issuing the year-end financial report in accordance with accounting principles generally accepted in the United States of America.

Tax Department - responsible for enforcing the City tax code by collecting the City earnings tax, assisting taxpayers in the preparation of tax returns, issuing tax refunds, and maintaining accurate taxpayer records.

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CITY OF SPRINGDALE, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

The estimated daytime population of the city increases to 47,000, representing the workforce and those who visit the numerous retail and other establishments. At the end of 2024, approximately 1,000 businesses and organizations were located within the city limits. Also, at year-end 2024, there were 10 businesses located in Springdale that employed more than 300 employees. The average unemployment rate in the calendar year 2024 for the Greater Cincinnati area was 4.2%, slightly lower than the statewide average of 4.3%, signifying the strength of the local business climate.

Springdale has approximately 6.7 million square feet of commercial buildings, of which 2.2 million square feet is office space (approximately 700,000 square feet is Class A), representing 12.5% of all office space in the suburban Greater Cincinnati area. Springdale's industrial sector encompasses 4.2 million square feet. Removing Tri-County Mall from consideration (see "Economic Outlook" section below) there is approximately 910,000 square feet of retail space within the community.

Springdale is fortunate to have the following local and national businesses as part of the business community: Amazon, Sleep Number, First Financial Bank, G.E. Aerospace, Ditsch USA, Macy's Corporate Services, CBTS, Procter & Gamble, Maple Knoll Communities, Smithfield Foods, Kroger, Northrop Grumman, and Salas O'Brien.

Springdale's manufacturing businesses include Smithfield Foods (meat packing), ProAmpac (plastic bag manufacturing), Ditsch USA (wholesale pretzels), and the Kroger Company (ice cream and beverage manufacturing). Springdale also has many retail and restaurant businesses, including Lowe's, Target, Sam's Club, and Outback Steakhouse. Currently, five hotels/motels are operating in the city, representing over 530 rooms.

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CITY OF SPRINGDALE, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

NOTABLE PROJECTS IN 2024

INDUSTRIAL

Springdale Commerce Park is a 130-acre industrial park with 1.3 million square feet of industrial space in four separate buildings. The developer completed construction on the final two buildings, both of which were constructed on a speculative basis. Building #1 is 180,103 square feet and was 50% leased in Q1 2024 to Enable Injections, a fast-growing medical device manufacturer. In Q2 2025 the developer leased 50% of building #4, which is a total of 374,475 square feet, to Airgas, a leading U.S. supplier of industrial, medical, and specialty gases.

COMMERCIAL & PUBLIC SECTOR

Wawa, a popular and rapidly growing convenience store chain, announced one of its new Cincinnati market locations in Springdale in 2024 and began construction in Q4 2024. The 5,000 square foot store and fuel station represents a \$10 million investment and will open in Q3 2025.

Best Buy Outlet opened its only location in the Cincinnati market in the former Best Buy retail location in Springdale, which included \$500,000 in renovations to the 58,000 square foot store.

Hamilton County government began a \$14 million renovation project on a 41,000 square foot office building it had purchased in Springdale the prior year. When completed in early 2026, the building will serve as the new center of operations for the Hamilton County Emergency Management Agency and 911 Dispatch facility.

In total, Springdale saw announcements or completion of ongoing projects totaling:

- 659,346 square feet of new or occupied commercial/industrial space
- \$238.5 million investment in real property and machinery/equipment
- 306 new market-rate multi-family apartments

CITY OF SPRINGDALE, OHIO

Letter of Transmittal For the Year Ended December 31, 2024

MULTI-FAMILY

Milhaus, the developer that constructed the \$40 million Array Springdale apartments in 2023, acquired 17 acres of land across the street from the Array for a new multi-family project called Slate Springdale. This \$60 million, 306-unit project will consist of 216 apartments, 90 rental townhomes, a clubhouse, pool, pickleball courts, walking trail, dog park, and other amenities. Construction began in Q1 2025 and is expected to be completed by Q1 2027.



Future Economic Outlook

The COVID-19 pandemic seems to have permanently changed office users' work patterns, which continued to significantly impact daily worker trips into Springdale. According to data provided by Placer.Ai, the average daily worker trip into Springdale dropped from 5,900 per day in 2019 to 4,700 per day in 2024. This has impacted local restaurants and retail establishments that have relied on the traditionally large daytime population.

The "work from home" plans of Springdale's largest office employers, provided to the City directly by those employers, indicate this drop in average daily commutes will not recover significantly from current levels. The City of Springdale Administration and elected officials recognize the long-term trends that were accelerated due to the pandemic and have pivoted development strategies to ensure the community can adapt and thrive in this new economic environment. Discussions began in mid-2020 with developers to construct two market-rate apartment projects, which completed construction by Q4 2023.

The two projects represent approximately \$81 million in new investment and brought 449 new market-rate, multi-family units to Springdale. These units are designed to attract millennials and active empty nesters and are the first new apartments in the community in over 30 years. Consistently leased at over 90% occupancy, the demographics provided to the City by the developers of these apartment complexes indicate the strategy to attract younger, professionally employed residents with a higher disposable income has been successful as indicated in the table below.

CITY OF SPRINGDALE, OHIO

Letter of Transmittal For the Year Ended December 31, 2024

Combined Demographics for Array Springdale and Row on Merchant

INDICATOR	NEW APARTMENTS	SPRINGDALE OVERALL
Average Household Income	\$109,000	\$88,000
Average Per Person Income	\$70,244	\$36,000
Median Age	31	40

The focus on market-rate multi-family will accomplish several goals if successful:

- Remove functionally obsolete and largely vacant office or retail space from the market.
- Create living options where residents can walk or bike to work at nearby office buildings, assisting the remaining office employers to compete with urban locations for talent.
- Provide a new base of residents with above-average incomes. This will partially mitigate the expected loss of daytime office worker traffic to the city and support remaining retail and service establishments.

Tri-County Mall Redevelopment

In April 2022, the mall's owners sold the 76-acre property to a joint venture formed by two Texas-based development firms. The group had an ambitious plan to redevelop the site as a dense mixed-use project comprising new investment of up to \$1 billion.

The sale coincided with the start of what would be 11 interest rate increases through January 2024. This dramatic increase in the cost of capital, combined with the contraction of capital availability in the commercial real estate market, resulted in the developer's inability to secure financing. The lender filed foreclosure on the property in November 2023 and took title to the real estate in May 2024. By July 2024, one of the original developers, MarketSpace Capital, had raised additional capital and repurchased the property.

As of Q2 2025, the overall plans for the site remain to create a mixed-use development anchored by 1,200 market-rate multi-family units. City leadership remains committed to the vision of a vibrant mixed-use project that will stimulate investment and foster growth throughout the community. Demolition of the mall itself is expected to commence by Q4 2025 to prepare the site for new development to occur.

CITY OF SPRINGDALE, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

MAJOR INITIATIVES AND LONG-TERM FINANCIAL PLANNING

Major City Initiatives in 2024

- *Northland Boulevard Reconstruction*: Due to numerous repairs resulting from failure of the original 1960's concrete pavement, a complete reconstruction of Northland Boulevard is needed. The project will include a full-depth replacement of pavement as well as a bio-retention/bio-swale concept in the boulevard median. The construction cost is estimated at \$8,662,000 and includes estimated grant funding through the Surface Transportation Block Grant for \$5,341,000. The project is scheduled for completion in 2026.
- *Parks Revitalization*: A donor wanted to recognize her mother's efforts in the community as a schoolteacher and revitalize both Cameron and Underwood Parks. Both parks received new playground equipment, a picnic shelter, picnic tables, grill, and repaved parking lots. The total construction cost was \$302,797, paid fully by the generous donor.

Planned Future Projects

- *Heritage Hill Subdivision Rehabilitation Project*: The Greater Cincinnati Water Works (GCWW) is planning to replace the majority of the water mains in the Heritage Hill Subdivision in 2025. In an effort to avoid patched and uneven road, a complete rehabilitation of the subdivision is planned following the completion of the water main replacements. The GCWW is to pay 50% of the paving costs and the city will pay all additional paving and repairs and maintenance costs. The estimated construction cost is \$1,524,000 and is scheduled for 2025.
- *Facilities Assessments*: In 2022, the City hired outside contractors to perform an assessment on all of the municipal facilities. The objective of the assessment was to provide information to the City that would support strategic planning and budgeting regarding the current condition of the major buildings, and provide cost estimates to address items needing replaced or renovated. The assessment identified several major components in each building that will need attention over the next five years. The building assessments have been identified in the latest five year budget and the estimated costs from 2023 to 2027 are \$8,380,000.

Long-Term Financial Planning

Long-term financial planning is addressed primarily during the annual budget process. The annual tax budget process reviews the current and subsequent year's budget direction. Any noted changes from the current budget are incorporated. The City also prepares a five-year budget. This budget looks long-term at projected revenues and anticipated costs, such as personnel and capital road improvement projects. Once the five-year budget is complete, the one-year budget is prepared. This budget becomes the basis for the appropriation/estimated revenue ordinance passed for the next fiscal year. Also, anticipated revenues and costs are reviewed throughout the year to determine if the year-to-date results are in line with the projections made in preparing the budget. If there are applicable changes, these are incorporated in the next year's budget process.

CITY OF SPRINGDALE, OHIO

***Letter of Transmittal* For the Year Ended December 31, 2024**

FINANCIAL INFORMATION

Internal Control Framework and Policies

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable assurance that these objectives are met through evaluation of the following criteria: (1) The cost of an internal control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits required involves estimates and judgments by management. Based on these internal controls, the City provides a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to guidelines of Federal law, Ohio Revised Code, Generally Accepted Accounting Principles (GAAP), and City ordinance.

Budgetary Controls

In addition to the above, the City maintains budgetary internal controls to ensure compliance with legal provisions embodied in the annual appropriated budget by City Council. The activity of all funds is included in the annual appropriation budget. The City also utilizes an encumbrance accounting system to maintain budgetary control through the encumbering of estimated purchases and the use of formal approved purchase orders. City Council receives a monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records. Also, City Council receives a monthly report comparing budgeted and actual revenues and expenditures. As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING - 2023

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springdale, Ohio for its annual comprehensive financial report for the fiscal year-ended December 31, 2023. This was the twenty-fourth consecutive year that the City received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

CITY OF SPRINGDALE, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

OTHER INFORMATION

Independent Audit

State statute requires that an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. The Auditor of State's office has performed the City audit for the year-ended December 31, 2024. Auditing standards generally accepted in the United States of America and the standards set forth in the General Accounting Office's "*Government Auditing Standards*" were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued audit report.

Acknowledgements

The Annual Comprehensive Financial Report for the year-ended December 31, 2024 was prepared by Taryn Radford, Rachel Stothfang, and the Finance Department Account Clerks. We would like to thank the Mayor, City Council, and the other City departments for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

Respectfully submitted,



Brian Uhl
City Administrator

CITY OF SPRINGDALE, OHIO

List of Principal Officials For the Year Ended December 31, 2024

ELECTED OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>	<u>Salary</u>
Lawrence Hawkins, III	Mayor	12/01/23-11/30/27	\$21,000
Jeffrey Anderson	President	12/01/21-11/30/25	8,475
Dan Jacobs	Vice-President	12/01/21-11/30/25	7,875
David Gleaves	Member	12/01/23-11/30/27	7,875
Meghan Sullivan-Wisecup	Member	12/01/21-11/30/25	7,875
Michelle McFarland	Member	12/01/23-11/30/27	7,875
Lavonne Webster	Member	12/01/23-11/30/27	7,875
Tom Vanover	Member	12/01/21-11/30/25	7,875

ADMINISTRATIVE PERSONNEL

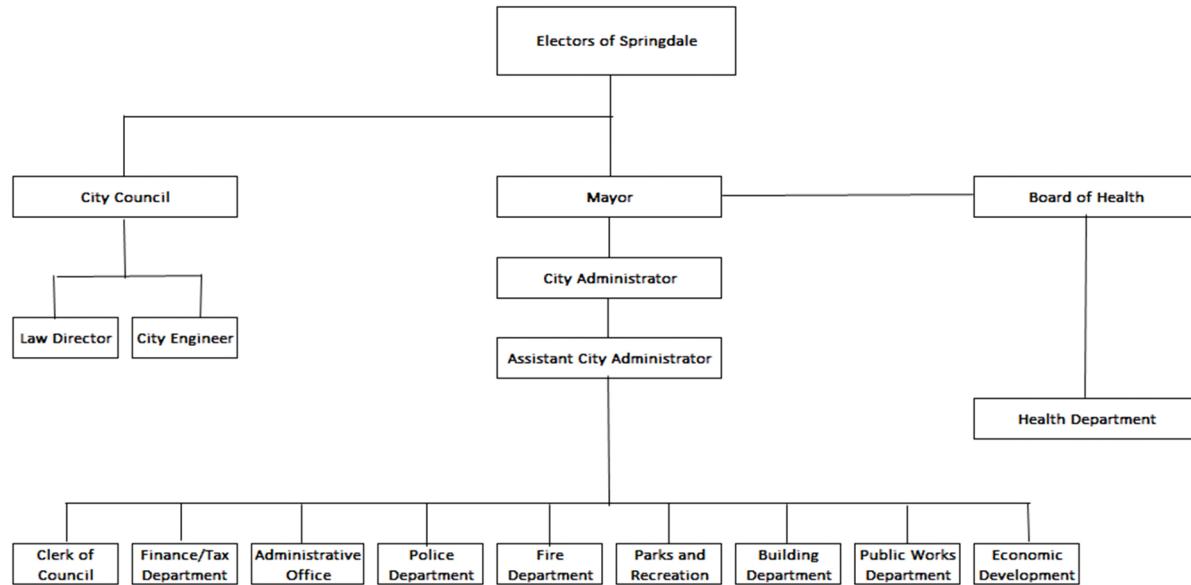
Brian Uhl, Assistant City Administrator
Stephanie Morgan – Assistant City Administrator

Mike Huxsoll, Director of Public Works	Melissa Hays, Building Official
Charlie Wilson, Parks and Recreation Director	Joe Braun, Law Director
Thomas Butler, Chief of Police	Shawn Riggs, City Engineer
Anthony Stanley, Fire Chief	Seth Tieger, City Prosecutor
Matthew Clayton, Health Commissioner	Justin Bartlett, City Magistrate
Andy Kuchta, Economic Development Director	
Stephanie Morgan, Acting Finance Officer/Tax Commissioner (1)	

(1) Surety bond is held with the Western Surety Company in the amount of \$25,000. The bond is renewed annually.

CITY OF SPRINGDALE, OHIO

City Organizational Chart For the Year Ended December 31, 2024



CITY OF SPRINGDALE, OHIO

Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

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Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Springdale
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Monell

Executive Director/CEO



FINANCIAL SECTION





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

INDEPENDENT AUDITOR'S REPORT

City of Springdale
Hamilton County
11700 Springfield Pike
Springdale, Ohio 45246

To the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Springdale, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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, each major fund, and the aggregate remaining fund information of the City of Springdale, Hamilton County, Ohio as of December 31, 2024, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 18 to the financial statements, during 2024, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections and GASB Statement No. 101, Compensated Absences*. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor 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 financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

July 30, 2025



CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

The discussion and analysis of the City of Springdale's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2024. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2024 by \$34,740,397 (net position). Net position increased based on increases in current and other assets (stronger cash position from revenues over expenses and increases in revenue activity for payments in lieu of taxes and capital grants and contributions) and decreases in certain liabilities (bond anticipation notes payable as well as year-end accruals for net pension liability).
- The City's governmental funds reported a combined ending fund balance of \$14,515,484. Of this amount, \$7,841,651 represents the general fund unassigned fund balance available for spending on behalf of its citizens.
- The City reduced long-term General Obligation Bonds by \$540,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the City's overall health, the reader needs to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are comprised of:

- Governmental Activities – All of the City's programs and services are reported here including security of persons and property, public health services, leisure time activities, community environment, transportation and general government.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – All of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

CITY OF SPRINGDALE, OHIO***Management's Discussion and Analysis
For the Year Ended December 31, 2024******Unaudited******FINANCIAL ANALYSIS OF THE CITY AS A WHOLE***

The following table provides a comparison of the City's net position at December 31, 2024 and 2023:

	Governmental Activities	
	2024	2023
Current and Other Assets	\$26,109,427	\$23,038,840
Net OPEB Asset	241,373	0
Capital Assets, Net	<u>48,040,727</u>	<u>45,935,741</u>
Total Assets	<u>74,391,527</u>	<u>68,974,581</u>
Deferred Outflows of Resources	<u>8,690,161</u>	<u>11,728,613</u>
Net Pension Liability	26,703,386	28,936,439
Net OPEB Liability	1,503,639	1,729,088
Other Long-Term Liabilities	7,540,463	7,441,560
Other Liabilities	<u>1,805,054</u>	<u>1,528,041</u>
Total Liabilities	<u>37,552,542</u>	<u>39,635,128</u>
Deferred Inflows of Resources	<u>10,788,749</u>	<u>8,011,981</u>
Net Position		
Net Investment in Capital Assets	41,740,615	39,320,253
Restricted	3,820,946	3,470,380
Unrestricted	<u>(10,821,164)</u>	<u>(9,734,548)</u>
Total Net Position	<u>\$34,740,397</u>	<u>\$33,056,085</u>

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

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan’s *net pension liability* or *net OPEB liability*.

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

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

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

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

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

CITY OF SPRINGDALE, OHIO***Management's Discussion and Analysis
For the Year Ended December 31, 2024******Unaudited***

Changes in Net Position – The following table shows the changes in net position for 2024 and 2023:

	Governmental Activities	
	2024	2023
Revenues		
Program Revenues:		
Charges for Services and Sales	\$1,400,129	\$1,604,368
Operating Grants and Contributions	1,934,544	2,375,122
Capital Grants and Contributions	<u>1,543,851</u>	<u>3,829,546</u>
Total Program Revenues	4,878,524	7,809,036
General Revenues:		
Municipal Income Taxes	19,356,271	17,688,190
Property and Other Taxes	1,470,378	1,338,948
Payments in Lieu of Taxes	2,616,990	2,622,128
Grants and Entitlements not Restricted	424,618	333,660
Investment Earnings	533,140	519,081
Miscellaneous	<u>747,087</u>	<u>757,913</u>
Total General Revenues	<u>25,148,484</u>	<u>23,259,920</u>
Total Revenues	<u>30,027,008</u>	<u>31,068,956</u>
Program Expenses		
Security of Persons and Property	11,742,988	11,505,205
Public Health Services	749,872	715,726
Leisure Time Activities	2,898,959	2,392,498
Community Environment	963,777	950,685
Transportation	3,801,082	4,082,482
General Government	7,102,523	7,114,728
Interest and Fiscal Charges	<u>224,806</u>	<u>246,941</u>
Total Expenses	<u>27,484,007</u>	<u>27,008,265</u>
Total Change in Net Position	2,543,001	4,060,691
Beginning Net Position - Restated	<u>32,197,396</u>	<u>28,995,394</u>
Ending Net Position	<u><u>\$34,740,397</u></u>	<u><u>\$33,056,085</u></u>

Governmental Activities

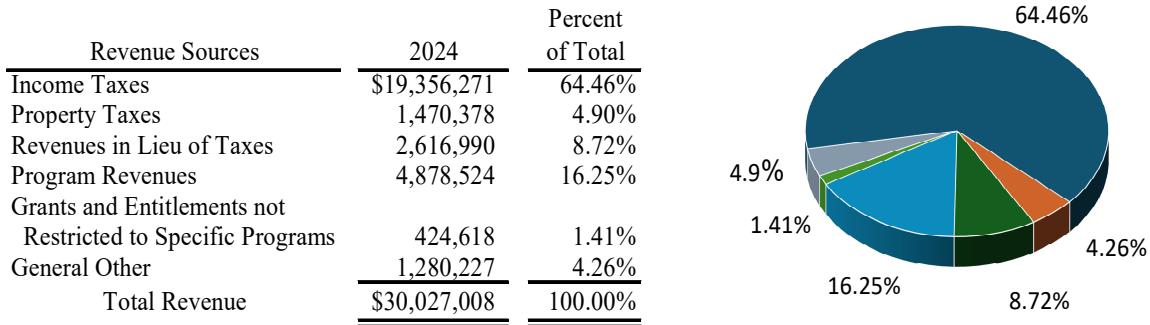
Governmental activities net position increased \$2,543,001, or 7.90%. The increase in net position at its basic level is due to revenues continuing to outpace expenses. Operating and capital grant revenues decreased due to ARPA grant monies, grant funding for multiple infrastructure projects, and a donation for the rehabilitation of the Cameron and Underwood parks in 2023 having a subsequent effect on revenues. Expenses remained consistent from 2023 to 2024.

