



OHIO AUDITOR OF STATE  
**KEITH FABER**





**CITY OF CAMPBELL  
MAHONING COUNTY  
DECEMBER 31, 2023**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
Prepared by Management:	
Management's Discussion and Analysis .....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position .....	13
Statement of Activities.....	14
Fund Financial Statements:	
Balance Sheet	
Governmental Funds .....	16
Reconciliation of Total Governmental Fund Balances to	
Net Position of Governmental Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balances	
Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures	
and Changes in Fund Balances of Governmental Funds	
to the Statement of Activities .....	19
Statement of Revenues, Expenditures and Changes in	
Fund Balance - Budget (Non-GAAP Basis) and Actual	
General Fund.....	20
Statement of Revenues, Expenditures and Changes in	
Fund Balance - Budget (Non-GAAP Basis) and Actual	
Street Construction, Maintenance and Repair Fund .....	21
Statement of Revenues, Expenditures and Changes in	
Fund Balance - Budget (Non-GAAP Basis) and Actual	
Policy Levy Fund .....	22
Statement of Fund Net Position	
Proprietary Funds .....	23
Statement of Revenues, Expenses and Changes in Fund Net Position	
Proprietary Funds .....	24
Statement of Cash Flows	
Proprietary Funds .....	25
Statement of Fiduciary Net Position	
Custodial Funds.....	26
Statement of Changes in Fiduciary Net Position	
Custodial Funds.....	27

**CITY OF CAMPBELL  
MAHONING COUNTY  
DECEMBER 31, 2023**

**TABLE OF CONTENTS  
(Continued)**

<b>TITLE</b>	<b>PAGE</b>
Notes to the Basic Financial Statements.....	28
Required Supplementary Information:	
Schedule of the City's Proportionate Share of the Net Pension Liability (Ohio Public Employees Retirement System – Traditional Plan).....	76
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) (Ohio Public Employees Retirement System – Traditional Plan) .....	78
Schedule of the City's Proportionate Share of the Net Pension Liability (Ohio Police and Fire Pension Fund).....	80
Schedule of the City's Proportionate Share of the Net OPEB Liability (Ohio Police and Fire Pension Fund) .....	82
Schedule of the City's Contributions (Ohio Public Employees Retirement System).....	84
Schedule of the City's Contributions (Ohio Police and Fire Pension Fund) .....	86
Notes to Required Supplementary Information .....	88
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	93
Schedule of Findings.....	95

# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

City of Campbell  
Mahoning County  
351 Tenney Avenue  
Campbell, Ohio 44405

To the Council:

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Campbell, Mahoning County, Ohio (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Campbell, Mahoning County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Street Construction, Maintenance and Repair, and Police Levy funds 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 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, 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

January 5, 2026

**This page intentionally left blank.**



**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

---

The discussion and analysis of the City of Campbell's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers are encouraged to consider information presented here in conjunction with the additional information contained in the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Financial highlights for 2023 are as follows:

- The City's net position increased during 2023 due to an increase in cash, property taxes, income taxes and net capital assets. Cash increased due to an increase in income taxes as the economy continues to recover from the COVID 19 pandemic. In addition, the City saw an increase to property taxes from changes to assessed property valuations as well as additions to capital assets outpacing current year depreciation.
- Total governmental capital assets increased due to current year additions consisting of street projects, a new snow plow, police vehicle and technology improvements. The business-type activities capital assets additions included infrastructure improvements.
- The City implemented GASB 96 which provides guidance for reporting subscription-based information technology arrangements (SBITAs).

### **Using this Annual Financial Report**

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

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

### **Reporting on the City of Campbell as a Whole**

While this document contains the large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question.

These statements include all non-fiduciary *assets* and *deferred outflows of resources* and *liabilities* and *deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

---

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

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

**Governmental Activities** – Most of the City's programs and services are reported here including general government, security of persons and property, transportation, community development and leisure time activities. These services are funded primarily by taxes and intergovernmental revenues including Federal and State grants and other shared revenues.

**Business-Type Activities** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided.

**Reporting on the Most Significant Funds of the City of Campbell**

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, the street construction, maintenance and repair and police levy special revenue funds and the infrastructure/equipment improvement capital projects fund.

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

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

The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation.

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

**Proprietary Funds** Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City's major enterprise funds are the water and storm water management funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service fund reports on City departments' self-insurance programs for employee medical/hospitalization, dental, vision and life benefits.

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

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

**The City of Campbell as a Whole**

The Statement of Net Position provides an overall view of the City. Table 1 shows a summary of the City's net position for 2023 as they compare to 2022.

(Table 1) Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$15,406,667	\$13,824,428	\$392,944	\$375,858	15,799,611	\$14,200,286
Net OPEB Asset	0	207,032	0	1,600	0	208,632
Capital Assets, Net	4,074,142	3,633,324	137,162	127,804	4,211,304	3,761,128
<i>Total Assets</i>	<i>19,480,809</i>	<i>17,664,784</i>	<i>530,106</i>	<i>505,262</i>	<i>20,010,915</i>	<i>18,170,046</i>
<b>Deferred Outflows of Resources</b>						
Pension	1,862,601	943,652	29,368	2,006	1,880,968	945,658
OPEB	291,714	193,883	2,889	8	294,552	193,891
<i>Total Deferred Outflows of Resources</i>	<i>2,154,315</i>	<i>1,137,535</i>	<i>32,257</i>	<i>2,014</i>	<i>2,175,520</i>	<i>1,139,549</i>
<b>Liabilities</b>						
Current Liabilities	446,320	1,158,884	6,167	5,039	452,487	1,163,923
Long-term Liabilities						
Due within one Year	180,475	201,078	0	0	180,475	201,078
Due in More than one Year						
Net Pension Liability	5,356,991	2,772,559	46,818	4,725	5,403,809	2,777,284
Net OPEB Liability	289,745	378,961	948	0	290,693	378,961
Other Amounts	591,818	628,068	0	0	591,818	628,068
<i>Total Liabilities</i>	<i>\$6,865,349</i>	<i>\$5,139,550</i>	<i>\$53,933</i>	<i>\$9,764</i>	<i>\$6,919,282</i>	<i>\$5,149,314</i>

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

(Table 1)  
*Net Position (continued)*

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Deferred Inflows of Resources</b>						
Property Taxes	\$1,225,521	\$650,104	\$0	\$0	\$1,225,521	\$650,104
Pension	320,001	1,798,877	66	6,520	309,066	1,805,397
OPEB	332,721	486,360	323	2,059	332,993	488,419
<i>Total Deferred Inflows of Resources</i>	<u>1,878,243</u>	<u>2,935,341</u>	<u>389</u>	<u>8,579</u>	<u>1,867,580</u>	<u>2,943,920</u>
<b>Net Position</b>						
Net Investment in Capital Assets	3,948,495	3,138,785	137,162	127,804	4,085,657	3,266,589
Restricted for:						
Capital Projects	6,938,927	7,145,712	0	0	6,938,927	7,145,712
Safety Forces	517,646	110,842	0	0	517,646	110,842
Streets	385,405	601,412	0	0	385,405	601,412
Recreation	271,706	335,508	0	0	271,706	335,508
OPEB Plans	0	207,032	0	1,600	0	208,632
Other Purposes	1,760,611	1,371,084	0	0	1,760,611	1,371,084
Unrestricted (Deficit)	<u>(931,258)</u>	<u>(2,182,947)</u>	<u>370,879</u>	<u>359,529</u>	<u>(560,379)</u>	<u>(1,823,418)</u>
<i>Total Net Position</i>	<u>\$12,891,532</u>	<u>\$10,727,428</u>	<u>\$508,041</u>	<u>\$488,933</u>	<u>\$13,399,573</u>	<u>\$11,216,361</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2023. 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.

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.

By comparing assets and deferred outflows of resources and liabilities and deferred inflows of resources, one can see the overall position of the City has increased when compared with the prior year as evidenced by the increase in net position for governmental activities.

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

The increase in governmental net position can be attributed to an increase in cash, property taxes, income taxes and net capital assets. Cash increased due to an increase in income taxes as the economy continues to recover from the COVID 19 pandemic. In addition, the City saw an increase to property taxes from changes to assessed property valuations as well as additions to capital assets outpacing current year depreciation. The net pension liability represents the City's proportionate share of the pension plans' unfunded benefits. As indicated above, changes in pension/OPEB benefits, contribution rates, and return on investments affect the balance of the net pension/OPEB liabilities.

The net position for business-type activities increased from 2022. The increase in business-type net position can be attributed mainly to the City charges for services exceeding expenses.

Management continues to diligently plan expenses, staying carefully within the City's revenues in an effort to maintain excellent levels of service within the constraints of the budget.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year. Table 2 shows total revenues, expenses and changes in net position for fiscal years 2023 and 2022.

(Table 2)  
*Changes in Net Position*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
<b>Program Revenues</b>						
Charges for Services	\$1,255,595	\$1,115,773	\$150,293	\$138,326	\$1,405,888	\$1,254,099
Operating Grants and Contributions	1,882,663	608,123	0	0	1,882,663	608,123
<i>Total Program Revenues</i>	<u>3,138,258</u>	<u>1,723,896</u>	<u>150,293</u>	<u>138,326</u>	<u>3,288,551</u>	<u>1,862,222</u>
<b>General Revenues</b>						
Property Taxes	1,595,293	883,048	0	0	1,595,293	883,048
Municipal Income Tax	2,616,881	2,091,377	0	0	2,616,881	2,091,377
Grants and Entitlements not Restricted to Specific Programs	317,686	386,413	0	0	317,686	386,413
Gain on Sale of Capital Assets	0	5,150	0	0	0	5,150
Permissive Motor Vehicle Taxes	77,500	71,860	0	0	77,500	71,860
Investment Earnings/Interest	412,134	129,243	0	0	412,134	129,243
Other	521,043	520,883	3,596	0	524,639	520,883
<i>Total General Revenues</i>	<u>5,540,537</u>	<u>4,087,974</u>	<u>3,596</u>	<u>0</u>	<u>5,544,133</u>	<u>4,087,974</u>
<i>Total Revenues</i>	<u>\$8,678,795</u>	<u>\$5,811,870</u>	<u>\$153,889</u>	<u>\$138,326</u>	<u>\$8,832,684</u>	<u>\$5,950,196</u>

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

(Table 2)  
*Changes in Net Position (continued)*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
<b>Program Expenses</b>						
General Government	\$2,218,360	\$1,396,001	\$0	\$0	\$2,218,360	\$1,396,001
Security of Persons and Property:						
Police	1,732,352	1,528,443	0	0	1,732,352	1,528,443
Fire	602,175	446,145	0	0	602,175	446,145
Transportation	1,150,687	358,494	0	0	1,150,687	358,494
Community Environment	43,282	68,855	0	0	43,282	68,855
Basic Utility Services	513,135	506,277	0	0	513,135	506,277
Leisure Time Activities	229,468	184,414	0	0	229,468	184,414
Public Health Services	3,116	0	0	0	3,116	0
Interest	22,116	15,172	0	0	22,116	15,172
Water	0	0	0	0	0	0
Storm Water Management	0	0	134,781	198,376	134,781	198,376
<i>Total Program Expenses</i>	<u>6,514,691</u>	<u>4,503,801</u>	<u>134,781</u>	<u>198,376</u>	<u>6,649,472</u>	<u>4,702,177</u>
<i>Change in Net Position</i>	<u>2,164,104</u>	<u>1,308,069</u>	<u>19,108</u>	<u>(60,050)</u>	<u>2,183,212</u>	<u>1,248,019</u>
Net Position Beginning of Year	<u>10,727,428</u>	<u>9,419,359</u>	<u>488,933</u>	<u>548,983</u>	<u>11,216,361</u>	<u>9,968,342</u>
Net Position End of the Year	<u>\$12,891,532</u>	<u>\$10,727,428</u>	<u>\$508,041</u>	<u>\$488,933</u>	<u>\$13,399,573</u>	<u>\$11,216,361</u>

### **Governmental Activities**

Funding for governmental activities is derived from several sources, the largest of which is the City's municipal income tax. For 2023, annual income tax receipts were about half of all general revenues. The City's income tax rate is currently 2.5 percent. Residents of the City who work in another community receive a 100 percent credit on income earned outside the City and paid to another municipality.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations. Local government funding saw a decrease as the City began to receive less monthly State funded disbursements. Investment earnings and miscellaneous receipts are somewhat unpredictable revenue sources.

