

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**REGULAR AUDIT**

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





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Columbus, Ohio 43215  
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800-282-0370

Members of Council  
City of Englewood  
333 West National Road  
Englewood, Ohio 45322

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

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

KEITH FABER  
Ohio Auditor of State

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

October 20, 2025

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**TABLE OF CONTENTS**

	<u>PAGE</u>
Independent Auditor's Report .....	1 - 3
Management's Discussion and Analysis .....	4 - 18
 Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	20
Statement of Activities .....	21 - 22
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	23 - 24
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	25
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	27 - 28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	29
Statement of Net Position - Proprietary Funds.....	30
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....	31
Statement of Cash Flows - Proprietary Funds .....	33 - 34
Statement of Fiduciary Net Position - Fiduciary Fund.....	35
Statement of Changes in Fiduciary Net Position - Fiduciary Fund .....	36
Notes to the Basic Financial Statements .....	38 - 88
 Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual (Non-GAAP Budgetary Basis) –	
General Fund .....	91
Fire and Rescue Fund.....	92
Police Fund .....	93
Street Fund.....	94
Schedule of the City's Proportionate Share of the Net Pension Liability/Asset and City Pension Contributions:	
Ohio Public Employees Retirement System (OPERS) - Traditional Plan .....	96
Ohio Public Employees Retirement System (OPERS) - Member Directed Plan .....	97
Ohio Police and Fire (OP&F) Pension Fund.....	98
Schedule of the City's Proportionate Share of the Net OPEB Liability/(Asset) and City OPEB Contributions:	
Ohio Public Employees Retirement System (OPERS) .....	99
Ohio Police and Fire (OP&F) Pension Fund .....	100
Notes to the Required Supplementary Information .....	102 - 106
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	107 - 108

## Independent Auditor's Report

City of Englewood  
Montgomery County  
333 West National Road  
Englewood, Ohio 45322

To the Members of Council and Mayor:

### Report on the Audit of the Financial Statements

#### *Opinions*

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Englewood, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City of Englewood 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 3 to the financial statements, the City of Englewood adopted a change in accounting principle by implementing GASB Statement No. 101, "Compensated Absences". Our opinions are not modified with respect to this matter.

City of Englewood  
Montgomery County  
Independent Auditor's Report

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

City of Englewood  
Montgomery County  
Independent Auditor's Report

***Required Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2025, on our consideration of the City of Englewood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Englewood's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Englewood's internal control over financial reporting and compliance.

*Julian & Grube, Inc.*

Julian & Grube, Inc.  
June 20, 2025

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- The total net position of the City increased \$1,747,861. Net position of governmental activities decreased \$1,643,391 or 4.90% from 2023's net position and net position of business-type activities increased \$3,391,252 or 14.28% from 2023's net position.
- General revenues accounted for \$14,804,757 or 77.48% of total governmental activities revenue. Program specific revenues accounted for \$4,302,290 or 22.52% of total governmental activities revenue.
- The City had \$18,095,438 in expenses related to governmental activities; \$4,302,290 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$13,793,148 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$14,804,757.
- The general fund had revenues and other financing sources of \$12,602,453 in 2024. This represents an increase of \$576,237 from 2023. The expenditures and other financing uses of the general fund, which totaled \$12,819,420 in 2024, represent an increase of \$99,815 from 2023. The net decrease in fund balance for the general fund was \$216,967 or 3.85% less than the 2023 fund balance.
- The fire and rescue fund had revenues and other financing sources of \$5,254,433 in 2024. This represents an increase of \$431,347 from 2023 revenues and other sources. The expenditures of the fire and rescue fund, which totaled \$5,120,703 in 2024, increased \$549,616 from 2023. State grant revenue partially offset capital acquisitions, and EMS service revenue offset the cost of increased staffing. The net increase in fund balance for the fire and rescue fund was \$133,730 or 15.54%.
- The police fund had revenues and other financing sources of \$3,972,691 in 2024. This represents a decrease of \$393,722 from 2023 revenues and other sources. The expenditures of the police fund, which totaled \$4,203,879 in 2024, increased \$296,855 from 2023. The net decrease in fund balance for the police fund was \$231,188 or 22.05%.
- The street fund had revenues and other financing sources of \$1,741,377 in 2024. This represents a decrease of \$1,772,739 from 2023 revenues and other financing sources. The expenditures of the street fund, which totaled \$1,908,206 in 2024, decreased \$998,106 from 2023. The net decrease in the fund balance for the street fund was \$200,081 or 7.61%.
- The capital improvement fund had revenues and other financing sources of \$2,843,410 in 2024. The expenditures of the capital improvement fund totaled \$3,778,127 in 2024. The net decrease in the fund balance for the capital improvement fund was \$934,717 or 19.92%.
- Net position for the business-type activities, which are made up of the water, sewer, and solid waste enterprise funds, increased in 2024 by \$3,363,240.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

- Budgetary information is presented for the general fund, fire and rescue fund, police fund, and street fund. In the general fund, the actual revenues and other financing sources came in \$1,028,610 more than they were in the final budget and actual expenditures and other financing uses were \$2,128,989 less than the amount in the final budget. Original budgeted revenues and other financing sources were \$200,000 more than the final budget. Original budgeted expenditures and other financing uses were \$800,000 less than the final budget.

**Using this Annual Financial Report**

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

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

**Reporting the City as a Whole**

***Statement of Net Position and the Statement of Activities***

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in 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 City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

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

**Governmental activities** - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-type activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, and solid waste operations are reported here.

The City's statement of net position and statement of activities can be found on pages 22-25 of this report.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Reporting the City's Most Significant Funds**

***Fund Financial Statements***

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 14.

***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. 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, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, fire and rescue fund, police fund, street fund, and capital improvement fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 26-32 of this report.

***Proprietary Funds***

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and solid waste management functions. All of the City's enterprise funds are considered major funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

***Fiduciary Funds***

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

***Notes to the Basic Financial Statements***

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

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension liability/asset and net OPEB liability/asset, along with contributions to the pension systems, and budgetary data for the General fund and major special revenue funds.

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the City as a whole. For the table below, amounts for 2024 have been presented in accordance with the provisions of GASB Statement No. 101 (See Note 3) while amounts for 2023 have been presented in accordance with previous guidance. The table below provides a summary of the City's net position for 2024 compared to 2023.

<b>Net Position</b>						
	2024	2023	2024	2023	2024	2023
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
<b>Assets</b>						
Current and other assets	\$ 23,067,987	\$ 25,180,629	\$ 7,674,486	\$ 3,919,038	\$ 30,742,473	\$ 29,099,667
Capital assets, net	<u>29,013,377</u>	<u>28,352,954</u>	<u>20,924,894</u>	<u>21,410,906</u>	<u>49,938,271</u>	<u>49,763,860</u>
Total assets	<u>52,081,364</u>	<u>53,533,583</u>	<u>28,599,380</u>	<u>25,329,944</u>	<u>80,680,744</u>	<u>78,863,527</u>
<b>Deferred outflows</b>	<u>8,015,791</u>	<u>10,276,083</u>	<u>211,740</u>	<u>350,334</u>	<u>8,227,531</u>	<u>10,626,417</u>
<b>Liabilities</b>						
Current liabilities	788,586	1,958,868	628,862	581,991	1,417,448	2,540,859
Long-term liabilities:						
Due within one year	574,282	483,063	50,637	30,254	624,919	513,317
Net pension liability	19,951,060	20,360,275	621,720	755,872	20,572,780	21,116,147
Net OPEB liability	1,127,489	1,198,380	-	15,035	1,127,489	1,213,415
Other liabilities	<u>1,100,466</u>	<u>348,809</u>	<u>307,162</u>	<u>316,487</u>	<u>1,407,628</u>	<u>665,296</u>
Total liabilities	<u>23,541,883</u>	<u>24,349,395</u>	<u>1,608,381</u>	<u>1,699,639</u>	<u>25,150,264</u>	<u>26,049,034</u>
<b>Deferred inflows</b>	<u>4,692,543</u>	<u>5,055,827</u>	<u>58,101</u>	<u>153,582</u>	<u>4,750,644</u>	<u>5,209,409</u>
<b>Net Position</b>						
Investment in capital assets	28,813,534	27,164,145	20,456,866	20,898,541	49,270,400	48,062,686
Restricted	<u>3,858,983</u>	<u>3,608,989</u>	<u>20,087</u>	<u>2</u>	<u>3,879,070</u>	<u>3,608,991</u>
Unrestricted	<u>(809,788)</u>	<u>3,631,310</u>	<u>6,667,685</u>	<u>2,928,514</u>	<u>5,857,897</u>	<u>6,559,824</u>
Total net position	<u>\$ 31,862,729</u>	<u>\$ 34,404,444</u>	<u>\$ 27,144,638</u>	<u>\$ 23,827,057</u>	<u>\$ 59,007,367</u>	<u>\$ 58,231,501</u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

The net pension liability for governmental activities decreased \$409,215. Combined deferred outflows of resources related to pension and OPEB decreased \$2,260,292 million and combined deferred inflows of resources related to pension and OPEB decreased \$406,667. These changes were the result of changes at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund.

The net pension liability for business-type activities decreased \$134,152. Combined deferred outflows of resources related to pension and OPEB decreased \$138,594 and combined deferred inflows of resources related to pension and OPEB decreased \$95,481. These changes were the result of changes at the pension system level for the Ohio Public Employees Retirement System (OPERS).

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

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

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

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

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2024, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$59,007,367. At year-end, net position was \$31,862,729 and \$27,114,638 for governmental activities and business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets net represented 61.90% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, vehicles, software, infrastructure, and right-to-use vehicles and subscriptions. The City's investment in capital assets at December 31, 2024, was \$28,813,534 and \$20,456,866 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending.

A portion of the City's governmental net position, \$3,858,983 represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is a deficit of \$809,788.

During 2024, the City implemented GASB Statement No. 101 (See Note 3). For the table on the next page, the implementation has been reported as a change in accounting principle. The table on the next page shows the changes in net position for years 2024 and 2023.

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**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Change in Net Position**

	2024 Governmental Activities	2023 Governmental Activities	2024 Business-Type Activities	2023 Business-Type Activities	2024 Total	2023 Total
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,953,463	\$ 2,320,417	\$ 5,238,174	\$ 4,985,538	\$ 8,191,637	\$ 7,305,955
Operating grants and contributions	1,274,827	1,708,119	-	-	1,274,827	1,708,119
Capital grants and contributions	74,000	3,853	162,604	369,000	236,604	372,853
Total program revenues	<u>4,302,290</u>	<u>4,032,389</u>	<u>5,400,778</u>	<u>5,354,538</u>	<u>9,703,068</u>	<u>9,386,927</u>
General revenues:						
Property taxes	2,806,824	2,555,932	-	-	2,806,824	2,555,932
Other local taxes	133,220	133,119	-	-	133,220	133,119
Income taxes	9,852,751	9,622,951	-	-	9,852,751	9,622,951
Unrestricted grants and entitlements	571,033	506,397	-	-	571,033	506,397
Payment in lieu of taxes	539,163	497,527	-	-	539,163	497,527
Investment earnings	863,509	835,397	138,122	94,023	1,001,631	929,420
Miscellaneous	38,257	72,226	10,148	30,793	48,405	103,019
Total general revenues	<u>14,804,757</u>	<u>14,223,549</u>	<u>148,270</u>	<u>124,816</u>	<u>14,953,027</u>	<u>14,348,365</u>
Total revenues	<u>19,107,047</u>	<u>18,255,938</u>	<u>5,549,048</u>	<u>5,479,354</u>	<u>24,656,095</u>	<u>23,735,292</u>
Expenses:						
General government	1,022,920	2,167,394	-	-	1,022,920	2,167,394
Security of persons and property	12,430,821	11,810,185	-	-	12,430,821	11,810,185
Public health and welfare	7,748	25,869	-	-	7,748	25,869
Transportation	3,242,212	6,470,875	-	-	3,242,212	6,470,875
Community environment	830,583	800,029	-	-	830,583	800,029
Leisure time activity	556,177	720,186	-	-	556,177	720,186
Interest	-	458	-	-	-	458
Other	4,977	35,203	-	-	4,977	35,203
Water	-	-	1,918,300	2,297,148	1,918,300	2,297,148
Sewer	-	-	1,808,924	1,514,795	1,808,924	1,514,795
Solid waste	-	-	1,085,572	1,029,452	1,085,572	1,029,452
Total expenses	<u>18,095,438</u>	<u>22,030,199</u>	<u>4,812,796</u>	<u>4,841,395</u>	<u>22,908,234</u>	<u>26,871,594</u>
Change in net position before transfers	1,011,609	(3,774,261)	736,252	637,959	1,747,861	(3,136,302)
Transfers	<u>(2,655,000)</u>	<u>-</u>	<u>2,655,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(1,643,391)	(3,774,261)	3,391,252	637,959	1,747,861	(3,136,302)
Net position at beginning of year, as previously reported	34,404,444	38,178,705	23,827,057	23,189,098	58,231,501	61,367,803
Restatement - change in accounting principle	<u>(898,324)</u>	<u>-</u>	<u>(73,671)</u>	<u>-</u>	<u>(971,995)</u>	<u>-</u>
Net position at beginning of year, as restated	<u>33,506,120</u>	<u>38,178,705</u>	<u>23,753,386</u>	<u>23,189,098</u>	<u>57,259,506</u>	<u>61,367,803</u>
Net position at end of year	<u>\$ 31,862,729</u>	<u>\$ 34,404,444</u>	<u>\$ 27,144,638</u>	<u>\$ 23,827,057</u>	<u>\$ 59,007,367</u>	<u>\$ 58,231,501</u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Governmental Activities**

Governmental activities net position decreased 4.90% percent or \$1,643,391 in 2024.

Security of persons and property, which primarily supports the operations of the police and fire departments accounted for \$12,430,821 of the total governmental expenses of the City. These expenses were partially funded by \$2,511,752 in direct charges to users of the services and \$164,274 in operating grants and contributions.

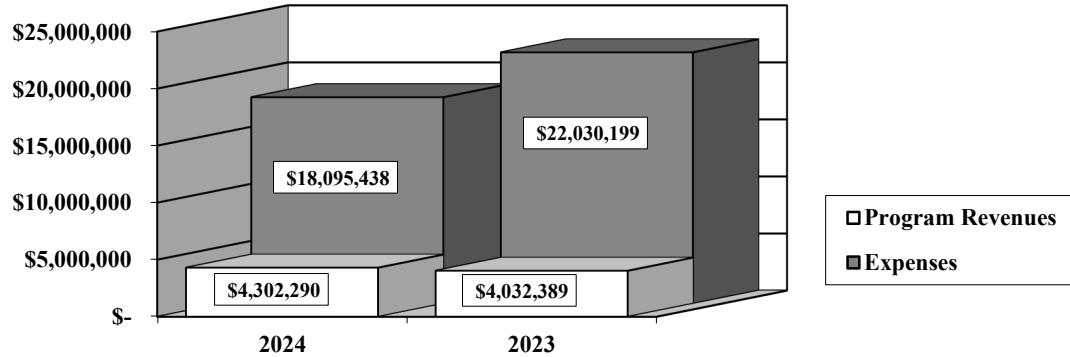
Transportation expenses totaled \$3,242,212, with a significant decrease due to projects performed by the City in the prior year. Transportation expenses were partially funded by \$5,486 in direct charges to users of the services and \$1,110,488 in operating grants and contributions.