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

Income taxes and property taxes made up 64.46% and 4.90%, respectively, of revenues for governmental activities in fiscal year 2024. The City's reliance upon tax revenues is demonstrated by the following graph indicating 69.36% of total revenues from general tax revenues:



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$14,515,484 which is an increase from last year's balance of \$14,339,370. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2024 and 2023:

	Fund Balance December 31, 2024	Fund Balance December 31, 2023	Increase (Decrease)
General	\$11,767,729	\$11,392,275	\$375,454
Commerce Park TIF	725,415	1,030,501	(305,086)
Capital Improvements	(436,077)	540,702	(976,779)
Northwest Business District TIF	624,258	559,286	64,972
Other Governmental	1,834,159	816,606	1,017,553
Total	\$14,515,484	\$14,339,370	\$176,114

General Fund – The City's General Fund balance change is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2024 Revenues	2023 Revenues	Increase (Decrease)
Municipal Income Taxes	\$19,601,919	\$17,461,741	\$2,140,178
Property and Other Taxes	1,487,386	1,266,920	220,466
Intergovernmental Revenues	411,783	339,541	72,242
Charges for Services	605,998	569,164	36,834
Fines and Forfeitures	169,885	123,786	46,099
Fees, Licenses and Permits	608,986	788,840	(179,854)
Investment Earnings	533,140	519,081	14,059
Contributions	0	599,500	(599,500)
All Other Revenue	848,171	774,979	73,192
Total	\$24,267,268	\$22,443,552	\$1,823,716

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

In total, General Fund revenues increased 8.13% when compared to revenues in the prior year. The large increase in income taxes is due to a decrease in tax refunds in 2024. For several years income tax refunds were higher than normal as a result of several large employers not bringing employees back to their offices located within the City. The City is starting to see this level off.

	2024 Expenditures	2023 Expenditures	Increase (Decrease)
Current:			
Security of Persons and Property	\$10,830,598	\$9,606,506	\$1,224,092
Leisure Time Activities	2,752,462	2,003,560	748,902
Community Environment	806,125	638,043	168,082
Transportation	1,413,880	1,426,957	(13,077)
General Government	4,181,987	4,033,235	148,752
Capital Outlay	847,396	987,273	(139,877)
Debt Service:			
Principal Retirement	2,990	105,298	(102,308)
Interest and Fiscal Charges	113	402	(289)
Total	\$20,835,551	\$18,801,274	\$2,034,277

General Fund expenditures increased \$2,034,277 from the prior year. An increase in personnel service expenses and repairs/maintenance accounted for the majority of the increase.

Commerce Park Tax Increment Financing (TIF) Fund – The Commerce Park Tax Increment (TIF) Fund accounts for pass-through payments as well as future public improvements. At year-end 2024, the total fund balance for the Commerce Park TIF Fund was \$725,415, which represents a decrease of \$305,086 from 2023. Revenues in 2024 were \$1,060,000. This change is due to completed industrial warehouse buildings in phase one and beginning phase two of the project. Expenditures in 2024 were \$1,365,086, which is an increase from 2023. This increase in expenditures can be attributed to project expenses and school reimbursement.

Capital Improvements Fund – The Capital Improvements Fund accounts for various capital projects financed by governmental funds and capital grants obtained from outside sources. At year-end 2024, the capital improvements fund had a fund deficit of \$436,077, which represents a decrease of \$976,779 from 2023. This decrease in fund balance can be attributed to an increase in capital outlays.

Northwest Business District Tax Increment (TIF) Fund – The Northwest Business District TIF Fund accounts for the activity regarding the northwest business district TIF project, including the issuance and payment of debt, as well as public improvements. At year-end 2024, the total fund balance for the northwest business district TIF fund was \$624,258, which represents an increase of \$64,972 from 2023.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. For the General Fund, final revenue estimates did not change from original estimates. Final budgeted expenditures increased \$1,292,466 from original estimates. Controlled costs across all General Fund departments resulted in actual expenditures that were 11.1% less than final budget amounts.

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024 the City had \$48,040,727 net of accumulated depreciation invested in land, buildings, improvements, infrastructure, equipment and vehicles. The following table shows 2024 and 2023 balances:

	Governmental Activities		Increase (Decrease)
	2024	2023	
Land	\$2,754,601	\$2,754,601	\$0
Construction In Progress	3,917,566	1,861,359	2,056,207
Buildings	21,457,042	20,917,051	539,991
Improvements Other than Buildings	3,252,701	2,648,311	604,390
Machinery and Equipment	2,823,165	2,607,708	215,457
Furniture and fixtures	363,278	204,930	158,348
Vehicles	5,845,364	5,652,532	192,832
Infrastructure	73,381,483	72,121,359	1,260,124
Less: Accumulated Depreciation	(65,754,473)	(62,832,110)	(2,922,363)
Totals	\$48,040,727	\$45,935,741	\$2,104,986

The largest increase in capital assets occurred in the infrastructure category. This is due to State Route 4 Urban Paving and West Crescentville Road Improvement projects being completed in 2024.

Additional information on the City's capital assets can be found in Note 8.

Debt and Other Long-Term Obligations

The following table summarizes the City's debt and other long-term obligations outstanding as of December 31, 2024 and 2023:

	2024	2023
Governmental Activities:		
General Obligation Bonds	\$4,475,832	\$5,038,807
TIF Revenue Bonds	954,336	1,121,626
Leases	156,024	193,160
OPWC loan	114,675	121,625
Compensated Absences	1,839,596	966,342
Total Governmental Activities	\$7,540,463	\$7,441,560

Under the current City Charter, the City's 2024 general obligation bonded debt was subject to a legal limitation of \$44,930,295, based on 10.5 percent of the total assessed value of real and public utility tangible personal property located within the City. Additional information concerning the City's debt can be found in Notes 10, 11, and 12 to the basic financial statements.

CITY OF SPRINGDALE, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

ECONOMIC FACTORS

The City's budget procedure is a very detailed process. From May to June of the current year, the tax budget is prepared then approved by City Council for submission to Hamilton County in accordance with the Ohio Revised Code. This budget procedure forecasts fund balances at the end of the next fiscal year based on information available in May and June of the current year.

From July to September of the current year, the City five-year budget is prepared. This process starts with the budgeted current year figures and attempts to revise these figures (if applicable) for the remainder of the year. Then predictions are made for the next five years based on departmental needs, economic factors, and assumptions provided by administration. The five-year budget takes a long-term look at the direction of the City. Each department director prepares the budgeted expenditures that relate to the applicable department. The finance department prepares the budgeted revenues. The City Administrator then reviews all figures, and amendments are made as necessary.

From October to December of the current year, the one-year budget is prepared. This document becomes the basis for the appropriation/estimated revenue ordinance passed for the next fiscal year. Each department director prepares the budgeted expenditures that relate to the applicable department and the finance department prepares the budgeted revenues. The City Administrator then reviews all figures before the budget is final.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If the reader has any questions about this report or need additional information, contact the Finance Office, 11700 Springfield Pike, Springdale, Ohio 45246, (513) 346-5715.

CITY OF SPRINGDALE, OHIO**Statement of Net Position**
December 31, 2024

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 12,314,951
Cash with Fiscal Agent	77,024
Cash in Segregated Account	17,168
Receivables:	
Taxes	5,051,430
Accounts	290,461
Intergovernmental	1,609,897
Payments in Lieu of Taxes	5,431,856
Special Assessments	397,619
Inventory of Supplies at Cost	407,553
Prepaid Items	426,511
Restricted Assets:	
Funds on Deposit for Unclaimed Monies, OBBS,	
Fire Insurance Proceeds and Other	80,570
Funds on Deposit for Performance Bonds and	
Plan Review Fees	4,387
Net OPEB Asset	241,373
Capital Assets:	
Capital Assets Not Being Depreciated	6,672,167
Capital Assets Being Depreciated, Net	41,368,560
Total Assets	74,391,527
Deferred Outflows of Resources:	
Pension	7,631,038
OPEB	1,059,123
Total Deferred Outflows of Resources	8,690,161
Liabilities:	
Accounts Payable	418,904
Accrued Wages and Benefits	666,900
Intergovernmental Payable	19,901
Contracts Payable	594,505
Claims Payable	7,885
Undistributed Monies Payable	4,387
Unclaimed Monies Payable	78,511
Accrued Interest Payable	14,061
Long-Term Liabilities:	
Due Within One Year	1,190,985
Due in More Than One Year:	
Net Pension Liability	26,703,386
Net OPEB Liability	1,503,639
Other Amounts Due in More Than One Year	6,349,478
Total Liabilities	37,552,542

(Continued)

CITY OF SPRINGDALE, OHIO

	Governmental Activities
Deferred Inflows of Resources:	
Property Tax Levy for Next Fiscal Year	1,209,943
Payments in Lieu of Taxes	5,431,856
Pension	2,508,852
OPEB	1,638,098
Total Deferred Inflows of Resources	<u>10,788,749</u>
Net Position:	
Net Investment in Capital Assets	41,740,615
Restricted For:	
Capital Projects	936,422
Street Construction, Maintenance and Repair	1,765,063
OPEB	241,373
Other Purposes	878,088
Unrestricted (Deficit)	(10,821,164)
Total Net Position	<u>\$ 34,740,397</u>

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, 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:				
Security of Persons and Property	\$ 11,742,988	\$ 663,411	\$ 143,840	\$ 0
Public Health Services	749,872	89,361	696,217	0
Leisure Time Activities	2,898,959	237,359	0	0
Community Environment	963,777	261,376	60,530	0
Transportation	3,801,082	23,735	908,895	1,543,851
General Government	7,102,523	124,887	125,062	0
Interest on Long Term Debt	224,806	0	0	0
Totals	\$ 27,484,007	\$ 1,400,129	\$ 1,934,544	\$ 1,543,851

General Revenues

Municipal Income Taxes
Property and Other Taxes
Payments in Lieu of Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Total General Revenues

Change in Net Position

Net Position as Previously Reported
Change in Accounting Principle (GASB Statement 101)
Net Position Beginning of Year as Restated
Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO

Net (Expense)

Revenue and

Charges in

Net Position

Governmental Activities

\$	(10,935,737)
	35,706
	(2,661,600)
	(641,871)
	(1,324,601)
	(6,852,574)
	(224,806)
	<hr/>
	(22,605,483)

19,356,271

1,470,378

2,616,990

424,618

533,140

747,087

25,148,484

2,543,001

33,056,085

(858,689)

32,197,396

\$	34,740,397
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CITY OF SPRINGDALE, OHIO

Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Commerce Park TIF Fund	Capital Improvements Fund	Northwest Business District TIF Fund
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 7,768,746	\$ 725,415	\$ 1,153,387	\$ 626,073
Cash with Fiscal Agent	77,024	0	0	0
Cash in Segregated Account	16,148	0	0	0
Receivables:				
Taxes	5,051,430	0	0	0
Accounts	165,588	0	0	0
Intergovernmental	291,113	0	712,205	0
Payments in Lieu of Taxes	0	1,852,184	0	2,418,130
Special Assessments	0	0	35,103	362,516
Interfund Loans Receivables	1,703,061	0	0	0
Advance to Other Funds	368,619	0	0	0
Inventory of Supplies, at Cost	393,426	0	0	0
Prepaid Items	408,458	0	0	0
Restricted Assets:				
Funds on Deposit for Unclaimed Monies, OBBS,				
Fire Insurance Proceeds and Other	80,570	0	0	0
Funds on Deposit for Performance Bonds				
and Plan Review Fees	4,387	0	0	0
Total Assets	\$ 16,328,570	\$ 2,577,599	\$ 1,900,695	\$ 3,406,719
Liabilities:				
Accounts Payable	\$ 337,990	\$ 0	\$ 4,740	\$ 1,815
Accrued Wages and Benefits Payable	634,766	0	0	0
Intergovernmental Payable	14,209	0	0	0
Contracts Payable	0	0	594,505	0
Claims Payable	7,885	0	0	0
Undistributed Monies Payable	4,387	0	0	0
Unclaimed Monies Payable	78,511	0	0	0
Interfund Loans Payable	0	0	1,702,424	0
Advances from Other Funds	0	0	0	0
Total Liabilities	1,077,748	0	2,301,669	1,815

CITY OF SPRINGDALE, OHIO

	Other Governmental Funds	Total Governmental Funds
\$	2,041,330	\$ 12,314,951
	0	77,024
	1,020	17,168
	0	5,051,430
	124,873	290,461
	606,579	1,609,897
	1,161,542	5,431,856
	0	397,619
	0	1,703,061
	0	368,619
	14,127	407,553
	18,053	426,511
	0	80,570
	0	4,387
<hr/>	<hr/>	<hr/>
\$	<u>3,967,524</u>	<u>\$ 28,181,107</u>
\$	74,359	\$ 418,904
	32,134	666,900
	5,692	19,901
	0	594,505
	0	7,885
	0	4,387
	0	78,511
	637	1,703,061
	368,619	368,619
<hr/>	<hr/>	<hr/>
	<u>481,441</u>	<u>3,862,673</u>

(Continued)

CITY OF SPRINGDALE, OHIO

Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Commerce Park TIF Fund	Capital Improvements Fund	Northwest Business District TIF Fund
Deferred Inflows of Resources:				
Unavailable Amounts	2,273,150	0	35,103	362,516
Property Tax Levy for Next Fiscal Year	1,209,943	0	0	0
Payments in Lieu of Taxes	0	1,852,184	0	2,418,130
Total Deferred Inflows of Resources	3,483,093	1,852,184	35,103	2,780,646
Fund Balances:				
Nonspendable	1,170,503	0	0	0
Restricted	0	725,415	0	568,075
Assigned	2,755,575	0	0	56,183
Unassigned (Deficit)	7,841,651	0	(436,077)	0
Total Fund Balances	11,767,729	725,415	(436,077)	624,258
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 16,328,570	\$ 2,577,599	\$ 1,900,695	\$ 3,406,719

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO

Other Governmental Funds	Total Governmental Funds
490,382	3,161,151
0	1,209,943
1,161,542	5,431,856
<hr/>	<hr/>
1,651,924	9,802,950
32,180	1,202,683
2,194,292	3,487,782
0	2,811,758
(392,313)	7,013,261
<hr/>	<hr/>
1,834,159	14,515,484
<hr/>	<hr/>
\$ 3,967,524	\$ 28,181,107

CITY OF SPRINGDALE, OHIO

**Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2024**

Total Governmental Fund Balances \$ 14,515,484

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

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 48,040,727

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.

Income Taxes Receivable - accrual basis	1,955,771
Property Taxes Receivable - accrual basis	91,896
Special Assessments Receivable - accrual basis	397,619
Miscellaneous Receivables - accrual basis	181,336
Intergovernmental Receivable - accrual basis	534,529
Total	3,161,151

The net pension and OPEB liabilities are not due and payable in the current period; the net OPEB asset is not available for current period expenditures; therefore, the liability and related asset, deferred inflows / outflows are not reported in governmental funds:

Deferred Outflows - Pension	7,631,038
Deferred Outflows - OPEB	1,059,123
Deferred Inflows - Pension	(2,508,852)
Deferred Inflows - OPEB	(1,638,098)
Net Pension Liability	(26,703,386)
Net OPEB Asset	241,373
Net OPEB Liability	(1,503,639)
Total	(23,422,441)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Amounts Due Within One Year	(1,190,985)
Amounts Due in More Than One Year	(6,349,478)
Accrued Interest on Long-Term Debt	(14,061)
Total	(7,554,524)
Net Position of Governmental Activities	\$ 34,740,397

See accompanying notes to the basic financial statements



CITY OF SPRINGDALE, OHIO

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

	General Fund	Commerce Park TIF Fund	Capital Improvements Fund	Northwest Business District TIF Fund
Revenues:				
Municipal Income Taxes	\$ 19,601,919	\$ 0	\$ 0	\$ 0
Property and Other Taxes	1,487,386	0	0	0
Payments in Lieu of Taxes	0	1,060,000	0	1,300,625
Special Assessments	0	0	0	42,182
Intergovernmental Revenues	411,783	0	1,212,627	0
Charges for Services	605,998	0	0	0
Fines and Forfeitures	169,885	0	0	0
Fees, Licenses and Permits	608,986	0	0	0
Investment Earnings	533,140	0	0	0
All Other Revenue	848,171	0	19,449	0
Total Revenue	24,267,268	1,060,000	1,232,076	1,342,807
Expenditures:				
Current:				
Security of Persons and Property	10,830,598	0	0	0
Public Health Services	0	0	0	0
Leisure Time Activities	2,752,462	0	0	0
Community Environment	806,125	0	0	0
Transportation	1,413,880	0	0	0
General Government	4,181,987	1,365,086	0	1,039,638
Capital Outlay	847,396	0	4,151,905	0
Debt Service:				
Principal Retirement	2,990	0	6,950	167,290
Interest & Fiscal Charges	113	0	0	70,907
Total Expenditures	20,835,551	1,365,086	4,158,855	1,277,835
Excess (Deficiency) of Revenues Over Expenditures	3,431,717	(305,086)	(2,926,779)	64,972
Other Financing Sources (Uses):				
Transfers In	0	0	1,950,000	0
Transfers Out	(3,056,263)	0	0	0
Total Other Financing Sources (Uses)	(3,056,263)	0	1,950,000	0
Net Change in Fund Balances	375,454	(305,086)	(976,779)	64,972
Fund Balances at Beginning of Year	11,392,275	1,030,501	540,702	559,286
Fund Balances End of Year	\$ 11,767,729	\$ 725,415	\$ (436,077)	\$ 624,258

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 19,601,919
0	1,487,386
256,365	2,616,990
0	42,182
1,913,290	3,537,700
600	606,598
24,048	193,933
56,543	665,529
0	533,140
98,792	966,412
<hr/>	<hr/>
2,349,638	30,251,789

78,290	10,908,888
835,035	835,035
8,557	2,761,019
167,503	973,628
303,125	1,717,005
281,389	6,868,100
11,888	5,011,189
<hr/>	<hr/>
574,146	751,376
178,415	249,435
<hr/>	<hr/>
2,438,348	30,075,675

(88,710)	176,114
<hr/>	<hr/>
1,106,263	3,056,263
0	(3,056,263)
<hr/>	<hr/>
1,106,263	0
<hr/>	<hr/>
1,017,553	176,114
<hr/>	<hr/>
816,606	14,339,370
\$ 1,834,159	\$ 14,515,484
<hr/>	<hr/>

CITY OF SPRINGDALE, 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	\$ 176,114
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Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	5,027,349
Depreciation Expense	(2,922,363)
	<hr/>
	2,104,986

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (224,781)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 1,892,759

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities/asset are reported as pension expense in the statement of activities. (2,157,226)

The issuance of long-term debt provides current financial resources while the repayment of principal of long-term debt consumes current financial resources of governmental funds, however, neither effect net position. 751,376

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 1,654

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.