Program revenues represent less than half of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, charges for services for trash collection, fine money allocated to and restricted for use by the municipal court and grant money restricted by the State and Federal granting agencies. 2023 saw an increase in operating grants and contributions due to the City applying for and receiving more grant funding than the prior year.

Expenses for general government represent the overhead costs of running the City and the support services provided for the other governmental activities. These include the costs of council, the mayor, administration, law, finance (income tax, central cash, accounts payable, and payroll), and the Municipal Court.

Security of persons and property are the costs of police and fire protection; transportation is the cost of maintaining the roads; community environment represents expenses for private residential rehab and other activities through the CHIP program, and other activities which include road paving under the Small Cities Formula Allocation Program, both of which are funded with Federal Community Development Block Grants; basic utility services are the costs of providing trash collections services; leisure time activities are the costs of maintaining the parks and playing fields.

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

---

A separate five-year, three mills Safety Forces Levy provides approximately \$200,000 net of County Auditor and Treasurer's fees annually, allocated \$100,000 each to offset salaries from the Police and Fire Departments.

### **Business-Type Activities**

The City had two business-type activities in 2023, water treatment and storm water management. The largest sources of revenue for both water and storm water in 2023 were charges for services. These two activities received charges for services of \$679 from water and \$149,614 from storm water management. Water and storm water management operating expenses for 2023 amounted to \$0 and \$134,781, respectively. Personal services and contractual services were the largest expenses for the storm water management fund as these comprise of salaries and benefits for staff along with ensuring the health of the facilities.

### **The City's Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins with the balance sheet. The funds are accounted for using the modified accrual method of accounting.

As of the end of 2023, the City of Campbell's governmental funds reported a positive combined ending fund balance. The City's major governmental funds are the general fund, the street construction, maintenance and repair and police levy special revenue funds and the infrastructure/equipment improvement capital projects fund. The general fund had an increase in fund balance due to the City ensuring revenues exceeded expenditures by careful budget management. The street construction, maintenance and repair special revenue fund had an increase in fund balance due to an increase in grants received for road projects. The police levy special revenue fund had an increase in fund balance due to the first year of property tax collections. The infrastructure/equipment improvement capital projects fund had a decrease in fund balance due to existing cash balances being used for projects.

Proprietary funds are accounted for on an accrual basis.

Enterprise funds are handled in the same manner as governmental funds, with the intent to ensure the strength of these funds. These funds had total operating revenue of \$153,889 and total operating expenses of \$134,781.

### **General Fund Budgeting Highlights**

Budgeting for the operations of the City is done as prescribed by Ohio Revised Code. Essentially the budget is the City's appropriations, which is restricted by the amounts of the anticipated revenues certified by the Budget Commission in accordance with Ohio Revised Code. In 2023, actual revenues for the general fund were greater than final estimated revenues due to all revenues coming in higher than expected for the year. City Council's actual expenditures were less than final appropriations due to the City's careful monitoring of expenditures.

**City of Campbell, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2023*  
*Unaudited*

---

## **Capital Assets and Debt Administration**

### ***Capital Assets***

Total capital assets for the governmental activities, net of accumulated depreciation increased. Current year capital asset additions consisted of street projects, a new snow plow, police vehicle and technology improvements. The value of these additions was more than the current year depreciation, resulting in an increase to capital assets.

Total capital assets for the business-type activities, net of accumulated depreciation remained static due to additions and current year depreciation remaining close. See Note 9 to the basic financial statements for additional information on capital assets.

### **Long-Term Obligations**

The long-term obligations include net pension and post-employment liabilities, police and fire pension liability, lease payable, subscription payable and compensated absences.

Police and Fire Pension accrued liability payments are funded by two separate allocations of 0.3 mills inside millage, which generates approximately \$42,000 annually.

With the implementation of GASB 87 and GASB 96, the City has leases payable related to copiers and subscription payable related to software.

The City's overall legal debt margin was \$7,889,283 with an unvoted debt margin of \$4,132,482 at December 31, 2023. For more information about the City's long-term obligations, see Note 12 to the basic financial statements.

### **Current Financial Issues**

The City is encouraging development of the land located in former steel mill property since the property has now been environmentally cleared. A grant was obtained for Brownfield restoration and environmental studies.

The challenge for the City is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. The City relies heavily on local taxes and has very little industry to support the tax base. Faced with declining revenues, increased costs for goods and services, primarily energy costs, the City is attempting to hold down on expenditures wherever possible, and keep personnel costs in check.

### **Contacting the City of Campbell's Financial Management**

This financial report is designed to provide our citizen's, 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 you have questions about this report or need additional financial information, please contact Nikitas Tsikouris, Director of Finance, 351 Tenney Avenue, Campbell, Ohio 44405, telephone 330-755-9863.



**City of Campbell, Ohio**

*Statement of Net Position*

*December 31, 2023*

	Governmental Activities	Business-Type Activities	Total *
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$11,607,298	\$346,412	\$11,953,710
Cash and Cash Equivalents			
In Segregated Accounts	25,958	0	25,958
Property Taxes Receivable	1,947,203	0	1,947,203
Income Taxes Receivable	1,044,903	0	1,044,903
Permissive Motor Vehicle Taxes Receivable	6,230	0	6,230
Accounts Receivable	239,086	46,188	285,274
Intergovernmental Receivable	480,373	0	480,373
Prepaid Items	34,078	344	34,422
Materials and Supplies Inventory	21,538	0	21,538
Nondepreciable Capital Assets	807,598	0	807,598
Depreciable Capital Assets, Net	3,266,544	137,162	3,403,706
<i>Total Assets</i>	<u>19,480,809</u>	<u>530,106</u>	<u>20,010,915</u>
<b>Deferred Outflow of Resources</b>			
Pension	1,862,601	29,368	1,880,968
OPEB	291,714	2,889	294,552
<i>Total Deferred Outflows of Resources</i>	<u>2,154,315</u>	<u>32,257</u>	<u>2,175,520</u>
<b>Liabilities</b>			
Accounts Payable	184,914	4,703	189,617
Contracts Payable	31,414	0	31,414
Accrued Wages	86,624	866	87,490
Intergovernmental Payable	76,314	598	76,912
Matured Compensated Absences Payable	9,266	0	9,266
Accrued Interest Payable	1,130	0	1,130
Claims Payable	42,904	0	42,904
Unearned Revenue	13,754	0	13,754
Long-Term Liabilities:			
Due Within One Year	180,475	0	180,475
Due In More Than One Year			
Net Pension Liability (See Note 14)	5,356,991	46,818	5,403,809
Net OPEB Liability (See Note 15)	289,745	948	290,693
Other Amounts	591,818	0	591,818
<i>Total Liabilities</i>	<u>6,865,349</u>	<u>53,933</u>	<u>6,919,282</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	1,225,521	0	1,225,521
Pension	320,001	66	309,066
OPEB	332,721	323	332,993
<i>Total Deferred Inflows of Resources</i>	<u>1,878,243</u>	<u>389</u>	<u>1,867,580</u>
<b>Net Position</b>			
Net Investment in Capital Assets	3,948,495	137,162	4,085,657
Restricted for:			
Capital Projects	6,938,927	0	6,938,927
Other Purposes	2,935,368	0	2,935,368
Unrestricted (Deficit)	(931,258)	370,879	(560,379)
<i>Total Net Position</i>	<u>\$12,891,532</u>	<u>\$508,041</u>	<u>\$13,399,573</u>

\* After Deferred Outflows and Inflows of Resources related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2023

	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Governmental Activities:</b>			
General Government	\$2,218,360	\$268,534	\$584,234
Security of Persons and Property:			
Police	1,732,352	260,539	88,688
Fire	602,175	70,182	47,304
Public Health Services	3,116	45,085	0
Transportation	1,150,687	0	1,138,727
Community Environment	43,282	3,750	23,410
Basic Utility Services	513,135	580,000	0
Leisure Time Activities	229,468	27,505	300
Interest	22,116	0	0
<i>Total Governmental Activities</i>	<u>6,514,691</u>	<u>1,255,595</u>	<u>1,882,663</u>
<b>Business-Type Activities:</b>			
Water	0	679	0
Storm Water Management	<u>134,781</u>	<u>149,614</u>	<u>0</u>
<i>Total Business-Type Activities</i>	<u>134,781</u>	<u>150,293</u>	<u>0</u>
<i>Total</i>	<u><u>\$6,649,472</u></u>	<u><u>\$1,405,888</u></u>	<u><u>\$1,882,663</u></u>

**General Revenues**

Property Taxes Levied for:

    General Purposes

    Safety Forces

    Street

    Police

    Fire

Municipal Income Taxes Levied for:

    General Purposes

    Park

Grants and Entitlements not Restricted  
to Specific Programs

Permissive Motor Vehicle Taxes

Investment Earnings/Interest

Other

*Total General Revenues*

Change in Net Position

*Net Position Beginning of Year*

*Net Position End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$1,365,592)	\$0	(\$1,365,592)
(1,383,125)	0	(1,383,125)
(484,689)	0	(484,689)
41,969	0	41,969
(11,960)	0	(11,960)
(16,122)	0	(16,122)
66,865	0	66,865
(201,663)	0	(201,663)
(22,116)	0	(22,116)
(3,376,433)	0	(3,376,433)
0	679	679
0	14,833	14,833
0	15,512	15,512
(3,376,433)	15,512	(3,360,921)
368,027	0	368,027
177,641	0	177,641
177,641	0	177,641
624,330	0	624,330
247,654	0	247,654
2,355,193	0	2,355,193
261,688	0	261,688
317,686	0	317,686
77,500	0	77,500
412,134	0	412,134
521,043	3,596	524,639
5,540,537	3,596	5,544,133
2,164,104	19,108	2,183,212
10,727,428	488,933	11,216,361
\$12,891,532	\$508,041	\$13,399,573