The state and federal government contributed to the City a total of \$1,274,827 in operating grants and contributions and \$236,604 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$14,804,757 and amounted to 77.48% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$12,659,575. Unrestricted grants and entitlements of \$571,033, which includes local government funds, payments in lieu of taxes of \$539,163, and investment earnings of \$863,509 are the other primary sources of general revenues.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities - Program Revenues vs. Total Expenses**



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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

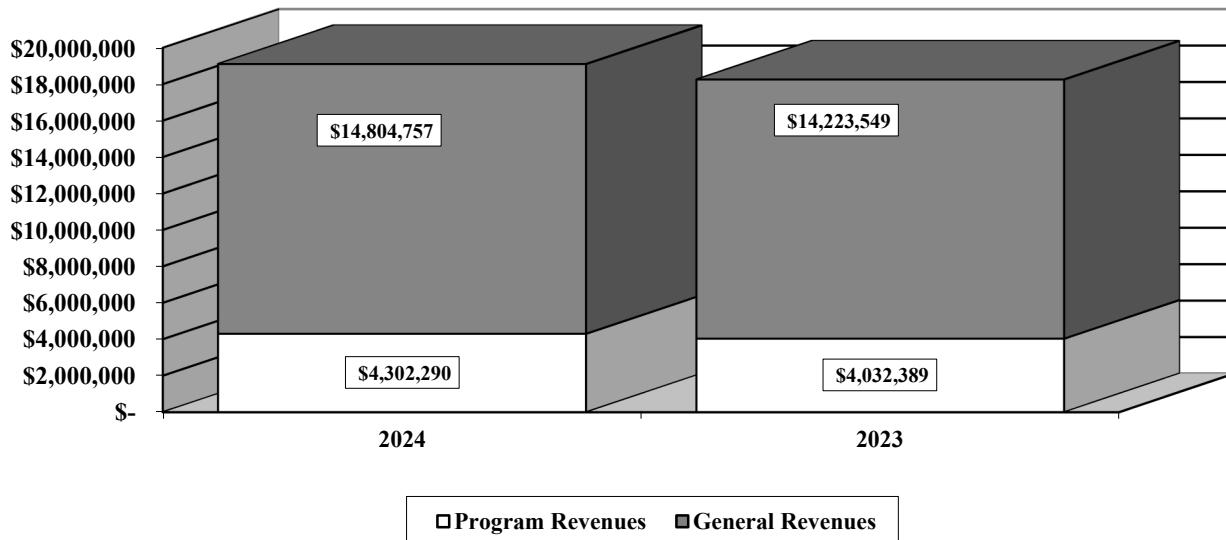
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Governmental Activities**

	Total Cost of Services <u>2024</u>	Total Cost of Services <u>2023</u>	Net Cost of Services <u>2024</u>	Net Cost of Services <u>2023</u>
<b>Program Expenses:</b>				
General government	\$ 1,022,920	\$ 2,167,394	\$ 670,661	\$ 1,704,789
Security of persons and property	12,430,821	11,810,185	9,754,795	9,962,608
Public health and welfare	7,748	25,869	7,440	25,869
Transportation	3,242,212	6,470,875	2,126,238	4,775,259
Community environment	830,583	800,029	732,518	800,029
Leisure time activity	556,177	720,186	496,519	693,595
Other	4,977	35,203	4,977	35,203
Interest	-	458	-	458
<b>Total Expenses</b>	<b><u>\$ 18,095,438</u></b>	<b><u>\$ 22,030,199</u></b>	<b><u>\$ 13,793,148</u></b>	<b><u>\$ 17,997,810</u></b>

The dependence upon general revenues for governmental activities is apparent, with 93.17% of expenses supported through taxes and other general revenues.

**Governmental Activities - General and Program Revenues**



**Business-Type Activities**

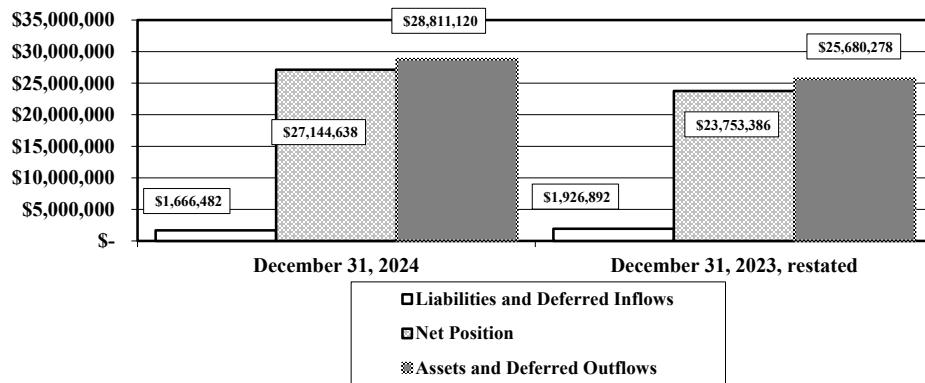
Business-type activities include the water, sewer, and solid waste enterprise funds. These programs had program revenues of \$5,400,778, general revenues of \$148,270, and expenses of \$4,812,796 for 2024.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

The graph below shows the business-type activities assets, liabilities, and net position at year-end 2024 and 2023. The net position as of December 31, 2023 was restated as described in Note 3.

**Net Position in Business - Type Activities**



**Financial Analysis of the Government's Funds**

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

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds (as presented on the balance sheet on page 26-27) reported a combined fund balance of \$15,234,524 which is \$1,375,426 lower than last year's balance of \$16,609,950. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2024 for all major and nonmajor governmental funds.

	Fund Balances 12/31/24	Fund Balances 12/31/23	Increase (Decrease)
<b>Major Funds:</b>			
General	\$ 5,425,509	\$ 5,642,476	\$ (216,967)
Fire and rescue	994,253	860,523	133,730
Police	817,451	1,048,639	(231,188)
Street	2,430,820	2,630,901	(200,081)
Capital improvement	3,758,215	4,692,932	(934,717)
Other nonmajor governmental funds	<u>1,808,276</u>	<u>1,734,479</u>	<u>73,797</u>
<b>Total</b>	<b><u>\$ 15,234,524</u></b>	<b><u>\$ 16,609,950</u></b>	<b><u>\$ (1,375,426)</u></b>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

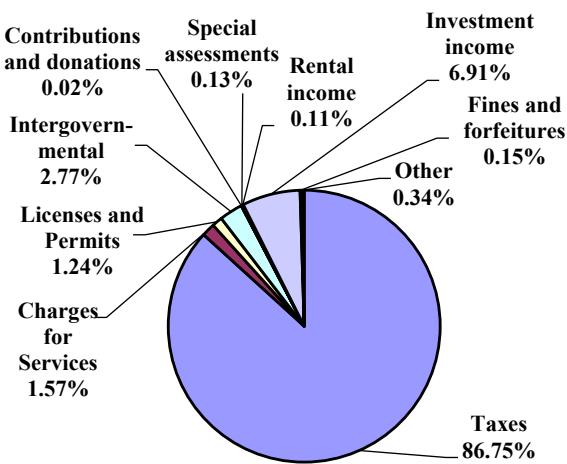
***General Fund***

The City's general fund balance decreased \$216,967. This decrease is due to the increased cost of all services, supplies, and wages. The table that follows assists in illustrating the revenues of the general fund.

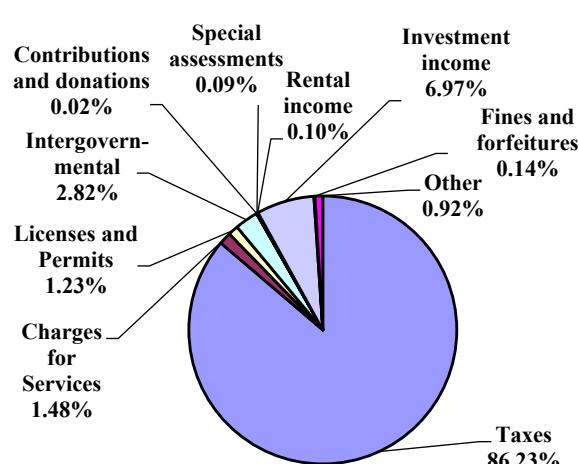
	<u>2024 Amount</u>	<u>2023 Amount</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 10,839,266	\$ 10,335,581	4.87 %
Charges for services	196,608	177,950	10.48 %
Licenses and permits	155,453	146,828	5.87 %
Fines, forfeitures, and settlements	18,809	16,748	12.31 %
Investment income	863,509	835,397	3.37 %
Rental income	14,303	11,526	24.09 %
Special assessments	16,403	10,381	58.01 %
Intergovernmental	345,839	337,597	2.44 %
Contributions and donations	3,062	2,643	15.85 %
Other	<u>42,151</u>	<u>110,765</u>	(61.95) %
<b>Total</b>	<b><u>\$ 12,495,403</u></b>	<b><u>\$ 11,985,416</u></b>	<b>4.26 %</b>

Overall revenues of the general fund increased \$509,987 or 4.26%. Tax revenue represents 86.75% of all general fund revenue. Special assessments increased \$6,022 or 58.01% due to additional special assessments certified in 2024. Other revenues decreased \$68,614 or 61.95% due to a decrease in miscellaneous reimbursements from 2023.

**Revenues - 2024**



**Revenues – 2023**



**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

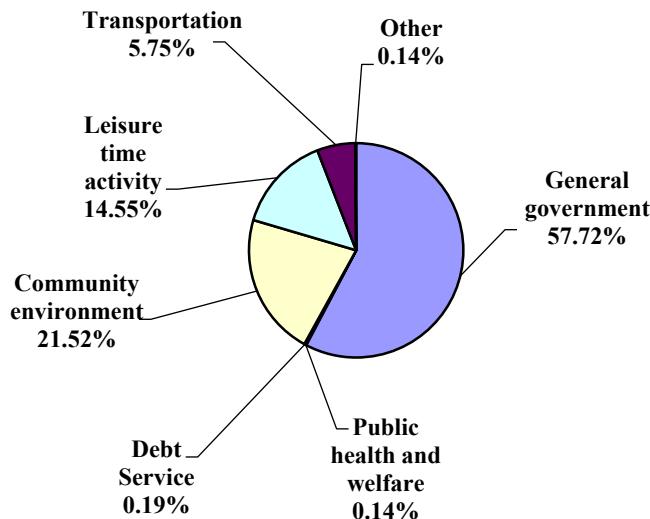
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

The table that follows assists in illustrating the expenditures of the general fund.

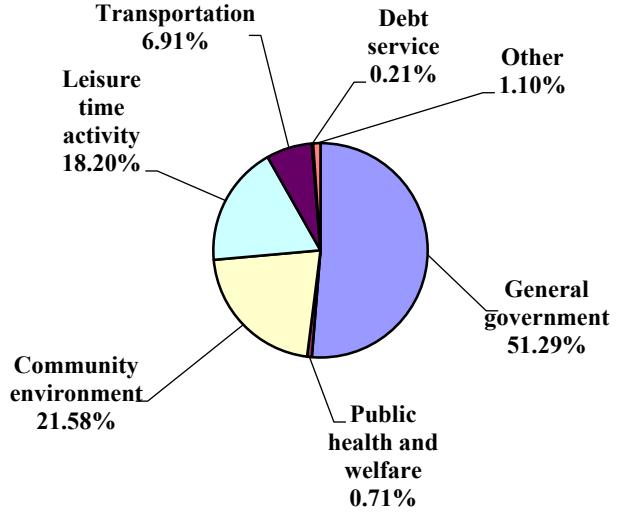
	<u>2024 Amount</u>	<u>2023 Amount</u>	<u>Percentage Change</u>
<b>Expenditures</b>			
General government	\$ 2,019,796	\$ 1,646,237	22.69 %
Public health and welfare	4,823	22,944	(78.98) %
Transportation	201,268	221,785	(9.25) %
Community environment	752,972	692,563	8.72 %
Leisure time activity	509,059	584,160	(12.86) %
Other	4,977	35,203	(85.86) %
Debt service	<u>6,525</u>	<u>6,713</u>	(2.80) %
<b>Total</b>	<b><u>\$ 3,499,420</u></b>	<b><u>\$ 3,209,605</u></b>	<b>9.03 %</b>

Total expenditures increased 9.03% from 2023. The largest expenditure line item, general government, increased 22.69%.

**Expenditures - 2024**



**Expenditures - 2023**



**Fire and Rescue Fund**

The fire and rescue fund had revenues and other financing sources of \$5,254,433 in 2024. This represents an increase of \$431,347 from 2023 revenues and other sources. The expenditures of the fire and rescue fund, which totaled \$5,120,703 in 2024, increased \$549,616 from 2023. State grant revenue partially offset capital acquisitions, and EMS service revenue offset the cost of increased staffing. The net increase in fund balance for the fire and rescue fund was \$133,730 or 15.54%.

**Police Fund**

The police fund had revenues and other financing sources of \$3,972,691 in 2024. This represents a decrease of \$393,722 from 2023 revenues and other financing sources. The expenditures of the police fund, which totaled \$4,203,879 in 2024, increased \$296,855 from 2023. The net decrease in fund balance for the police fund was \$231,188 or 22.05%.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

***Street Fund***

The street fund had revenues and other financing sources of \$1,741,377 in 2024. This represents a decrease of \$1,772,739 from 2023 revenues and other financing sources. The expenditures of the street fund, which totaled \$1,908,206 in 2024, decreased \$998,106 from 2023. The net decrease in the fund balance for the street fund was \$200,081 or 7.61%.

***Capital Improvement Fund***

The capital improvement fund had revenues and other financing sources of \$2,843,410 in 2024. The expenditures of the capital improvement fund totaled \$3,778,127 in 2024. The net decrease in the fund balance for the capital improvement fund was \$934,717 or 19.92%.

***Budgeting Highlights***

The City's budgeting process is prescribed by the Ohio Revised Code (ORC), as well as the City of Englewood Charter and Administrative Code. Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund, fire and rescue fund, police fund and street fund. In the general fund, the actual revenues and other financing sources came in \$1,028,610 more than they were in the final budget and actual expenditures and other financing uses were \$2,128,989 less than the amount in the final budget. Original budgeted revenues and other financing sources were \$200,000 more than the final budget. Original budgeted expenditures and other financing uses were \$800,000 less than the final budget.