Compensated Absences	(24,856)
Amortization of Bond Premium	22,975
	<hr/>
	(1,881)

Change in Net Position of Governmental Activities

 \$ 2,543,001

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 19,326,400	\$ 19,326,400	\$ 20,473,728	\$ 1,147,328
Property and Other Taxes	1,464,499	1,464,499	1,487,386	22,887
Intergovernmental Revenue	453,639	453,639	493,318	39,679
Charges for Services	551,400	551,400	595,066	43,666
Fines and Forfeitures	119,500	119,500	168,770	49,270
Fees, Licenses and Permits	621,125	621,125	654,425	33,300
Investment Earnings	300,000	300,000	532,836	232,836
All Other Revenues	850,400	850,400	731,584	(118,816)
Total Revenues	23,686,963	23,686,963	25,137,113	1,450,150
Expenditures:				
Current:				
Security of Persons and Property	12,339,961	12,499,961	10,866,099	1,633,862
Public Health Services	535,665	645,665	574,285	71,380
Leisure Time Activities	2,918,836	3,048,836	2,821,010	227,826
Community Environment	887,742	937,742	745,036	192,706
Transportation	1,891,268	1,891,268	1,432,312	458,956
General Government	5,598,928	5,833,928	5,395,808	438,120
Capital Outlay	1,160,621	1,210,621	902,510	308,111
Total Expenditures	25,333,021	26,068,021	22,737,060	3,330,961
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,646,058)	(2,381,058)	2,400,053	4,781,111
Other Financing Sources (Uses):				
Sale of Capital Assets	5,000	5,000	6,834	1,834
Transfers In	364,809	364,809	387,674	22,865
Transfers Out	(4,177,500)	(3,032,542)	(3,007,541)	25,001
Advances In	125,000	125,000	75,000	(50,000)
Advances Out	(150,000)	(1,852,424)	(1,777,424)	75,000
Total Other Financing Sources (Uses):	(3,832,691)	(4,390,157)	(4,315,457)	74,700
Net Change in Fund Balance	(5,478,749)	(6,771,215)	(1,915,404)	4,855,811
Fund Balance at Beginning of Year	8,530,779	8,530,779	8,530,779	0
Prior Year Encumbrances	729,604	729,604	729,604	0
Fund Balance at End of Year	\$ 3,781,634	\$ 2,489,168	\$ 7,344,979	\$ 4,855,811

See accompanying notes to the basic financial statements



CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

The accounting methods and procedures adopted by the City of Springdale, Ohio, conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The following notes to the financial statements are an integral part of the basic financial statements.

NOTE 1 - FINANCIAL REPORTING ENTITY

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*", as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations are Component Units*" and GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34*", in that the financial statements include all divisions and operations for which the City is financially accountable.

The primary government consists of all the organizations, activities, and functions that are not legally separate from the City. Component units are legally separate organizations for which the City is financially accountable. The City would consider an organization to be a component unit if:

1. The City appoints a voting majority of the organization's body; and is able to impose its will on that organization or there is a potential for the organization to provide specific financial burdens on the City; or
2. The organization is fiscally dependent upon the City; or
3. The nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements misleading.

Potential component units were considered for inclusion within financial statement presentation. The City reports a component unit within the other governmental funds column as a special revenue, nonmajor fund. This fund includes the financial data of the component unit. The following is included as a legally separate blended component unit of the City:

Health Fund: The health fund accounts for all activity of the City Health Department. City Council appoints the voting majority of the Board of Health and there is a financial benefit/burden relationship between the Health Department and the City. This is reported as a blended component unit because the Health Department's governing body is substantially the same as the governing body of the City and management of the City has operational responsibility for the Health Department. A copy of the Health Department financial report is on file with the City's finance department.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statement of net position presents the financial condition 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. Direct expenses are those that are specifically associated with a service, program, or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational and capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City. The effect of interfund activity has been eliminated from the government-wide financial statements, but interfund services provided and used are not eliminated in the process of consolidation.

Fund Financial Statements

During the year, the City segregates transactions related to certain functions or activities in separate funds in order to assist 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 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 utilizes governmental funds.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The City maintains records showing revenues, expenditures, and encumbrances to assure legal and accounting compliance and to assure that budgetary authority is not exceeded. The difference between governmental fund assets, liabilities and deferred inflows of resources, is reported as fund balance. The following are the City's major governmental funds:

General Fund - This fund is established to account for resources devoted to financing the general services that the City performs for its residents. Municipal income tax, general tax revenues, as well as other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Commerce Park Tax Increment Financing (TIF) Fund – This capital projects fund is used to account for the activity related to the Commerce Park TIF project.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Improvements Fund – This capital projects fund is used to account for various capital projects financed by governmental funds and to account for capital grants obtained from outside sources.

Northwest Business District Tax Increment Financing (TIF) Fund - This capital projects fund is used to account for the activity regarding the Northwest Business District TIF Project, including the issuance and payment of debt, as well as public improvements.

The other governmental funds of the City account for grants and other resources that are generally restricted to a particular purpose.

In 2024 the City reported the health fund as a special revenue fund. This presentation is a requirement of the Ohio Office of the Auditor of State under Ohio Revised Code Section 3709.36. The activity in this fund represents the City Health Department as well as certain operating grants in the special revenue, grants fund. On the non-GAAP budgetary basis the health department is budgeted as a department of the general fund and the operating grant activity is budgeted as part of the grants fund.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the source (i.e., revenues and other financial 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 on 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 of governmental funds.

Basis of Accounting

Accounting basis determines when transactions and economic events are reflected in the financial statements. Government-wide financial statements 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, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures:

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues – Exchange and Non-Exchange Transactions

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

Nonexchange transactions, in which the City received value without directly giving equal value in return, include income tax, property tax, admissions tax, transient occupancy tax, payments in lieu of tax, special assessments, cable franchise fees, state levied taxes, grants, and entitlements. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property tax is recognized in the fiscal year for which the taxes are levied. Revenue from state-levied taxes, grants, and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the 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 of accounting, the following revenue sources are considered to be both measurable and available (either in-part or in-full) at year-end: municipal income tax, admissions tax, transient occupancy tax, certain reimbursements, certain charges for services, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), license and permit fees, and grants.

Deferred Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then. The City reports deferred outflows of resources on the government-wide statement of net position for pension and OPEB (see notes 12 and 13).

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and the balance sheet each report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. The following transactions recorded a receivable and deferred inflow of resources (either in-part or in-full) at year-end: municipal income tax, property and other taxes, payments in lieu of tax, special assessments, intergovernmental, and other. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position (see notes 12 and 13).

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Budgets and the Budgetary Process

The budgetary process, prescribed by provisions of the Ohio Revised Code and the City Charter, entails the preparation of budgetary documents within an established timetable. This includes the preparation of the tax budget, a certificate of estimated resources, and the appropriation/estimated receipts ordinance, all of which are prepared on the non-GAAP budgetary basis of accounting. The certificate of estimated resources and the appropriation/estimated receipts ordinance may be amended by action of City Council throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds are legally required to be budgeted and appropriated. The City adopts a budget and approves appropriations for all funds. The legal level of budgetary control is defined as the level at which City Council must approve any over-expenditure of appropriations or transfers of appropriated amounts. City Council must approve any increase or decrease in appropriations and estimated receipts. The legal level of budgetary control for the general fund is at the departmental level (personal services and other expenditures) and all other funds is at the fund level (personal services and other expenditures). Administrative control is maintained through the establishment of detailed line item budgets. For 2024, all appropriations were approved as required and all funds and departments completed the year within the legally authorized appropriations.

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The County Budget Commission certifies its actions to the City by September 1, and as part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must prepare its annual budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if a new source of revenue is received or actual receipts exceed current estimated receipts. The amounts reported on the budgetary statement reflect as final budget the amounts in the final amended official certificate of estimated resources.

Appropriations - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year by City Council action, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances - As part of formal budgetary control, purchase orders for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the modified accrual basis, encumbrances outstanding at year-end are reported within the general fund assigned fund balance.

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

Budgetary Basis of Accounting – While the City is reporting financial position, results of operations and changes in fund balances on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balances – budget (non-GAAP basis) and actual (presented for the general fund) is presented on a budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

- * Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP),
- * Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP),
- * Year-end encumbrances are treated as expenditures (budget) rather than assigned fund balance (GAAP),
- * Year-end prepaid items are treated as expenditures (budget) rather than nonspendable fund balance (GAAP), and
- * Year-end inventory of supplies are treated as expenditures (budget) rather than nonspendable fund balance (GAAP), and
- * The health fund is budgeted as part of the general fund but reported separately for GAAP reporting.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

<u>Net Change in Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$375,454
Increase (Decrease):	
Accrued Revenues at December 31, 2024 received during 2025	(4,274,847)
Accrued Revenues at December 31, 2023 received during 2024	2,464,883
Accrued Expenditures at December 31, 2024 paid during 2025	1,077,748
Accrued Expenditures at December 31, 2023 paid during 2024	(975,782)
2023 Prepays for 2024	249,365
2024 Prepays for 2025	(408,458)
Outstanding Encumbrances	(423,767)
Budget Basis	<u><u>(\$1,915,404)</u></u>

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash is pooled and invested short-term for cash management purposes. Investments with original maturities of three months or less are considered to be cash equivalents. The City reports cash with fiscal agent, which represents balances held in the City's name through the DentaQuest Company and Miami Valley Risk Management Association. The City also reports cash in segregated account, which represents the year-end balance of Mayor's Court activity.

The City's investment and depository policy is based on the Ohio Revised Code, Chapter 135, and includes the following objectives and general guidelines:

- * Preservation of capital and protection of principal while earning investment interest,
- * Investments are to remain liquid to meet reasonable anticipated operating requirements,
- * Investment instruments shall be purchased for the safety of capital as well as the income to be derived and never for speculation, and
- * Manage bank account relations to secure adequate services while minimizing costs.

The City invested funds in STAR Ohio during 2024. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, "*Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*". Investments in STAR Ohio are valued at the net asset value per share provided by STAR Ohio on an amortized cost basis at December 31, 2024, which approximates fair value.

For 2024 there were no limitations or restrictions on any participants' withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectable.

Prepaid Items

Certain payments made to vendors for services that will benefit subsequent periods are recorded as prepaid items. On government-wide and fund financial statements, prepaid items are presented based on the consumption method, whereas an asset is recognized at year-end for the value of the prepayment remaining and the expense/expenditures are reflected in the year in which services are consumed. On the fund financial statements, prepaid items are equally offset as a nonspendable fund balance, which indicates that the prepaid items do not constitute available spendable resources even though they are a component of net current assets.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory

On the government-wide and fund financial statements, inventories are presented based on the consumption method at cost on a first-in, first-out basis and are expensed when used. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption.

Capital Assets

Governmental capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. Governmental capital assets are reported in the statement of net position but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deletions during the year. For purposes of financial reporting, only capital assets valued at \$5,000 or more are reported. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value as of the date received, if valued at \$5,000 or more. The City's infrastructure consists of sewer lines, streets, traffic signals, sidewalks, parks, construction in progress, and other improvements. Improvements are capitalized if value is added and the life of the asset is materially extended; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

All reported capital assets are depreciated except land, right of way easements, and construction in progress. Improvements are depreciated over the remaining useful life 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:

Buildings	15 - 60 years
Improvements other than building	10 - 25 years
Machinery and equipment	5 - 10 years
Furniture and fixtures	15 - 20 years
Vehicles	5 - 20 years
Infrastructure	15-100 years

Interest Income

Interest income is distributed to the funds according to the Ohio Revised Code (ORC) and City Ordinance. The ORC requires interest to be credited to the general fund, however, the City passes legislation allowing interest to be allocated to the applicable funds based on the principal balance. For 2024, all \$533,140 in interest was credited to the General Fund.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payments In Lieu Of Tax

Payments in lieu of tax represent service payments received from the Hamilton County Auditor in lieu of property tax for the purpose of making Northwest Business District TIF - Phase I bond payments and other applicable expenditures. Payments in lieu of tax are also received from the Hamilton County Auditor for the Northwest Business District TIF - Phase II, the Commerce Park TIF – Phase I and II, the Merchant Street TIF and the Sheraton Lane TIF. From these service payments, expenditures are made to bond trustees and other purposes.

Special Assessments

Special assessments represent amounts received from the Hamilton County Auditor based on the Northwest Business District Tax Increment Financing (TIF) - Phase II, service agreement. As part of the service agreement, long term bonds were issued by the Port of Greater Cincinnati Development Authority (Port). Phase II of the agreement covers an office tower as well as the adjacent parking garage. The special assessments were levied based on lost service payments as a result of the parking garage becoming a public purpose parcel and therefore the TIF value was decreased to \$0. The special assessments were levied on the tenants of the office tower to make up the shortfall in service payments. When the special assessments are received from the County Auditor at settlement, the amount is then remitted to the Port bond trustee in accordance with the Service Agreement.

Special assessments were also collected as a result of unpaid amounts owed by residents for driveway apron services performed. Billings are sent to the resident owners. If payment is not received within 30 days a special assessment can be levied on property taxes through the Hamilton County Auditor's Office.

Restricted Assets

The statement of net position and the balance sheet, general fund, report amounts that are restricted for a specific use. These are amounts on deposit for unclaimed monies, Ohio Board of Building Standards Assessments, Youth Boosters, fire insurance proceeds, performance bonds, and plan review fees.

Compensated Absences

GASB Statement No. 101, "Compensated Absences", requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. In addition, certain salary related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability. Accrued vacation and sick leave are accumulated to City employees at varying amounts and are attributable to services already rendered. At the time of the employee's termination, such accruals are paid to the employee at varying rates from the fund to which the employee's payroll is charged.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Governmental fund payables and accrued liabilities once incurred, are paid in a timely manner in full from current financial resources, and are reported as obligations of the funds. However, claims, compensated absences, net pension liability, and net other postemployment benefits liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, notes, capital leases, and loans are recognized as a liability on the fund financial statements when due.

Pensions/Other Post-Employment Benefits (OPEB)

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

Net Position

On the statement of net position, total net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted for other purposes is comprised of net position restricted for non-capital grants and other applicable special revenue funds. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$3,820,946 restricted net position, \$0 is restricted for enabling legislation.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of 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 are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash. It also includes advances to/from other funds.

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

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 an ordinance of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance may be redirected for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue: therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The City had no amounts reported as committed fund balance at December 31, 2024.

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. Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes. The Finance Officer assigns fund balance.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, assigned amounts are reduced first, followed by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as transfers, and are reported as other financing sources/uses in governmental funds. Interfund transfers are eliminated in the statement of activities, but the interfund services provided and used are not eliminated in the process of consolidation.

On the fund financial statements, long-term outstanding interfund loans are reported as “Advances to / from other funds”, and are classified as nonspendable fund balance, which indicates they are not in spendable form even though they are a component of net current assets. Also on the fund financial statements, a short-term interfund loan is reported as “Interfund loan receivable/payable”.

Estimates

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

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 3 - FUND BALANCES

Fund balance is classified as nonspendable, restricted, assigned, and unassigned. The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

Fund Balances	General	Commerce Park TIF	Capital Improvements	Northwest Business District TIF	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$408,458	\$0	\$0	\$0	\$18,053	\$426,511
Supplies Inventory	393,426	0	0	0	14,127	407,553
Advances to Other Funds	368,619	0	0	0	0	368,619
Total Nonspendable	1,170,503	0	0	0	32,180	1,202,683
Restricted:						
Debt Service	0	0	0	568,075	0	568,075
Operating Grants	0	0	0	0	391,288	391,288
Road Maintenance	0	0	0	0	1,416,906	1,416,906
Law Enforcement	0	0	0	0	159,292	159,292
Leisure Time Activities	0	0	0	0	176,797	176,797
Community Environment	0	725,415	0	0	50,009	775,424
Total Restricted	0	725,415	0	568,075	2,194,292	3,487,782
Assigned:						
Budget Resources	2,421,932	0	0	0	0	2,421,932
Capital Improvements	0	0	0	0	0	0
Other Purposes	333,643	0	0	56,183	0	389,826
Total Assigned	2,755,575	0	0	56,183	0	2,811,758
Unassigned (Deficit)	7,841,651	0	(436,077)	0	(392,313)	7,013,261
Total Fund Balances	\$11,767,729	\$725,415	(\$436,077)	\$624,258	\$1,834,159	\$14,515,484

NOTE 4 - FUND DEFICITS

The following funds had fund deficits at year-end 2024, the capital projects, Tri-County Mall tax increment financing fund, \$368,619, the capital projects, Capital Improvement fund, \$436,077, and the special revenue, residential recycling incentive fund, \$23,694. The deficit balance in the Tri-County Mall TIF fund is due to the recognition of advances from other funds liability. The deficit balance in the other funds is due to the recognition of expenditures on the modified accrual basis of accounting which is greater than expenditures recorded on the cash basis. The general fund is liable for fund deficits and provides transfers when cash is required, not when accruals occur.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 5 - DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool used by all funds. Each fund has an equity interest in this account. Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and short-term investments. The provisions of the Ohio Revised Code (ORC) and City Ordinance govern the investment and deposit of City monies. In accordance with these provisions, only banks located in Ohio and domestic building and loan associations are eligible to hold public deposits. Ohio law requires the classification of funds held by the City into the following category:

Interim funds – those funds not needed for immediate use but needed before the end of the current period of designation of depositories. The City's investment policy allows interim funds to be invested in the following:

- * Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest thereon,
- * Bonds, notes, debentures or other obligations or securities issued by any federal government agency, or the export-import bank of Washington,
- * The Finance Officer may enter into a repurchase agreement with any eligible institution mentioned in the ORC Section 135.03 and confirmed by Council, under the terms of which agreement the Finance Officer purchases for the City, and such institution agrees unconditionally to repurchase any of the securities listed (in the investment policy) that will mature or are redeemable within five (5) years from the date of purchase,
- * Certificates of deposit of eligible depositories, which may provide (and if so, shall be shown on its face) that the amount of such deposit is payable upon written notice a specified period before the date of the repayment maturity,
- * Insured deposit amounts in eligible depositories paying interest at a rate greater than the interest rate paid on the City's active deposits, and
- * STAR Ohio, an investment pool managed by the Treasurer of the State.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. Of the bank balance of deposits of \$3,868,967, \$250,000 was covered by federal deposit insurance. The remaining amount was covered by provided collateral and not subject to custodial credit risk. Although all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements would potentially subject the City to a successful claim by the FDIC.