**City of Campbell, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2023*

	General	Street Construction, Maintenance and Repair	Police Levy	Infrastructure/ Equipment Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$2,039,724	\$74,507	\$309,757	\$6,938,272	\$1,758,070	\$11,120,330
Cash and Cash Equivalents In Segregated Accounts	18,066	0	0	0	7,892	25,958
Receivables:						
Property Taxes	531,796	272,019	588,738	0	554,650	1,947,203
Income Taxes	940,413	0	0	0	104,490	1,044,903
Permissive Motor Vehicle Taxes	0	0	0	0	6,230	6,230
Accounts	41,273	0	0	0	197,813	239,086
Intergovernmental	159,973	223,779	15,227	0	81,394	480,373
Interfund Receivable	140,659	0	0	0	0	140,659
Materials and Supplies Inventory	0	21,538	0	0	0	21,538
Prepaid Items	30,637	2,065	0	0	1,376	34,078
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	90,079	0	0	0	0	90,079
<b>Total Assets</b>	<b>\$3,992,620</b>	<b>\$593,908</b>	<b>\$913,722</b>	<b>\$6,938,272</b>	<b>\$2,711,915</b>	<b>\$15,150,437</b>
<b>Liabilities</b>						
Accounts Payable	\$122,725	\$829	\$0	\$0	\$61,360	\$184,914
Contracts Payable	0	15,707	0	0	15,707	31,414
Accrued Wages	72,641	5,084	0	0	8,899	86,624
Intergovernmental Payable	65,487	3,746	0	0	7,081	76,314
Interfund Payable	0	0	0	0	140,659	140,659
Matured Compensated Absences Payable	9,266	0	0	0	0	9,266
Unearned Revenue	0	0	0	0	13,754	13,754
<b>Total Liabilities</b>	<b>270,119</b>	<b>25,366</b>	<b>0</b>	<b>0</b>	<b>247,460</b>	<b>542,945</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	334,699	171,202	370,537	0	349,083	1,225,521
Unavailable Revenue	1,114,896	252,492	233,428	0	520,470	2,121,286
<b>Total Deferred Inflows of Resources</b>	<b>1,449,595</b>	<b>423,694</b>	<b>603,965</b>	<b>0</b>	<b>869,553</b>	<b>3,346,807</b>
<b>Fund Balances</b>						
Nonspendable	54,332	23,603	0	0	1,376	79,311
Restricted	0	121,245	309,757	6,938,272	1,680,803	9,050,077
Committed	0	0	0	0	37,795	37,795
Assigned	22,771	0	0	0	0	22,771
Unassigned (Deficit)	2,195,803	0	0	0	(125,072)	2,070,731
<b>Total Fund Balances</b>	<b>2,272,906</b>	<b>144,848</b>	<b>309,757</b>	<b>6,938,272</b>	<b>1,594,902</b>	<b>11,260,685</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$3,992,620</b>	<b>\$593,908</b>	<b>\$913,722</b>	<b>\$6,938,272</b>	<b>\$2,711,915</b>	<b>\$15,150,437</b>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2023*

<b>Total Governmental Fund Balances</b>		<b>\$11,260,685</b>
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		4,074,142
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds:		
Delinquent Property Taxes	721,682	
Municipal Income Taxes	870,383	
Intergovernmental	331,351	
Charges for Services	129,644	
Fines, Forfeitures and Settlements	39,352	
Franchise Fees	15,689	
Miscellaneous	<u>13,185</u>	
Total		2,121,286
The internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund is included as part of governmental activities in the statement of net position.		353,985
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(1,130)
The net pension liability and the net OPEB liability are not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	1,862,601	
Net Pension Liability	(5,356,991)	
Deferred Inflows - Pension	(320,001)	
Deferred Outflows - OPEB	291,714	
Net OPEB Liability	(289,745)	
Deferred Inflows - OPEB	<u>(332,721)</u>	
Total		(4,145,143)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Police and Fire Pension Loan	(319,104)	
Leases	(68,998)	
Subscription Payable	(56,649)	
Compensated Absences	<u>(327,542)</u>	
Total		<u>(772,293)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$12,891,532</u></u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2023*

	General	Street Construction, Maintenance and Repair	Police Levy	Infrastructure/ Equipment Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	\$361,985	\$171,054	\$370,418	\$0	\$353,353	\$1,256,810
Municipal Income Taxes	2,166,341	0	0	0	240,705	2,407,046
Permissive Motor Vehicle Taxes	0	0	0	0	77,500	77,500
Charges for Services	93,545	0	0	0	553,634	647,179
Licenses and Permits	72,496	0	0	0	161,789	234,285
Fines, Forfeitures and Settlements	254,636	0	0	0	5,733	260,369
Intergovernmental	331,216	583,547	30,453	0	713,200	1,658,416
Investment Earnings/Interest	399,772	4,121	0	0	8,241	412,134
Rentals	0	0	0	0	27,505	27,505
Contributions and Donations	0	0	0	0	8,200	8,200
Other	356,150	2,307	0	0	77,404	435,861
<i>Total Revenues</i>	<u>4,036,141</u>	<u>761,029</u>	<u>400,871</u>	<u>0</u>	<u>2,227,264</u>	<u>7,425,305</u>
<b>Expenditures</b>						
Current:						
General Government	1,598,521	0	0	0	538,434	2,136,955
Security of Persons and Property:						
Police	1,211,218	0	91,114	0	323,728	1,626,060
Fire	472,035	0	0	0	68,467	540,502
Public Health Services	0	0	0	0	3,116	3,116
Transportation	0	679,337	0	0	162,613	841,950
Community Environment	0	0	0	0	45,641	45,641
Basic Utility Services	0	0	0	0	513,135	513,135
Leisure Time Activities	0	0	0	0	267,297	267,297
Capital Outlay	0	0	0	206,785	42,000	248,785
Debt Service:						
Principal Retirement	13,617	0	0	0	232,218	245,835
Interest	2,395	0	0	0	22,322	24,717
<i>Total Expenditures</i>	<u>3,297,786</u>	<u>679,337</u>	<u>91,114</u>	<u>206,785</u>	<u>2,218,971</u>	<u>6,493,993</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	738,355	81,692	309,757	(206,785)	8,293	931,312
<b>Other Financing Sources (Uses)</b>						
Inception of Lease	66,317	0	0	0	0	66,317
Transfers In	0	0	0	0	7,634	7,634
Transfers Out	(7,634)	0	0	0	0	(7,634)
<i>Total Other Financing Sources (Uses)</i>	<u>58,683</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,634</u>	<u>66,317</u>
<i>Net Change in Fund Balances</i>	797,038	81,692	309,757	(206,785)	15,927	997,629
<i>Fund Balances Beginning of Year</i>	<u>1,475,868</u>	<u>63,156</u>	<u>0</u>	<u>7,145,057</u>	<u>1,578,975</u>	<u>10,263,056</u>
<i>Fund Balances End of Year</i>	<u>\$2,272,906</u>	<u>\$144,848</u>	<u>\$309,757</u>	<u>\$6,938,272</u>	<u>\$1,594,902</u>	<u>\$11,260,685</u>

See accompanying notes to the basic financial statements

**City of Campbell, 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, 2023*

---

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$997,629</b>
---	------------------

*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/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period:

Capital Asset Additions	604,218	
Current Year Depreciation/Amortization	(233,195)	
<b>Total</b>		<b>371,023</b>

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

Delinquent Property Taxes	323,441	
Municipal Income Taxes	209,835	
Intergovernmental	1,945	
Charges for Services	31,216	
Fines, Forfeitures and Settlements	55,041	
Miscellaneous	13,185	
<b>Total</b>		<b>634,663</b>

The internal service fund used by management is not reported in the City-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental funds.

84,493

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

Pension	333,065	
OPEB	5,573	
<b>Total</b>		<b>338,638</b>

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

Pension	(519,672)	
OPEB	128,081	
<b>Total</b>		<b>(391,591)</b>

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

245,835

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

2,601

Some expenses do not require the use of current financial resources such as compensated absences, therefore are not reported as expenditures in the governmental funds.

(52,870)

Other financing sources in the governmental funds, such as inception of lease, increase long-term liabilities in the statement of net position.

(66,317)

<i>Change in Net Position of Governmental Activities</i>	<u><u><b>\$2,164,104</b></u></u>
--	----------------------------------

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2023*

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
<b>Revenues</b>				
Property Taxes	\$264,194	\$264,194	\$361,985	\$97,791
Municipal Income Taxes	1,589,285	1,589,285	2,177,558	588,273
Charges for Services	66,455	66,455	91,053	24,598
Licenses and Permits	251,996	251,996	90,636	(161,360)
Fines, Forfeitures and Settlements	0	0	254,636	254,636
Intergovernmental	244,326	244,326	334,763	90,437
Investment Earnings/Interest	291,773	291,773	399,772	107,999
Other	257,992	257,992	281,492	23,500
<i>Total Revenues</i>	<u>2,966,021</u>	<u>2,966,021</u>	<u>3,991,895</u>	<u>1,025,874</u>
<b>Expenditures</b>				
Current:				
General Government	1,548,892	1,564,292	1,416,600	147,692
Security of Persons and Property:				
Police	1,508,655	1,516,155	1,142,999	373,156
Fire	468,595	491,705	473,521	18,184
<i>Total Expenditures</i>	<u>3,526,142</u>	<u>3,572,152</u>	<u>3,033,120</u>	<u>539,032</u>
<i>Net Change in Fund Balance</i>	(560,121)	(606,131)	958,775	1,564,906
<i>Fund Balance Beginning of Year</i>	1,118,698	1,118,698	1,118,698	0
Prior Year Encumbrances Appropriated	<u>22,200</u>	<u>22,200</u>	<u>22,200</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$580,777</u></u>	<u><u>\$534,767</u></u>	<u><u>\$2,099,673</u></u>	<u><u>\$1,564,906</u></u>