***Proprietary Funds***

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

***Capital Assets***

At the end of 2024, the City had \$49,938,271 (net of accumulated depreciation/amortization) invested in land, construction in progress, buildings and improvements, improvements other than buildings, equipment, vehicles, software, right-to-use vehicles, right-to-use software, and infrastructure. Of this total, \$29,013,377 was reported in governmental activities and \$20,924,894 was reported in business-type activities. See Note 11 in the notes to the basic financial statements for additional capital asset disclosure. The table on the following page shows 2024 balances compared to 2023:

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Capital Assets at December 31  
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 2,966,946	\$ 3,179,890	\$ 136,885	\$ 136,885	\$ 3,103,831	\$ 3,316,775
Land improvements (I.O.T.B.)	1,622,394	1,689,339	26,612	29,161	1,649,006	1,718,500
Buildings and improvements	6,579,722	6,508,698	2,586,924	2,737,649	9,166,646	9,246,347
Equipment	3,377,111	2,733,903	4,071,648	4,291,061	7,448,759	7,024,964
Vehicles	2,626,193	2,838,359	73,213	74,513	2,699,406	2,912,872
Right to use- vehicle	1,192	15,505	-	-	1,192	15,505
Intangible right to use - software	2,567	7,699	-	-	2,567	7,699
Infrastructure	10,520,343	11,192,208	13,727,126	14,140,148	24,247,469	25,332,356
Computer software	115,165	150,463	873	1,489	116,038	151,952
Construction in progress	1,201,744	36,890	301,613	-	1,503,357	36,890
 Totals	 \$ 29,013,377	 \$ 28,352,954	 \$ 20,924,894	 \$ 21,410,906	 \$ 49,938,271	 \$ 49,763,860

The City's largest governmental capital asset categories are infrastructure which includes bridges, thoroughfares, curbs, gutters, sidewalks, storm sewers, traffic signals and street signs. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 36.26% of the City's total governmental capital assets.

The City's largest business-type capital asset category is infrastructure which primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 65.60% of the City's total business-type capital assets.

**Economic Conditions and Outlook**

The City of Englewood is an attractive southwest Ohio planned community in the northern portion of Montgomery County. The City is located along the I-70 corridor, just 5 miles from Dayton International Airport, offering ease of access to the larger metropolitan cities of Dayton, Columbus, and Cincinnati, as well as interstate travel. For those who wish to avoid the congestion of the larger metropolitan areas, Englewood offers many opportunities right within its own borders for first-rate education, health, recreation, and entertainment. These amenities are enjoyed not only by Englewood's diverse population of 13,500, but also by the citizens of surrounding communities.

A 1.75% local income tax and successful efforts to secure federal, state, and local grants has enabled the City to provide excellent public service to its constituents, maintain and improve an extensive municipal infrastructure, and continually enhance the overall appearance of the community. Englewood takes pride in its exceptional public thoroughfares, low crime rates, and beautifully maintained green spaces and park system.

Englewood's tax base includes a healthy mix of medical, government, education, entertainment, retail, commercial, and industrial segments. This diversity in tax base has enabled the City to remain fiscally strong despite economic fluctuations and cuts in state funding. Currently, the city has nearly one hundred acres available for development within its industrial parks, ample land available for residential growth and all the necessary resources to provide excellent service to our existing and future residents.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Looking Back at 2024**

In 2024, construction at the Miami Valley Career Technology Center was completed. The 570,000 square foot project has taken five years to build, with a price tag of \$135 million dollars, making it the largest OFC project to date.

The city completed renovations to the north wing of the Government Center to better accommodate increasing office space needs for the Fire Department and meeting rooms for community use.

Several new restaurants have opened, including Freddy's Frozen Custard and Steakburgers at 910 S. Main Street and Jersey Mike's at 573 S. Main Street. Both have been doing well and provide new dining options for the residents of Englewood. In addition, the city has expanded its efforts to promote small business awareness with the Holiday Trail Open House. This event included promoting over 25 local family-owned businesses, and the Holiday Celebration and tree lighting ceremony on the Saturday after Thanksgiving.

The city has installed EV chargers to service our fleet of electric vehicles, which has continued to expand. In addition, the city has installed new playground equipment at Centennial Park. Community safety and security, numerous parks and other quality recreational opportunities, reasonable utility and tax rates, wonderful educational opportunities, and an aggressive capital improvements program have all positioned the city to maintain and improve its image as a progressive and inviting community.

**Looking Ahead to 2025**

In 2025, the city will continue to focus on business development within the Englewood Otterbein Industrial Park to increase the city's tax base. Two new buildings are scheduled to be completed this year, Eaton Compressor is expanding its operations by building a new 65,000 square foot building, Belton Foods is building a new 75,000 square foot building and SINBON USA is moving into an existing building within the park, creating approximately 250 new jobs in Englewood.

A new subdivision has been approved and will start construction in 2025. Westbrook Meadows Section 4 will have 26 new single family home sites and provide a new housing opportunity for Englewood residents.

The city will continue to upgrade and improve its infrastructure, a water line project will be completed on Camborne Drive, replacing approximately 1,000 feet of main water line. We plan to upgrade our Police/Fire Dispatch Center with new equipment to better serve the residents and install new safety cameras at various locations.

In addition, the city plans to improve our parks with new benches and playground equipment at Jake Grossnickle Park. Englewood's goal is to provide safety and security within our numerous parks along with other quality recreational opportunities. Our utility and tax rates are very reasonable, the local educational opportunities are excellent, and we have an aggressive capital improvements program which allows Englewood to provide a high quality of life for its residents.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the city's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, contact City Manager Eric A. Smith or the finance director, City of Englewood, 333 West National Road, Englewood, Ohio 45322 or visit our website at [www.Englewood.oh.us](http://www.Englewood.oh.us).

**BASIC  
FINANCIAL STATEMENTS**

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2024**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments	\$ 15,326,861	\$ 6,665,857	\$ 21,992,718
Receivables:			
Income taxes	2,136,376	-	2,136,376
Real and other taxes	2,520,826	-	2,520,826
Payments in lieu of taxes	589,918	-	589,918
Accounts	970,493	615,577	1,586,070
Special assessments	236,773	95,860	332,633
Due from other governments	810,000	159,893	969,893
Materials and supplies inventory	144,028	64,568	208,596
Prepayments	205,309	17,474	222,783
Net pension asset	192	23	215
Net OPEB asset	162,381	20,064	182,445
Internal balance	(35,170)	35,170	-
Capital assets:			
Land and construction in progress	4,168,690	438,498	4,607,188
Depreciable/amortizable capital assets, net	24,844,687	20,486,396	45,331,083
Total capital assets, net	<u>29,013,377</u>	<u>20,924,894</u>	<u>49,938,271</u>
Total assets	<u>52,081,364</u>	<u>28,599,380</u>	<u>80,680,744</u>
<b>Deferred outflows of resources:</b>			
Pension and OPEB	8,015,791	211,740	8,227,531
Total deferred outflows of resources	<u>8,015,791</u>	<u>211,740</u>	<u>8,227,531</u>
<b>Liabilities:</b>			
Accounts payable	193,914	228,335	422,249
Contracts payable	199,843	217,110	416,953
Accrued wages and benefits payable	131,333	2,523	133,856
Matured compensated absences payable	105,842	22,605	128,447
Due to other governments	157,654	4,847	162,501
Unearned revenue	-	153,442	153,442
Long-term liabilities:			
Due within one year	574,282	50,637	624,919
Due in more than one year	1,100,466	307,162	1,407,628
Net pension liability	19,951,060	621,720	20,572,780
Net OPEB liability	<u>1,127,489</u>	-	<u>1,127,489</u>
Total liabilities	<u>23,541,883</u>	<u>1,608,381</u>	<u>25,150,264</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year	2,463,453	-	2,463,453
Pension and OPEB	1,639,172	58,101	1,697,273
Payments in lieu of taxes levied for the next fiscal year	589,918	-	589,918
Total deferred inflows of resources	<u>4,692,543</u>	<u>58,101</u>	<u>4,750,644</u>
<b>Net position:</b>			
Net investment in capital assets	28,813,534	20,456,866	49,270,400
Restricted for:			
Matured bond and interest	6,069	-	6,069
Street construction and maintenance	2,960,965	-	2,960,965
Public safety	4,216	-	4,216
Capital improvements	324,725	-	324,725
Pension and OPEB	162,573	20,087	182,660
Other purposes	400,435	-	400,435
Unrestricted	<u>(809,788)</u>	<u>6,667,685</u>	<u>5,857,897</u>
Total net position	<u>\$ 31,862,729</u>	<u>\$ 27,144,638</u>	<u>\$ 59,007,367</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**STATEMENT OF ACTIVITIES**  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Expenses</b>	<b>Program Revenues</b>			<b>Capital Grants and Contributions</b>
		<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
<b>Governmental activities:</b>					
Current:					
General government	\$ 1,022,920	\$ 352,194	\$ 65	\$ -	
Security of persons and property	12,430,821	2,511,752	164,274		-
Public health and welfare	7,748	308	-		-
Transportation	3,242,212	5,486	1,110,488		-
Community environment	830,583	48,065	-	50,000	
Leisure time activity	556,177	35,658	-	24,000	
Other	4,977	-	-		-
Total governmental activities	<u>18,095,438</u>	<u>2,953,463</u>	<u>1,274,827</u>		<u>74,000</u>
<b>Business-type activities:</b>					
Water	1,918,300	2,441,309	-	162,604	
Sewer	1,808,924	1,729,145	-		-
Solid waste	1,085,572	1,067,720	-		-
Total business-type activities	<u>4,812,796</u>	<u>5,238,174</u>			<u>162,604</u>
Total primary government	<u>\$ 22,908,234</u>	<u>\$ 8,191,637</u>	<u>\$ 1,274,827</u>		<u>\$ 236,604</u>

**General revenues:**

Property taxes levied for:  
 General purposes  
 Fire and rescue  
 Police  
 Police pension  
 Other local taxes  
 Income taxes levied for:  
 General purposes  
 Payments in lieu of taxes  
 Grants and entitlements not restricted  
 to specific programs  
 Investment earnings  
 Miscellaneous

Total general revenues

Transfers

Total general revenues,  
 and transfers

Change in net position

**Net position at beginning of year  
 as previously reported**

Restatement - Change in accounting principle

**Net position at beginning of year, restated**

**Net position at 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	
\$ (670,661)	\$ -	\$ (670,661)	
(9,754,795)	-	(9,754,795)	
(7,440)	-	(7,440)	
(2,126,238)	-	(2,126,238)	
(732,518)	-	(732,518)	
(496,519)	-	(496,519)	
(4,977)	-	(4,977)	
<u>(13,793,148)</u>	<u>-</u>	<u>(13,793,148)</u>	
-	685,613	685,613	
-	(79,779)	(79,779)	
<u>-</u>	<u>(17,852)</u>	<u>(17,852)</u>	
<u>-</u>	<u>587,982</u>	<u>587,982</u>	
<u>(13,793,148)</u>	<u>587,982</u>	<u>(13,205,166)</u>	
880,528	-	880,528	
1,574,193	-	1,574,193	
245,017	-	245,017	
107,086	-	107,086	
133,220	-	133,220	
9,852,751	-	9,852,751	
539,163	-	539,163	
571,033	-	571,033	
863,509	138,122	1,001,631	
<u>38,257</u>	<u>10,148</u>	<u>48,405</u>	
<u>14,804,757</u>	<u>148,270</u>	<u>14,953,027</u>	
<u>(2,655,000)</u>	<u>2,655,000</u>	<u>-</u>	
12,149,757	2,803,270	14,953,027	
(1,643,391)	3,391,252	1,747,861	
34,404,444	23,827,057	58,231,501	
<u>(898,324)</u>	<u>(73,671)</u>	<u>(971,995)</u>	
33,506,120	23,753,386	57,259,506	
<u>\$ 31,862,729</u>	<u>\$ 27,144,638</u>	<u>\$ 59,007,367</u>	

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2024**

	<b>General</b>	<b>Fire &amp; Rescue</b>	<b>Police</b>	<b>Street</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 4,419,462	\$ 942,921	\$ 879,197	\$ 2,294,872
Receivables:				
Income taxes	2,136,376	-	-	-
Real and other taxes	666,402	1,516,527	235,281	-
Payments in lieu of taxes	-	-	-	-
Accounts	47,923	780,709	21,593	3,324
Special assessments	122,670	-	-	-
Due from other governments	184,265	88,992	73,125	378,321
Advances to other funds	279,415	-	-	-
Materials and supplies inventory	-	-	-	127,793
Prepayments	99,680	33,320	51,592	9,982
Total assets	<u>\$ 7,956,193</u>	<u>\$ 3,362,469</u>	<u>\$ 1,260,788</u>	<u>\$ 2,814,292</u>
<b>Liabilities:</b>				
Accounts payable	\$ 33,776	\$ 77,740	\$ 18,699	\$ 24,788
Contracts payable	-	-	-	-
Accrued wages and benefits payable	18,318	51,249	35,271	12,410
Matured compensated absences payable	32,180	-	36,961	21,867
Advances from other funds	-	-	-	-
Due to other governments	19,145	65,645	48,468	10,887
Total liabilities	<u>103,419</u>	<u>194,634</u>	<u>139,399</u>	<u>69,952</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	650,754	1,482,529	230,025	-
Delinquent property tax revenue not available	15,648	33,998	5,256	-
Payments in lieu of taxes levied for the next fiscal year	-	-	-	-
Special assessments revenue not available	122,670	-	-	-
Miscellaneous revenue not available	6,040	616,053	55,880	3,324
Income tax revenue not available	1,477,090	-	-	-
Intergovernmental revenue not available	155,063	41,002	12,777	310,196
Total deferred inflows of resources	<u>2,427,265</u>	<u>2,173,582</u>	<u>303,938</u>	<u>313,520</u>
Total liabilities and deferred inflows of resources	<u>2,530,684</u>	<u>2,368,216</u>	<u>443,337</u>	<u>383,472</u>
<b>Fund balances:</b>				
Nonspendable	379,095	33,320	51,592	137,775
Restricted	-	960,933	765,859	2,293,045
Committed	-	-	-	-
Assigned	3,767,188	-	-	-
Unassigned	1,279,226	-	-	-
Total fund balances	<u>5,425,509</u>	<u>994,253</u>	<u>817,451</u>	<u>2,430,820</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,956,193</u>	<u>\$ 3,362,469</u>	<u>\$ 1,260,788</u>	<u>\$ 2,814,292</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Capital Improvement</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 4,261,036	\$ 1,775,511	\$ 14,572,999
-	-	2,136,376
-	102,616	2,520,826
175,498	414,420	589,918
-	116,944	970,493
-	114,103	236,773
-	80,857	805,560
-	-	279,415
-	-	127,793
-	8,305	202,879
<b>\$ 4,436,534</b>	<b>\$ 2,612,756</b>	<b>\$ 22,443,032</b>
\$ 23,563	\$ 4,026	\$ 182,592
199,843	-	199,843
-	11,143	128,391
-	-	91,008
279,415	-	279,415
-	10,806	154,951
<b>502,821</b>	<b>25,975</b>	<b>1,036,200</b>
-	100,145	2,463,453
-	2,471	57,373
175,498	414,420	589,918
-	112,447	235,117
-	116,944	798,241
-	-	1,477,090
-	32,078	551,116
<b>175,498</b>	<b>778,505</b>	<b>6,172,308</b>
<b>678,319</b>	<b>804,480</b>	<b>7,208,508</b>
-	8,305	610,087
324,725	1,799,971	6,144,533
573,356	-	573,356
2,860,134	-	6,627,322
-	-	1,279,226
<b>3,758,215</b>	<b>1,808,276</b>	<b>15,234,524</b>
<b>\$ 4,436,534</b>	<b>\$ 2,612,756</b>	<b>\$ 22,443,032</b>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2024**