The City's custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution, unless the financial institution participates in the Ohio Treasurer of State's Ohio Collateral Pool System, which reduces the amount to 102% of the deposits being secured. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Investments

The City's investment at December 31, 2024 is summarized below:

					Investment
					Maturity
	Credit	Fair Value	Concentration		In Years
STAR Ohio ²					
	Fair Value	Rating	Hierarchy	of Credit Risk	less than 1
STAR Ohio ²	\$8,789,791	AAAm ¹	NA	100.00%	\$8,789,791
Total Investments	<u><u>\$8,789,791</u></u>			<u><u>100.00%</u></u>	<u><u>\$8,789,791</u></u>

¹ Standard & Poor's

² Reported at amortized cost

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Fair Value Measurement – Governmental Accounting Standards Board (GASB) Statement No. 72, “*Fair Value Measurement and Application*”, requires the City to apply valuation techniques that best represent fair value in the circumstances-market approach, cost approach and income approach. The following are the levels for which inputs can be measured. Level 1 – quoted prices (unadjusted) in active markets for identical assets/liabilities (most reliable); Level 2 – quoted prices for similar assets/liabilities, quoted price for identical assets/liabilities or similar assets/liabilities in markets that are not active, or other quoted prices that are observable; and Level 3 – unobservable inputs (least reliable).

The City’s investments in STAR Ohio are excluded from fair value measurement requirements under GASB Statement No. 72, and instead are reported at amortized cost.

Interest Rate Risk – Interest rate risk is the risk that an investment’s value will change as interest rates change. The City has no formal policy regarding interest rate risk, but as a means of limiting its exposure to fair value losses caused by changing interest rates, the City attempts, to the extent possible, to match investments with anticipated cash flow requirements.

Credit Risk – Credit risk is the risk of loss due to a debtor’s non-payment of debt. The City has no formal policy regarding credit risk. The City limits investments to those authorized by State statute.

Custodial Credit Risk - Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 6 - RECEIVABLES

Receivables at year-end consist primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, payments in lieu of tax, grants, and accounts.

Property taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property and public utility tangible personal property. The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. The tax rate for all City operations for the year-ended December 31, 2024 was \$3.08 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2023 property tax receipts were based are as follows:

Real Property - 2023 Assessed Valuation	\$416,773,180
Public Utility Tangible Personal Property - 2023 Assessed Valuation	20,307,710
Totals	\$437,080,890

Property taxes receivable represent real property taxes, public utility property taxes, and outstanding delinquencies, which are measurable as of December 31, 2024. Although total property tax collections for the next fiscal year are measurable, the City recognizes property taxes as deferred inflows of resources since the first settlement date is more than thirty-one days after year-end and does not meet the availability criteria for recognition of revenue and because the taxes are not intended to finance current operations.

Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

* Lien date	January 1, 2023
* Levy date - first half	December 31, 2023
* First installment payment due	January 31, 2024
* Levy date - second half	March 31, 2024
* Second installment payment due	June 20, 2024

Assessed values are established by the County Auditor at no more than 35% of appraised market value. The laws of the State of Ohio require that all property be revalued every six years and any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed as ordered by the State Commissioner of Tax Equalization. Real property last experienced a sexennial reappraisal during 2023 with the results affecting collections beginning in 2024. Real property last experienced a triennial update during 2020 with the results affecting collections beginning in 2021.

Public utilities property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which are described above.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 6 – RECEIVABLES (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor remits to the City its portion of the taxes collected as monthly advances and at settlement twice a year. Accrued property taxes receivable represent real property taxes, public utility taxes and outstanding delinquencies which are measurable as of year-end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year-end, nor were they levied to finance current year operations. The receivable is offset by deferred inflows of resources on the statement of net position and the balance sheet, with the exception of delinquencies, which are presented as property tax revenue.

Income Taxes

In 2024, the City levied a municipal income tax on substantially all earnings (qualified wages and other personal service compensation) of its residents working both in and out of the City and to earnings of nonresidents working within the City. The municipal income tax rate was 2.0% in 2024. In conjunction with a mandatory filing requirement, the City allows a credit for applicable income taxes paid to other governments up to 100% of the City's tax rate.

The municipal income tax also applies to net income of business conducted in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City on a monthly or quarterly basis (based on the dollar amount of withholdings). Corporations and other individual taxpayers are encouraged to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are used to provide for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities, permanent improvements of the City, and the discharge of principal and interest of obligations for permanent improvements.

NOTE 7 - INTERFUND TRANSACTIONS

Advances To/From Other Funds

A previous year's interfund loan was made from the general fund to the capital projects, Tri-County Mall tax increment financing (TIF) fund. This loan was made regarding a previous road project and will be repaid to the general fund as service payments are received. At the time, it was believed the interfund loan would be repaid within a year, but since has been shown as long-term advances on the fund financial statements. Beginning in 2020, Hamilton County included TIF value on the applicable parcel and service payments were received. Following is a schedule of advances to/from other funds at December 31, 2024:

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 7 - INTERFUND TRANSACTIONS (Continued)

<u>Advances to Other Funds</u>	<u>Advances From Other Funds</u>	<u>Amount</u>
General Fund	Capital Projects, Tri-County Mall TIF Fund	\$368,619

The capital projects, Tri-County Mall TIF fund, is a non-major fund.

Interfund Loan Receivable/Interfund Loan Payable

At December, 31, 2024, the City had the following interfund loan receivable/interfund loan payable:

<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>	<u>Amount</u>
General Fund	Special Revenue, Grants Fund	\$637
General Fund	Capital Project, Capital Improvement Fund	<u>1,702,424</u>

The capital project, capital improvement fund is a major fund. The special revenue, grants fund is a nonmajor fund.

Transfers-In/Transfers-Out

In 2024, the City had the following interfund transfers:

<u>Transfer-Out Fund</u>	<u>Transfer-In Fund</u>	<u>Amount</u>
General Fund	Debt Service, Street Improvement Debt Fund	\$540,000
General Fund	Special Revenue, Residential Recycling Incentive Fund	132,025
General Fund	Special Revenue, Health Fund	<u>434,238</u>
		1,106,263
General Fund	Capital Projects, Capital Improvements Fund	<u>1,950,000</u>
		<u>\$3,056,263</u>

The debt service, street improvement debt fund, the special revenue, residential recycling incentive fund, and the special revenue, health fund are nonmajor funds. The capital projects, capital improvements fund is a major fund. All transfer-out activity from the general fund was the result of cash flow needs of the transfer-in fund.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 8 - CAPITAL ASSETS

Capital asset activity is summarized below:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
<i>Capital assets not being depreciated:</i>				
Land	\$2,754,601	\$0	\$0	\$2,754,601
Construction in Progress	1,861,359	3,253,213	(1,197,006)	3,917,566
Subtotal	4,615,960	3,253,213	(1,197,006)	6,672,167
<i>Capital assets being depreciated:</i>				
Buildings	20,917,051	539,991	0	21,457,042
Improvements Other than Buildings	2,648,311	604,390	0	3,252,701
Machinery and Equipment	2,607,708	215,457	0	2,823,165
Furniture and Fixtures	204,930	158,348	0	363,278
Vehicles	5,652,532	192,832	0	5,845,364
Infrastructure	72,121,359	1,260,124	0	73,381,483
Subtotal	104,151,891	2,971,142	0	107,123,033
Total Cost	<u>\$108,767,851</u>	<u>\$6,224,355</u>	<u>(\$1,197,006)</u>	<u>\$113,795,200</u>

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings	(\$10,030,447)	(\$386,050)	\$0	(\$10,416,497)
Improvements Other than Buildings	(2,324,330)	(\$43,168)	\$0	(2,367,498)
Machinery and Equipment	(1,787,668)	(\$137,093)	\$0	(1,924,761)
Furniture and Fixtures	(35,488)	(\$14,773)	\$0	(50,261)
Vehicles	(3,349,789)	(\$366,576)	\$0	(3,716,365)
Infrastructure	(45,304,388)	(\$1,974,703)	\$0	(47,279,091)
Total Depreciation	<u>(\$62,832,110)</u>	<u>(\$2,922,363)</u> *	<u>\$0</u>	<u>(\$65,754,473)</u>
<i>Net Value:</i>	<u><u>\$45,935,741</u></u>			<u><u>\$48,040,727</u></u>

* Depreciation was charged to governmental functions as follows:

Security of Persons and Property	\$360,852
Public Health Services	4,153
Leisure Time Activities	263,665
Community Environment	9,147
Transportation	2,145,187
General Government	139,359
Total Depreciation Expense	<u>\$2,922,363</u>

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 - COMPENSATED ABSENCES

Accumulated Unpaid Vacation Leave

Full-time City employees earn vacation leave at varying rates based upon years of service. Employees under union contract are compensated at year-end for unused vacation if requested by the employee. Employees not under union contract are unable to be compensated for unused vacation. For non-union employees, accumulated vacation up to forty-eight hours is carried over to the next year. For union employees under contract, all vacation must be used or compensated as of year-end.

Accumulated Unpaid Sick Leave

Full-time employees earn sick leave at the rate of ten hours per month, with the exception of fire department employees under union contract, who earn thirteen and one-half sick leave hours per month. The sick leave hours are accrued provided one hundred hours are worked in each month. Sick leave balances at year-end are carried over to the next year. Sick leave may be accumulated up to 1,600 hours. Employees are compensated at year-end for sick leave balances over 1,600 hours (paid at one-half the hours over 1,600).

In 2024, the sick leave at retirement policy was as follows:

- Full-time non-union employees: paid at one-half the accumulated sick leave hours,
- Full-time fire department employees under union contract: paid at one-third the accumulated sick leave hours, and
- Full-time police department employees under union contract are paid based on the table below:

<u>Hours of Sick Leave</u>	<u>Conversion Rate</u>
1 to 400	No conversion
401 to 800	3 to 1 conversion
801 to 1,200	2 to 1 conversion
1,201 to 1,600	1 to 1 conversion

Compensatory Time

Compensatory time can only be accumulated by full-time employees for hours worked in excess of their regular schedule. Compensatory hours are compensated at a rate of one and one-half times the employees' regular pay rate. Compensatory time balances at year-end are carried over to the next year. For non-union employees, the maximum balance of compensatory time to be accumulated at any given time is sixty-eight hours. Employees of the fire department under union contract can accrue and use up to a balance of ninety-six hours in a calendar year. Employees of the police department can accrue and use up to a balance of one hundred hours in a calendar year.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - LONG-TERM OBLIGATIONS

A schedule of changes in long-term obligations of the City during the current year is as follows:

	Restated Balance December 31, 2023	Issued	(Retired)	Balance December 31, 2024	Amount Due Within One Year
Governmental Activities Debt:					
General Obligation Bonds:					
Street Improvement Limited Tax Bonds	4,855,000	0	(540,000)	4,315,000	560,000
	4,855,000	0	(540,000)	4,315,000	560,000
Premium	183,807	0	(22,975)	160,832	22,975
Total General Obligation Bonds	<u>5,038,807</u>	<u>0</u>	<u>(562,975)</u>	<u>4,475,832</u>	<u>582,975</u>
Pictoria Island Tax Increment Financing Phase I Revenue Bond	1,121,626	0	(167,290)	954,336	178,849
Finance Purchases from Direct Borrowings	193,160	0	(37,136)	156,024	36,140
OPWC Loan	121,625	0	(6,950)	114,675	6,950
Governmental Activities Other Long-Term Obligations:					
Compensated Absences	1,825,031	14,565	0	1,839,596	386,071
Total Governmental Activities	<u>\$8,300,249</u>	<u>\$14,565</u>	<u>(\$774,351)</u>	<u>\$7,540,463</u>	<u>\$1,190,985</u>

*December 31, 2023 compensated absences balance was restated due to implementation of GASB Statement 101. See note 18.

Street Improvement Limited Tax General Obligation Bonds – Series 2017

The City issued \$8,200,000 (par value) of Street Improvement Limited Tax General Obligation Bonds – Series 2017 dated March 30, 2017. The bonds were issued for the purpose of paying the cost of certain street improvements throughout the City, and paying related costs, under authority of the general laws of the State of Ohio and the Uniform Public Securities Law of the Ohio Revised Code and by virtue of ordinances duly adopted by Council. The bonds bear interest at the rate of 2.94% and mature on December 1, 2031. At issuance, a bond premium was recorded in the amount of \$344,632 to the debt service, street improvement debt fund. For fiscal year 2024, principal and interest payments were made in the amount of \$540,000 and \$168,250 respectively.

Pictoria Island - Phase I Tax Increment Financing Revenue Bonds

The City issued \$3,040,000 of Pictoria Island - Phase I Tax Increment Financing (TIF) Revenue Bonds dated September 14, 2000. The bonds were issued for the construction of infrastructure and a man-made lake in the Northwest Business District (Pictoria Island) TIF area. The bonds mature September 1, 2029 and bear interest at the rate of 6.70%. The City has pledged future service payments (payments in lieu of tax) received from the owners of the property under the TIF agreement to repay the bond principal and interest. The service payments are based on the incremental value of improvements made to the property under the agreement.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

If at any time a shortfall exists in the fund making the bond payments, the developers of the property are liable for the shortfall amount. If there exists a surplus of service payments over debt service and other expenditures, the developers are entitled to reimbursement of past shortfall. The service payments are projected to produce 100% of the debt service requirements over the remaining life of the bonds. Total principal and interest remaining on the bonds is \$1,118,996 payable through September 2029. For fiscal year 2024, Phase I bond principal and interest payments were \$238,198 and total service payments received were \$670,732. Prior shortfall reimbursement paid to the developers in 2024 was \$330,584. The liability at December 31, 2024 for the Pictoria Island TIF – Phase 1 Revenue Bonds is \$954,336 and is presented in the government-wide financial statements within long-term liabilities. Principal and interest requirements to retire the City's long-term bond obligations outstanding at year-end are as follows:

Years	General Obligation Bonds		TIF Revenue Bonds		OPWC Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$560,000	\$152,050	\$178,849	\$59,348	\$6,950	\$0
2026	575,000	135,250	191,207	46,990	6,950	0
2027	590,000	118,000	204,419	33,778	6,950	0
2028	615,000	97,350	218,543	19,658	6,950	0
2029	635,000	75,825	161,318	4,886	6,950	0
2030-2034	1,340,000	81,000	0	0	34,750	0
2035-2039	0	0	0	0	34,750	0
2040-2042	0	0	0	0	10,425	0
Totals	<u>\$4,315,000</u>	<u>\$659,475</u>	<u>\$954,336</u>	<u>\$164,660</u>	<u>\$114,675</u>	<u>\$0</u>

Under the current City Charter, the City's 2024 general obligation bonded debt was subject to a legal limitation of \$40,454,463, based on 10.5 percent of the total assessed value of real and public utility tangible personal property located within the City.

Tax Increment Financing, Pictoria Island – Phase II

As part of the Pictoria Island Service Agreement - Phase II, long-term bonds were issued by the Port of Greater Cincinnati Development Authority. Phase II of the agreement covers an office tower as well as the adjacent parking garage. Under the service agreement, when the Phase II service payments and special assessments are received from the Hamilton County Auditor at settlement (recorded to the Northwest Business District TIF fund), the amounts are remitted to the bond trustee. The City has no financial guarantee for shortfall or future payments regarding the bonds.

Tax Increment Financing, Commerce Park – Phase I / Phase II

Under the Commerce Park Service Agreement - Phase I, long-term bonds were issued by the Port of Greater Cincinnati Development Authority. Phase I of the agreement covers two industrial warehouse buildings. Under the service agreement, when the Phase I service payments are received from the Hamilton County Auditor at settlement (recorded to the Commerce Park TIF fund), amounts are remitted to the bond trustee, the Princeton City School District, and the Great Oaks Vocational School as calculated by formula. The City has no financial guarantee for shortfall or future payments regarding the bonds.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - LONG-TERM OBLIGATIONS (Continued)

Phase II of the agreement covers two additional industrial warehouse buildings that as of year-end 2024 were under construction. Under the service agreement, when the Phase II service payments are received from the Hamilton County Auditor at settlement (recorded to the Commerce Park TIF fund), amounts are remitted to the Princeton City School District and the Great Oaks Vocational School as calculated by formula. The City has no financial guarantee for shortfall or future payments.

Ohio Public Works Commission Loan

As part of the 2020 Landan Lane Road Improvement project, the City entered into a loan agreement with the Ohio Public Works Commission (OPWC). The loan amount was for \$139,000. The term of the loan is twenty years. The loan is scheduled to mature in 2041. The loan bears an interest rate of 0%. Loans from OPWC are considered direct borrowings. The liability at December 31, 2024 for the OPWC loan is \$114,675 and is presented in the government-wide financial statements within long-term liabilities.

NOTE 11 – FINANCED PURCHASES

The City's financed purchase obligations have been recorded on the government-wide statements. Following is a schedule of the future debt service payments as of December 31, 2024:

Years	Principal	Interest	Total
2025	\$36,140	\$8,340	\$44,480
2026	37,897	6,414	44,311
2027	39,924	4,386	44,310
2028	42,063	2,250	44,313
	<u>\$156,024</u>	<u>\$21,390</u>	<u>\$177,414</u>

\$200,995 represents the amount of capital assets under these agreements at December 31, 2024. Debt payments have been reclassified and are reflected as debt service in the fund financial statements.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Group A	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
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	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	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

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement. Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 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
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
<hr/>	
Total Employer	<hr/> 14.0 %
<hr/>	
Employee	<hr/> 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$570,050 for 2024.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 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 above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,292,180 for 2024.

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

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 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 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$6,806,644	\$19,896,742	\$26,703,386
Proportion of the Net Pension Liability-2024	0.025999%	0.205941%	
Proportion of the Net Pension Liability-2023	0.027981%	0.217610%	
Percentage Change	<u>(0.001982%)</u>	<u>(0.011669%)</u>	
Pension Expense	\$503,912	\$1,546,660	\$2,050,572

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$1,257,451	\$1,257,451
Differences between expected and actual experience	111,247	638,743	749,990
Net difference between projected and actual earnings on pension plan investments	1,373,871	2,254,722	3,628,593
Change in proportionate share	0	132,774	132,774
City contributions subsequent to the measurement date	<u>570,050</u>	<u>1,292,180</u>	<u>1,862,230</u>
Total Deferred Outflows of Resources	<u>\$2,055,168</u>	<u>\$5,575,870</u>	<u>\$7,631,038</u>
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$302,157	\$302,157
Differences between expected and actual experience	0	222,524	222,524
Change in proportionate share	<u>273,550</u>	<u>1,710,621</u>	<u>1,984,171</u>
Total Deferred Inflows of Resources	<u>\$273,550</u>	<u>\$2,235,302</u>	<u>\$2,508,852</u>

\$1,862,230 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 in the year ending December 31, 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	OP&F	Total
2025	\$140,039	\$521,485	\$661,524
2026	390,437	691,009	1,081,446
2027	876,727	1,258,983	2,135,710
2028	(195,635)	(366,106)	(561,741)
2029	0	(55,318)	(55,318)
2030	0	(1,665)	(1,665)
Total	<u>\$1,211,568</u>	<u>\$2,048,388</u>	<u>\$3,259,956</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2023 and December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2023
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3.0 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
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 and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The discount rate for the prior year was 6.9 percent. 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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability 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 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:

	Current		
	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$10,715,488	\$6,806,644	\$3,555,623

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OP&F

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2023, compared with January 1, 2022, are presented below.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

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.

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 below:

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

Note: Assumptions are geometric.

* levered 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 above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2022 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 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.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$26,354,718	\$19,896,742	\$14,526,309

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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 cred with at least 20 years of qualified health care service credit.

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

Group A 30 years of qualified health care service credit;

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

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

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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).

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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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. For fiscal year 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 \$0 for 2024.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

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

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

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

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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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.

The City's contractually required contribution to OP&F was \$30,529 for 2024.