See accompanying notes to the basic financial statements



**City of Campbell, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Construction, Maintenance and Repair Fund*  
*For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property Taxes	\$117,978	\$196,358	\$171,054	(\$25,304)
Intergovernmental	700,684	619,358	469,076	(150,282)
Investment Earnings/Interest	2,842	4,731	4,121	(610)
Other	1,591	2,648	2,307	(341)
<i>Total Revenues</i>	823,095	823,095	646,558	(176,537)
<b>Expenditures</b>				
Current:				
Transportation	704,509	733,913	853,266	(119,353)
<i>Net Change in Fund Balance</i>	118,586	89,182	(206,708)	(295,890)
<i>Fund Balance Beginning of Year</i>	272,569	272,569	272,569	0
Prior Year Encumbrances Appropriated	4,323	4,323	4,323	0
<i>Fund Balance End of Year</i>	<u>\$395,478</u>	<u>\$366,074</u>	<u>\$70,184</u>	<u>(\$295,890)</u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Budget Basis)*  
*Police Levy Fund*  
*For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property Taxes	\$385,828	\$385,828	\$370,418	(\$15,410)
Intergovernmental	<u>0</u>	<u>0</u>	<u>30,453</u>	<u>30,453</u>
<i>Total Revenues</i>	385,828	385,828	400,871	15,043
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police	<u>385,828</u>	<u>385,828</u>	<u>91,114</u>	<u>294,714</u>
<i>Net Change in Fund Balance</i>	0	0	309,757	309,757
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$309,757</u></u>	<u><u>\$309,757</u></u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2023*

	Enterprise			Internal Service
	Water	Storm Water Management	Total	
<b>Assets</b>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$66,470	\$279,942	\$346,412	\$396,889
Accounts Receivable	0	46,188	46,188	0
Prepaid Items	0	344	344	0
<i>Total Current Assets</i>	66,470	326,474	392,944	396,889
<i>Noncurrent Assets:</i>				
Depreciable Capital Assets, Net	0	137,162	137,162	0
<i>Total Assets</i>	66,470	463,636	530,106	396,889
<b>Deferred Outflows of Resources</b>				
Pension	0	29,368	29,368	0
OPEB	0	2,889	2,889	0
<i>Total Deferred Outflows of Resources</i>	0	32,257	32,257	0
<b>Liabilities</b>				
<i>Current Liabilities:</i>				
Accounts Payable	0	4,703	4,703	0
Accrued Wages	0	866	866	0
Intergovernmental Payable	0	598	598	0
Claims Payable	0	0	0	42,904
<i>Total Current Liabilities</i>	0	6,167	6,167	42,904
<i>Long-Term Liabilities (net of current portion):</i>				
Net Pension Liability	0	46,818	46,818	0
Net OPEB Liability	0	948	948	0
<i>Total Long-Term Liabilities</i>	0	47,766	47,766	0
<i>Total Liabilities</i>	0	53,933	53,933	42,904
<b>Deferred Inflows of Resources</b>				
Pension	0	66	66	0
OPEB	0	323	323	0
<i>Total Deferred Outflows of Resources</i>	0	389	389	0
<b>Net Position</b>				
Net Investment in Capital Assets	0	137,162	137,162	0
Unrestricted	66,470	304,409	370,879	353,985
<i>Total Net Position</i>	\$66,470	\$441,571	\$508,041	\$353,985

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2023*

	Enterprise			
	Water	Storm Water Management	Total	Internal Service
<b>Operating Revenues</b>				
Charges for Services	\$679	\$149,614	\$150,293	\$834,221
Other	0	3,596	3,596	71,997
<i>Total Operating Revenues</i>	<u>679</u>	<u>153,210</u>	<u>153,889</u>	<u>906,218</u>
<b>Operating Expenses</b>				
Personal Services	0	61,608	61,608	0
Materials and Supplies	0	7,815	7,815	0
Contractual Services	0	41,250	41,250	328,654
Depreciation	0	19,732	19,732	0
Claims	0	0	0	493,071
Other	0	4,376	4,376	0
<i>Total Operating Expenses</i>	<u>0</u>	<u>134,781</u>	<u>134,781</u>	<u>821,725</u>
<i>Change in Net Position</i>	<u>679</u>	<u>18,429</u>	<u>19,108</u>	<u>84,493</u>
<i>Net Position Beginning of Year</i>	<u>65,791</u>	<u>423,142</u>	<u>488,933</u>	<u>269,492</u>
<i>Net Position End of Year</i>	<u>\$66,470</u>	<u>\$441,571</u>	<u>\$508,041</u>	<u>\$353,985</u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

	Enterprise			Internal
	Water	Storm Water Management	Total	Service
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$679	\$145,549	\$146,228	\$834,221
Other Cash Receipts	0	3,596	3,596	71,997
Cash Payments to Employees for Services	0	(54,278)	(54,278)	0
Cash Payments for Goods and Services	0	(49,065)	(49,065)	(328,654)
Cash Payments for Claims	0	0	0	(463,930)
Other Cash Payments	0	(4,376)	(4,376)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>679</u>	<u>41,426</u>	<u>42,105</u>	<u>113,634</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Payments for Capital Acquisitions	0	(29,090)	(29,090)	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>679</u>	<u>12,336</u>	<u>13,015</u>	<u>113,634</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>65,791</u>	<u>267,606</u>	<u>333,397</u>	<u>283,255</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$66,470</u></u>	<u><u>\$279,942</u></u>	<u><u>\$346,412</u></u>	<u><u>\$396,889</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
Operating Income (Loss)	<u>\$679</u>	<u>\$18,429</u>	<u>\$19,108</u>	<u>\$84,493</u>
Adjustments:				
Depreciation	0	19,732	19,732	0
<i>(Increase) Decrease in Assets and Deferred Outflows:</i>				0
Accounts Receivable	0	(4,065)	(4,065)	
Prepaid Items	0	(6)	(6)	0
Deferred Outflows - Pension	0	16,400	16,400	0
Deferred Outflows - OPEB	0	1,963	1,963	0
<i>Increase (Decrease) in Liabilities and Deferred Inflows:</i>				
Accounts Payable	0	1,108	1,108	0
Claims Payable	0	0	0	29,141
Intergovernmental Payable	0	20	20	0
Net Pension Liability	0	(753)	(753)	0
Net OPEB Liability	0	(44)	(44)	0
Deferred Inflows - Pension	0	(7,370)	(7,370)	0
Deferred Inflows - OPEB	0	(3,988)	(3,988)	0
<i>Total Adjustments</i>	<u>0</u>	<u>22,997</u>	<u>22,997</u>	<u>29,141</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>\$679</u></u>	<u><u>\$41,426</u></u>	<u><u>\$42,105</u></u>	<u><u>\$113,634</u></u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2023*

---

---

**Assets**

Equity in Pooled Cash and Cash Equivalents \$444,026

Cash and Cash Equivalents in Segregated Accounts 28,499

*Total Assets* 472,525

**Liabilities**

Intergovernmental Payable 416,396

**Net Position**

Restricted for Individuals, Organizations and Other Governments \$56,129

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
*For the Year Ended December 31, 2023*

<hr/> <hr/>	
<b>Additions</b>	
Fines, Licenses and Permits for Others	\$238,574
Charges for Services for Other Governments	<u>1,937,697</u>
<i>Total Additions</i>	<u>2,176,271</u>
 <b>Deductions</b>	
Fines, Licenses and Permits Distributions to Other Governments	196,459
Charges for Services Distributions to Other Governments	1,937,697
Distributions to Individuals	<u>35,250</u>
<i>Total Deductions</i>	<u>2,169,406</u>
 <i>Change in Net Position</i>	6,865
 <i>Net Position Beginning of Year</i>	<u>49,264</u>
 <i>Net Position End of Year</i>	<u><u>\$56,129</u></u>

See accompanying notes to the basic financial statements

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

**Note 1 – Description of the City and Reporting Entity**

The City of Campbell (the “City”) is a charter municipal corporation, incorporated under the laws of the State of Ohio. The City operates under its own Charter made effective November 3, 1970. The Charter, as amended, provides for a Council-Mayor form of government.

The Mayor, elected by the voters for a two-year term, is the head of the municipal government for ceremonial, administrative, and executive purposes and presides at Council meetings. He also appoints all department heads and executes all contracts, conveyances and evidences of indebtedness of the City.

Legislative authority is vested in a five member council with the President of Council being elected at large and four members elected to specific wards and serves a term of two years. Council enacts ordinances and resolutions relating to tax levies, appropriates and borrows money and accepts bids for materials and services and other municipal purposes.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Campbell, this includes the agencies and departments that provide the following services: police and fire protection, emergency medical, parks and recreation, street maintenance and municipal court. The operation of each of these activities is directly controlled by City Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City participates in two jointly governed organizations, the Eastgate Regional Council of Governments and the Regional Income Tax Agency, discussed in Note 17 to the basic financial statements.

The City's management believes these financial statements present all activities for which the City is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

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



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Basis of Presentation***

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

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

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

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

***Fund Accounting***

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

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

***General Fund*** – The general fund accounts for and reports all financial resources except those required to be accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Campbell and/or the general laws of Ohio.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Street Construction, Maintenance and Repair Fund*** – The street construction, maintenance and repair fund accounts for and reports property taxes and State gasoline tax and motor vehicle registration fees that are restricted for maintenance of streets within the City.

***Policy Levy Fund*** – The police levy fund accounts for and reports property taxes that are restricted for the operations of the police department.

***Infrastructure/Equipment Improvement Fund*** – The infrastructure/equipment improvement capital projects fund accounts for and reports transfers related to the sale of the water plant, restricted for the purchase of and payments for capital improvements.

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

***Proprietary Funds*** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

***Water Fund*** - The water fund accounts for revenues generated from the charges for distribution of water to the residential and commercial users located within the City. The costs of providing these services are financed primarily through user charges.

***Storm Water Management Fund*** - The storm water management fund accounts for charges for serves for the construction and operation of drainage facilities.

***Internal Service Fund*** Internal service funds account for the financing of services provided by one department of agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund is a health fund that accounts for vision, dental, life, prescription drug and hospital/medical claims of the City employees.

***Fiduciary Fund Types***

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

The City's fiduciary funds are custodial funds. The City's custodial funds account for amounts collected and distributed on behalf of another government for sewer charges and to account for amounts seized and held payable and the City's municipal court. The City has no administrative involvement with any of these funds.

***Measurement Focus***

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

***Reclassifications*** Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements.

***Basis of Accounting***

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

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the year in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

***Unearned Revenue*** Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 14 and 15.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB, leases and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance year 2024 operations. The amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the government fund financial statements. The deferred inflow for leases is related to leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, grants and entitlements, fines, forfeitures and settlements and charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balance to net position of governmental activities found on page 17. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 14 and 15).

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

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

***Pensions/Other Postemployment Benefits (OPEB)***

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents". The City had no investments during the year or at year end.

Various departments within the City have segregated bank accounts for monies held separate from the City's central bank account. These accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited with the Finance Director.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment Earnings/Interest revenue credited to the general fund during 2023 amount to \$399,772, of which \$326,300 is assigned from other City funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents.

***Inventory***

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

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2023 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported the year in which services are consumed.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies and fire deposits.

***Capital Assets***

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

All capital assets (except for land, construction in progress and intangible right-to-use lease assets and subscription assets which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000 with the exception of land as land was included regardless of cost. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life or not.