<b>Total governmental fund balances</b>	\$ 15,234,524
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*Amounts reported for governmental activities on the statement of net position are different because:*

Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds. 28,082,442

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

Income taxes receivable Real and other taxes receivable Accounts receivable Intergovernmental receivable Special assessments receivable	\$ 1,477,090 57,373 798,241 551,116 235,117
Total	3,118,937

The net pension asset is not available to pay for current period expenditures; therefore, the asset is not reported in the governmental funds. 180

The net pension liability is not due and payable in the current period; therefore, liability and related deferred outflows/inflows are not reported in governmental funds. (13,243,796)

The net OPEB liability is not due and payable in the current period; therefore, liability and related deferred outflows/inflows are not reported in governmental funds. (1,059,533)

An internal service fund is used by management to charge the costs of the government center and service center to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. The net position of the internal service funds, including internal balances of \$35,170, are: 1,348,314

Compensated absences are not due and payable in the current period and therefore are not reported in the funds. (1,618,339)

<b>Net position of governmental activities</b>	<u>\$ 31,862,729</u>
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>General</b>	<b>Fire &amp; Rescue</b>	<b>Police</b>	<b>Street</b>
<b>Revenues:</b>				
Municipal income taxes	\$ 9,963,662	\$ -	\$ -	\$ -
Property and other taxes	875,604	1,562,638	243,344	-
Charges for services	196,608	1,222,369	72,257	-
Licenses and permits	155,453	-	-	-
Fines, forfeitures, and settlements	18,809	-	9,417	-
Intergovernmental	345,839	125,269	80,929	804,555
Special assessments	16,403	-	-	-
Investment income	863,509	-	-	116,222
Rental income	14,303	-	-	-
Contributions and donations	3,062	1,297	-	-
Payment in lieu of taxes	-	-	-	-
Other local taxes	-	-	-	-
Other	42,151	219,356	46,682	17,975
<b>Total revenues</b>	<b>12,495,403</b>	<b>3,130,929</b>	<b>452,629</b>	<b>938,752</b>
<b>Expenditures:</b>				
Current:				
General government	2,019,796	-	-	-
Security of persons and property	-	5,120,703	4,203,879	-
Public health and welfare	4,823	-	-	-
Transportation	201,268	-	-	1,908,206
Community environment	752,972	-	-	-
Leisure time activity	509,059	-	-	-
Other	4,977	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	6,387	-	-	-
Interest	138	-	-	-
<b>Total expenditures</b>	<b>3,499,420</b>	<b>5,120,703</b>	<b>4,203,879</b>	<b>1,908,206</b>
Excess (deficiency) of revenues over (under) expenditures	8,995,983	(1,989,774)	(3,751,250)	(969,454)
<b>Other financing sources (uses):</b>				
Sale of capital assets	107,050	3,504	20,062	2,625
Transfers in	-	2,120,000	3,500,000	800,000
Transfers (out)	(9,320,000)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(9,212,950)</b>	<b>2,123,504</b>	<b>3,520,062</b>	<b>802,625</b>
Net change in fund balances	(216,967)	133,730	(231,188)	(166,829)
<b>Fund balances at beginning of year</b>	<b>5,642,476</b>	<b>860,523</b>	<b>1,048,639</b>	<b>2,630,901</b>
<b>Decrease in reserve for inventory</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,252)</b>
<b>Fund balances at end of year</b>	<b>\$ 5,425,509</b>	<b>\$ 994,253</b>	<b>\$ 817,451</b>	<b>\$ 2,430,820</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 9,963,662
-	106,290	2,787,876
-	610,273	2,101,507
-	-	155,453
-	56,219	84,445
74,000	353,126	1,783,718
-	69,515	85,918
-	14,924	994,655
-	-	14,303
-	-	4,359
159,410	384,705	544,115
-	133,220	133,220
-	5,573	331,737
<u>233,410</u>	<u>1,733,845</u>	<u>18,984,968</u>

-	149,389	2,169,185
-	1,364,985	10,689,567
-	-	4,823
-	16,771	2,126,245
-	-	752,972
-	-	509,059
-	-	4,977
1,453,127	88,903	1,542,030
-	-	6,387
-	-	138
<u>1,453,127</u>	<u>1,620,048</u>	<u>17,805,383</u>
<u>(1,219,717)</u>	<u>113,797</u>	<u>1,179,585</u>

-	-	133,241
2,610,000	590,000	9,620,000
(2,325,000)	(630,000)	(12,275,000)
<u>285,000</u>	<u>(40,000)</u>	<u>(2,521,759)</u>
(934,717)	73,797	(1,342,174)
4,692,932	1,734,479	16,609,950
-	-	(33,252)
<u>\$ 3,758,215</u>	<u>\$ 1,808,276</u>	<u>\$ 15,234,524</u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Net change in fund balances - total governmental funds** \$ (1,342,174)

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

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

Capital asset additions	\$ 3,216,749
Current year depreciation/amortization	(2,309,462)
<b>Total</b>	<b>907,287</b>

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.

(294,058)

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

Income taxes	(110,911)
Delinquent property taxes and PILOTS	13,996
Intergovernmental revenues	24,551
Special assessments	(36,895)
Other	231,338
<b>Total</b>	<b>122,079</b>

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

6,387

Governmental funds report expenditures for inventory when purchased; however in the statement of activities, they are reported as an expense when consumed.

(33,252)

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due. A decrease in accrued interest payable resulted in decreased interest being reported on the statement of activities:

189

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

1,762

Contractually required pension and OPEB contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.

1,480,579

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

(2,735,501)

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

243,311

**Change in net position of governmental activities** \$ (1,643,391)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2024**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Total</b>	<b>Internal Service Funds</b>
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Total</b>	
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and investments	\$ 2,560,729	\$ 3,531,141	\$ 573,987	\$ 6,665,857	\$ 753,862
Receivables:					
Accounts	358,606	256,971	-	615,577	-
Special assessments	34,554	34,554	26,752	95,860	-
Due from other governments	154,208	5,385	300	159,893	4,440
Materials and supplies inventory	63,273	1,295	-	64,568	16,235
Prepayments	15,393	1,618	463	17,474	2,430
Total current assets	<u>3,186,763</u>	<u>3,830,964</u>	<u>601,502</u>	<u>7,619,229</u>	<u>776,967</u>
Noncurrent assets:					
Net OPEB asset	11,360	6,765	1,939	20,064	10,223
Net pension asset	13	8	2	23	12
Capital assets:					
Land and construction in progress	326,099	112,399	-	438,498	130,849
Depreciable capital assets, net	13,261,777	7,221,885	2,734	20,486,396	800,086
Total capital assets, net	<u>13,587,876</u>	<u>7,334,284</u>	<u>2,734</u>	<u>20,924,894</u>	<u>930,935</u>
Total noncurrent assets	<u>13,599,249</u>	<u>7,341,057</u>	<u>4,675</u>	<u>20,944,981</u>	<u>941,170</u>
Total assets	<u>16,786,012</u>	<u>11,172,021</u>	<u>606,177</u>	<u>28,564,210</u>	<u>1,718,137</u>
<b>Deferred outflows of resources:</b>					
Pension	109,486	65,203	18,690	193,379	99,470
OPEB	10,392	6,205	1,764	18,361	9,393
Total deferred outflows of resources	<u>119,878</u>	<u>71,408</u>	<u>20,454</u>	<u>211,740</u>	<u>108,863</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	192,620	35,540	175	228,335	11,322
Contracts payable	217,110	-	-	217,110	-
Accrued wages and benefits payable	1,322	967	234	2,523	2,942
Due to other governments	2,712	1,657	478	4,847	2,703
Compensated absences payable - current	20,352	8,814	4,166	33,332	16,590
Matured compensated absences payable	11,656	10,505	444	22,605	14,834
OPWC loans payable	17,305	-	-	17,305	-
Unearned revenue	-	-	153,442	153,442	-
Total current liabilities	<u>463,077</u>	<u>57,483</u>	<u>158,939</u>	<u>679,499</u>	<u>48,391</u>
Long-term liabilities:					
Compensated absences payable	48,355	19,225	5,969	73,549	39,819
OPWC loans payable	233,613	-	-	233,613	-
Net pension liability	352,001	209,628	60,091	621,720	316,769
Total long-term liabilities	<u>633,969</u>	<u>228,853</u>	<u>66,060</u>	<u>928,882</u>	<u>356,588</u>
Total liabilities	<u>1,097,046</u>	<u>286,336</u>	<u>224,999</u>	<u>1,608,381</u>	<u>404,979</u>
<b>Deferred inflows of resources:</b>					
OPEB	6,653	4,016	1,127	11,796	6,191
Pension	21,667	22,283	2,355	46,305	32,346
Total deferred inflows of resources	<u>28,320</u>	<u>26,299</u>	<u>3,482</u>	<u>58,101</u>	<u>38,537</u>
Total liabilities and deferred inflows of resources	<u>1,125,366</u>	<u>312,635</u>	<u>228,481</u>	<u>1,666,482</u>	<u>443,516</u>
<b>Net position:</b>					
Net investment in capital assets	13,119,848	7,334,284	2,734	20,456,866	930,935
Restricted for pension and OPEB	11,373	6,773	1,941	20,087	10,235
Unrestricted	2,649,303	3,589,737	393,475	6,632,515	442,314
Total net position	<u>\$ 15,780,524</u>	<u>\$ 10,930,794</u>	<u>\$ 398,150</u>	<u>\$ 27,109,468</u>	<u>\$ 1,383,484</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				35,170	
Net position of business-type activities				<u>\$ 27,144,638</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Total</b>	
	<b>Operating revenues:</b>				
Charges for services	\$ 2,437,029	\$ 1,724,845	\$ 1,067,720	\$ 5,229,594	\$ 1,082,496
Tap-in fees	4,280	4,300	-	8,580	-
Other operating revenues	4,463	5,385	300	10,148	11,756
Total operating revenues	<u>2,445,772</u>	<u>1,734,530</u>	<u>1,068,020</u>	<u>5,248,322</u>	<u>1,094,252</u>
<b>Operating expenses:</b>					
Personal services	243,192	94,379	56,372	393,943	260,933
Contract services	828,857	1,035,171	1,025,168	2,889,196	182,061
Materials and supplies	221,264	133,062	2,066	356,392	255,878
Depreciation	636,729	429,461	4,100	1,070,290	124,057
Other	-	130,812	175	130,987	-
Total operating expenses	<u>1,930,042</u>	<u>1,822,885</u>	<u>1,087,881</u>	<u>4,840,808</u>	<u>822,929</u>
Operating income (loss)	<u>515,730</u>	<u>(88,355)</u>	<u>(19,861)</u>	<u>407,514</u>	<u>271,323</u>
<b>Nonoperating revenues:</b>					
Interest income	61,054	77,068	-	138,122	-
Total nonoperating revenues	<u>61,054</u>	<u>77,068</u>	<u>-</u>	<u>138,122</u>	<u>-</u>
Income (loss) before transfers and capital contributions	576,784	(11,287)	(19,861)	545,636	271,323
Transfer in	2,655,000	-	-	2,655,000	-
Capital contributions	162,604	-	-	162,604	-
Change in net position	3,394,388	(11,287)	(19,861)	3,363,240	271,323
<b>Net position at beginning of year, as previously reported</b>	12,414,558	10,983,195	422,146		1,136,025
Restatement - change in accounting principle	(28,422)	(41,114)	(4,135)		(23,864)
<b>Net position at beginning of year, restated</b>	<u>12,386,136</u>	<u>10,942,081</u>	<u>418,011</u>		<u>1,112,161</u>
<b>Net position at end of year</b>	<u><u>\$ 15,780,524</u></u>	<u><u>\$ 10,930,794</u></u>	<u><u>\$ 398,150</u></u>		<u><u>\$ 1,383,484</u></u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				28,012	
Change in net position of business-type activities . . .				<u><u>\$ 3,391,252</u></u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Total</b>	
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 2,405,188	\$ 1,729,458	\$ 1,076,561	\$ 5,211,207	\$ 1,082,496
Cash received from tap-in fees	4,280	4,300	-	8,580	-
Cash received from other operations	3,751	6,379	221	10,351	10,559
Cash payments for personal services	(314,849)	(179,295)	(55,405)	(549,549)	(308,521)
Cash payments for contractual services	(656,090)	(1,027,828)	(1,104,290)	(2,788,208)	(179,997)
Cash payments for materials and supplies	(234,636)	(132,411)	(2,435)	(369,482)	(259,380)
Cash payments for other expenses	-	(132,463)	-	(132,463)	-
Net cash provided by (used in) operating activities	1,207,644	268,140	(85,348)	1,390,436	345,157
<b>Cash flows from noncapital financing activities:</b>					
Cash received from transfers in	2,655,000	-	-	2,655,000	-
Cash used in repayment of interfund loans	(2,725,000)	-	-	(2,725,000)	-
Net cash (used in) noncapital financing activities	(70,000)	-	-	(70,000)	-
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets	(592,282)	(61,225)	-	(653,507)	(196,057)
Cash received from capital grants	381,859	-	-	381,859	-
Principal retirement on OPWC loans	(8,652)	-	-	(8,652)	-
Net cash (used in) capital and related financing activities	(219,075)	(61,225)	-	(280,300)	(196,057)
<b>Cash flows from investing activities:</b>					
Interest received	61,054	77,068	-	138,122	-
Net cash provided by investing activities	61,054	77,068	-	138,122	-
Net increase (decrease) in cash and cash equivalents	979,623	283,983	(85,348)	1,178,258	149,100
<b>Cash and cash equivalents at beginning of year</b>	<b>1,581,106</b>	<b>3,247,158</b>	<b>659,335</b>	<b>5,487,599</b>	<b>604,762</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 2,560,729</b>	<b>\$ 3,531,141</b>	<b>\$ 573,987</b>	<b>\$ 6,665,857</b>	<b>\$ 753,862</b>