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. The following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	(\$241,373)	\$1,503,639	
Proportion of the Net OPEB Liability (Asset) -2024	0.026744%	0.205941%	
Proportion of the Net OPEB Liability (Asset) -2023	0.028511%	0.217610%	
Percentage Change	<u>(0.001767%)</u>	<u>(0.011669%)</u>	
OPEB Expense	(\$27,882)	\$134,536	\$106,654

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$62,141	\$517,418	\$579,559
Differences between expected and actual experience	0	72,307	72,307
Net difference between projected and actual earnings on OPEB plan investments	144,957	111,032	255,989
Change in proportionate share	11,075	109,664	120,739
City contributions subsequent to the measurement date	0	30,529	30,529
Total Deferred Outflows of Resources	<u>\$218,173</u>	<u>\$840,950</u>	<u>\$1,059,123</u>
Deferred Inflows of Resources			
Changes in assumptions	\$103,759	\$968,304	\$1,072,063
Differences between expected and actual experience	34,354	276,326	310,680
Change in proportionate share	0	255,355	255,355
Total Deferred Inflows of Resources	<u>\$138,113</u>	<u>\$1,499,985</u>	<u>\$1,638,098</u>

\$30,529 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 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	\$995	\$42,563	\$43,558
2026	15,175	(108,568)	(93,393)
2027	112,836	(80,640)	32,196
2028	(48,946)	(165,043)	(213,989)
2029	0	(167,444)	(167,444)
2030	0	(185,081)	(185,081)
2031	0	(20,656)	(20,656)
2032	0	(4,695)	(4,695)
Total	<u>\$80,060</u>	<u>(\$689,564)</u>	<u>(\$609,504)</u>

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.70 percent
Prior measurement date	5.22 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.77 percent
Prior measurement date	4.05 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2038
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age Normal

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 and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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:

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")

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$132,650	(\$241,373)	(\$551,194)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability 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 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.

	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$251,394)	(\$241,373)	(\$229,998)

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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 plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past 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 the latest actuarial valuation, reflecting experience study results, are presented below.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.50 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	4.07 percent	4.27 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple
Projected Depletion Year of OPEB Assets	2038	2036

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.

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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

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

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

Note: Assumptions are geometric.

* levered 2.0x

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 13 - DEFINED BENEFIT OPEB PLANS (Continued)

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

Discount Rate 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 The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.07 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	\$1,852,066	\$1,503,639	\$1,210,195

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

CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 14 - OTHER EMPLOYEE BENEFITS

Deferred Compensation Plan

City employees may participate in the Ohio Public Employees Deferred Compensation Plan (“Plan”) created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary, payroll deduction basis. Under the Plan, employees can defer up to \$11,000 annually until a future time (usually after retirement). The deferred amounts as well as any income earned related to the deferral are not subject to federal or state income tax until actually received by the employee. The Plan permits deferral of compensation until future years. According to the Plan, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Plan agreement states that the City and the Plan have no liability for losses under the Plan with the exception of fraud or wrongful taking. The Deferred Compensation Plan assets are placed in trust for the sole benefit of employees or other beneficiaries. In accordance with GASB Statement No. 32, “*Accounting and Financial Reporting for Internal Revenue Code, Section 457, Deferred Compensation Plans*”, these amounts are not reflected on the City’s financial statements.

NOTE 15 - RISK MANAGEMENT

Property Insurance Program

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1991 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2024, the pool has twenty one members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a twenty two member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote.

Management is provided by an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 15 - RISK MANAGEMENT (Continued)

The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

The following is a summary of insurance coverages at year end:

Pollution Liability	\$2,000,000	per occurrence
Public Officials/Personal Injury	12,000,000	per occurrence
Property	1,000,000,000	per occurrence
Boiler and Machinery	100,000,000	per occurrence
Flood	25,000,000	per occurrence and aggregate
Cyber Liability	5,000,000	per occurrence and aggregate
Earthquake (Property)	25,000,000	per occurrence and aggregate

The member deductible per occurrence for all types of claims is \$2,500.

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 3085 Woodman Drive, Suite 200 Kettering, Ohio 45420.

Workers Compensation Program

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.

Health, Dental, and Vision Insurance Programs

Health insurance coverage is offered to employees through a self-funded insurance program. The program is offered to local governments state-wide through the Jefferson Health Plan (JHP) located in Steubenville, Ohio, and administered by United Healthcare of Ohio. The City joined this program effective August 1, 2010. The City accounts for this activity in the general fund. Monthly premium payments are made based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage, medical conversion, and administrative fees and services). Employees enrolled in the health insurance plan pay a portion of the monthly premium through payroll deduction. JHP's independent advisor has determined that a liability for incurred but not reported health claims is not applicable as of December 31, 2024.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 15 - RISK MANAGEMENT (Continued)

The City provides a self-funded dental plan with coverage ranging from 50 percent to 100 percent depending on the dental service performed. A third party administrator, Sun Life, reviews all claims which are then paid by the City. Employees enrolled in the dental insurance plan pay the monthly premium through payroll deduction. The liability for incurred but not reported dental claims as of December 31, 2024 is \$7,885.

Beginning in 2024, the City also provided a vision insurance plan. The plan is administered through United Health Care. Claims are paid by United Health Care and the City pays premiums monthly. Employees enrolled in the vision insurance plan pay the monthly premium through payroll deduction, therefore the City has no liability for the vision plan.

The total claims liability is based on the requirements of GASB Statement No. 10, “*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*”, as amended by GASB Statement No. 30, “*Risk Financing Omnibus*”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling claims.

Following are reconciliations of the changes in aggregate liabilities for claims payable for the past two years for the health and dental insurance programs:

<u>Health Insurance</u>	<u>2024</u>	<u>2023</u>
Claims Payable, Beginning of the Year	\$0	\$0
Claims Incurred During the Year	1,724,365	1,669,696
Claim Payments During the Year	(1,724,365)	(1,669,696)
Claims Payable, End of Year	<u>\$0</u>	<u>\$0</u>

<u>Dental Insurance</u>	<u>2024</u>	<u>2023</u>
Claims Payable, Beginning of the Year	\$25,953	\$24,558
Claims Incurred During the Year	101,416	114,578
Claim Payments During the Year	(119,484)	(113,183)
Claims Payable, End of Year	<u>\$7,885</u>	<u>\$25,953</u>

The total liability for claims payable at December 31, 2024 is \$7,885.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 16 - CONSTRUCTION AND OTHER COMMITMENTS

Construction Commitments

As of December 31, 2024, the City had the following construction commitment with respect to a capital improvement construction project:

Project	Contractual Commitment	Amount expended 12/31/2024	Remaining Contractual Commitment
Northland Blvd Reconstruction	\$9,638,560	\$2,960,427	\$6,678,133
W Crescentville Road Paving	669,346	0	669,346
	\$10,307,906	\$2,960,427	\$7,347,479

Northland Boulevard Reconstruction – This project is administered by the Ohio Department of Transportation (ODOT). The City encumbers these transactions for engineering and right away expenditures on the internal financial system. Springdale payments are recorded as invoices are paid.

West Crescentville Road Paving – The section of Springfield Pike (also known as State Route 4) and Princeton Pike (also known as State Route 747) is planned for inclusion in the 2024 Paving of Various County and Township Road Projects. Butler County will be the lead project agent during the design, bidding, and construction phases of the drainage project and paving project. The City and Butler County will share the cost of this project.

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CITY OF SPRINGDALE, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 16 - CONSTRUCTION AND OTHER COMMITMENTS (Continued)

Other Commitments

As of December 31, 2024, the City had the following budget basis encumbrance

Fund	Encumbrances
General Fund	\$423,767
Capital Improvement Fund	1,358,169
Street Construction, Maintenance and Repair Fund	106,118
Grants Fund	67,360
Court Computerization Fund	75
Parks and Urban Forestry Fund	13,600
NW Business Center TIF Fund	183,208
Total Governmental Funds	<u>\$2,152,297</u>

NOTE 17 - CONTINGENT LIABILITIES

The City's attorney is of the opinion that ultimate disposition of actual or potential claims against the City and other actual or potential legal proceedings will not materially affect the financial condition of the City. Therefore, the financial statements do not present estimated claims from legal proceedings.

NOTE 18 – CHANGE IN ACCOUNTING PRINCIPLE

For 2024 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, "Accounting Changes and Error Corrections" and Statement No. 101, "Compensated Absences."

GASB Statement No. 100 addresses accounting and financial reporting requirements for accounting changes and error corrections. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences.

The implementation of GASB Statement 101 had the following effect on net position as reported December 31, 2023:

	Governmental Activities
Net Position at December 31, 2023, as Reported	\$33,056,085
Adjustments:	
Increase in Compensated Absences	<u>(858,689)</u>
Net Position at December 31, 2023, as Restated	<u>\$32,197,396</u>

***R*EQ*U*IRE*D* *S*UPPL*E*MENTARY *I*NFORMATION**

CITY OF SPRINGDALE, OHIO

Schedule of City's Proportionate Share of the Net Pension Liability Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.0289920%	0.0281670%	0.0275020%	0.0274820%
City's proportionate share of the net pension liability (asset)	\$3,496,761	\$4,878,879	\$6,245,236	\$4,311,393
City's covered payroll	\$4,674,025	\$3,904,592	\$3,942,358	\$4,054,892
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	74.81%	124.95%	158.41%	106.33%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	81.08%	77.25%	84.66%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.2301920%	0.2347990%	0.2251070%	0.2368730%
City's proportionate share of the net pension liability (asset)	\$11,924,906	\$15,104,811	\$14,258,036	\$14,537,971
City's covered payroll	\$4,796,490	\$4,828,869	\$4,913,570	\$5,223,345
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	248.62%	312.80%	290.18%	278.33%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	66.77%	68.36%	70.91%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

CITY OF SPRINGDALE, OHIO

2019	2020	2021	2022	2023	2024
0.0269740%	0.0271410%	0.0294020%	0.029395%	0.027981%	0.025999%
\$7,387,632	\$5,364,605	\$4,353,796	\$2,557,484	\$8,265,599	\$6,806,644
\$4,081,893	\$4,270,743	\$4,469,693	\$4,258,664	\$4,173,300	\$4,305,529
180.99%	125.61%	97.41%	60.05%	198.06%	158.09%
74.70%	82.17%	86.88%	92.62%	75.74%	79.01%
2019	2020	2021	2022	2023	2024
0.2466250%	0.2391160%	0.2323232%	0.2336178%	0.2176100%	0.2059410%
\$20,131,117	\$16,108,097	\$15,837,680	\$14,595,089	\$20,670,840	\$19,896,742
\$5,608,434	\$5,703,473	\$5,718,735	\$5,979,836	\$5,740,266	\$5,791,345
358.94%	282.43%	276.94%	244.07%	360.10%	343.56%
63.07%	69.89%	70.65%	75.03%	62.90%	63.63%

CITY OF SPRINGDALE, OHIO

Schedule of City Pension Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$468,551	\$473,083	\$527,136	\$571,465
Contributions in relation to the contractually required contribution	<u>468,551</u>	<u>473,083</u>	<u>527,136</u>	<u>571,465</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$3,904,592	\$3,942,358	\$4,054,892	\$4,081,893
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	14.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$1,002,956	\$1,011,704	\$1,011,762	\$1,181,697
Contributions in relation to the contractually required contribution	<u>1,002,956</u>	<u>1,011,704</u>	<u>1,011,762</u>	<u>1,181,697</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$4,828,869	\$4,913,570	\$5,223,345	\$5,608,434
Contributions as a percentage of covered payroll	20.77%	20.59%	19.37%	21.07%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

CITY OF SPRINGDALE, OHIO

2019	2020	2021	2022	2023	2024
\$597,904	\$625,757	\$596,213	\$584,262	\$602,774	\$570,050
<u>597,904</u>	<u>625,757</u>	<u>596,213</u>	<u>584,262</u>	<u>602,774</u>	<u>570,050</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,270,743	\$4,469,693	\$4,258,664	\$4,173,300	\$4,305,529	\$4,071,786
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

2019	2020	2021	2022	2023	2024
\$1,159,516	\$1,206,653	\$1,257,408	\$1,208,762	\$1,225,066	\$1,292,180
<u>1,159,516</u>	<u>1,206,653</u>	<u>1,257,408</u>	<u>1,208,762</u>	<u>1,225,066</u>	<u>1,292,180</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,703,473	\$5,718,735	\$5,979,836	\$5,740,266	\$5,791,345	\$6,105,714
20.33%	21.10%	21.03%	21.06%	21.15%	21.16%

CITY OF SPRINGDALE, OHIO

Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability/(Asset) Last Eight Years

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.029581%	0.028454%	0.028246%
City's proportionate share of the net OPEB liability (asset)	\$2,987,738	\$3,089,906	\$3,682,613
City's covered payroll	\$3,942,358	\$4,054,892	\$4,081,893
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	75.79%	76.20%	90.22%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.2251060%	0.2368730%	0.2466250%
City's proportionate share of the net OPEB liability (asset)	\$10,685,303	\$13,420,904	\$2,245,899
City's covered payroll	\$4,913,570	\$5,223,345	\$5,608,434
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	217.47%	256.94%	40.05%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability/Asset, which is the prior year end.

CITY OF SPRINGDALE, OHIO

2020	2021	2022	2023	2024
0.028277%	0.029628%	0.029966%	0.028511%	0.026744%
\$3,905,788	(\$527,847)	(\$938,581)	\$179,767	(\$241,373)
\$4,270,743	\$4,469,693	\$4,258,664	\$4,173,300	\$4,305,529
91.45%	(11.81%)	(22.04%)	4.31%	(5.61%)
47.80%	115.57%	128.23%	94.79%	107.76%
2020	2021	2022	2023	2024
0.2391160%	0.2323232%	0.2336178%	0.2176100%	0.2059410%
\$2,361,919	\$2,461,503	\$2,560,652	\$1,549,321	\$1,503,639
\$5,703,473	\$5,718,735	\$5,979,836	\$5,740,266	\$5,791,345
41.41%	43.04%	42.82%	26.99%	25.96%
47.08%	45.42%	46.86%	52.59%	51.89%

CITY OF SPRINGDALE, OHIO

Schedule of City's Other Postemployment Benefit (OPEB) Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$77,969	\$79,192	\$40,444	\$0
Contributions in relation to the contractually required contribution	<u>77,969</u>	<u>79,192</u>	<u>40,444</u>	<u>0</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$3,904,592	\$3,942,358	\$4,054,892	\$4,081,893
Contributions as a percentage of covered payroll	2.00%	2.00%	1.00%	0.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$24,149	\$24,563	\$26,395	\$28,068
Contributions in relation to the contractually required contribution	<u>24,149</u>	<u>24,563</u>	<u>26,395</u>	<u>28,068</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$4,828,869	\$4,913,570	\$5,223,345	\$5,608,434
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

CITY OF SPRINGDALE, OHIO

2019	2020	2021	2022	2023	2024
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$4,270,743	\$4,469,693	\$4,258,664	\$4,173,300	\$4,305,529	\$4,071,786
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2019	2020	2021	2022	2023	2024
\$27,422	\$28,593	\$29,899	\$28,701	\$28,957	\$30,529
27,422	28,593	29,899	28,701	28,957	30,529
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,703,473	\$5,718,735	\$5,979,836	\$5,740,266	\$5,791,345	\$6,105,714
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

CITY OF SPRINGDALE, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023-2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

CITY OF SPRINGDALE, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%

2023: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

CITY OF SPRINGDALE, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021, and 2023-2024.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

CITY OF SPRINGDALE, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET OPEB LIABILITY (ASSET) (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 4.05% to 3.77%
- The single discount rate changed from 5.22% to 5.70%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2024: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.96% to 2.84%.
- The investment rate of return changed from 8.0% to 7.5%.

CITY OF SPRINGDALE, OHIO

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%.
- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.27% to 4.07%.

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***COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES***

***THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS.***

CITY OF SPRINGDALE, OHIO

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair Ninety-two and one-half percent of gasoline and auto license taxes are allocated to this fund.

State Highway Fund

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City. Seven and one-half percent of gasoline and auto license taxes are allocated to this fund.

One Ohio Opioid Fund

To account for monies obtained and distributed by the State of Ohio for opioid settlements from drug manufacturers and distributors. It is designated for resources to assist with community drug recovery, prevention and treatment.

Grants Fund

To account for grants obtained from outside agencies for other than Health Department and capital purposes.

Court Computerization Fund

This fund is used to account for the receipt of Mayor's Court fees and expenditures relating to computerization of the Mayor's Court system.

Drug Law Enforcement Fund

To account for mandatory fines collected for drug agencies.

Law Enforcement Fund

To account for the proceeds from the confiscation of contraband.

Driving Under the Influence Fund

To account for fines imposed on DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol.

Law Enforcement Training Fund

To account for proceeds from the State of Ohio under the law enforcement continuing professional training program and used for paying the cost of continuing education.

Residential Recycling Incentive Fund

This fund is used to account for payments received from the Hamilton County Solid Waste Management District incentive funds and expenditures made for solid waste management activities.

(Continued)

CITY OF SPRINGDALE, OHIO

Nonmajor Governmental Funds (continued)

Special Revenue Funds (continued)

Parks and Urban Forestry Fund

To account for the cost of purchasing and planting municipal street trees.

Adult Sports Fund

To account for the fees collected and the costs incurred for adults who participate in league sports at the City Community Center.

Health Fund

To account for activity of the City Health Department under Ohio Revised Code Section 3709.36 as determined to be a requirement of the Ohio Office of the Auditor of State. (This fund does not have its own appropriated budget. The activity of the Health Fund is appropriated within the General Fund and Grants Fund; therefore no separate budgetary schedule is presented.)

Debt Service Fund

The Debt Service Fund is used to account for retirement of the City's general obligation and special assessment bonds.

Street Improvement Debt Fund

To account for the outstanding debt payments related to the Street Improvement bonds.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Tri-County Mall TIF Fund

To account for the activity related to the Tri-County Mall TIF project. (This fund only exists on a GAAP basis and is not part of the City's appropriated budget, therefore no budgetary schedule is presented.)

Merchant Street TIF Fund

To account for the activity related to the Merchant Street TIF project.

Sheraton Lane TIF Fund

To account for the activity related to the Sheraton Lane TIF project.