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

Description	Governmental and Business-Type Activities
	Estimated Lives
Land Improvements	15 - 50 years
Buildings	40 years
Machinery and Equipment	5 - 20 years
Vehicles	8 years
Infrastructure	30 - 100 years
Intangible Right to Use - Equipment	5 years
Intangible Right to Use - Software	5 years

The City reports infrastructure consisting of roads, traffic signals and waterlines. Traffic signals and waterlines include assets acquired prior to December 31, 2011. Roads do not include assets acquired prior to December 31, 2011.

The City is reporting intangible right to use assets related to leased equipment and subscription assets. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity. Subscription assets represent intangible right to the use of another party's IT software. These intangible right to use are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

***Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balances amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive the compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee's wage rates at year end, taking into consideration any limits in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after ten years of service.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

***Accrued Liabilities and Long-Term Obligations***

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

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

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the City Council. In the general fund, assigned amounts represent intended uses established by policies of the Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

***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 fund balance.

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

***Net Position***

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, 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 enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for recycling, court computerization and unclaimed monies.

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



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, storm water services and the self-insurance program. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Revenues and expenses which do not meet these definitions are reported as non-operating.

***Internal Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

***Estimates***

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

***Budgetary Process***

All funds, except custodial funds are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the general fund and other governmental funds. These custodial funds are not required to be budgeted and appropriated and therefore are not included in the Accountability and Compliance note (Note 3). The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level by department for all funds. Budgetary modification may only be made by resolution of the City Council at the legal level of control. Authority to further allocate Council appropriations within the object level has been given to the Finance Director.

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

***Leases and SBITAs***

The City serves as lessee in various noncancellable leases which are accounted for as follows:

***Lessee*** At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The City is reporting Subscription-Based Information Technology Arrangements (SBITAs) for a noncancellable IT software contract. At the commencement of the subscription term, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at the commencement of the subscription term, plus certain initial implementation costs. Subsequently, the subscription asset is amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT asset. Subscription assets are reported with other capital assets and subscription payables are reported with long-term debt on the statement of net position.

**Note 3 – Accountability and Compliance**

***Accountability***

Fund balances at December 31, 2023, included the following individual fund deficits:

	<u>Deficit Fund Balances</u>
<i>Special Revenue Funds:</i>	
Clean Ohio	\$63,241
Industrial Light Grant	55,429
YHMA	6,402

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the general fund needed for operations until the receipt of grant monies. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
For The Year Ended December 31, 2023

**Compliance**

The City had a negative cash balance of \$17,375 in the YMHA police patrol special revenue funds, indicating that revenue from other sources was used to pay obligations of these funds contrary to Ohio Revised Code Section 5705.10.

Although these cash deficits were not corrected by year end, management has indicated that appropriations and cash will be closely monitored to prevent future violations.

**Note 4 - Fund Balances**

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

Fund Balances	General	Street Construction, Maintenance and Repair	Police Levy	Infrastructure/ Equipment Improvement	Other Governmental Funds	Total
<b><i>Nonspendable</i></b>						
Inventory	\$0	\$21,538	\$0	\$0	\$0	\$21,538
Prepays	30,637	2,065	0	0	1,376	34,078
Unclaimed Monies	23,695	0	0	0	0	23,695
<b><i>Total Nonspendable</i></b>	<b>54,332</b>	<b>23,603</b>	<b>0</b>	<b>0</b>	<b>1,376</b>	<b>79,311</b>
<b><i>Restricted for</i></b>						
Recreation	0	0	0	0	271,706	271,706
Safety Forces	0	0	309,757	0	207,889	517,646
Street Maintenance	0	121,245	0	0	264,160	385,405
Recycling	0	0	0	0	38,099	38,099
Enforcement and Education	0	0	0	0	709,277	709,277
Community Development	0	0	0	0	189,017	189,017
Capital Improvements	0	0	0	6,938,272	655	6,938,927
<b><i>Total Restricted</i></b>	<b>0</b>	<b>121,245</b>	<b>309,757</b>	<b>6,938,272</b>	<b>1,680,803</b>	<b>9,050,077</b>
<b><i>Committed to</i></b>						
Capital Improvements	0	0	0	0	37,795	37,795
<b><i>Assigned to</i></b>						
Purchases on Order:						
General Government	10,870	0	0	0	0	10,870
Security of Persons and Property:						
Police	10,531	0	0	0	0	10,531
Fire	1,370	0	0	0	0	1,370
<b><i>Total Assigned</i></b>	<b>22,771</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,771</b>
<b><i>Unassigned (Deficit)</i></b>	<b>2,195,803</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(125,072)</b>	<b>2,070,731</b>
<b><i>Total Fund Balances</i></b>	<b>\$2,272,906</b>	<b>\$144,848</b>	<b>\$309,757</b>	<b>\$6,938,272</b>	<b>\$1,594,902</b>	<b>\$11,260,685</b>

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

**Note 5 - Budgetary Basis of Accounting**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual for the general and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed or assigned fund balance (GAAP).
4. Certain non-budgeted activity was not included in the appropriated activity of the fund.

The following table summarized the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the major special revenue fund:

Net Change in Fund Balances			
	General	Street Construction, Maintenance and Repair	Police Levy
GAAP Basis	\$797,038	\$81,692	\$309,757
Net Adjustment for Revenue Accruals	(108,071)	(114,471)	0
Beginning Non-Budgeted Activity	22,242	0	0
Ending Non-Budgeted Activity	(24,734)	0	0
Net Adjustment for Expenditures Accruals	295,071	(169,606)	0
Encumbrances	(22,771)	(4,323)	0
Budget Basis	<u>\$958,775</u>	<u>(\$206,708)</u>	<u>\$309,757</u>

**Note 6 - Deposits and Investments**

The City has chosen to follow State statutes and classify monies held by the City into three categories.

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

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

Interim monies held by the City can be deposited or invested in the following securities:

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

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

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

The City has passed an ordinance allowing the City to invest monies not required to be used for a period of six months or more in the following:

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

**Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2023, \$2,880,987 of the City's total bank balance of \$12,567,867 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. Two of the City's financial institutions negotiated a reduced collateral floor of 60 percent with the Ohio Pooled Collateral System (OPCS) resulting in the uninsured and uncollateralized balance.

The City has a deposit policy for custodial risk in conjunction with the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**Note 7 - Receivables**

Receivables at December 31, 2023, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues and accounts (billings for user charges services and Opioid settlement monies).

All receivables, except property and income taxes, are expected to be received within one year. Property and income taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant and collected within one year.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes were levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2023, was \$20.06 per \$1,000 of assessed value. The assessed values of real and public utility tangible property upon which 2023 property tax receipts were based are as follows:

Real Property	\$64,755,380
Public Utility Personal Property	<u>10,380,650</u>
Total	<u><u>\$75,136,030</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2023, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2023 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

***Income Taxes***

The City levies and collects an income tax of two and half percent on all income earned within the City as well as on income of residents outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. In 2023, the proceeds were allocated ninety percent to the general fund and ten percent to the park special revenue fund.

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately 1.52 percent.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Intergovernmental Receivables***

A summary of intergovernmental receivables follows:

	<u>Amounts</u>
<b>Governmental Activities</b>	
Gasoline and Municipal Cents per Gallon	\$224,265
Local Government	108,413
Homestead and Rollback	92,768
Mahoning County Land Bank	22,000
YMHA	16,012
Department of Public Safety	9,557
City of Youngstown	6,669
Bureau of Workers' Compensation	689
<b>Total Governmental Activities</b>	<u><u>\$480,373</u></u>

***Opioid Settlement Monies***

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Subsequently, settlements have been reached with other distributors. As contingencies related to timing and measurement are resolved, a receivable will be reported in accompanying financial statements as a part of accounts receivable. As a participating subdivision, the City reported \$41,311 as an accounts receivable related to opioid settlement monies in the OneOhio special revenue fund in the accompanying financial statements. Collections of these settlement monies are expected to extend through 2038 with \$1,959 expected to be collected in 2024.

**Note 8 - Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn ten to twenty-five days of vacation per year, depending upon length of service. Earned unused vacation time is paid upon termination of employment. Employees earn sick leave at a rate of ten hours per month. Sick leave accrual is continuous, without limit. Upon retirement or death, an employee can be paid for 75 percent up to a maximum of 90 days of accumulated, unused sick leave.



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

**Note 9 - Capital Assets**

Capital asset activity for the year ended December 31, 2023, was as follows:

	Adjusted Balance 12/31/2022	Additions	Deductions	Balance 12/31/2023
<b>Governmental Activities</b>				
<b><i>Nondepreciable Capital Assets</i></b>				
Land	\$777,598	\$0	\$0	\$777,598
Construction in Progress	0	30,000	0	30,000
<b><i>Total Nondepreciable Capital Assets</i></b>	<b>777,598</b>	<b>30,000</b>	<b>0</b>	<b>807,598</b>
<b><i>Depreciable Capital Assets</i></b>				
<b><i>Tangible Assets</i></b>				
Land Improvements	831,365	0	0	831,365
Buildings	1,980,743	12,216	0	1,992,959
Machinery and Equipment	735,959	121,420	0	857,379
Vehicles	2,322,792	13,586	0	2,336,378
Infrastructure	1,698,009	360,679	0	2,058,688
<b><i>Total Tangible Assets</i></b>	<b>7,568,868</b>	<b>507,901</b>	<b>0</b>	<b>8,076,769</b>
<b><i>Intangible Right to Use Lease Assets</i></b>				
Intangible Right to Use - Equipment	22,277	66,317	0	88,594
Intangible Right to Use - Software	69,795	0	0	69,795
<b><i>Total Intangible Right to Use Lease Assets</i></b>	<b>92,072</b>	<b>66,317</b>	<b>0</b>	<b>158,389</b>
<b>Total Capital Assets being Depreciated</b>	<b>7,660,940</b>	<b>574,218</b>	<b>0</b>	<b>8,235,158</b>
<b><i>Less Accumulated Depreciation/Amortization:</i></b>				
<b><i>Depreciation</i></b>				
Land Improvements	(\$483,732)	(\$14,920)	\$0	(\$498,652)
Buildings	(1,697,707)	(17,258)	0	(1,714,965)
Machinery and Equipment	(580,753)	(23,182)	0	(603,935)
Vehicles	(1,503,089)	(119,815)	0	(1,622,904)
Infrastructure	(464,159)	(31,257)	0	(495,416)
<b>Total Depreciation</b>	<b>(4,729,440)</b>	<b>(206,432)</b>	<b>0</b>	<b>(4,935,872)</b>
<b><i>Amortization</i></b>				
Intangible Right to Use - Equipment	(5,979)	(13,617)	0	(19,596)
Intangible Right to Use - Software	0	(13,146)	0	(13,146)
<b>Total Amortization</b>	<b>(5,979)</b>	<b>(26,763)</b>	<b>0</b>	<b>(32,742)</b>
<b>Total Accumulated Depreciation/Amortization</b>	<b>(4,735,419)</b>	<b>(233,195)</b>	<b>0</b>	<b>(4,968,614)</b>
<b>Total Capital Assets being Depreciated/Amortized, Net</b>	<b>2,925,521</b>	<b>341,023</b>	<b>0</b>	<b>3,266,544</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$3,703,119</b>	<b>\$371,023</b>	<b>\$0</b>	<b>\$4,074,142</b>