-- Continued

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Sewer</b>	<b>Solid Waste</b>	<b>Total</b>	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 515,730	\$ (88,355)	\$ (19,861)	\$ 407,514	\$ 271,323
Adjustments:					
Depreciation	636,729	429,461	4,100	1,070,290	124,057
Changes in assets, deferred outflows, liabilities and deferred inflows:					
Decrease (Increase) in materials and supplies inventory	467	(42)	-	425	1,752
Decrease (Increase) in accounts receivable	(27,465)	8,989	-	(18,476)	-
(Increase) in net pension asset	(12)	(7)	(2)	(21)	(11)
(Increase) in net OPEB asset	(11,360)	(6,765)	(1,939)	(20,064)	(10,223)
Decrease (Increase) in special assessments receivable	(4,376)	(4,376)	4,088	(4,664)	-
Decrease (Increase) in intergovernmental receivable	(712)	994	(79)	203	(1,197)
(Increase) in prepayments	(466)	(279)	(91)	(836)	(467)
Decrease in deferred outflows - pension	63,196	37,844	11,209	112,249	57,412
Decrease in deferred outflows - OPEB	14,872	8,871	2,602	26,345	13,459
Increase (Decrease) in accounts payable	125,384	6,385	(79,316)	52,453	(3,190)
Increase in contracts payable	33,544	-	-	33,544	-
Increase (Decrease) in accrued wages and benefits	1,322	967	234	2,523	(456)
Increase (Decrease) in intergovernmental payable	239	(76)	59	222	316
Increase (Decrease) in compensated absences payable	(16,804)	(15,933)	1,381	(31,356)	(3,025)
Increase (Decrease) in deferred inflows - pension	(36,915)	(55,640)	618	(91,937)	(35,235)
Increase (Decrease) in deferred inflows - OPEB	(1,150)	(3,002)	608	(3,544)	3,064
(Decrease) in net pension liability	(76,064)	(45,815)	(12,273)	(134,152)	(64,832)
(Decrease) in net OPEB liability	(8,515)	(5,081)	(1,439)	(15,035)	(7,590)
Increase in unearned revenue	-	-	4,753	4,753	-
Net cash provided by (used in) operating activities	<u>\$ 1,207,644</u>	<u>\$ 268,140</u>	<u>\$ (85,348)</u>	<u>\$ 1,390,436</u>	<u>\$ 345,157</u>

**Non-cash transactions:**

The water fund purchased \$227,731 and \$296,960 in capital assets on account in 2024 and 2023, respectively.

The Englewood Government Center fund, an internal service fund, purchased \$28,406 in capital assets on account in 2023.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2024

	<u>Custodial</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents	\$ 646
Total assets	<u>646</u>
<b>Liabilities:</b>	
Accounts payable	<u>631</u>
Total liabilities	<u>631</u>
<b>Net position:</b>	
Restricted for individuals, organizations and other governments	<u>15</u>
Total net position	<u><u>\$ 15</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Custodial</u>
<b>Additions:</b>	
Licenses, permits and fees for other governments	<u>\$ 3,657</u>
Total additions	<u>3,657</u>
<b>Deductions:</b>	
Other custodial fund disbursements	<u>3,725</u>
Total deductions	<u>3,725</u>
Net change in fiduciary net position	(68)
<b>Net position beginning of year</b>	<u>83</u>
<b>Net position end of year</b>	<u><u>\$ 15</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - DESCRIPTION OF THE CITY**

The City of Englewood (the "City") is a charter municipal corporation operating under the laws of the State of Ohio. The City was incorporated as a village in 1914 and became a City on February 12, 1971, after adopting the charter on November 3, 1970.

The municipal government provided by the charter is known as a Council-Manager form of government. Legislative power is vested in a seven-member council, each elected to four-year terms. One of the members shall be known as the Mayor and the remaining six members as Councilmen. The Council appoints the City Manager and the Clerk of Council. The City Manager is the chief executive officer and the head of the administrative agencies of the City. He appoints all department heads and employees, except as otherwise provided in the charter.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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 most significant of the City's accounting policies are described below.

**A. Reporting Entity**

For financial reporting purposes, the City's BFS include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. The City has no component units.

The primary government consists of all funds and departments which provide various services including public safety services, street maintenance and repair, parks, recreation, water, sewer and refuse services. Council and the City Manager are directly responsible for these activities.

*Insurance Purchasing Pool*

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Fairfield, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. See Note 14 for additional information.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

**B. Basis of Presentation**

The City's (BFS) 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 activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

**C. Fund Accounting**

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

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

The following are the City's major governmental funds:

**General fund** - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Fire and rescue** - The fire and rescue fund accounts for all transactions relating to fire and emergency services.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Police - The police fund accounts for all transactions relating to the police department.

Street - The street fund accounts for all transactions relating to street maintenance and construction.

Capital improvement - To account for resources used to purchase equipment and construct capital assets.

Other governmental funds of the City are used to account for:

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

**Nonmajor debt service funds** - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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

Enterprise funds - The 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 - This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

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

Solid waste - This fund accounts for the operations providing solid waste removal to the residents and commercial users located within the City.

Internal service funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on the operations of the government center and the service center.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's only fiduciary funds are custodial funds. The Custodial funds hold monies for building assessment fees collected on behalf of the State of Ohio.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

**D. Measurement Focus**

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service fund include personnel costs and administrative expenses incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**E. Basis of Accounting**

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, fees and special assessments.

***Deferred Outflows of Resources and Deferred Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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. See Notes 15 and 16 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance 2025 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 15 and 16 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

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

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

**F. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. The legal level of budgetary control is at the department level of each fund and within each department personal services. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

***Tax Budget*** - During the first Council meeting in July, the City Manager presents the following year's annual operating budget to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

***Estimated Resources*** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to January 1, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include unencumbered cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect both the amounts on the certificate of estimated resources when the original appropriations were adopted and the amounts in the final amended official certificate of estimated resources issued during 2024.

***Appropriations*** - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the department level of each fund and within each department personal services. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations at the legal level of control for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect both the first appropriation resolution that covers the entire year, which includes amounts automatically carried forward from prior years, and the final appropriation amounts, including all amendments and modifications legally enacted by Council.

***Lapsing of Appropriations*** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

**G. Cash and Cash Equivalents**

Cash balances of the City's funds are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank account is presented on the balance sheet as "equity in pooled cash and investments" on the financial statements.

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

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

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue earned and credited to the general fund during 2024 amounted to \$863,509, which included \$674,769 assigned from other funds of the City.

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

An analysis of the City's investment account at year end is provided in Note 4.

**H. Inventories of Materials and Supplies**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. On the fund financial statements, reported inventory is equally offset as a component of nonspendable fund balance in governmental funds which indicates that it does not constitute available resources even though it is a component of net current assets. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

**I. Prepayments**

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed. On the fund financial statements, reported prepayments are equally offset as a component of nonspendable fund balance in governmental funds which indicates that they do not constitute available resources even though they are a component of net current assets.

**J. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of thoroughfares, street lights, curbs, gutters, sidewalks, storm sewers, bridges, street signs, traffic signals and controls, meters and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities. In addition, assets having an estimated useful life of more than one year that are below the \$5,000 threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

The City is reporting intangible right to use assets related to leased vehicles. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

Depreciation/amortization is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-type Activities Estimated Lives</u>
Improvements to land	15 - 20 years	15 - 20 years
Buildings and Improvements	20 - 45 years	20 - 45 years
Furniture and Equipment	5 - 30 years	5 - 30 years
Vehicles	3 - 10 years	3 - 10 years
Intangible leased assets	3 years	n/a
Infrastructure:		
Water and Sewer Lines	50 years	50 years
Bridges	40 years	n/a
Thoroughfares/Curbs/Gutters/Sidewalks/Street Lights	30 years	n/a
Storm Sewers	25 years	25 years
Traffic Signals and Controls and Meters	15 years	15 years
Street Signs	10 years	n/a
Software	5 - 10 years	5 - 10 years

**K. Compensated Absences**

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences - vacation, sick leave and comp time. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

*Vacation*

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

*Sick Leave*

The City's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the City and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

*Comp Time*

The City's policy permits employees to accumulate earned but unused comp time, which are eligible for payment at the employee's current pay rate upon separation from employment.

**L. 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. 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.

**M. Interfund Balances**

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

**N. Interfund Activity**

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

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

**O. 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. 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 nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**P. Estimates**

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

**Q. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes consist primarily of the tax increment financing fund.

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

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2024.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

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

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

**T. Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**U. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction and from contributions from governmental funds.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2024, the City has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*", GASB Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62", Implementation Guide No. 2023-1 and GASB Statement No. 101, "Compensated Absences".

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously report by the City.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the City.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the City.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**B. Restatement of Net Position**

During 2024, there was a change in accounting principle related to the implementation of GASB Statement No. 101, "Compensated Absences". The effect of changing the accounting principle is shown in the table below.

	12/31/2023 As Previously Reported	Change in Accounting Principle	12/31/2023 As Restated
<b>Net Position</b>			
Governmental Activities	\$ 33,268,419	\$ (874,460)	\$ 32,393,959
Business-Type Activities	<u>23,827,057</u>	<u>(73,671)</u>	<u>23,753,386</u>
<b>Total Net Position</b>	<b><u>\$ 57,095,476</u></b>	<b><u>\$ (948,131)</u></b>	<b><u>\$ 56,147,345</u></b>
<b>Proprietary Funds</b>			
Major Funds:			
Water	\$ 12,414,558	\$ (28,422)	\$ 12,386,136
Sewer	10,983,195	(41,114)	10,942,081
Solid Waste	422,146	(4,135)	418,011
<b>Total Proprietary Funds</b>	<b><u>\$ 23,819,899</u></b>	<b><u>\$ (73,671)</u></b>	<b><u>\$ 23,746,228</u></b>
<b>Internal Service Funds</b>			
Service Center	\$ 206,761	\$ (20,838)	\$ 185,923
Government Center	929,264	(3,026)	926,238
<b>Total Internal Service Funds</b>	<b><u>\$ 1,136,025</u></b>	<b><u>\$ (23,864)</u></b>	<b><u>\$ 1,112,161</u></b>

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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.

Interim deposits are deposits in 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.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Interim monies may be deposited or invested in the following securities in accordance with the City's investment policy:

- A. 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;
- B. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- C. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
- D. Bankers' acceptances (for a period not to exceed one hundred eighty days) issued by banks ranked within the top 100 banks, based upon asset size, or issued by banks within the State of Ohio with at least two billion dollars (\$2,000,000,000) in assets 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;
- E. Commercial paper (for a period not to exceed two hundred seventy days) which, when purchased, is rated at least P-1 by Moody's Investor Services and A-1 by Standard and Poor's, and corporate notes and other debt which, when purchased, is rated AA or better by Moody's Investor Services and/or Standard and Poor's 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;
- F. 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;
- G. The State Treasury Asset Reserve of Ohio (STAR Ohio);
- H. No-load money market mutual funds consisting exclusively of obligations described in paragraphs A. and B. hereof; and,
- I. Repurchase agreements with institutions which have executed a master repurchase agreement, entered into between the City and that particular institution. Each master repurchase agreement will provide for:
  1. Collateralization of each repurchase agreement consisting exclusively of obligations described in paragraphs A. and B. hereof, the market value of which shall not be less than 102 percent of the principal amount of each repurchase agreement plus accrued interest;
  2. Safekeeping of the collateral by the City's third-party safekeeping agent; and,
  3. Settlement of each repurchase agreement on a delivery-versus-payment basis. Master repurchase agreements may provide for substitution of collateral by the broker/dealer with the agreement of the City.

Securities which are specifically prohibited for investment include interest-only, mortgage-backed securities or other securities for which there exists a hypothetical mathematical possibility of a negative yield, excluding default risk, if the security is held to maturity.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

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

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

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 purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Cash on hand**

At year end, the City had \$1,100 in undeposited cash on hand which is included on the financial statements of the City as part of "equity in pooled cash and investments."

**B. Deposits with Financial Institutions**

At December 31, 2024, the carrying amount of all City deposits was \$450,044 and the bank balance of all City deposits was \$1,057,180. Of the bank balance, \$807,180, was exposed to custodial risk as discussed below because those deposits were uninsured and \$250,000 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2024, the City's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Investments**

As of December 31, 2024, the City had the following investments and maturities:

		<u>Investment Maturities</u>	
Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	6 months or less	
<i>Amortized Cost:</i>			
STAR Ohio	\$ 21,542,220	\$ 21,542,220	

*Interest Rate Risk:* Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment. Unless matched to a specific cash flow requirement, the City will not directly invest in securities maturing more than five years from the month of settlement.

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAA money market rating. The City's investment policy limits its investments to those authorized by Englewood Codified Ordinance 236.07. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investment policy requires commercial paper, when purchased, to be rated at least P-1 by Moody's Investor Services and A-1 by Standard & Poor's and corporate notes and other debt which, when purchased, is rated AA or better by Moody's Investor Services and/or Standard & Poor's.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires government securities, commercial paper, bankers' acceptances and money market securities to be settled in a delivery-versus-payment method. Book entry or physical securities shall be safekept by a third-party safekeeping agent, in the agent's Federal Reserve customer account, correspondent money center bank customer custody account or Depository Trust Corporation (DTC) customer custody account. Each delivery and safekeeping shall be evidenced by a safekeeping receipt.

*Concentration of Credit Risk:* The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2024:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	<u>% of Total</u>
<i>Amortized Cost:</i>		
STAR Ohio	\$ 21,542,220	100.00%

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**D. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2024:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 450,044
Investments	21,542,220
Cash on hand	1,100
Total	<u><u>\$ 21,993,364</u></u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 15,326,861
Business type activities	6,665,857
Custodial funds	646
Total	<u><u>\$ 21,993,364</u></u>

**NOTE 5 - INTERFUND ACTIVITY**

**A. Interfund Transfers**

Interfund transfers for the year ended December 31, 2024, consisted of the following, as reported in the fund financial statements:

<u>Transfers to</u>	<u>Transfers from</u>				<u>Total</u>	
	<u>General</u>	<u>Capital Improvement</u>		<u>Nonmajor Governmental Funds</u>		
		<u>Capital</u>	<u>Improvement</u>			
Fire and Rescue	\$ 2,120,000	\$ -	\$ -	\$ -	\$ 2,120,000	
Police	3,500,000	-	-	-	3,500,000	
Capital improvement	2,310,000	-	-	300,000	2,610,000	
Street	800,000	-	-	-	800,000	
Water	-	2,325,000	-	330,000	2,655,000	
Nonmajor governmental	<u>590,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>590,000</u>	
Total	<u><u>\$ 9,320,000</u></u>	<u><u>\$ 2,325,000</u></u>	<u><u>\$ 630,000</u></u>	<u><u>\$ 12,275,000</u></u>		

Transfers are made to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The tax incremental financing fund (a nonmajor governmental fund) transferred \$100,000 to the capital improvement fund to fund improvements made in the TIF District (See Note 8). The permissive tax fund (a nonmajor governmental fund) transferred \$200,000 to the capital improvement fund to fund road resurfacing projects and culvert replacement projects. The capital improvement fund transferred \$2,325,000 to the water fund due to a long-term advance being returned early. The tax incremental financing fund (a nonmajor governmental fund) transferred \$330,000 to the water fund to fund infrastructure improvements within the TIF area. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 - INTERFUND ACTIVITY - (Continued)**

**B. Advances To/From Other Funds**

In prior years, the general fund advanced \$451,415 to the capital improvement fund for the Main Street TIF project and none of this loan was repaid in 2024. The outstanding advance is \$279,415. This advance is not expected to be repaid within one year.