CITY OF SPRINGDALE, 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	\$ 1,991,321	\$ 0	\$ 50,009	\$ 2,041,330
Cash in Segregated Account	1,020	0	0	1,020
Receivables:				
Accounts	124,873	0	0	124,873
Intergovernmental	606,579	0	0	606,579
Payments in Lieu of Taxes	0	0	1,161,542	1,161,542
Inventory of Supplies, at Cost	14,127	0	0	14,127
Prepaid Items	18,053	0	0	18,053
Restricted Assets:				
Total Assets	\$ 2,755,973	\$ 0	\$ 1,211,551	\$ 3,967,524
Liabilities:				
Accounts Payable	\$ 74,359	\$ 0	\$ 0	\$ 74,359
Accrued Wages and Benefits Payable	32,134	0	0	32,134
Intergovernmental Payable	5,692	0	0	5,692
Interfund Loans Payable	637	0	0	637
Advances from Other Funds	0	0	368,619	368,619
Total Liabilities	112,822	0	368,619	481,441
Deferred Inflows of Resources:				
Unavailable Amounts	490,382	0	0	490,382
Payments in Lieu of Taxes	0	0	1,161,542	1,161,542
Total Deferred Inflows of Resources	490,382	0	1,161,542	1,651,924
Fund Balances:				
Nonspendable	32,180	0	0	32,180
Restricted	2,144,283	0	50,009	2,194,292
Unassigned (Deficit)	(23,694)	0	(368,619)	(392,313)
Total Fund Balances	2,152,769	0	(318,610)	1,834,159
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,755,973	\$ 0	\$ 1,211,551	\$ 3,967,524

CITY OF SPRINGDALE, 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:				
Payments in Lieu of Taxes	\$ 0	\$ 0	\$ 256,365	\$ 256,365
Intergovernmental Revenues	1,913,290	0	0	1,913,290
Charges for Services	600	0	0	600
Fines and Forfeitures	24,048	0	0	24,048
Fees, Licenses and Permits	56,543	0	0	56,543
All Other Revenue	98,792	0	0	98,792
Total Revenue	2,093,273	0	256,365	2,349,638
Expenditures:				
Current:				
Security of Persons and Property	78,290	0	0	78,290
Public Health Services	835,035	0	0	835,035
Leisure Time Activities	8,557	0	0	8,557
Community Environment	167,503	0	0	167,503
Transportation	303,125	0	0	303,125
General Government	75,033	0	206,356	281,389
Capital Outlay	11,888	0	0	11,888
Debt Service:				
Principal Retirement	34,146	540,000	0	574,146
Interest and Fiscal Charges	178,415	0	0	178,415
Total Expenditures	1,691,992	540,000	206,356	2,438,348
Excess (Deficiency) of Revenues				
Over Expenditures	401,281	(540,000)	50,009	(88,710)
Other Financing Sources (Uses):				
Transfers In	566,263	540,000	0	1,106,263
Total Other Financing Sources (Uses)	566,263	540,000	0	1,106,263
Net Change in Fund Balance	967,544	0	50,009	1,017,553
Fund Balances at Beginning of Year	1,185,225	0	(368,619)	816,606
Fund Balances End of Year	\$ 2,152,769	\$ 0	\$ (318,610)	\$ 1,834,159

CITY OF SPRINGDALE, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Street Construction, Maintenance and Repair Fund	State Highway Fund	One Ohio Opioid Fund	Grants Fund
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 1,314,618	\$ 49,806	\$ 74,637	\$ 67,271
Cash in Segregated Account	0	0	0	0
Receivables:				
Accounts	0	0	124,873	0
Intergovernmental	390,783	31,135	0	83,809
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 1,705,401	\$ 80,941	\$ 199,510	\$ 151,080
Liabilities:				
Accounts Payable	\$ 15,906	\$ 0	\$ 0	\$ 34,509
Accrued Wages and Benefits Payable	3,827	1,546	0	0
Intergovernmental Payable	0	0	0	5,692
Interfund Loans Payable	0	0	0	637
Total Liabilities	19,733	1,546	0	40,838
Deferred Inflows of Resources:				
Unavailable Amounts	322,045	26,112	124,873	17,352
Total Deferred Inflows of Resources:	322,045	26,112	124,873	17,352
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	1,363,623	53,283	74,637	92,890
Unassigned	0	0	0	0
Total Fund Balances	1,363,623	53,283	74,637	92,890
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,705,401	\$ 80,941	\$ 199,510	\$ 151,080

CITY OF SPRINGDALE, OHIO

Court Computerization Fund	Drug Law Enforcement Fund	Law Enforcement Fund	Driving Under the Influence Fund	Law Enforcement Training Fund	Residential Recycling Incentive Fund
\$ 15,991 1,020	\$ 14,549 0	\$ 105 0	\$ 7,270 0	\$ 3,773 0	\$ 250 0
0	0	0	0	0	0
0	0	0	25	41,922	0
0	0	0	0	0	0
4,077	0	0	0	13,976	0
\$ 21,088	\$ 14,549	\$ 105	\$ 7,295	\$ 59,671	\$ 250
 \$ 0 0 0 0 0	 \$ 0 0 0 0 0	 \$ 0 0 0 0 0	 \$ 0 0 0 0 0	 \$ 0 0 0 0 0	 \$ 23,944 0 0 0 0
 0 0	 0 0	 0 0	 0 0	 0 0	 0 0
 4,077 17,011 0 21,088	 0 14,549 0 14,549	 0 105 0 105	 0 7,295 0 7,295	 13,976 45,695 0 59,671	 0 0 (23,694) (23,694)
\$ 21,088	\$ 14,549	\$ 105	\$ 7,295	\$ 59,671	\$ 250

(Continued)

CITY OF SPRINGDALE, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Parks and Urban Forestry Fund	Adult Sports Fund	Health Fund	Total Nonmajor Special Revenue Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 165,894	\$ 10,903	\$ 266,254	\$ 1,991,321
Cash in Segregated Account	0	0	0	1,020
Receivables:				
Accounts	0	0	0	124,873
Intergovernmental	0	0	58,905	606,579
Inventory of Supplies, at Cost	0	0	14,127	14,127
Prepaid Items	0	0	0	18,053
Total Assets	\$ 165,894	\$ 10,903	\$ 339,286	\$ 2,755,973
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 74,359
Accrued Wages and Benefits Payable	0	0	26,761	32,134
Intergovernmental Payable	0	0	0	5,692
Interfund Loans Payable	0	0	0	637
Total Liabilities	0	0	26,761	112,822
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	490,382
Total Deferred Inflows of Resources:	0	0	0	490,382
Fund Balances:				
Nonspendable	0	0	14,127	32,180
Restricted	165,894	10,903	298,398	2,144,283
Unassigned	0	0	0	(23,694)
Total Fund Balances	165,894	10,903	312,525	2,152,769
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 165,894	\$ 10,903	\$ 339,286	\$ 2,755,973

CITY OF SPRINGDALE, OHIO

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

	Street Construction, Maintenance and Repair Fund	State Highway Fund	One Ohio Opioid Fund	Grants Fund
Revenues:				
Intergovernmental Revenues	836,835	67,301	0	263,839
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Fees, Licenses and Permits	0	0	0	0
All Other Revenue	0	0	52,813	1,816
Total Revenue	836,835	67,301	52,813	265,655
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	45,150
Public Health Services	0	0	0	3,181
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	12,548
Transportation	212,073	44,720	0	46,332
General Government	0	0	3,130	71,903
Capital Outlay	9,386	0	0	0
Debt Service:				
Principal Retirement	34,146	0	0	0
Interest and Fiscal Charges	178,415	0	0	0
Total Expenditures	434,020	44,720	3,130	179,114
Excess (Deficiency) of Revenues Over Expenditures	402,815	22,581	49,683	86,541
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	402,815	22,581	49,683	86,541
Fund Balances at Beginning of Year	960,808	30,702	24,954	6,349
Fund Balances End of Year	\$ 1,363,623	\$ 53,283	\$ 74,637	\$ 92,890

(Continued)

CITY OF SPRINGDALE, OHIO

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

	Court Computerization Fund	Drug Law Enforcement Fund	Law Enforcement Fund	Driving Under the Influence Fund
Revenues:				
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Fines and Forfeitures	11,780	10,543	0	1,725
Fees, Licenses and Permits	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	11,780	10,543	0	1,725
Expenditures:				
Current:				
Security of Persons and Property	7,004	3,480	0	799
Public Health Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Capital Outlay	2,308	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	9,312	3,480	0	799
Excess (Deficiency) of Revenues Over Expenditures	2,468	7,063	0	926
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	2,468	7,063	0	926
Fund Balances at Beginning of Year	18,620	7,486	105	6,369
Fund Balances End of Year	\$ 21,088	\$ 14,549	\$ 105	\$ 7,295

CITY OF SPRINGDALE, OHIO

Law Enforcement Training Fund	Residential Recycling Incentive Fund	Parks and Urban Forestry Fund	Adult Sports Fund	Health Fund	Total Nonmajor Special Revenue Funds
41,922	7,176	0	0	696,217	1,913,290
0	0	0	0	600	600
0	0	0	0	0	24,048
0	0	0	8,697	47,846	56,543
35,833	0	8,330	0	0	98,792
77,755	7,176	8,330	8,697	744,663	2,093,273
<hr/>					
21,857	0	0	0	0	78,290
0	0	0	0	831,854	835,035
0	0	0	8,557	0	8,557
0	153,555	1,400	0	0	167,503
0	0	0	0	0	303,125
0	0	0	0	0	75,033
0	0	0	0	194	11,888
0	0	0	0	0	34,146
0	0	0	0	0	178,415
21,857	153,555	1,400	8,557	832,048	1,691,992
<hr/>					
55,898	(146,379)	6,930	140	(87,385)	401,281
0	132,025	0	0	434,238	566,263
0	132,025	0	0	434,238	566,263
<hr/>					
55,898	(14,354)	6,930	140	346,853	967,544
3,773	(9,340)	158,964	10,763	(34,328)	1,185,225
\$ 59,671	\$ (23,694)	\$ 165,894	\$ 10,903	\$ 312,525	\$ 2,152,769

CITY OF SPRINGDALE, OHIO

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2024

	Tri-County Mall TIF Fund	Merchant Street TIF Fund	Sheraton Lane TIF Fund	Total Nonmajor Capital Project Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 0	\$ 50,009	\$ 50,009
Receivables:				
Payments in Lieu of Taxes	0	831,487	330,055	1,161,542
Total Assets	\$ 0	\$ 831,487	\$ 380,064	\$ 1,211,551
Liabilities:				
Advances from Other Funds	\$ 368,619	\$ 0	\$ 0	\$ 368,619
Total Liabilities	\$ 368,619	0	0	\$ 368,619
Deferred Inflows of Resources:				
Payments in Lieu of Taxes	0	831,487	330,055	1,161,542
Total Deferred Inflows of Resources	0	831,487	330,055	1,161,542
Fund Balances:				
Restricted	0	0	50,009	50,009
Unassigned (Deficit)	(368,619)	0	0	(368,619)
Total Fund Balances	(368,619)	0	50,009	(318,610)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 0	\$ 831,487	\$ 380,064	\$ 1,211,551

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO

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

	Tri-County Mall TIF Fund	Merchant Street TIF Fund	Sheraton Lane TIF Fund	Total Nonmajor Capital Project Funds
Revenues:				
Payments in Lieu of Taxes	\$ 0	\$ 205,816	\$ 50,549	\$ 256,365
Total Revenue	0	205,816	50,549	256,365
Expenditures:				
Current:				
General Government	0	205,816	540	206,356
Debt Service:				
Total Expenditures	0	205,816	540	206,356
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	50,009	50,009
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	0	0	50,009	50,009
Fund Balances at Beginning of Year	(368,619)	0	0	(368,619)
Fund Balances End of Year	\$ (368,619)	\$ 0	\$ 50,009	\$ (318,610)

CITY OF SPRINGDALE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 19,326,400	\$ 19,326,400	\$ 20,473,728	\$ 1,147,328
Property and Other Taxes	1,464,499	1,464,499	1,487,386	22,887
Intergovernmental Revenues	453,639	453,639	493,318	39,679
Charges for Services	551,400	551,400	595,066	43,666
Fines and Forfeitures	119,500	119,500	168,770	49,270
Fees, Licenses and Permits	621,125	621,125	654,425	33,300
Investment Earnings	300,000	300,000	532,836	232,836
All Other Revenues	850,400	850,400	731,584	(118,816)
Total Revenues	23,686,963	23,686,963	25,137,113	1,450,150
Expenditures:				
Police Department:				
Personal Services	5,755,813	5,755,813	4,863,828	891,985
Other	1,443,345	1,443,345	997,047	446,298
Total Police Department	7,199,158	7,199,158	5,860,875	1,338,283
Fire Department:				
Personal Services	5,008,983	5,158,983	4,599,383	559,600
Other	763,068	773,068	769,561	3,507
Total Fire Department	5,772,051	5,932,051	5,368,944	563,107
Health Department:				
Personal Services	477,678	587,678	525,983	61,695
Other	60,987	60,987	48,496	12,491
Total Health Department	538,665	648,665	574,479	74,186
Parks and Recreation Department:				
Personal Services	1,609,384	1,639,384	1,375,087	264,297
Other	1,441,044	1,541,044	1,551,880	(10,836)
Total Parks and Recreation Department	3,050,428	3,180,428	2,926,967	253,461
Building Department:				
Personal Services	801,649	801,649	654,595	147,054
Other	90,604	140,604	93,610	46,994
Total Building Department	892,253	942,253	748,205	194,048
Public Works Department:				
Personal Services	1,228,382	1,228,382	949,805	278,577
Other	739,082	739,082	550,179	188,903
Total Public Works Department	1,967,464	1,967,464	1,499,984	467,480

(Continued)

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Finance Department:				
Personal Services	249,980	279,980	250,435	29,545
Other	80,784	305,784	252,791	52,993
Total Finance Department	<u>330,764</u>	<u>585,764</u>	<u>503,226</u>	<u>82,538</u>
Tax Department:				
Personal Services	518,065	518,065	468,994	49,071
Other	1,039,588	1,039,588	1,094,144	(54,556)
Total Tax Department	<u>1,557,653</u>	<u>1,557,653</u>	<u>1,563,138</u>	<u>(5,485)</u>
Administration Department:				
Personal Services	1,246,872	1,276,872	1,166,732	110,140
Other	2,777,713	2,777,713	2,524,510	253,203
Total Administrative Department	<u>4,024,585</u>	<u>4,054,585</u>	<u>3,691,242</u>	<u>363,343</u>
Total Expenditures	<u>25,333,021</u>	<u>26,068,021</u>	<u>22,737,060</u>	<u>3,330,961</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,646,058)	(2,381,058)	2,400,053	4,781,111
Other Financing Sources (Uses):				
Sale of Capital Assets	5,000	5,000	6,834	1,834
Transfers In	364,809	364,809	387,674	22,865
Transfers Out	(4,177,500)	(3,032,542)	(3,007,541)	25,001
Advances In	125,000	125,000	75,000	(50,000)
Advances Out	(150,000)	(1,852,424)	(1,777,424)	75,000
Total Other Financing Sources (Uses)	<u>(3,832,691)</u>	<u>(4,390,157)</u>	<u>(4,315,457)</u>	<u>74,700</u>
Net Change in Fund Balance	(5,478,749)	(6,771,215)	(1,915,404)	4,855,811
Fund Balance at Beginning of Year	8,530,779	8,530,779	8,530,779	0
Prior Year Encumbrances	729,604	729,604	729,604	0
Fund Balance at End of Year	<u>\$ 3,781,634</u>	<u>\$ 2,489,168</u>	<u>\$ 7,344,979</u>	<u>\$ 4,855,811</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Fund – Commerce Park TIF Fund
For the Year Ended December 31, 2024***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 1,104,061	\$ 1,060,000	\$ (44,061)
Expenditures:			
Other	273,600	1,365,086	(1,091,486)
Total Expenditures	<u>273,600</u>	<u>1,365,086</u>	<u>(1,091,486)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	830,461	(305,086)	(1,135,547)
Fund Balance at Beginning of Year	1,030,501	1,030,501	0
Fund Balance at End of Year	<u>\$ 1,860,962</u>	<u>\$ 725,415</u>	<u>\$ (1,135,547)</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Fund – Capital Improvement Fund
For the Year Ended December 31, 2024***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	<u>\$ 8,401,182</u>	<u>\$ 358,040</u>	<u>\$ (8,043,142)</u>
Expenditures:			
Other	<u>12,285,185</u>	<u>4,896,218</u>	<u>7,388,967</u>
Total Expenditures	<u>12,285,185</u>	<u>4,896,218</u>	<u>7,388,967</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,884,003)	(4,538,178)	(654,175)
Other Financing Sources (Uses):			
Transfers In	<u>3,200,000</u>	<u>1,950,000</u>	<u>(1,250,000)</u>
Advances In	<u>0</u>	<u>1,702,424</u>	<u>1,702,424</u>
Total Other Financing Sources (Uses)	<u>3,200,000</u>	<u>3,652,424</u>	<u>452,424</u>
Net Changes in Fund Balance	(684,003)	(885,754)	(201,751)
Fund Balance at Beginning of Year	2,180	2,180	0
Prior Year Encumbrances	678,792	678,792	0
Fund Balance at End of Year	<u><u>\$ (3,031)</u></u>	<u><u>\$ (204,782)</u></u>	<u><u>\$ (201,751)</u></u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Fund – Northwest Business District TIF Fund
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$ 1,569,543	\$ 1,342,807	\$ (226,736)
Expenditures:			
Other	1,510,792	1,459,228	51,564
Total Expenditures	<u>1,510,792</u>	<u>1,459,228</u>	<u>51,564</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	58,751	(116,421)	(175,172)
Fund Balance at Beginning of Year	559,286	559,286	0
Fund Balance at End of Year	<u>\$ 618,037</u>	<u>\$ 442,865</u>	<u>\$ (175,172)</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 776,000	\$ 828,542	\$ 52,542
Expenditures:			
Personal Services	145,000	94,591	50,409
Other	877,271	437,949	439,322
Total Expenditures	<u>1,022,271</u>	<u>532,540</u>	<u>489,731</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(246,271)	296,002	542,273
Fund Balance at Beginning of Year	751,768	751,768	0
Prior Year Encumbrances	160,731	160,731	0
Fund Balance at End of Year	<u>\$ 666,228</u>	<u>\$ 1,208,501</u>	<u>\$ 542,273</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STATE HIGHWAY FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 63,800	\$ 67,179	\$ 3,379
Expenditures:			
Personal Services	60,000	44,931	15,069
Total Expenditures	<u>60,000</u>	<u>44,931</u>	<u>15,069</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,800	22,248	18,448
Fund Balance at Beginning of Year	27,558	27,558	0
Fund Balance at End of Year	<u>\$ 31,358</u>	<u>\$ 49,806</u>	<u>\$ 18,448</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ONE OHIO OPIOID FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 7,952	\$ 53,082	\$ 45,130
Expenditures:			
Other	25,000	3,130	21,870
Total Expenditures	<u>25,000</u>	<u>3,130</u>	<u>21,870</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,048)	49,952	67,000
Fund Balance at Beginning of Year	24,685	24,685	0
Fund Balance at End of Year	<u>\$ 7,637</u>	<u>\$ 74,637</u>	<u>\$ 67,000</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

	GRANTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues	\$ 313,374	\$ 409,608	\$ 96,234
Expenditures:			
Personal Services	8,000	0	8,000
Other	395,646	454,419	(58,773)
Total Expenditures	<u>403,646</u>	<u>454,419</u>	<u>(50,773)</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(90,272)	(44,811)	45,461
Fund Balance at Beginning of Year	279,947	279,947	0
Prior Year Encumbrances	31,028	31,028	0
Fund Balance at End of Year	<u>\$ 220,703</u>	<u>\$ 266,164</u>	<u>\$ 45,461</u>

CITY OF SPRINGDALE, OHIO

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)*
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

COURT COMPUTERIZATION FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 11,500	\$ 12,440	\$ 940
Expenditures:			
Other	18,555	10,074	8,481
Total Expenditures	<u>18,555</u>	<u>10,074</u>	<u>8,481</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(7,055)	2,366	9,421
Fund Balance at Beginning of Year	10,995	10,995	0
Prior Year Encumbrances	2,555	2,555	0
Fund Balance at End of Year	<u>\$ 6,495</u>	<u>\$ 15,916</u>	<u>\$ 9,421</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

DRUG LAW ENFORCEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 10,543	\$ 10,543
Expenditures:			
Other	7,486	3,480	4,006
Total Expenditures	<u>7,486</u>	<u>3,480</u>	<u>4,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,486)	7,063	14,549
Fund Balance at Beginning of Year	7,486	7,486	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 14,549</u>	<u>\$ 14,549</u>