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

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

	<u>Depreciation</u>	<u>Lease Amortization</u>	<u>Subscription Amortization</u>	<u>Total</u>
General Government	\$42,830	\$13,617	\$13,146	\$69,593
Security of Persons and Property:				
Police	48,287	0	0	48,287
Fire	34,843	0	0	34,843
Transportation	78,112	0	0	78,112
Leisure Time Activities	2,360	0	0	2,360
Total Depreciation Expense	<u>\$206,432</u>	<u>\$13,617</u>	<u>\$13,146</u>	<u>\$233,195</u>
	<u>Balance 12/31/2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/2023</u>
<b>Business Type Activities:</b>				
<b><i>Depreciable Capital Assets</i></b>				
<b><i>Tangible Assets</i></b>				
Vehicles	179,469	0	0	179,469
Infrastructure	74,711	29,090	0	103,801
Total Capital Assets being Depreciated	<u>254,180</u>	<u>29,090</u>	<u>0</u>	<u>283,270</u>
<b><i>Less Accumulated Depreciation:</i></b>				
<b><i>Depreciation</i></b>				
Vehicles	(125,629)	(17,947)	0	(143,576)
Infrastructure	(747)	(1,785)	0	(2,532)
Total Accumulated Depreciation	<u>(126,376)</u>	<u>(19,732)</u>	<u>0</u>	<u>(146,108)</u>
Total Capital Assets being Depreciated, Net	<u>127,804</u>	<u>9,358</u>	<u>0</u>	<u>137,162</u>
Business Type Activities Capital Assets, Net	<u>\$127,804</u>	<u>\$9,358</u>	<u>\$0</u>	<u>\$137,162</u>

## Note 10 - Contingencies

### *Litigation*

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

### *Grants*

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2023.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

**Note 11 - Risk Management**

The City is exposed to various risks of property and casualty losses, and injuries to employees.

***Property and Liability***

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

***Casualty and Property Coverage***

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. (At December 31, 2023, the Pool retained \$500,000 for casualty claims and \$250,000 for property claims). The Board of Directors and York periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain.

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

***Financial Position***

PEP's financial statements conform to generally accepted accounting principles, and preliminarily show the following assets, liabilities and net position at December 31, 2023 and 2022:

<u>Casualty and Property Coverage</u>	<u>2023</u>	<u>2022</u>
Assets	\$67,306,752	\$61,537,313
Liabilities	<u>23,172,377</u>	<u>18,643,081</u>
Net Position - Unrestricted	<u>\$44,134,375</u>	<u>\$42,894,232</u>

At December 31, 2023 and 2022, the liabilities above include unknown amounts of estimated incurred claims payable. The casualty coverage assets and net position above include approximately \$17.7 million and \$14.4 million of unpaid claims to be billed to approximately 616 member governments in the future, as of December 31, 2023 and 2022, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. This payable includes subsequent year's contributions due if the City terminates participation, as described in the last paragraph below.

As indicated by PEP, the rates PEP charges to compute member contributions, which are used to pay claims as they become due, are expected to increase from those used to determine the historical contributions detailed subsequently. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

This was the tenth year the City was a member of the PEP. The contribution for 2023 was \$91,683.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

For 2023, the City also has boiler and machinery insurance coverage in the amount of \$11,573,536 through PEP and crime policy insurance coverage in the amount of \$50,000 per employee theft through Cincinnati Insurance.

***Insurance***

The City has elected to provide employee hospital/medical, prescription, dental, vision and life insurance benefits through a self-insured program. Mutual Health Services serves as the third-party administrators who review and process medical, prescription claims on a self-funded basis and Guardian, on a fully insured basis handles the dental, vision and life claims which the City then pays after discounts are applied. An excess coverage insurance (stop loss) policy covers claims in excess of \$45,000 per employee and an aggregate of \$420,620 per year. The departments are charged an amount annually equal to the estimated costs for the year.

Incurred but not reported claims of \$42,904 have been accrued as a liability based on a review of January through February 2023 billings provided by the City Finance Department. The claims liability is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. Changes in the funds claim liability amount in 2022 and 2023 were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2022	\$18,129	\$525,566	\$529,932	\$13,763
2023	13,763	493,071	463,930	42,904

***Workers' Compensation***

Workers' compensation is provided by the State. 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.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

**Note 12 - Long-Term Obligations**

A schedule of changes in long-term obligations of the City during 2023 follows:

	Adjusted Balance 12/31/22	Additions	Reductions	Balance 12/31/23	Amounts Due in One Year
<b>Governmental Activities</b>					
Net Pension Liability					
OPERS	\$612,568	\$1,427,323	\$0	\$2,039,891	\$0
OP&F	2,159,991	1,157,109	0	3,317,100	0
Total Net Pension Liability	2,772,559	2,584,432	0	5,356,991	0
Net OPEB Liability					
OPERS	0	41,122	0	41,122	0
OP&F	378,961	0	(130,338)	248,623	0
Total Net OPEB Liability	378,961	41,122	(130,338)	289,745	0
<i>Other</i>					
Police and Fire Pension	340,339	0	(21,235)	319,104	22,148
Financed Purchases from Direct Borrowings	197,837	0	(197,837)	0	0
Leases Payable	16,298	66,317	(13,617)	68,998	14,029
Subscription Payable	69,795	0	(13,146)	56,649	13,541
Compensated Absences	274,672	52,870	0	327,542	130,757
<i>Total Other</i>	898,941	119,187	(245,835)	772,293	180,475
<i>Total Governmental Activities</i>	4,050,461	2,744,741	(376,173)	6,419,029	180,475
<b>Business-Type Activities</b>					
<i>Other</i>					
Net Pension Liability OPERS:					
Storm Water Management	4,725	42,093	0	46,818	0
Net OPEB Liability OPERS:					
Storm Water Management	0	948	0	948	0
<i>Total Business-Type Activities</i>	\$4,725	\$43,041	\$0	\$47,766	\$0

The police and fire pension liability will be paid from the police and fire pension funds. Compensated absences will be paid from the following funds: the general fund and the street construction and maintenance and repair special revenue fund. The financed purchases from direct borrowings were paid from the street maintenance and repair fund. There are no repayment schedules for the net pension/OPEB liabilities. However, employer pension/OPEB contributions are made from the following funds: the general fund, the street construction, maintenance and repair special revenue fund, and the storm water management enterprise fund. See Notes 14 and 15 for additional information related to the net pension/OPEB liabilities.

The City's overall legal debt margin was \$7,889,283 with an unvoted debt margin of \$4,132,482 at December 31, 2023. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2023, are as follows:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

Governmental Activities:

	Police and Fire Pension Liability	
	Principal	Interest
2024	22,148	13,329
2025	23,098	12,378
2026	24,090	11,386
2027	25,125	10,351
2028	26,204	9,272
2029-2033	148,904	28,477
2034-2035	49,535	2,086
Total	<u>\$319,104</u>	<u>\$87,279</u>

***Financed Purchase*** – In prior years, the City entered into financed purchase agreements for an International HV507 Gledhill truck and an International HV607 Henderson truck in the amount of \$329,156 being financed. The financed purchases were fully retired in 2023.

***Leases and Subscriptions Payable*** – The City has an outstanding agreement for a leased copier and also has various outstanding contracts to use of a SBITA vendor's IT software. The future lease/subscription payments were discounted based on the interest rate implicit in the lease or using the City's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease/subscription. The lease payable will be paid from the general fund and the subscription payable will be paid from the court capital improvement special revenue fund. A summary of the principal and interest amounts for the remaining leases is as follows:

	Governmental Activities	
Year	Principal	Interest
2024	27,570	3,682
2025	25,650	2,866
2026	22,514	2,173
2027	23,190	1,498
2028	8,646	802
2029-2030	18,077	817
	<u>\$125,647</u>	<u>\$11,838</u>

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

**Note 13 – Internal Activity**

***Interfund Balances***

Interfund balances at December 31, 2023, consist of the following:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>
	<u>General</u>
<b>Governmental Funds</b>	
<b><i>Other Governmental Funds:</i></b>	
Clean Ohio Fund	\$67,771
Industrial Light Grant Fund	55,513
YMHA	17,375
<b>Total</b>	<u><u>\$140,659</u></u>

Advances outstanding at December 31, 2023, consisted of general fund advances to the clean ohio and industrial light grant special revenue funds due to the timing of grant proceeds. The YMHA had an interfund payable to the general fund to cover negative cash due to the timing of the receipt of grant monies. Interfund balances are expected to be repaid within one year.

***Internal Balances – Change in Proportionate Share***

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

Balances related to the internal proportionate share for pension and OPEB at December 31, 2023, were as follows:

	<u>Pension</u>		<u>OPEB</u>	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Governmental Activities	<u>\$0</u>	<u>\$11,001</u>	<u>\$0</u>	<u>\$51</u>
Business-Type Activities:				
Storm Water Management	<u>\$11,001</u>	<u>\$0</u>	<u>\$51</u>	<u>\$0</u>
Total	<u><u>\$11,001</u></u>	<u><u>\$11,001</u></u>	<u><u>\$51</u></u>	<u><u>\$51</u></u>

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

**Note 14 - Defined Benefit Pension Plans**

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

***Net Pension Liability /Net OPEB Liability***

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

***Ohio Public Employees Retirement System (OPERS)***

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

The City sold its water operations to Aqua Ohio in 2020 at which time Aqua Ohio offered full-time employment to the City's existing water employees. These employees had the option to elect whether or not to continue their OPERS contribution pursuant to ORC 145.02 (A) (2). Aqua Ohio agreed to reimburse the City's contribution percentage for those employees who elected to maintain their OPERS benefit. The City shall continue to administer OPERS benefits until these employees leave Aqua Ohio. This relationship is presented as a special funding situation within the accompanying financial statements.

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

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

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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 upon receipt of the initial benefit payment.

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 base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

	<u>State and Local</u> <u>Traditional</u>
<b>2023 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
<b>2023 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

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

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

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

For 2023, the City's contractually required contribution was \$101,474 for the traditional plan and \$1,849 for the member-directed plan. Of these amounts, \$14,350 is reported as an intergovernmental payable for the traditional plan and \$261 for the member-directed plan. The Special Funding Situation's contractually required contribution was \$33,976. None of this amount is reported as an intergovernmental payable.

***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](http://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.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced 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, statutory survivors and annuity beneficiaries. Members participating in the DROP program have separate eligibility requirements related to COLA.