In prior years, the capital improvement fund advanced \$2,725,000 to the water fund. During 2024, \$2,725,000 of this advance was paid. There is no outstanding advance.

**NOTE 6 - PROPERTY TAXES**

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2024 public utility property taxes became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County collects property taxes on behalf of all taxing districts in the County, including the City of Englewood. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represent real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2024 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by deferred inflow of resources since the current taxes were not levied to finance 2024 operations and the collection of delinquent taxes has been offset by deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2024 was \$11.33 per \$1,000 of assessed value. The assessed values of real property and public utility personal property upon which 2024 property tax receipts were based are as follows:

<u>Real property</u>	
Residential/agricultural	\$ 310,385,180
Commercial/industrial/mineral	81,677,170
<u>Public utility</u>	
Personal	<u>7,931,020</u>
Total assessed value	<u><u>\$ 399,993,370</u></u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 7 - LOCAL INCOME TAX**

The City levies a municipal income tax of one and three-quarters percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax. All remaining income tax revenue is then initially placed in the general fund. The use of all income tax proceeds is determined by City Council. Income tax revenue for 2024 was \$9,963,662 as reported in the fund financial statements.

**NOTE 8 - TAX INCREMENT FINANCING DISTRICT (TIF)**

The City, pursuant to the Ohio Revised Code and City ordinances, has established a TIF. A TIF represents a geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "payments in lieu of taxes (PILOT)", as though the TIF had not been established. These "PILOTS" are then dedicated to the payments for various public improvements within or adjacent to the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes.

PILOT revenue was \$544,115 in 2024 as reported in the fund financial statements. The TIF has a longevity of the shorter period of 30 years or until the public improvements are paid for. The property tax exemption then ceases; PILOT's cease and property taxes then apply to the increased property values.

**NOTE 9 - TAX ABATEMENTS**

As of December 31, 2024, the City provides property tax abatements through Community Reinvestment Area (CRA). Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The City had 13 parcels of land that received tax abatements through the CRA program. The total City property taxes abated during 2024 were \$63,814.

**NOTE 10 - RECEIVABLES**

Receivables at December 31, 2024, consisted of taxes, payment in lieu of taxes, accounts (billings for user charged services), special assessments, and intergovernmental receivables arising from grants, entitlements and shared revenue. All intergovernmental receivables have been classified as "due from other governments" on the basic financial statements. Receivables have been recorded to the extent that they are measurable at December 31, 2024.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 10 – RECEIVABLES – (Continued)**

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Income taxes	\$ 2,136,376
Real and other taxes	2,520,826
Payments in lieu of taxes	589,918
Accounts	970,493
Special assessments	236,773
Due from other governments	810,000

**Business-type activities:**

Accounts	615,577
Special assessments	95,860
Due from other governments	159,893

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year with the exception of the opioid settlement receivable which will be collected over the course of the settlement agreements. Receivables in the amount of \$103,316 will not be received within one year.

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 11 - CAPITAL ASSETS**

A. Capital asset activity for the governmental activities for the year ended December 31, 2024, was as follows:

	Balance 12/31/23	Additions	Disposals	Balance 12/31/24
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 3,179,890	\$ 16,900	\$ (229,844)	\$ 2,966,946
Construction-in-progress	<u>36,890</u>	<u>1,201,744</u>	<u>(36,890)</u>	<u>1,201,744</u>
Total capital assets, not being depreciated/amortized	<u>3,216,780</u>	<u>1,218,644</u>	<u>(266,734)</u>	<u>4,168,690</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	4,995,890	68,184	-	5,064,074
Buildings and improvements	12,507,347	320,900	-	12,828,247
Furniture and equipment	5,786,731	1,129,393	-	6,916,124
Vehicles	6,546,614	386,530	(1,136,584)	5,796,560
Infrastructure	37,941,640	301,239	-	38,242,879
Right to use - Vehicle	42,938	-	-	42,938
Intangible right to use - software	12,831	-	-	12,831
Computer software	<u>325,015</u>	<u>-</u>	<u>-</u>	<u>325,015</u>
Total capital assets, being depreciated/amortized	<u>68,159,006</u>	<u>2,206,246</u>	<u>(1,136,584)</u>	<u>69,228,668</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(3,306,551)	(135,129)	-	(3,441,680)
Buildings and improvements	(5,998,649)	(249,876)	-	(6,248,525)
Furniture and equipment	(3,052,828)	(486,185)	-	(3,539,013)
Vehicles	(3,708,255)	(534,482)	1,072,370	(3,170,367)
Infrastructure	(26,749,432)	(973,104)	-	(27,722,536)
Right to use - Vehicle	(27,433)	(14,313)	-	(41,746)
Intangible right to use - software	(5,132)	(5,132)	-	(10,264)
Computer software	<u>(174,552)</u>	<u>(35,298)</u>	<u>-</u>	<u>(209,850)</u>
Total accumulated depreciation/amortization	<u>(43,022,832)</u>	<u>(2,433,519)</u>	<u>1,072,370</u>	<u>(44,383,981)</u>
Total capital assets, being depreciated/amortized	<u>25,136,174</u>	<u>(227,273)</u>	<u>(64,214)</u>	<u>24,844,687</u>
Governmental activities capital assets, net	<u><u>\$ 28,352,954</u></u>	<u><u>\$ 991,371</u></u>	<u><u>\$ (330,948)</u></u>	<u><u>\$ 29,013,377</u></u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 11 - CAPITAL ASSETS - (Continued)**

Depreciation/amortization expense was charged to functions/programs of the City as follows:

**Governmental activities:**

General government	\$ 483,620
Security of persons and property	435,158
Public health	2,925
Leisure time activity	109,835
Community environment	70,681
Transportation	1,207,243
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	124,057
Total depreciation/amortization expense - governmental activities	<u>\$ 2,433,519</u>

**B.** Capital asset activity for the business-type activities for the year ended December 31, 2024 was as follows:

<b><u>Business-type activities:</u></b>	Balance			Balance 12/31/24
	12/31/23	Additions	Disposals	
<i>Capital assets, not being depreciated:</i>				
Land	\$ 136,885	\$ -	\$ -	\$ 136,885
Construction in Progress	- <u>301,613</u>	301,613	- <u>-</u>	301,613
Total capital assets, not being depreciated	<u>136,885</u>	<u>301,613</u>	- <u>-</u>	<u>438,498</u>
<i>Capital assets, being depreciated:</i>				
Improvements other than buildings	50,983	- <u>-</u>	- <u>-</u>	50,983
Buildings and improvements	8,269,207	- <u>-</u>	- <u>-</u>	8,269,207
Equipment	8,113,555	87,215	- <u>-</u>	8,200,770
Vehicles	259,958	12,225	- <u>-</u>	272,183
Software	25,174	- <u>-</u>	- <u>-</u>	25,174
Infrastructure	<u>31,959,246</u>	<u>183,225</u>	<u>(13,423)</u>	<u>32,129,048</u>
Total capital assets, being depreciated	<u>48,678,123</u>	<u>282,665</u>	<u>(13,423)</u>	<u>48,947,365</u>
<i>Less: accumulated depreciation:</i>				
Improvements other than buildings	(21,822)	(2,549)	- <u>-</u>	(24,371)
Buildings and improvements	(5,531,558)	(150,725)	- <u>-</u>	(5,682,283)
Equipment	(3,822,494)	(306,628)	- <u>-</u>	(4,129,122)
Vehicles	(185,445)	(13,525)	- <u>-</u>	(198,970)
Software	(23,685)	(616)	- <u>-</u>	(24,301)
Infrastructure	<u>(17,819,098)</u>	<u>(596,247)</u>	<u>13,423</u>	<u>(18,401,922)</u>
Total accumulated depreciation	<u>(27,404,102)</u>	<u>(1,070,290)</u>	<u>13,423</u>	<u>(28,460,969)</u>
Total capital assets, being depreciated, net	<u>21,274,021</u>	<u>(787,625)</u>	- <u>-</u>	<u>20,486,396</u>
Business-type activities capital assets, net	<u>\$ 21,410,906</u>	<u>\$ (486,012)</u>	\$ <u>-</u>	<u>\$ 20,924,894</u>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 11 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to business-type activities as follows:

**Business-type activities**

Water	\$ 636,729
Sewer	429,461
Solid Waste	<u>4,100</u>
Total depreciation expense - business-type activities	<u>\$ 1,070,290</u>

**NOTE 12 - OTHER EMPLOYEE BENEFITS**

**Deferred Compensation Plans**

City employees and elected officials may participate in a statewide deferred compensation plan or a plan offered by ING and sponsored by the Ohio Municipal League. Both plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

**Compensated Absences**

**Accumulated Unpaid Vacation**

City employees earn vacation leave at varying rates based upon length of service. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave. The total obligation for vacation leave for the City as a whole amounted to \$418,406 at December 31, 2024. Amounts are recorded as a fund liability and/or on the government-wide financial statements as applicable.

**Accumulated Unpaid Sick Leave**

City employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement an employee is paid for one-third of his accumulated sick leave within various limits. The total obligation for sick leave accrual for the City as a whole amounted to \$1,330,141 at December 31, 2024. Amounts are recorded as a fund liability and/or on the government-wide financial statements as applicable.

**Overtime Pay**

City employees earn overtime pay at varying rates based on when the employee works the overtime. The total obligation for overtime pay for the City as a whole amounted to \$33,082 at December 31, 2024. Amounts are recorded as a fund liability and/or on the government-wide financial statements as applicable.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 13 - LONG-TERM OBLIGATIONS**

**A.** Due to the implementation of GASB Statement No. 101 (see Note 3 for detail), the City has restated compensated absences as of December 31, 2023 which is reflected in the schedule below. The changes in the City's governmental activities long-term obligations during the year consist of the following:

<b>Governmental activities:</b>	Restated			Amounts	
	Balance 12/31/23	Additions	Reductions	Balance 12/31/24	Due in One Year
Compensated absences	\$ 1,698,067	\$ -	\$ (23,319)	\$ 1,674,748	\$ 574,282
Net pension liability	20,360,275	510,009	(919,224)	19,951,060	-
Net OPEB liability	1,198,380	47,478	(118,369)	1,127,489	-
SBTA payable	6,387	-	(6,387)	-	-
Total long-term obligations	<u>\$ 23,263,109</u>	<u>\$ 557,487</u>	<u>\$ (1,067,299)</u>	<u>\$ 22,753,297</u>	<u>\$ 574,282</u>

\*The change in compensated absences liability is presented as a net change.

Compensated absences, consisting of sick leave (severance), vacation benefits and compensatory time, and net pension liability and net OPEB liability will be paid from the fund from which the employee is paid. For the City, these funds are primarily the general, fire and rescue, police and street funds.

*SBTA* – During 2022, the City entered into an agreement for the right to use software. Per GASB Statement No. 96, the City will report an intangible capital asset and corresponding liability for any future scheduled payments under the agreement. The liability was fully paid within 2024 and there are no future obligations.

**B.** Due to the implementation of GASB Statement No. 101 (see Note 3 for detail), the City has restated compensated absences as of December 31, 2023 which is reflected in the schedule below. The changes in the City's business-type activities long-term obligations during the year consist of the following:

<b>Business-type activities:</b>	Restated			Amounts	
	Balance 12/31/23	Additions	Reductions	Balance 12/31/24	Due in One Year
<u>Ohio Public Works (OPWC) Loans</u>					
South Water Tower Rehabilitation	\$ 259,570	\$ -	\$ (8,652)	\$ 250,918	\$ 17,305
Total OPWC	<u>\$ 259,570</u>	<u>\$ -</u>	<u>\$ (8,652)</u>	<u>\$ 250,918</u>	<u>\$ 17,305</u>
<u>Other long-term obligations</u>					
Compensated absences	\$ 161,208	\$ -	\$ (54,327)	\$ 106,881	\$ 33,332
Net pension liability	755,872	-	(134,152)	621,720	-
Net OPEB liability	15,035	-	(15,035)	-	-
Total other long-term obligations	<u>932,115</u>	<u>\$ -</u>	<u>(203,514)</u>	<u>728,601</u>	<u>\$ 33,332</u>
Total long-term obligations	<u><u>\$ 1,191,685</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (212,166)</u></u>	<u><u>\$ 979,519</u></u>	<u><u>\$ 50,637</u></u>

\*The change in compensated absences liability is presented as a net change.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 13 - LONG-TERM OBLIGATIONS – (Continued)**

In 2024, the City entered into an Ohio Public Works Commission (OPWC) loan for water tower rehabilitation. This loan was issued with a 0% interest rate, has a maturity date of July 1, 2039, and will be paid from the water fund. The following is a schedule of future payments:

Year Ending <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 17,305	\$ -	\$ 17,305
2026	17,305	-	17,305
2027	17,305	-	17,305
2028	17,305	-	17,305
2029	17,305	-	17,305
2030-2034	86,523	-	86,523
2035-2039	<u>77,870</u>	<u>-</u>	<u>77,870</u>
Total	<u>\$ 250,918</u>	<u>\$ -</u>	<u>\$ 250,918</u>

As of December 31, 2024, the City's overall legal debt margin (the ability to issue general obligation bonded debt) was \$42,005,373 and the unvoted debt margin was \$21,999,635.

**NOTE 14 - RISK MANAGEMENT**

**A. Comprehensive**

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City is a member of the Miami Valley Risk Management Association, Inc. (MVRMA), a joint insurance pool. The pool consists of twenty-one municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability. The City pays an annual premium for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and the purchase of excess and stoploss insurance. The deductible per occurrence for all types of claims is \$2,500. The type of coverage and deductible for each is as follows:

**Type of Coverage**

1. Liability:

- Personal Injury Liability
- Property Damage Liability
- Public Officials Errors and Omissions
- Employment Practices Liability
- Employee Benefits Liability

Limits: \$12,000,000 per occurrence. \$12,000,000 annual aggregate per member for Employment Practices Liability; Public Officials Errors and Omissions and Employee Benefits Liability combined; and Products/Completed Operations.