CITY OF SPRINGDALE, OHIO

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024*

LAW ENFORCEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Other	105	0	105
Total Expenditures	<u>105</u>	<u>0</u>	<u>105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105)	0	105
Fund Balance at Beginning of Year	105	105	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 105</u>	<u>\$ 105</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

DRIVING UNDER THE INFLUENCE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 1,835	\$ 1,835
Expenditures:			
Other	6,123	799	5,324
Total Expenditures	<u>6,123</u>	<u>799</u>	<u>5,324</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(6,123)	1,036	7,159
Fund Balance at Beginning of Year	5,939	5,939	0
Prior Year Encumbrances	295	295	0
Fund Balance at End of Year	<u>\$ 111</u>	<u>\$ 7,270</u>	<u>\$ 7,159</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

LAW ENFORCEMENT TRAINING FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 35,833	\$ 35,833
Expenditures:			
Other	3,773	35,833	(32,060)
Total Expenditures	3,773	35,833	(32,060)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,773)	0	3,773
Fund Balance at Beginning of Year	3,773	3,773	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 3,773</u>	<u>\$ 3,773</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

RESIDENTIAL RECYCLING INCENTIVE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 7,500	\$ 7,176	\$ (324)
Expenditures:			
Other	135,000	140,808	(5,808)
Total Expenditures	<u>135,000</u>	<u>140,808</u>	<u>(5,808)</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(127,500)	(133,632)	(6,132)
Other Financing Sources (Uses):			
Transfers In	127,500	132,025	4,525
Total Other Financing Sources (Uses)	<u>127,500</u>	<u>132,025</u>	<u>4,525</u>
Net Changes in Fund Balance	0	(1,607)	(1,607)
Fund Balance at Beginning of Year	1,857	1,857	0
Fund Balance at End of Year	<u>\$ 1,857</u>	<u>\$ 250</u>	<u>\$ (1,607)</u>

CITY OF SPRINGDALE, OHIO

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024*

PARKS AND URBAN FORESTRY FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 8,330	\$ 8,330
Expenditures:			
Other	41,980	17,421	24,559
Total Expenditures	<u>41,980</u>	<u>17,421</u>	<u>24,559</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(41,980)	(9,091)	32,889
Fund Balance at Beginning of Year	159,405	159,405	0
Prior Year Encumbrances	1,980	1,980	0
Fund Balance at End of Year	<u>\$ 119,405</u>	<u>\$ 152,294</u>	<u>\$ 32,889</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ADULT SPORTS FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$ 8,500	\$ 8,697	\$ 197
Expenditures:			
Other	9,500	8,557	943
Total Expenditures	<u>9,500</u>	<u>8,557</u>	<u>943</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,000)	140	1,140
Fund Balance at Beginning of Year	10,763	10,763	0
Fund Balance at End of Year	<u>\$ 9,763</u>	<u>\$ 10,903</u>	<u>\$ 1,140</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

STREET IMPROVEMENT DEBT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Other	540,000	540,000	0
Total Expenditures	<u>540,000</u>	<u>540,000</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(540,000)	(540,000)	0
Other Financing Sources (Uses):			
Transfers In	540,000	540,000	0
Total Other Financing Sources (Uses)	<u>540,000</u>	<u>540,000</u>	<u>0</u>
Net Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024***

MERCHANT STREET TIF FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues	\$ 391,000	\$ 205,816	\$ (185,184)
Expenditures:			
Other	391,000	205,816	185,184
Total Expenditures	391,000	205,816	185,184
Net Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF SPRINGDALE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024***

SHERATON LANE TIF FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$ 400,400	\$ 50,549	\$ (349,851)
Expenditures:			
Other	400,400	540	399,860
Total Expenditures	<u>400,400</u>	<u>540</u>	<u>399,860</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	0	50,009	50,009
Other Financing Sources (Uses):			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balance	0	50,009	50,009
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 50,009</u>	<u>\$ 50,009</u>



STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 9
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
Revenue Capacity	S 10 – S 13
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source, income tax.	
Debt Capacity	S 14 – S 21
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 22 – S 25
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 26 – S 31
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

City of Springdale, Ohio

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017	2018
Governmental Activities:				
Net Investment in Capital Assets	\$38,238,676	\$37,133,892	\$36,663,257	\$35,874,183
Restricted:		*	*	
Capital Projects	1,023,621	789,973	1,323,519	1,784,006
Street Construction, Maintenance and Repair	419,142	447,861	735,691	665,145
OPEB	0	0	0	0
Other Purposes	141,896	171,549	242,310	145,415
Unrestricted	<u>(5,933,089)</u>	<u>(7,420,612)</u>	<u>(25,139,165)</u>	<u>(28,492,337)</u>
Total Governmental Activities Net Position	<u><u>\$33,890,246</u></u>	<u><u>\$31,122,663</u></u>	<u><u>\$13,825,612</u></u>	<u><u>\$9,976,412</u></u>
Primary Government:				
Restricted	1,584,659	1,409,383	2,301,520	2,594,566
Unrestricted	<u>(5,933,089)</u>	<u>(7,420,612)</u>	<u>(25,139,165)</u>	<u>(28,492,337)</u>
Total Primary Government Net Position	<u><u>(\$4,348,430)</u></u>	<u><u>(\$6,011,229)</u></u>	<u><u>(\$22,837,645)</u></u>	<u><u>(\$25,897,771)</u></u>

Source: Finance Office

* Restated

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
\$34,983,304	\$35,400,972	\$34,161,298	\$34,785,925	\$39,320,253	\$41,740,615
1,728,270	1,496,230	237,604	742,495	1,277,415	936,422
810,086	921,611	1,062,423	1,032,100	1,335,765	1,765,063
0	0	0	0	0	241,373
368,395	573,480	320,915	380,408	857,200	878,088
<u>(20,518,797)</u>	<u>(20,187,038)</u>	<u>(12,445,913)</u>	<u>(7,945,534)</u>	<u>(9,734,548)</u>	<u>(10,821,164)</u>
<u><u>\$17,371,258</u></u>	<u><u>\$18,205,255</u></u>	<u><u>\$23,336,327</u></u>	<u><u>\$28,995,394</u></u>	<u><u>\$33,056,085</u></u>	<u><u>\$34,740,397</u></u>
2,906,751	2,991,321	1,620,942	2,155,003	3,470,380	3,820,946
<u>(20,518,797)</u>	<u>(20,187,038)</u>	<u>(12,445,913)</u>	<u>(7,945,534)</u>	<u>(9,734,548)</u>	<u>(10,821,164)</u>
<u><u>(\$17,612,046)</u></u>	<u><u>(\$17,195,717)</u></u>	<u><u>(\$10,824,971)</u></u>	<u><u>(\$5,790,531)</u></u>	<u><u>(\$6,264,168)</u></u>	<u><u>(\$7,000,218)</u></u>

City of Springdale, Ohio

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2015	2016	2017
Expenses			
Governmental Activities:			
Security of Persons and Property	\$9,513,086	\$10,513,238	\$10,555,584
Public Health Services	342,195	400,372	499,155
Leisure Time Activities	1,833,841	1,982,267	2,190,508
Community Environment	619,289	678,483	794,151
Transportation	2,880,630	3,327,287	4,216,505
General Government	4,221,723	5,017,827	5,347,176
Interest on Long Term Debt	160,677	203,911	409,163
Total Governmental Activities Expenses	19,571,441	22,123,385	24,012,242
Program Revenues			
Governmental Activities:			
Charges for Services:			
Security of Persons and Property	\$906,931	\$751,886	\$777,306
Public Health Services	66,605	73,815	75,140
Leisure Time Activities	129,858	121,698	126,582
Community Environment	73,784	100,730	145,274
Transportation	3,885	3,070	3,900
General Government	125,170	139,905	128,247
Operating Grants and Contributions:			
Security of Persons and Property	25,080	173,601	29,458
Public Health Services	8,540	44,450	42,692
Community Environment	20,058	11,913	2,875
Transportation	0	0	0
General Government	0	0	0
Capital Grants and Contributions:			
Transportation	651,493	60,347	889,160
Leisure Time Activities	0	0	0
General Government	0	148,385	201,615
Total Governmental Activities Program Revenues	2,011,404	1,629,800	2,422,249
Net (Expense)/Revenue	(\$17,560,037)	(\$20,493,585)	(\$21,589,993)
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Municipal Income Taxes	\$14,004,548	\$14,185,996	\$14,024,396
Property and other Taxes	1,108,953	1,127,511	1,158,185
Payments in lieu of Tax	659,104	659,227	658,169
Special Assessments	258,601	324,191	335,043
Grants and Entitlements not			
Restricted to Specific Programs	1,060,404	991,013	969,862
Investment Earnings	7,438	16,033	92,567
Miscellaneous	558,493	617,304	660,922
Total Governmental Activities	17,657,541	17,921,275	17,899,144
Change in Net Position			
Governmental Activities	\$97,504	(\$2,572,310)	(\$3,690,849)

Source: Finance Office

Governmental Activities \$97,504 (\$2,572,310) (\$3,690,849)

City of Springdale, Ohio

2018	2019	2020	2021	2022	2023	2024
\$11,910,633	\$1,621,727	\$11,930,578	\$11,137,247	\$10,412,903	\$11,505,205	\$11,742,988
509,426	541,802	445,036	515,395	515,313	715,726	749,872
1,999,293	2,202,947	2,056,513	1,365,619	1,808,802	2,392,498	2,898,959
780,001	767,852	882,329	468,737	583,312	950,685	963,777
3,620,380	3,708,555	4,027,403	2,862,078	3,770,549	4,082,482	3,801,082
4,998,949	5,593,110	6,563,670	5,369,365	6,009,080	7,114,728	7,102,523
422,035	413,782	380,938	355,957	296,826	246,941	224,806
<u>24,240,717</u>	<u>14,849,775</u>	<u>26,286,467</u>	<u>22,074,398</u>	<u>23,396,785</u>	<u>27,008,265</u>	<u>27,484,007</u>
\$900,777	\$862,447	\$667,952	\$628,155	\$649,325	\$679,430	\$663,411
62,898	73,721	71,848	75,237	57,851	85,270	89,361
123,620	120,527	93,986	143,703	160,697	216,275	237,359
99,095	260,770	151,011	204,564	301,673	450,636	261,376
189,356	6,406	5,774	2,850	19,676	40,447	23,735
147,736	138,608	138,881	139,631	140,715	132,310	124,887
27,238	296,461	239,617	116,673	125,520	459,189	143,840
3,152	13,160	180,762	283,987	118,841	150,837	696,217
15,235	16,022	51,137	31,310	11,721	4,150	60,530
0	0	0	0	40,000	853,415	908,895
0	0	947,341	168,847	58,285	907,531	125,062
299,261	0	145,430	64,454	1,014,698	3,230,046	1,543,851
0	0	0	0	0	599,500	0
0	0	0	0	0	0	0
<u>1,868,368</u>	<u>1,788,122</u>	<u>2,693,739</u>	<u>1,859,411</u>	<u>2,699,002</u>	<u>7,809,036</u>	<u>4,878,524</u>
<u>(\$22,372,349)</u>	<u>(\$13,061,653)</u>	<u>(\$23,592,728)</u>	<u>(\$20,214,987)</u>	<u>(\$20,697,783)</u>	<u>(\$19,199,229)</u>	<u>(\$22,605,483)</u>
\$14,669,361	\$15,983,441	\$19,432,081	\$20,110,891	\$19,952,640	\$17,688,190	\$19,356,271
1,127,395	1,119,895	1,030,325	1,286,524	1,307,344	1,338,948	1,470,378
783,973	855,852	1,214,310	1,982,218	2,539,871	2,622,128	2,616,990
85,483	74,531	7,048	78,819	140,550	0	0
1,051,983	1,223,889	1,037,826	1,307,003	1,238,728	333,660	424,618
109,833	47,644	14,026	2,922	143,596	519,081	533,140
695,121	1,151,247	1,691,109	577,682	1,034,121	757,913	747,087
<u>18,523,149</u>	<u>20,456,499</u>	<u>24,426,725</u>	<u>25,346,059</u>	<u>26,356,850</u>	<u>23,259,920</u>	<u>25,148,484</u>
<u>(\$3,849,200)</u>	<u>\$7,394,846</u>	<u>\$833,997</u>	<u>\$5,131,072</u>	<u>\$5,659,067</u>	<u>\$4,060,691</u>	<u>\$2,543,001</u>

City of Springdale, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2015	2016	2017	2018
General Fund				
Nonspendable	\$966,341	\$1,033,286	\$984,215	\$936,579
Restricted	0	0	0	0
Assigned	362,509	2,482,357	1,069,194	1,095,501
Unassigned	<u>5,448,358</u>	<u>3,131,296</u>	<u>2,840,164</u>	<u>1,946,063</u>
<i>Total General Fund</i>	<u>6,777,208</u>	<u>6,646,939</u>	<u>4,893,573</u>	<u>3,978,143</u>
All Other Governmental Funds				
Nonspendable	2,536	2,538	2,538	700
Restricted	1,094,936	847,899	7,517,479	2,471,842
Assigned	5,322	5,887	6,385	6,920
Unassigned	<u>(492,378)</u>	<u>(492,378)</u>	<u>(497,559)</u>	<u>(495,851)</u>
<i>Total All Other Governmental Funds</i>	<u>610,416</u>	<u>363,946</u>	<u>7,028,843</u>	<u>1,983,611</u>
<i>Total Governmental Funds</i>	<u>\$7,387,624</u>	<u>\$7,010,885</u>	<u>\$11,922,416</u>	<u>\$5,961,754</u>

Source: Finance Office

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
\$890,454	\$847,703	\$848,274	\$859,498	\$1,011,410	\$1,170,503
0	0	0	0	526,714	0
779,321	1,588,104	3,465,854	6,618,443	5,029,932	2,755,575
<u>2,953,488</u>	<u>3,431,968</u>	<u>3,962,352</u>	<u>3,937,575</u>	<u>4,824,219</u>	<u>7,841,651</u>
<u>4,623,263</u>	<u>5,867,775</u>	<u>8,276,480</u>	<u>11,415,516</u>	<u>11,392,275</u>	<u>11,767,729</u>
17,544	30,732	14,692	20,203	22,697	32,180
2,263,885	1,456,469	1,478,878	1,845,715	2,764,216	3,487,782
7,315	988,021	614,677	470,211	591,038	56,183
(515,197)	(476,987)	(402,565)	(412,206)	(430,856)	(828,390)
<u>1,773,547</u>	<u>1,998,235</u>	<u>1,705,682</u>	<u>1,923,923</u>	<u>2,947,095</u>	<u>2,747,755</u>
<u>\$6,396,810</u>	<u>\$7,866,010</u>	<u>\$9,982,162</u>	<u>\$13,339,439</u>	<u>\$14,339,370</u>	<u>\$14,515,484</u>

City of Springdale, Ohio

Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2015	2016	2017	2018
Revenues:				
Municipal Income	\$13,590,952	\$14,223,463	\$14,407,358	\$14,494,795
Property and Other Taxes	1,102,654	1,161,052	1,135,948	1,133,696
Payments in lieu of Tax	659,104	659,227	658,169	783,973
Special Assessments	165,965	254,034	320,772	331,746
Intergovernmental Revenues	1,850,860	1,432,715	2,105,651	1,140,361
Charges for Services	571,355	599,847	621,620	645,492
Fines and Forfeitures	217,967	217,005	183,112	171,431
Fees, Licenses and Permits	389,456	417,519	473,735	408,023
Interest Earnings	7,438	16,033	92,567	109,833
Contributions	0	0	0	0
All Other Revenue	536,453	592,762	626,067	712,798
Total Revenue	19,092,204	19,573,657	20,624,999	19,932,148
Expenditures:				
Current:				
Security of Persons and Property	9,065,029	9,164,901	9,555,860	9,848,233
Public Health Services	335,166	382,360	447,440	470,529
Leisure Time Activities	1,507,843	1,621,406	1,601,090	1,566,217
Community Environment	650,120	596,970	613,685	607,266
Transportation	1,628,653	1,452,084	1,398,283	1,647,716
General Government	4,100,230	4,622,098	5,120,670	4,827,910
Capital Outlay	1,477,723	1,317,264	5,003,618	5,863,113
Debt Service:				
Principal Retirement	581,780	589,402	793,942	805,689
Interest and Fiscal Charges	161,786	203,911	380,098	425,764
Total Expenditures	19,508,330	19,950,396	24,914,686	26,062,437
Excess (Deficiency) of Revenues Over Expenditures	(416,126)	(376,739)	(4,289,687)	(6,130,289)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
General Obligation Bonds Issued	0	0	8,200,000	0
Premium on General Obligation Bonds	0	0	344,632	0
Proceeds from Loan	0	0	0	0
Inception of Lease	0	0	656,586	169,627
Transfers In	1,327,715	1,048,470	1,798,576	989,998
Transfers Out	(1,327,715)	(1,048,470)	(1,798,576)	(989,998)
Total Other Financing Sources (Uses)	0	0	9,201,218	169,627
Net Change in Fund Balance	(\$416,126)	(\$376,739)	\$4,911,531	(\$5,960,662)
Debt Service as a Percentage of Noncapital Expenditures	4.12%	4.26%	5.90%	6.10%

Source: Finance Office

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
\$16,065,380	\$18,322,482	\$20,162,614	\$20,017,859	\$17,461,741	\$19,601,919
1,149,720	1,025,726	1,271,920	1,311,989	1,266,920	1,487,386
815,052	1,255,141	1,982,218	2,539,871	2,622,128	2,616,990
80,351	154,620	5,306	77,142	135,638	42,182
1,653,953	2,499,002	2,035,799	2,520,168	5,845,356	3,537,700
608,719	571,165	550,682	577,500	569,314	606,598
307,645	103,867	145,197	133,873	137,550	193,933
529,542	434,951	553,969	669,492	881,955	665,529
47,644	14,026	2,922	143,596	519,081	533,140
0	0	0	0	599,500	0
1,238,287	1,579,946	544,101	858,747	940,739	966,412
<u>22,496,293</u>	<u>25,960,926</u>	<u>27,254,728</u>	<u>28,850,237</u>	<u>30,979,922</u>	<u>30,251,789</u>
10,255,741	10,108,378	10,738,160	10,304,959	9,887,388	10,908,888
461,650	396,469	707,730	617,927	695,011	835,035
1,613,317	1,669,472	1,754,627	1,769,050	2,011,806	2,761,019
628,004	760,709	811,010	741,821	923,943	973,628
1,583,742	1,706,874	1,661,557	1,769,507	1,768,345	1,717,005
5,053,610	6,173,972	6,166,303	6,251,402	6,851,947	6,868,100
1,177,240	3,372,169	2,005,966	2,809,065	6,806,604	5,011,189
870,347	876,121	947,221	931,128	955,413	751,376
417,586	384,820	356,997	298,101	269,534	249,435
<u>22,061,237</u>	<u>25,448,984</u>	<u>25,149,571</u>	<u>25,492,960</u>	<u>30,169,991</u>	<u>30,075,675</u>
435,056	511,942	2,105,157	3,357,277	809,931	176,114
0	43,258	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	139,000	0	0	0	0
0	775,000	10,995	0	190,000	0
1,070,042	2,554,865	2,073,308	2,465,775	3,665,519	3,056,263
(1,070,042)	(2,554,865)	(2,073,308)	(2,465,775)	(3,665,519)	(3,056,263)
<u>0</u>	<u>957,258</u>	<u>10,995</u>	<u>0</u>	<u>190,000</u>	<u>0</u>
<u>\$435,056</u>	<u>\$1,469,200</u>	<u>\$2,116,152</u>	<u>\$3,357,277</u>	<u>\$999,931</u>	<u>\$176,114</u>
6.17%	5.71%	5.62%	5.29%	5.19%	4.00%

City of Springdale, Ohio

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2015	2016	2017	2018	2019
Income Tax Rate	1.50%	1.50%	1.50%	1.50%	2.00%
Total Tax Collected	\$14,374,662	\$15,542,072	\$15,353,933	\$14,911,308	\$16,091,437
Income Tax Receipts					
Withholding	11,235,551	13,044,526	11,619,143	12,140,206	13,358,274
Percentage	78.16%	83.93%	75.67%	81.42%	83.01%
Business	2,484,512	1,768,966	3,010,953	2,135,664	2,001,984
Percentage	17.28%	11.38%	19.61%	14.32%	12.44%
Individuals	598,853	682,276	669,057	578,392	660,987
Percentage	4.17%	4.39%	4.36%	3.88%	4.11%
Penalty/Interest	55,746	46,304	54,780	57,046	70,192
Percentage	0.39%	0.30%	0.36%	0.38%	0.44%

* Tax rate changed from 1.5% to 2.0% on July 1, 2019.