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

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

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

	<u>Police</u>	<u>Firefighters</u>
<b>2022 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2022 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$200,588 for 2023. Of this amount, \$42,455 is reported as an intergovernmental payable.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2023, the specific liability of the City was \$319,104 payable in semi-annual payments through the year 2035.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	OPERS		OP&F	Total
	Traditional Plan	Special Funding Situation		
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.00540900%	0.00165500%	0.03492040%	
Prior Measurement Date	0.00543000%	0.00166500%	0.03457410%	
Change in Proportionate Share	-0.00002100%	-0.00001000%	0.00034630%	
Proportionate Share of the:				
Net Pension Liability	\$1,597,821	\$488,888	\$3,317,100	\$5,403,809
Pension Expense	157,357	74,076	299,489	530,922

2023 pension expense for the member-directed defined contribution plan was \$1,849. The aggregate pension expense for all pension plans was \$532,771 for 2023.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

	OPERS		OP&F	Total
	Traditional Plan	Special Funding Situation		
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$53,073	\$16,238	\$49,755	\$119,066
Changes of assumptions	16,880	5,165	299,191	321,236
Net difference between projected and actual earnings on pension plan investments	455,429	139,348	482,929	1,077,706
Changes in proportion and differences between City contributions and proportionate share of contributions	0	7,453	19,469	26,922
City contributions subsequent to the measurement date	101,474	33,976	200,588	336,038
<b>Total Deferred Outflows of Resources</b>	<b>\$626,856</b>	<b>\$202,180</b>	<b>\$1,051,932</b>	<b>\$1,880,968</b>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$0	\$0	\$75,574	\$75,574
Changes of assumptions	0	0	64,683	64,683
Changes in proportion and differences between City contributions and proportionate share of contributions	8,785	1,055	158,969	168,809
<b>Total Deferred Inflows of Resources</b>	<b>\$8,785</b>	<b>\$1,055</b>	<b>\$299,226</b>	<b>\$309,066</b>

\$336,038 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS		OP&F	Total
	Traditional Plan	Special Funding Situation		
Year Ending December 31:				
2024	\$53,764	\$25,658	(\$16,459)	\$62,963
2025	105,677	32,212	124,154	262,043
2026	134,055	41,017	173,625	348,697
2027	223,101	68,262	274,481	565,844
2028	0	0	(3,683)	(3,683)
<b>Total</b>	<b>\$516,597</b>	<b>\$167,149</b>	<b>\$552,118</b>	<b>\$1,235,864</b>

**Actuarial Assumptions – OPERS**

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

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

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00%	

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

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

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
<b>City's proportionate share of the net pension liability (asset)</b>			
OPERS Traditional Plan	\$2,393,483	\$1,597,821	\$935,973
Special Funding Situation	732,338	488,888	286,381

**Actuarial Assumptions – OP&F**

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: 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.



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

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

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

For 2022, 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.

For 2022, 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.

For 2022, 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.

For 2022, 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.

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

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 geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.

\* levered 2.5x

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

**Discount Rate** For 2022, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from 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 of 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.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

***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	\$4,375,894	\$3,317,100	\$2,436,923

**Note 15 - Defined Benefit OPEB Plans**

See Note 14 for a description of the net OPEB liability (asset).

***Ohio Public Employees Retirement System (OPERS)***

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled 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 selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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 traditional pension plan and combined plan 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:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

**Group A** 30 years of qualifying service credit at any age;

**Group B** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

**Group C** 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't 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.

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.

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.

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

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

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, 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 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution was \$563 for 2023. Of this amount, \$80 is reported as an intergovernmental payable.

***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.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

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](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**Funding Policy** – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, 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 OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$5,026 for 2023. Of this amount, \$1,074 is reported as an intergovernmental payable.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2022, 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, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS			
	Traditional Plan	Special Funding Situation	OP&F	
Proportion of the Net OPEB Liability/Asset:				
Current Measurement Date	0.00513100%	0.00154100%	0.03492040%	
Prior Measurement Date	0.00511100%	0.00155000%	0.03457410%	
Change in Proportionate Share	0.00002000%	-0.00000900%	0.00034630%	
				Total
Proportionate Share of the:				
Net OPEB Liability	\$32,353	\$9,717	\$248,623	\$290,693
OPEB Expense	(\$97,045)	(\$25,614)	(\$7,475)	(\$130,134)

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS			
	Traditional Plan	Special Funding Situation	OP&F	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$0	\$0	\$14,836	\$14,836
Changes of assumptions	31,599	9,490	123,900	164,989
Net difference between projected and actual earnings on retirement plan investment:	64,252	19,297	21,324	104,873
Changes in proportion and differences between City contributions and proportionate share of contributions	13	1,130	3,122	4,265
City contributions subsequent to the measurement date	563	0	5,026	5,589
<b>Total Deferred Outflows of Resources</b>	<b>\$96,427</b>	<b>\$29,917</b>	<b>\$168,208</b>	<b>\$294,552</b>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$8,069	\$2,423	\$49,024	\$59,516
Changes of assumptions	2,600	781	203,353	206,734
Net difference between projected and actual earnings on OPEB plan investments	0	0	0	0
Changes in proportion and differences between City contributions and proportionate share of contributions	1,089	6	65,648	66,743
<b>Total Deferred Inflows of Resources</b>	<b>\$11,758</b>	<b>\$3,210</b>	<b>\$318,025</b>	<b>\$332,993</b>

\$5,589 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase in the net OPEB asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS			
	Traditional Plan	Special Funding Situation	OP&F	Total
Year Ending December 31:				
2024	\$9,528	\$4,311	(\$31,504)	(\$17,665)
2025	23,503	7,056	(26,522)	4,037
2026	20,035	6,017	(16,563)	9,489
2027	31,040	9,322	(9,381)	30,981
2028	0	0	(21,676)	(21,676)
Thereafter	0	0	(49,197)	(49,197)
<b>Total</b>	<b>\$84,106</b>	<b>\$26,706</b>	<b>(\$154,843)</b>	<b>(\$44,031)</b>

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

**Actuarial Assumptions - OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent
	including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial
	3.50 percent, ultimate in 2036
Actuarial Cost Method	Individual Entry Age

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.



**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, 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	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

**Discount Rate** A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 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) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, 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 to Changes in the Discount Rate***

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

	1% Decrease 4.22%	Current Discount Rate 5.22%	1% Increase 6.22%
City's proportionate share of the net OPEB liability	\$110,111	\$32,353	(\$31,812)

***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 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 that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 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 plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
City's proportionate share of the net OPEB Liability	\$30,324	\$32,353	\$34,634

***Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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 as follows:

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---



---

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	4.27 percent
Prior measurement date	2.84 percent
Cost of Living Adjustments	2.2 percent simple per year
Projected Depletion Year of OPEB Assets	2036

For 2022, 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.

For 2022, 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.

For 2022, 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 131percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, 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.

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

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

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged 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 geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds*	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.

\* levered 2.5x

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

**Discount Rate** For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 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 (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease 3.27%	Current Discount Rate 4.27%	1% Increase 5.27%
City's proportionate share of the net OPEB liability	\$306,156	\$248,623	\$200,051

**Note 16 – Encumbrances**

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

<b>Governmental Funds</b>		<b>Proprietary Funds</b>	
General Fund	\$22,771	Storm Water Management	<u>\$4,600</u>
Street Construction, Maintenance and Repair	4,323		
Infrastructure/Equipment Improvement	23,175		
Other Governmental Funds	<u>50,931</u>		
Total Governmental Funds	<u>\$101,200</u>		

**Note 17 – Jointly Governed Organizations**

***Eastgate Regional Council of Governments***

The Eastgate Regional Council of Governments (ERCG) is a jointly governed organization that is committed to fostering cooperative regional efforts in the planning, programming and implementation of public sector activities. ERCG has thirty-six participating members. These include representatives from Ashtabula County, Mahoning County and Trumbull County, township trustees and officials from participating cities and villages. The operation of ERCG is controlled by a general policy board which consists of a representative from each participant. Funding comes from each of the participants. For 2023, the City contributed \$5,289 to the Eastgate Regional Council of Governments. For more information contact James Kinnick, executive director at 100 East Federal Street, Suite 1000, Youngstown, Ohio 44503.

**City of Campbell, Ohio**  
*Notes to the Basic Financial Statements*  
*For The Year Ended December 31, 2023*

---

***Regional Income Tax Agency***

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2023, the City paid RITA \$77,632 for income tax collection services.

**Note 18 – Change in Accounting Principle**

For 2023, the City implemented Governmental Accounting Standards Board (GASB) No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The City did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). These changes were incorporated in the City's 2023 financial statements. The City recognized \$69,795 in subscriptions payable at January 1, 2023 which was offset by the subscription asset.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

For 2023, the City also implemented the guidance in GASB's Implementation Guide No. 2021-1, *Implementation Guidance Update—2021* (other than question 5.1).

**Note 19 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April of 2023. During 2023, the City received COVID-19 funding. The City will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

---

## Required Supplementary Information

---

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

	2023	2022	2021	2020
<b><u>City Contributions:</u></b>				
City's Proportion of the Net Pension Liability	0.00540900%	0.00543000%	0.00561500%	0.00683966%
City's Proportionate Share of the Net Pension Liability	\$1,597,821	\$472,432	\$831,459	\$1,351,903
City's Covered Payroll	\$838,386	\$788,036	\$785,543	\$1,210,886
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.58%	59.95%	105.85%	111.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%
<b><u>Special Funding Situation:</u></b>				
Special Funding Situation's Proportion of the Net Pension Liability	0.00165500%	0.00166500%	0.00145500%	0.00177234%
Special Funding Situation's Proportionate Share of the Net Pension Liability	\$488,888	\$144,861	\$215,454	\$350,316

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

See accompanying notes to the required supplementary information.



2019	2018	2017	2016	2015	2014
0.00871400%	0.00880800%	0.00917700%	0.00897300%	0.00894800%	0.00894800%
\$2,386,588	\$1,381,805	\$2,083,942	\$1,554,235	\$1,079,229	\$1,054,853
\$1,086,864	\$1,164,038	\$1,186,417	\$1,116,807	\$1,096,975	\$1,015,953
219.58%	118.71%	175.65%	139.17%	98.38%	103.83%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

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

	2023	2022	2021	2020
<b><u>City Contributions:</u></b>				
City's Proportion of the Net OPEB Liability (Asset)	0.00513100%	0.00511100%	0.00529900%	0.00644256%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$32,353	(\$160,084)	(\$94,406)	\$889,883
City's Covered Payroll	\$853,911	\$797,036	\$796,168	\$1,224,811
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	3.79%	-20.08%	-11.86%	72.65%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%
<b><u>Special Funding Situation:</u></b>				
Special Funding Situation's Proportion of the Net OPEB Liability (Asset)	0.00154100%	0.00155000%	0.00135500%	0.00166944%
Special Funding Situation's Proportionate Share of the Net OPEB Liability	\$9,717	(\$48,548)	(\$24,140)	\$230,593

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

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

See accompanying notes to the required supplementary information.