MVRMA self-insured \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual, Inc. (GEM) for \$6.5 million excess of \$500,000, from Genesis for \$5 million excess of \$7 million.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 14 - RISK MANAGEMENT - (Continued)**

2. Property:

\$1,000,000,000/occurrence  
MVRMA Self-Insured Retention (SIR): \$250,000/occurrence

Coverage excess of SIR provided by Alliant Property Insurance Program (APIP). List of carriers underwriting the coverage provided upon request.

3. Flood - included in Property Policy

\$25 million/occurrence and annual aggregate  
Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate  
MVRMA SIR: \$250,000/occurrence all flood zones

4. Earthquake - included in Property Policy

\$25 million/occurrence and annual aggregate  
MVRMA SIR: \$250,000/occurrence

5. Boiler & Machinery - included in Property Policy

\$100,000,000/occurrence  
MVRMA SIR: \$25,000 - \$500,000/occurrence

6. Cyber Liability - included in Property Policy

Aggregate Limit: \$3 million, subject to \$4 million MVRMA pool-wide aggregate  
Coverage provided by Lloyd's of London - Beazley Syndicate. Excess limits provided by Alliant Property Insurance Program (APIP)

First Party Loss:

\$1,500,000 Business Interruption Resulting from Security Breach  
\$1,000,000 Business Interruption Resulting from System Failure  
\$1,500,000 Dependent Business Interruption Resulting from Security Breach  
\$200,000 Dependent Business Interruption Resulting from System Failure  
\$1,500,000 Cyber Extortion Loss  
\$1,500,000 Data Recovery Costs

Liability:

Data & Network Liability: Regulatory Defense & Penalties; Payment Card Liabilities & Costs; Media Liability: \$5,000,000

Breach Response Costs:

\$1,000,000 (increased to \$2 million if designated provider is used)

E-crime:

\$150,000/occurrence for Fraudulent Instruction, Funds Transfer Fraud, Telephone Fraud

7. Pollution Liability - Claims Made and Reported Policy

\$25 million Policy Aggregate for all insureds combined  
\$2 million Per Pollution Incident  
\$2 million Per Named Insured  
\$2 million Per Pool  
MVRMA SIR: \$250,000/pollution condition; \$750,000 to \$1 million underground storage tanks specific; \$250,000 mold; \$500,000 sewage backup

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 14 - RISK MANAGEMENT - (Continued)**

8. Crime

\$2 million Employee Theft Per Loss; Forgery or Alteration  
\$100,000 Inside and Outside Premises – Theft of Money and Securities, Robbery, Safe Burglary  
\$2 million Computer Fraud  
\$2 million Funds Transfer Fraud  
\$5,000 Money Orders and Counterfeit Paper Currency

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

MVRMA issues a stand-alone Annual Report. Interested parties may obtain a copy by making a written request to 3085 Woodman Dr. Suite 200, Kettering, OH, 45420.

**B. Workers' Compensation**

In 2024, the City participated in the Ohio Bureau of Workers' Compensation (Bureau) Group Rating Plan. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries.

**C. Unemployment**

The City is a reimbursing employer with the Ohio Department of Job and Family Services. This means that, in lieu of unemployment taxes, the City pays unemployment claims to the State of Ohio as incurred. Claims may be incurred when an employee experiences the loss of employment other than with the City of Englewood. In 2024, the City's contribution to unemployment benefits was immaterial.

**D. Health, Dental and Life Insurance**

The City is a member of the Ohio Benefits Cooperative (OBC), a consortium of political subdivisions in the greater Miami Valley area. The purpose of the OBC is to pool risk and collectively purchase health insurance. OBC entered into an administrative agreement on September 1, 2015 with the Jefferson Health Plan for stop loss insurance, pooling, administration and other benefit services to provide medical benefits to City employees.

The City offers two High Deductible Health Plans. For the plan year effective 9/1/24 - 8/31/25, the City pays 85% of the HSA3 Plan, which has a \$2500/\$5000 deductible and monthly premium of \$751 for single coverage and \$2,290 for family coverage. The City also pays 100% of the premium for single coverage. The City pays 100% of the premium for the HSA5 plan, which has a \$3500/\$7000 deductible. As required by a collective bargaining agreement with the Ohio Patrolmen's Benevolent Association (OPBA), the City also offers a PPO. The monthly premium is \$901 for single coverage and \$2,749 for family coverage. The employee portion of the monthly premium is \$93 for single coverage and \$282 for family coverage.

Dental insurance is offered through Superior Dental Care. The City pays the majority of the monthly premium of \$28 for single coverage and \$87 for family coverage. The City also provides a minimum of \$25,000 life and AD&D insurance at no cost to the employees. Employees have the opportunity to purchase additional group rated health and life insurance benefits, with the full cost of the premiums paid by the employee via payroll deduction.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS**

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

***Net Pension Liability (Asset) and Net OPEB Liability (Asset)***

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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

The net pension/OPEB liability (asset) represents 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 calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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 long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the pension disclosures. See Note 16 for the OPEB disclosures.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

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

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

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>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. 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 3.00%.

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 20.00% 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.

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$524,437 for 2024. Of this amount, \$48,621 is reported as due to other governments.

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
<b>2024 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2024 Actual Contribution Rates</b>		
<b>Employer:</b>		
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>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,015,255 for 2024. Of this amount, \$106,944 is reported as due to other governments.

***Net Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

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

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

	OPERS - OPERS - Traditional	Member- Directed	OP&F	Total
Proportion of the net pension liability/asset prior measurement date	0.02270400%	0.00029400%	0.15169310%	
Proportion of the net pension liability/asset current measurement date	<u>0.02159400%</u>	<u>0.00193600%</u>	<u>0.15442290%</u>	
Change in proportionate share	<u>-0.00111000%</u>	<u>0.00164200%</u>	<u>0.00272980%</u>	
Proportionate share of the net pension liability	\$ 5,653,397	\$ -	\$ 14,919,383	\$ 20,572,780
Proportionate share of the net pension asset	-	(215)	-	(215)
Pension expense	365,593	(20)	2,159,983	2,525,556

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	OPERS - OPERS - Traditional	Member- Directed	OP&F	Total
<b>Deferred outflows of resources</b>				
Differences between expected and actual experience				
	\$ 92,400	\$ 468	\$ 478,954	\$ 571,822
Net difference between projected and actual earnings on pension plan investments	1,141,096	36	1,690,681	2,831,813
Changes of assumptions	-	7	942,889	942,896
Changes in employer's proportionate percentage/ difference between employer contributions	942	-	1,332,519	1,333,461
Contributions subsequent to the measurement date	511,880	12,557	1,015,255	1,539,692
<b>Total deferred outflows of resources</b>	<b><u>\$ 1,746,318</u></b>	<b><u>\$ 13,068</u></b>	<b><u>\$ 5,460,298</u></b>	<b><u>\$ 7,219,684</u></b>
 <b>Deferred inflows of resources</b>				
Differences between expected and actual experience				
	\$ -	\$ -	\$ 166,857	\$ 166,857
Changes of assumptions	-	-	226,568	226,568
Changes in employer's proportionate percentage/ difference between employer contributions	221,564	-	-	221,564
<b>Total deferred inflows of resources</b>	<b><u>\$ 221,564</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 393,425</u></b>	<b><u>\$ 614,989</u></b>

\$1,539,692 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/increase to the net pension liability/asset in the year ending December 31, 2025.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Year Ending December 31:	OPERS -		OP&F	Total
	OPERS - Traditional	Member- Directed		
2025	\$ 103,974	\$ 80	\$ 1,316,391	\$ 1,420,445
2026	343,207	84	1,232,220	1,575,511
2027	728,182	85	1,396,884	2,125,151
2028	(162,489)	48	17,970	(144,471)
2029	-	49	86,122	86,171
Thereafter	-	165	2,030	2,195
<b>Total</b>	<b>\$ 1,012,874</b>	<b>\$ 511</b>	<b>\$ 4,051,617</b>	<b>\$ 5,065,002</b>

***Actuarial Assumptions - OPERS***

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

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2023, compared to the December 31, 2022 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 2.30%, simple through 2024, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.20% for 2023.

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

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability was 6.90% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 8,899,967	\$ 5,653,397	\$ 2,953,195
Member-Directed Plan	(155)	(215)	(271)

**Actuarial Assumptions - OP&F**

OP&F's total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No.67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. A comprehensive experience study was performed during 2022 by OP&F's actuary and completed as of December 31, 2021. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.03 years at December 31, 2023.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2023, compared to December 31, 2022, are presented below.

Valuation date	1/1/23 with actuarial liabilities rolled forward to 12/31/23
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*Healthy Mortality*

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% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality*

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

*Contingent Annuitant Mortality*

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% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

*Pre-Retirement Mortality*

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

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

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

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation		
linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
<b>Total</b>	<b><u>125.00 %</u></b>	

Note: assumptions are geometric.

\* levered 2x

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

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

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, 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%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 19,761,835	\$ 14,919,383	\$ 10,892,414

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS**

***Net OPEB Liability (Asset)***

See Note 15 for a description of the net OPEB liability (asset).

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

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

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

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

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

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

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

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

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

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

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

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

**Group A** 30 years of qualified health care service credit;

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

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

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

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

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

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51.00% and 90.00% of the base allowance for both non-Medicare and Medicare retirees.

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10.00% each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20.00% per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2024, state and local employers contributed at a rate of 14.00% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.00%. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$5,023 for 2024. Of this amount, \$466 is reported as due to other governments.

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

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

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

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

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

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The City's contractually required contribution to OP&F was \$23,757 for 2024. Of this amount, \$2,502 is reported as due to other governments.

***Net OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability 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	OP&F	Total
Proportion of the net OPEB liability			
prior measurement date	0.02115800%	0.15169310%	
Proportion of the net OPEB liability/asset			
current measurement date	<u>0.02021500%</u>	<u>0.15442290%</u>	
Change in proportionate share	<u>-0.00094300%</u>	<u>0.00272980%</u>	
Proportionate share of the net OPEB liability	\$ -	\$ 1,127,489	\$ 1,127,489
Proportionate share of the net OPEB asset	(182,445)	-	(182,445)
OPEB expense	(22,023)	149,745	127,722

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 54,220	\$ 54,220
Net difference between projected and actual earnings on OPEB plan investments	109,567	83,256	192,823
Changes of assumptions	46,971	387,976	434,947
Changes in employer's proportionate percentage/ difference between employer contributions	2,203	294,876	297,079
Contributions subsequent to the measurement date	5,023	23,757	28,780
<b>Total deferred outflows of resources</b>	<b><u>\$ 163,764</u></b>	<b><u>\$ 844,085</u></b>	<b><u>\$ 1,007,849</u></b>
 <b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 25,967	\$ 207,193	\$ 233,160
Changes of assumptions	78,428	726,077	804,505
Changes in employer's proportionate percentage/ difference between employer contributions	2,152	42,466	44,618
<b>Total deferred inflows of resources</b>	<b><u>\$ 106,547</u></b>	<b><u>\$ 975,736</u></b>	<b><u>\$ 1,082,283</u></b>

\$28,780 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/increase to the net OPEB liability in the year ending December 31, 2025.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

Year Ending December 31:	OPERS	OP&F	Total
2025	\$ (5,326)	\$ 72,201	\$ 66,875
2026	9,230	(4,751)	4,479
2027	85,290	18,230	103,520
2028	(37,000)	(53,542)	(90,542)
2029	-	(82,008)	(82,008)
Thereafter	-	(105,538)	(105,538)
<b>Total</b>	<b>\$ 52,194</b>	<b>\$ (155,408)</b>	<b>\$ (103,214)</b>

***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, 2022, rolled forward to the measurement date of December 31, 2023.

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
Prior Measurement date	2.75 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	5.70%
Prior Measurement date	5.22%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	3.77%
Prior Measurement date	4.05%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2038
Prior Measurement date	5.50% initial, 3.50% ultimate in 2036
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.00% for 2023.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00 %	2.82 %
Domestic equities	25.00	4.27
Real Estate Investment Trusts (REITs)	5.00	4.68
International equities	25.00	5.16
Risk parity	3.00	4.38
Other investments	5.00	2.43
<b>Total</b>	<b>100.00 %</b>	

**Discount Rate** - A single discount rate of 5.70% was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability/(asset)	\$ 100,266	\$ (182,445)	\$ (416,631)

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

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

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	Current Health Care Trend Rate		
	1% Decrease	Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ 190,021	\$ 182,445	\$ 173,849

***Actuarial Assumptions - OP&F***

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

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

Key methods and assumptions used in the December 31, 2023, compared to the December 31, 2022 actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2023, with actuarial liabilities rolled forward to December 31, 2023
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	
Current measurement date	3.50% to 10.50%
Prior measurement date	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.07%
Prior measurement date	4.27%
Cost of Living Adjustments	2.20% simple per year

*Health Mortality*

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% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

*Disabled Mortality*

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

*Contingent Annuitant Mortality*

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% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

*Pre-Retirement Mortality*

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

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

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)**

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	18.60 %	4.10 %
Non-US equity	12.40	4.90
Private markets	10.00	7.30
Core fixed income *	25.00	2.40
High yield fixed income	7.00	4.10
Private credit	5.00	6.80
U.S. inflation		
linked bonds *	15.00	2.10
Midstream energy infrastructure	5.00	5.80
Real assets	8.00	6.00
Gold	5.00	3.50
Private real estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: assumptions are geometric.

\* levered 2x

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

**Discount Rate** - Total OPEB liability was calculated using the discount rate of 4.07%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38% was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07%.

**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 4.07%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07%), or one percentage point higher (5.07%) than the current rate.