Source: Finance Office

City of Springdale, Ohio

2020	2021	2022	2023	2024
2.00%	2.00%	2.00%	2.00%	2.00%
\$18,681,933	\$20,909,526	\$20,794,114	\$18,988,950	\$20,553,582
15,138,054	15,853,916	15,076,353	14,348,453	14,859,126
81.03%	75.81%	72.51%	75.55%	72.29%
2,580,361	3,875,812	4,409,279	2,902,518	3,954,238
13.81%	18.54%	21.20%	15.29%	19.24%
881,177	1,121,850	1,248,610	1,660,838	1,662,851
4.72%	5.37%	6.00%	8.75%	8.09%
82,341	57,948	59,872	77,141	77,367
0.44%	0.28%	0.29%	0.41%	0.38%

City of Springdale, Ohio



City of Springdale, Ohio

Principal Property Taxpayers *Current Year and Nine Years Ago*

Taxpayer	Collection Year 2024	Rank (1)
	Assessed Valuation	2024
Duke Energy Ohio Inc	\$21,785,750	1
Progress Place Subsidiary LLC	15,164,120	2
Mallard Lakes Apartments LLC	7,761,710	3
Willows of Springdale LP	7,664,080	4
AV Cincinnati Acquisition LLC	7,350,000	5
Springdale-Kemper Re LLC	6,664,100	6
LPG Colony LLC	5,893,790	7
Tri County Town Center	5,573,560	8
Maple Knoll Communitites Inc.	4,939,960	9
Jubilee Springdale LLC	4,524,540	10
All Others	<u>340,585,960</u>	
Total Assessed Valuation	<u><u>\$427,907,570</u></u>	

Employer	Collection Year 2015	Rank (1)
	Assessed Valuation	2015
Tri County Mall LLC	\$16,642,480	1
Duke Energy Ohio Inc.	11,234,170	2
LSREF2 Oreo Direct LLC	8,496,260	3
WOP Mallard Lakes LLC	6,742,810	4
Springdale-Kemper RE LLC	6,422,220	5
Jubilee Springdale LLC	4,415,020	6
NAI Entertainment Holdings LLC	4,144,640	7
Gilhart, Charles C. Jr. Inc.	4,032,680	8
KE Tri-County LLC	3,728,030	9
Costco Wholesale Corporation	3,596,660	10
All Others	<u>243,099,670</u>	
Total Assessed Valuation	<u><u>\$312,554,640</u></u>	

Sources:

- (1) Hamilton County Auditor
- (2) Estimated number of current employees provided by Economic Development Department

City of Springdale, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2015	2016	2017
Governmental Activities (1)			
General Obligation Bonds Payable	\$700,000	\$300,000	\$8,151,657
Tax Increment Financing Bonds	2,128,797	2,030,225	1,924,842
Financed Purchases	90,830	0	638,027
Ohio Public Works Commission Loan	0	0	0
 Total Primary Government	 <u>\$2,919,627</u>	 <u>\$2,330,225</u>	 <u>\$10,714,526</u>
 Population (2)			
City of Springdale	11,223	11,223	11,223
Outstanding Debt Per Capita	\$260	\$208	\$955
 Income (3)			
Personal (in thousands)	574,943	616,906	637,410
Percentage of Personal Income	0.51%	0.38%	1.68%

Sources:

- (1) Finance Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Springdale, Ohio

2018	2019	2020	2021	2022	2023	2024
\$7,658,682	\$7,155,707	\$6,642,732	\$6,119,757	\$5,586,782	\$5,038,807	\$4,475,832
1,812,177	1,691,728	1,562,956	1,425,286	1,278,104	1,121,626	954,336
584,631	315,114	832,220	537,141	270,145	193,160	156,024
0	0	139,000	135,525	128,575	121,625	114,675
\$10,055,490	\$9,162,549	\$9,176,908	\$8,217,709	\$7,263,606	\$6,475,218	\$5,700,867
11,223	11,223	11,223	11,007	11,007	11,007	11,007
\$896	\$816	\$818	\$747	\$660	\$588	\$518
670,911	689,743	718,755	746,770	789,939	789,939	834,694
1.50%	1.33%	1.28%	1.10%	0.92%	0.82%	0.68%

City of Springdale, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2015	2016	2017	2018
Population (1)	11,223	11,223	11,223	11,223
Personal Income (in thousands) (2)	\$574,943	\$616,906	\$637,410	\$670,911
General Bonded Debt (3)				
General Obligation Bonds	\$700,000	\$300,000	\$8,151,657	\$7,658,682
Resources Available to Pay Principal (4)	\$0	\$0	\$62,901	\$0
Net General Bonded Debt	\$700,000	\$300,000	\$8,088,756	\$7,658,682
Ratio of Net Bonded Debt to Estimated Personal Income				
(in thousands)	0.12%	0.05%	1.27%	1.14%
Net Bonded Debt per Capita	\$62.37	\$26.73	\$720.73	\$682.41

Sources:

- (1) U.S. Bureau of Census of Population
- (2) Hamilton County Auditor
- (3) Includes all general obligation bonded debt supported by income taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
11,223	11,223	11,007	11,007	11,007	11,007
\$689,743	\$718,755	\$746,770	\$789,939	\$789,939	\$834,694
\$7,155,707	\$6,642,732	\$6,119,757	\$5,586,782	\$5,038,807	\$4,475,832
\$0	\$0	\$0	\$0	\$0	\$0
\$7,155,707	\$6,642,732	\$6,119,757	\$5,586,782	\$5,038,807	\$4,475,832
1.04%	0.92%	0.82%	0.71%	0.64%	0.54%
\$637.59	\$591.89	\$555.99	\$507.57	\$457.78	\$406.64

City of Springdale, Ohio



City of Springdale, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2024*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to the City of Springdale	Amount Applicable to the City of Springdale
Direct:			
City of Springdale	\$5,700,867	100.00%	\$5,700,867
Overlapping:			
Princeton City School District	127,780,000	20.10%	25,683,780
Hamilton County	158,130,252	1.47%	2,324,515
		Subtotal	<u>28,008,295</u>
		Total	<u><u>\$33,709,162</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Springdale, Ohio

***Debt Limitations
Last Ten Years***

Tax Year	2015	2016	2017	2018
Total Debt				
Net Assessed Valuation	\$312,554,640	\$317,280,670	\$321,130,190	\$319,007,740
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$)(1)	32,818,237	33,314,470	33,718,670	33,495,813
City Debt Outstanding (2)	700,000	300,000	8,151,657	7,658,682
Overall Legal Debt Margin	<u>\$32,118,237</u>	<u>\$33,014,470</u>	<u>\$25,567,013</u>	<u>\$25,837,131</u>
Unvoted Debt				
Net Assessed Valuation	\$312,554,640	\$317,280,670	\$321,130,190	\$319,007,740
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$)(1)	17,190,505	17,450,437	17,662,160	17,545,426
City Debt Outstanding (2)	700,000	300,000	8,151,657	7,658,682
Overall Legal Debt Margin	<u>\$16,490,505</u>	<u>\$17,150,437</u>	<u>\$9,510,503</u>	<u>\$9,886,744</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) Debt Service payments on General Obligation Bonds are appropriated annually from lawfully available municipal income taxes.

Source: Finance Office

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
\$331,456,990	\$370,447,250	\$372,077,270	\$372,286,360	\$437,080,890	\$427,907,570
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
34,802,984	38,896,961	39,068,113	39,090,068	45,893,493	44,930,295
7,155,707	6,642,732	6,119,757	5,586,782	5,038,807	4,475,832
<u>\$27,647,277</u>	<u>\$32,254,229</u>	<u>\$32,948,356</u>	<u>\$33,503,286</u>	<u>\$40,854,686</u>	<u>\$40,454,463</u>
\$331,456,990	\$370,447,250	\$372,077,270	\$372,286,360	\$437,080,890	\$427,907,570
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
18,230,134	20,374,599	20,464,250	20,475,750	24,039,449	23,534,916
7,155,707	6,642,732	6,119,757	5,586,782	5,038,807	4,475,832
<u>\$11,074,427</u>	<u>\$13,731,867</u>	<u>\$14,344,493</u>	<u>\$14,888,968</u>	<u>\$19,000,642</u>	<u>\$19,059,084</u>

City of Springdale, Ohio

Demographic and Economic Statistics *Last Ten Years*

Calendar Year	2015	2016	2017	2018
Population (1)				
City of Springdale	11,223	11,223	11,223	11,223
Hamilton County	802,374	802,374	802,374	802,374
Income (2) (a)				
Total Personal (in thousands)	574,943	616,906	637,410	670,911
Per Capita	51,229	54,968	56,795	59,780
Unemployment Rate (3)				
Federal	5.3%	4.9%	4.4%	3.9%
State	4.9%	4.9%	5.0%	4.6%
Hamilton County	4.5%	4.3%	4.4%	4.1%
Civilian Work Force Estimates (3)				
State	5,700,000	5,713,100	5,780,000	5,754,900
Hamilton County	402,700	404,200	411,300	412,200

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2023. For the presentation of 2024 statistics, the City is using the latest information available.
- (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
11,223	11,223	11,007	11,007	11,007	11,007
802,374	802,374	830,639	830,639	830,639	830,639
689,743	718,755	746,770	789,939	789,939	834,694
61,458	64,043	67,845	71,767	71,767	75,833
3.7%	8.1%	5.3%	3.6%	3.6%	4.0%
4.1%	8.1%	5.1%	4.0%	3.5%	4.3%
3.8%	7.8%	4.9%	3.6%	3.2%	4.1%
5,802,300	5,754,300	5,736,900	5,741,300	5,787,000	5,898,600
416,100	415,900	415,200	418,300	422,200	432,900

City of Springdale, Ohio



City of Springdale, Ohio

Principal Employers *Current Year and Nine Years Ago*

Employer	2024 - Number of Employees (A)	Percent of Total
Amazon Com Services Inc	845	2.96%
Smithfield Packaged Meats	649	2.27%
Jake Sweeney Chevrolet Import	586	2.05%
GE Engine Services LLS	458	1.60%
First Financial Bank	368	1.29%
Ampac Holdings LLC	278	0.97%
Ditsch USA LLC	277	0.97%
Lowes Home Centers	275	0.96%
Macy Corporate Services	266	0.93%
Kroger Co	266	0.93%
All Others	<u>24,273</u>	<u>85.06%</u>
Total Employment within the City	<u>28,541</u>	<u>100.00%</u>

Employer	2015 - Number of Employees (A)	Percent of Total
Humana Pharmacy Inc.	1,065	3.57%
One Source Employee Management	633	2.12%
John Morrell and Company	627	2.10%
ORC International Inc.	602	2.02%
Jake Sweeney Chevrolet Import	544	1.82%
First Financial Bank	429	1.44%
CM Temporary Services	410	1.37%
Kroger Limited Partnership	402	1.35%
General Electric Engine Services Inc.	393	1.32%
Macy's Retail Holdings Inc.	369	1.24%
All Others	<u>24,379</u>	<u>81.66%</u>
Total Employment within the City	<u>29,853</u>	<u>100.00%</u>

Source:

City Income Tax Department

City of Springdale, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2015	2016	2017	2018	2019
Governmental Activities					
General Government					
Administration/General Gov't	6.00	6.00	6.00	7.00	6.00
Finance Department	2.50	2.50	2.50	2.50	2.50
Tax Department	4.50	4.50	4.50	4.50	4.50
Facilities Maintenance/Custodian	1.00	0.00	1.00	1.00	1.00
Security of Persons and Property					
Police	38.00	40.00	37.00	41.00	39.00
Fire	25.00	24.00	25.00	27.00	27.00
Public Health Services					
Health Department	4.00	4.00	4.00	4.00	4.00
Transportation					
Public Works Department	12.00	12.00	11.00	13.00	13.00
Leisure Time Activities					
Recreation	7.00	7.00	7.00	7.00	7.00
Parks and Grounds	3.00	3.00	3.00	3.00	3.00
Community Environment					
Building Department	5.00	5.00	5.00	5.00	4.00
<i>Total Full Time Employees</i>	<i><u>108.00</u></i>	<i><u>108.00</u></i>	<i><u>106.00</u></i>	<i><u>115.00</u></i>	<i><u>111.00</u></i>

Source: Finance Office

City of Springdale, Ohio

2020	2021	2022	2023	2024
7.00	6.00	6.00	6.00	7.00
2.50	2.50	2.50	2.50	2.50
4.50	5.50	5.50	4.50	4.50
1.00	1.00	0.00	1.00	1.00
43.00	41.00	38.00	36.00	38.00
31.00	29.00	30.00	29.00	30.00
4.00	3.00	4.00	4.00	4.00
12.00	13.00	12.00	12.00	13.00
7.00	6.00	7.00	7.00	6.00
3.00	3.00	3.00	3.00	5.00
6.00	6.00	5.00	5.00	5.00
121.00	116.00	113.00	110.00	116.00

City of Springdale, Ohio

Operating Indicators by Function ***Last Ten Years***

	2015	2016	2017	2018
Governmental Activities				
General Government				
<u>Finance Department</u>				
Number of Non-Payroll Checks Written	2,932	2,947	2,872	3,210
Number of Payroll Checks Written	1,231	1,111	1,075	1,002
Number of Payroll Direct Deposits Issued	4,143	4,200	4,056	3,985
<u>Tax Department</u>				
Number of Business Accounts at Year-end	2,600	2,866	2,881	2,827
Number of Resident Accounts at Year-end	4,799	4,827	4,603	4,610
Tax Accounts Assigned to Mayor's Court	81	89	84	111
Tax Department Overtime Hours Worked	156	159	154	142
<u>Community Development</u>				
Number of Residential Building				
Permits Issued	336	326	295	278
Number of Commercial Building				
Permits Issued	228	183	224	212
Security of Persons and Property				
<u>Police</u>				
Number of Service Calls	12,628	12,544	12,757	12,129
Number of Arrests	1,460	1,349	1,440	1,251
Number of Auto Accidents	1,002	1,009	1,142	1,135
Number of Incident Reports	1,414	1,142	1,072	1,270
Mayor's Court Cases Heard	2,383	2,134	1,384	1,068
<u>Fire</u>				
Number of Fire Runs	380	1,102	1,203	1,299
Number of EMS Runs	2,159	2,520	2,495	2,580
Transportation				
Chipper Man Hours	2,308	2,654	2,628	2,277
Debris Removal Requests	32	34	19	34
Cubic Yards of Mulch Delivered	875	697	420	510
Tons of Salt Used	586	689	1,344	944
Snow and Ice Control Callouts	6	8	12	10
Leisure Time Activities				
<u>Parks and Recreation Department</u>				
Number of Active Recreation				
Center Memberships	2,086	2,149	2,985	3,070
Active Member Fitness Center Visits	26,023	25,662	29,453	26,711
Public Health Services				
<u>Health Department</u>				
Number of Food Inspections	450	341	261	295
Animal Nuisance Removals (2)	0	2	73	141
Home Health Care Visits	114	99	63	43

Source: Finance Office

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
3,198	2,292	2,324	3,346	3,578	3,942
982	585	205	343	414	524
4,058	4,977	5,224	4,525	4,647	4,721
2,672	2,812	2,840	2,989	3,033	3,568
4,636	4,748	4,541	4,483	6,037	6,370
163	137	135	174	168	163
154	205	134	164	66	57
332	355	175	320	259	220
232	627	240	491	163	154
12,945	12,974	15,246	15,551	18,100	21,802
1,308	935	1,014	967	1,515	1,244
1,107	413	564	625	884	733
1,337	1,165	1,107	992	1,572	1,118
1,914	1,202	1,148	1,315	1,341	1,503
1,459	1,481	1,588	1,521	1,529	1,696
2,666	2,578	2,759	2,834	2,858	3,000
2,520	2,798	2,091	847	546	624
36	51	40	45	49	45
548	547	778	790	121	595
377	335	1,133	1,409	471	535
7	8	9	14	5	8
2,972	1,792	1,458	1,568	2,892	2,604
28,259	14,433	14,821	28,580	28,016	25,323
412	206	311	488	422	459
145	95	29	132	275	123
99	72	86	96	185	143

City of Springdale, Ohio

Capital Asset Statistics by Function *Last Ten Years*

	2015	2016	2017	2018
Governmental Activities				
General Government				
Administration Department				
Square Footage - Municipal Building	33,620	33,620	33,620	33,620
Security of Persons and Property				
Police				
Square Footage - Police Building	19,500	19,500	19,500	19,500
Stations	1	1	1	1
Vehicles	34	38	40	32
Fire				
Square Footage - Fire Building	16,800	16,800	16,800	16,800
Stations	1	1	1	1
Vehicles	12	12	14	13
Public Health Services				
Health Department				
Vehicles	2	2	2	2
Leisure Time Activities				
Parks				
Square Footage - Community Center	72,000	72,000	72,000	72,000
Parks	6	6	6	6
Tennis Courts	4	4	4	4
Baseball/Softball Diamonds	6	6	6	6
Soccer Fields	3	3	3	3
Vehicles	7	7	7	7
Community Environment				
Building Department				
Vehicles	4	4	5	5
Transportation				
Public Works Department				
Square Footage - Office and Garage	19,680	19,680	19,680	19,680
Vehicles	16	16	18	17

Source: Finance Office

City of Springdale, Ohio

2019	2020	2021	2022	2023	2024
33,620	33,620	33,620	33,620	33,620	33,620
19,500	19,500	19,500	19,500	19,500	19,500
1	1	1	1	1	1
34	33	32	32	32	32
16,800	16,800	16,800	16,800	16,800	16,800
1	1	1	1	1	1
12	14	14	13	13	13
2	2	2	2	2	2
72,000	72,000	72,000	72,000	72,000	72,000
6	6	6	6	6	6
4	4	4	4	4	4
6	6	6	6	6	6
3	3	3	3	3	3
7	8	8	8	8	8
5	4	5	5	5	5
19,680	19,680	19,680	19,680	19,680	19,680
18	17	20	20	20	20

City of Springdale, Ohio



OHIO AUDITOR OF STATE KEITH FABER



CITY OF SPRINGDALE

HAMILTON 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 8/21/2025

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