2019	2018	2017
0.00819700%	0.00831000%	0.00868000%
\$1,068,695	\$902,406	\$876,709
\$1,095,564	\$1,176,788	\$1,200,417
97.55%	76.68%	73.03%
46.33%	54.14%	54.04%

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

	2023	2022	2021	2020
City's Proportion of the Net Pension Liability	0.03492040%	0.03457410%	0.03491410%	0.03634250%
City's Proportionate Share of the Net Pension Liability	\$3,317,100	\$2,159,991	\$2,380,125	\$2,448,224
City's Covered Payroll	\$1,001,899	\$927,017	\$899,300	\$907,426
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	331.08%	233.00%	264.66%	269.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%	69.89%

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

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
0.04167700%	0.04198900%	0.04509300%	0.05122800%	0.04944420%	0.04944420%
\$3,401,946	\$2,577,053	\$2,856,145	\$3,295,533	\$2,561,416	\$2,408,088
\$1,087,581	\$867,749	\$1,038,992	\$1,103,029	\$1,039,018	\$939,933
312.80%	296.98%	274.90%	298.77%	246.52%	256.20%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

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

	2023	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.03492040%	0.03457410%	0.03491410%	0.03634250%
City's Proportionate Share of the Net OPEB Liability	\$248,623	\$378,961	\$369,920	\$358,982
City's Covered Payroll	\$1,001,899	\$927,017	\$899,300	\$907,426
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	24.82%	40.88%	41.13%	39.56%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.86%	45.42%	47.08%

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

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

See accompanying notes to the required supplementary information.

2019	2018	2017
0.04167700%	0.04198900%	0.04509300%
\$379,533	\$2,379,038	\$2,140,463
\$1,087,581	\$867,749	\$1,038,992
34.90%	274.16%	206.01%
46.57%	14.13%	15.96%

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

	2023	2022	2021	2020
<b><u>City Contributions:</u></b>				
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$101,474	\$117,374	\$110,325	\$109,976
Contributions in Relation to the Contractually Required Contribution	(101,474)	(117,374)	(110,325)	(109,976)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
City Covered Payroll	\$724,814	\$838,386	\$788,036	\$785,543
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<b>Net OPEB Liability - OPEB Plan (1)</b>				
Contractually Required Contribution	\$563	\$621	\$360	\$425
Contributions in Relation to the Contractually Required Contribution	(563)	(621)	(360)	(425)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
City Covered Payroll (2)	\$742,031	\$853,911	\$797,036	\$796,168
OPEB Contributions as a Percentage of Covered Payroll	0.08%	0.07%	0.05%	0.05%
<b><u>Special Funding Situation:</u></b>				
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$33,976	\$35,911	\$33,829	\$28,686
Contributions in Relation to the Contractually Required Contribution	(33,976)	(35,911)	(33,829)	(28,686)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
Special Funding Situation Covered Payroll	\$242,686	\$256,507	\$241,636	\$204,900
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<b>Net OPEB Liability - OPEB Plan (2)</b>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
Special Funding Situation Covered Payroll (2)	\$242,686	\$256,507	\$241,636	\$204,900
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Information prior to 2016 is not available for the OPEB plan.

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

See accompanying notes to the required supplementary information.



2019	2018	2017	2016	2015	2014
\$169,524	\$152,161	\$151,325	\$142,370	\$134,017	\$131,637
(169,524)	(152,161)	(151,325)	(142,370)	(134,017)	(131,637)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,210,886	\$1,086,864	\$1,164,038	\$1,186,417	\$1,116,807	\$1,096,975
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$557	\$348	\$12,150	\$24,288		
(557)	(348)	(12,150)	(24,288)		
\$0	\$0	\$0	\$0		
\$1,224,811	\$1,095,564	\$1,176,788	\$1,200,417		
0.05%	0.03%	1.03%	2.02%		

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

	2023	2022	2021	2020
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$200,588	\$200,693	\$186,355	\$180,459
Contributions in Relation to the Contractually Required Contribution	(200,588)	(200,693)	(186,355)	(180,459)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
City Covered Payroll (1)	\$1,005,280	\$1,001,899	\$927,017	\$899,300
Pension Contributions as a Percentage of Covered Payroll	19.95%	20.03%	20.10%	20.07%
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$5,026	\$5,009	\$4,635	\$4,497
Contributions in Relation to the Contractually Required Contribution	(5,026)	(5,009)	(4,635)	(4,497)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0
OPEB Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%
Total Contributions as a Percentage of Covered Payroll	20.45%	20.53%	20.60%	20.57%

(1) The City's Covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information.

2019	2018	2017	2016	2015	2014
\$182,661	\$218,667	\$174,428	\$207,576	\$219,051	\$206,921
(182,661)	(218,667)	(174,428)	(207,576)	(219,051)	(206,921)
\$0	\$0	\$0	\$0	\$0	\$0
\$907,426	\$1,087,581	\$867,749	\$1,038,992	\$1,103,029	\$1,039,018
20.13%	20.11%	20.10%	19.98%	19.86%	19.92%
\$4,537	\$5,438	\$4,339	\$5,195	\$5,515	\$5,195
(4,537)	(5,438)	(4,339)	(5,195)	(5,515)	(5,195)
\$0	\$0	\$0	\$0	\$0	\$0
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
20.63%	20.61%	20.60%	20.48%	20.36%	20.42%

**City of Campbell, Ohio**  
*Notes to the Required Supplementary Information*  
For the Year Ended December 31, 2023

**Changes in Assumptions – OPERS Pension– Traditional Plan**

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

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

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

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

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

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

**City of Campbell, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

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

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

**Changes in Assumptions – OPERS Pension – Combined Plan**

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

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

**Changes in Assumptions – OP&F Pension**

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

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

**City of Campbell, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

---

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

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

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

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

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

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

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

Prior to 2023, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

**City of Campbell, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

---

**Changes in Assumptions – OPERS OPEB**

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

**Changes in Assumptions – OP&F OPEB**

Blended Discount Rate:	
2023	4.27 percent
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022 and 2023.

**City of Campbell, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2023*

---

**Changes in Benefit Terms – OPERS OPEB**

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

**Changes in Benefit Terms – OP&F OPEB**

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



# OHIO AUDITOR OF STATE KEITH FABER



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

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

City of Campbell  
Mahoning County  
351 Tenney Avenue  
Campbell, Ohio 44405

To the 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Campbell, Mahoning County, Ohio (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 5, 2026, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the City.

### ***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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiencies described in the accompanying schedule of findings as item 2023-003 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings as item 2023-002 to be a significant deficiency.

***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* which are described in the accompanying schedule of findings as items 2023-001 and 2023-002.

***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

January 5, 2026

**CITY OF CAMPBELL  
MAHONING COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2023**

<b>1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
---

**1. Expenditures Exceeding Appropriations**

**FINDING NUMBER 2023-001**

NONCOMPLIANCE

**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 City's Street Construction, Maintenance and Repair Special Revenue Fund had expenditures in excess of appropriations of \$119,353, as of December 31, 2023.

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 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.

**2. Activities Allowed/Unallowed and Allowable Costs**

**FINDING NUMBER 2023-002**

NONCOMPLIANCE AND SIGNIFICANT DEFICIENCY

42 USC sections 802 and 803, Treasury's 2021 Interim Final Rule, Treasury's 2022 Final Rule, Treasury's 2023 Interim Final Rule, obligation Interim Final Rule, and Frequently Asked Questions (FAQs) provide guidance on the allowable uses of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF).

During 2023, the City paid off two existing truck leases in the amount of \$203,824 and the payments were charged to the SLFRF fund. Based on a review of the guidance above, debt service is not an eligible use of SLFRF funds.

This is a result of the City not reviewing the guidance above and failing to establish a policy over the allowable use of federal monies. Failure to spend monies in accordance with federal guidance could result in a forfeiture of funding and possible questioned costs.

The City should review the OMB Compliance Supplement along with the frequently asked questions to help ensure expenditures are allowable.

This matter will be referred to the United States Department of Treasury.

### 3. Financial Reporting and Major Fund Determination

#### FINDING NUMBER 2023-003

##### MATERIAL WEAKNESS

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

GASB Cod. 2200.158 and .159 as well as paragraphs 75 and 76 of Government Accounting Standards Board (GASB) Statement No. 34, as amended by GASB Statements No. 37 and 65, provide the focus of governmental and proprietary fund financial statements is on major funds. Fund statements should present the financial information of each major fund in a separate column. Non-major funds should be aggregated and displayed in a single column. The reporting government's main operating fund (the general fund or its equivalent) should always be reported as a major fund. Other individual governmental and enterprise funds should be reported in separate columns as major funds based on these criteria:

- a. The total of assets and deferred outflows of resources, the total of liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding element(s) total (total assets and deferred outflows of resources, total liabilities and deferred inflows of resources, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and
- b. The same element(s) that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The Finance Director did not abide by the adopted chart of accounts in coding and classifying various transactions. This resulted in adjustments and reclassifications to the filed financial statements. The Finance Director and management have agreed to the adjustments and the corrected amounts are reflected in the accompanying financial statements.

Testing identified the following:

- The City made payment errors to a vendor, which resulted in an overstatement of intergovernmental revenue and transportation expenditures in the amount of \$546,830 in the Street Construction, Maintenance and Repair Special Revenue Fund. The City received the monies back from the vendor;
- The City posted revenue received from the municipal court in the amount of \$254,636 as Licenses and Permits instead of Fines, Forfeitures and Settlement in the General Fund;
- The City posted stop-loss monies in the amount of \$71,997 to the General Fund instead of the Self-Insurance Internal Service Fund; and
- The City's filed financial statement report included Police Levy Special Revenue fund under "Other Governmental Funds" even though it met the above noted criteria to be presented as a major fund. This resulted in Other Governmental Funds being overstated in liabilities of \$603,695, assets of \$913,722, revenues of \$400,871, expenditures of \$91,114, and ending fund balance of \$309,757.

Other mispostings were identified, however they were not material and the City decided not to make the adjustments.

**FINDING NUMBER 2023-003 (Continued)**

The City did not have procedures in place to record transactions properly.

Failure to consistently follow a uniform chart of accounts increases the possibility the City will not be able to identify, assemble, classify, record, and report its transactions correctly or to document compliance with finance-related legal and contractual requirements.

To help ensure the City's financial statements are complete and accurate, the City should adopt policies and procedures to identify and correct errors and omissions. In addition, the City should review the GAAP working papers to ensure the figures reported on the financial statements are accurate. Moreover, the City should establish and implement financial statement reporting review control procedures to verify that all funds meeting the GASB requirements to be reported as a major fund, are presented as such on the financial statements.

**Official's Response:** We did not receive a response from Officials to the findings reported above.

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF CAMPBELL**

**MAHONING 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 1/22/2026**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)