	Current		
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 1,388,754	\$ 1,127,489	\$ 907,453

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 17 - FUND BALANCE**

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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Fire & Rescue Fund	Police Fund	Street Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>							
Materials and supplies inventory	\$ -	\$ -	\$ -	\$ 127,793	\$ -	\$ -	\$ 127,793
Prepays	99,680	33,320	51,592	9,982	-	8,305	202,879
Long-term advances	279,415	-	-	-	-	-	279,415
<b>Total nonspendable</b>	<b>379,095</b>	<b>33,320</b>	<b>51,592</b>	<b>137,775</b>	<b>-</b>	<b>8,305</b>	<b>610,087</b>
<b>Restricted:</b>							
Street construction and maintenance	-	-	-	2,293,045	-	1,145,354	3,438,399
Public safety	-	960,933	765,859	-	-	365,140	2,091,932
Capital improvements	-	-	-	-	324,725	-	324,725
Other purposes	-	-	-	-	-	289,477	289,477
<b>Total restricted</b>	<b>-</b>	<b>960,933</b>	<b>765,859</b>	<b>2,293,045</b>	<b>324,725</b>	<b>1,799,971</b>	<b>6,144,533</b>
<b>Committed:</b>							
Capital improvements	-	-	-	-	573,356	-	573,356
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>573,356</b>	<b>-</b>	<b>573,356</b>
<b>Assigned:</b>							
Street lighting	224,871	-	-	-	-	-	224,871
Earl Heck Community Center	163,549	-	-	-	-	-	163,549
General government	126,241	-	-	-	-	-	126,241
Capital improvements	-	-	-	-	2,860,134	-	2,860,134
Public health	1,807	-	-	-	-	-	1,807
Community environment	23,385	-	-	-	-	-	23,385
Leisure time activities	55,850	-	-	-	-	-	55,850
Subsequent appropriations	3,171,485	-	-	-	-	-	3,171,485
<b>Total assigned</b>	<b>3,767,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,860,134</b>	<b>-</b>	<b>6,627,322</b>
<b>Unassigned</b>	<b>1,279,226</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,279,226</b>
<b>Total fund balances</b>	<b>\$ 5,425,509</b>	<b>\$ 994,253</b>	<b>\$ 817,451</b>	<b>\$ 2,430,820</b>	<b>\$ 3,758,215</b>	<b>\$ 1,808,276</b>	<b>\$ 15,234,524</b>

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 18 - COMMITMENTS**

**A. Contractual Commitments**

As of December 31, 2024, the City had the following contractual commitments outstanding related to various City projects and purchases:

<u>Vendor</u>	<u>Amount of Contract</u>	<u>Amount Paid as of 12/31/2024</u>		<u>Remaining Commitment 12/31/2024</u>
		<u>12/31/2024</u>	<u>12/31/2024</u>	
Horton Emergency Vehicles	\$ 324,232	\$ -	\$ 324,232	
Sutphen Corporation	916,608	-	916,608	
John Construction	621,785	421,942	199,843	
Coate Construction	269,000	27,500	241,500	
Reese Electric	<u>131,910</u>	<u>129,460</u>	<u>2,450</u>	
Total	<u>\$ 2,263,535</u>	<u>\$ 578,902</u>	<u>\$ 1,684,633</u>	

**B. Other Commitments**

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

<u>Year-End</u>	
<u>Fund</u>	<u>Encumbrances</u>
General fund	\$ 201,123
Fire and rescue	116,141
Police	108,467
Street	131,614
Capital improvement	1,532,039
Nonmajor governmental	<u>141,492</u>
Total	<u>\$ 2,230,876</u>

**NOTE 19 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2024.

**B. Litigation**

The City is currently involved in no litigation for which there is a risk of financial liability.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>		<b>Variance with Final Budget - Over (Under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary Basis</b>	<b>Actual Basis</b>	
<b>Budgetary revenues:</b>					
Municipal income taxes	\$ 9,322,500	\$ 9,322,500	\$ 9,993,908	\$ 671,408	
Property and other taxes	858,488	858,488	871,699	13,211	
Charges for services	172,350	172,350	160,942	(11,408)	
Licenses and permits	152,000	152,000	155,453	3,453	
Fines and forfeitures	-	-	182	182	
Intergovernmental	310,574	310,574	377,293	66,719	
Special assessments	11,500	11,500	16,403	4,903	
Investment income	650,000	650,000	863,509	213,509	
Rental income	-	-	1,200	1,200	
Donations	1,500	1,500	2,250	750	
Other	29,200	29,200	11,833	(17,367)	
Total budgetary revenues	<u>11,508,112</u>	<u>11,508,112</u>	<u>12,454,672</u>	<u>946,560</u>	
<b>Budgetary expenditures:</b>					
Current:					
General government	1,793,926	2,314,374	2,148,128	(166,246)	
Public health and welfare	10,160	11,766	6,630	(5,136)	
Community environment	838,679	1,027,454	779,160	(248,294)	
Leisure time activity	598,190	687,361	368,048	(319,313)	
Total budgetary expenditures	<u>3,240,955</u>	<u>4,040,955</u>	<u>3,301,966</u>	<u>(738,989)</u>	
Budgetary excess (deficiency) of revenues over (under) expenditures	<u>8,267,157</u>	<u>7,467,157</u>	<u>9,152,706</u>	<u>1,685,549</u>	
<b>Budgetary other financing sources (uses):</b>					
Sale of capital assets	25,000	25,000	107,050	82,050	
Advances in	200,000	-	-	-	
Transfers (out)	(10,960,000)	(10,960,000)	(9,570,000)	(1,390,000)	
Total budgetary other financing sources (uses)	<u>(10,735,000)</u>	<u>(10,935,000)</u>	<u>(9,462,950)</u>	<u>(1,307,950)</u>	
Net change in fund balances	(2,467,843)	(3,467,843)	(310,244)	377,599	
<b>Budgetary fund balances at beginning of year</b>	3,876,383	3,876,383	3,876,383	-	
<b>Prior year encumbrances appropriated</b>	210,861	210,861	210,861	-	
<b>Budgetary fund balances at end of year</b>	<u>\$ 1,619,401</u>	<u>\$ 619,401</u>	<u>\$ 3,777,000</u>	<u>\$ 377,599</u>	

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FIRE AND RESCUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Over (Under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>		
			<b>Budgetary Basis</b>	
<b>Budgetary revenues:</b>				
Property and other taxes	\$ 1,482,484	\$ 1,564,534	\$ 1,562,638	\$ (1,896)
Charges for services	967,689	1,030,000	1,186,719	156,719
Intergovernmental	132,467	136,944	85,269	(51,675)
Donations	-	-	1,297	1,297
Other	58,085	61,500	65,035	3,535
<b>Total budgetary revenues</b>	<b>2,640,725</b>	<b>2,792,978</b>	<b>2,900,958</b>	<b>107,980</b>
<b>Budgetary expenditures:</b>				
Current:				
Security of persons and property	5,331,843	5,861,843	5,221,006	(640,837)
<b>Total budgetary expenditures</b>	<b>5,331,843</b>	<b>5,861,843</b>	<b>5,221,006</b>	<b>(640,837)</b>
Budgetary excess (deficiency) of revenues over (under) expenditures	<b>(2,691,118)</b>	<b>(3,068,865)</b>	<b>(2,320,048)</b>	<b>748,817</b>
<b>Budgetary other financing sources (uses):</b>				
Sale of capital assets	2,000	2,000	3,504	1,504
Transfers in	2,772,253	2,772,253	2,272,253	(500,000)
<b>Total budgetary other financing sources (uses)</b>	<b>2,774,253</b>	<b>2,774,253</b>	<b>2,275,757</b>	<b>(498,496)</b>
Net change in fund balances	83,135	(294,612)	(44,291)	250,321
<b>Budgetary fund balances at beginning of year</b>	<b>717,768</b>	<b>717,768</b>	<b>717,768</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>82,647</b>	<b>82,647</b>	<b>82,647</b>	<b>-</b>
<b>Budgetary fund balances at end of year</b>	<b>\$ 883,550</b>	<b>\$ 505,803</b>	<b>\$ 756,124</b>	<b>\$ 250,321</b>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
POLICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual Amounts		Variance with Final Budget - Over (Under) Actual Amounts	
	Original	Final	Budgetary Basis			
<b>Budgetary revenues:</b>						
Property and other taxes	\$ 255,579	\$ 255,579	\$ 243,344	\$ (12,235)		
Charges for services	72,500	72,500	72,257	(243)		
Fines and forfeitures	7,700	7,700	10,077	2,377		
Intergovernmental	33,750	33,750	74,834	41,084		
Other	2,500	2,500	27,153	24,653		
<b>Total budgetary revenues</b>	<b>372,029</b>	<b>372,029</b>	<b>427,665</b>	<b>55,636</b>		
<b>Budgetary expenditures:</b>						
Current:						
Security of persons and property	4,906,249	4,906,249	4,295,938	(610,311)		
<b>Total budgetary expenditures</b>	<b>4,906,249</b>	<b>4,906,249</b>	<b>4,295,938</b>	<b>(610,311)</b>		
Budgetary excess (deficiency) of revenues over (under) expenditures	<b>(4,534,220)</b>	<b>(4,534,220)</b>	<b>(3,868,273)</b>	<b>665,947</b>		
<b>Budgetary other financing sources (uses):</b>						
Sale of capital assets	4,000	4,000	20,062	16,062		
Transfers in	4,000,000	4,000,000	3,500,000	(500,000)		
<b>Total budgetary other financing sources (uses)</b>	<b>4,004,000</b>	<b>4,004,000</b>	<b>3,520,062</b>	<b>(483,938)</b>		
Net change in fund balances	(530,220)	(530,220)	(348,211)	182,009		
<b>Budgetary fund balances at beginning of year</b>	<b>1,008,490</b>	<b>1,008,490</b>	<b>1,008,490</b>	<b>-</b>		
<b>Prior year encumbrances appropriated</b>	<b>98,045</b>	<b>98,045</b>	<b>98,045</b>	<b>-</b>		
<b>Budgetary fund balances at end of year</b>	<b>\$ 576,315</b>	<b>\$ 576,315</b>	<b>\$ 758,324</b>	<b>\$ 182,009</b>		

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
STREET FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Over (Under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary Basis</b>	
<b>Budgetary revenues:</b>				
Intergovernmental	\$ 886,396	\$ 886,396	\$ 804,555	\$ (81,841)
Investment income	80,000	80,000	116,222	36,222
Other	5,000	5,000	11,543	6,543
<b>Total budgetary revenues</b>	<b>971,396</b>	<b>971,396</b>	<b>932,320</b>	<b>(39,076)</b>
<b>Budgetary expenditures:</b>				
Current:				
Transportation	3,815,424	3,315,424	2,101,364	(1,214,060)
<b>Total budgetary expenditures</b>	<b>3,815,424</b>	<b>3,315,424</b>	<b>2,101,364</b>	<b>(1,214,060)</b>
Budgetary excess (deficiency) of revenues over (under) expenditures	(2,844,028)	(2,344,028)	(1,169,044)	1,174,984
<b>Budgetary other financing sources (uses):</b>				
Sale of capital assets	-	-	2,625	2,625
Transfers in	1,190,000	1,190,000	800,000	(390,000)
<b>Total budgetary other financing sources (uses)</b>	<b>1,190,000</b>	<b>1,190,000</b>	<b>802,625</b>	<b>(387,375)</b>
Net change in fund balances	(1,654,028)	(1,154,028)	(366,419)	787,609
<b>Budgetary fund balances at beginning of year</b>	<b>2,111,306</b>	<b>2,111,306</b>	<b>2,111,306</b>	<b>-</b>
Prior year encumbrances appropriated	393,635	393,635	393,635	-
<b>Budgetary fund balances at end of year</b>	<b>\$ 850,913</b>	<b>\$ 1,350,913</b>	<b>\$ 2,138,522</b>	<b>\$ 787,609</b>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
CITY PENSION CONTRIBUTIONS**  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - TRADITIONAL PLAN

LAST TEN FISCAL YEARS

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.021594000%	\$ 5,653,397	\$ 3,562,514	158.69%	79.01%
2023	0.022704000%	6,706,773	3,520,500	190.51%	75.74%
2022	0.025357000%	2,206,163	3,706,321	59.52%	92.62%
2021	0.025157000%	3,725,204	3,416,321	109.04%	86.88%
2020	0.024665000%	4,875,205	3,497,250	139.40%	82.17%
2019	0.025701000%	7,038,983	3,463,686	203.22%	74.70%
2018	0.026325000%	4,129,882	3,495,077	118.16%	84.66%
2017	0.024882000%	5,650,278	3,237,625	174.52%	77.25%
2016	0.025531000%	4,422,291	3,184,508	138.87%	81.08%
2015	0.025300000%	3,051,464	3,109,367	98.14%	86.45%

Calendar Year	Contributions in Relation to the Contractually Required Contributions		Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 511,880	\$ (511,880)	\$ -	\$ 3,656,286	14.00%
2023	498,752	(498,752)	-	3,562,514	14.00%
2022	492,870	(492,870)	-	3,520,500	14.00%
2021	518,885	(518,885)	-	3,706,321	14.00%
2020	478,285	(478,285)	-	3,416,321	14.00%
2019	489,615	(489,615)	-	3,497,250	14.00%
2018	484,916	(484,916)	-	3,463,686	14.00%
2017	454,360	(454,360)	-	3,495,077	13.00%
2016	388,515	(388,515)	-	3,237,625	12.00%
2015	382,141	(382,141)	-	3,184,508	12.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF  
THE NET PENSION ASSET AND  
CITY PENSION CONTRIBUTIONS**  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) - MEMBER DIRECTED PLAN

LAST TEN FISCAL YEARS

Calendar Year (1)	City's Proportion of the Net Pension Asset	City's Proportionate Share of the Net Pension Asset	City's Covered Payroll	City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.001936000%	\$ 215	\$ 14,260	1.51%	134.44%
2023	0.000294000%	22	2,000	1.10%	126.74%
2022	0.000319000%	(58)	2,000	-2.90%	171.84%
2021	0.000881000%	161	5,290	3.04%	188.21%
2020	0.000337000%	12	2,000	0.60%	118.84%
2019	0.000838000%	18	4,790	0.38%	113.42%
2018	0.000845000%	29	4,640	0.63%	124.46%
2017	0.002002000%	8	10,389	0.08%	103.40%
2016	0.008640000%	33	48,117	0.07%	103.91%
2015	n/a	n/a	n/a	0.00%	107.10%

Calendar Year	Contributions in Relation to the Contractually Required Contributions		Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 12,557	\$ (12,557)	\$ -	\$ 125,570	10.00%
2023	1,426	(1,426)	-	14,260	10.00%
2022	200	(200)	-	2,000	10.00%
2021	200	(200)	-	2,000	10.00%
2020	529	(529)	-	5,290	10.00%
2019	200	(200)	-	2,000	10.00%
2018	479	(479)	-	4,790	10.00%
2017	464	(464)	-	4,640	10.00%
2016	987	(987)	-	10,389	9.50%
2015	5,774	(5,774)	-	63,801	9.05%

(1) Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.  
n/a - information not available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD**  
**MONTGOMERY COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

Calendar Year (1)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.154422900%	\$ 14,919,383	\$ 3,868,430	385.67%	63.63%
2023	0.151693100%	14,409,374	4,088,157	352.47%	62.90%
2022	0.146483900%	9,151,467	3,753,214	243.83%	75.03%
2021	0.129705700%	8,842,154	3,076,309	287.43%	70.65%
2020	0.106086200%	7,146,533	2,611,183	273.69%	69.89%
2019	0.104275000%	8,511,595	2,418,575	351.93%	63.07%
2018	0.109742000%	6,735,346	2,487,024	270.82%	70.91%
2017	0.094232000%	5,968,562	2,146,230	278.10%	68.36%
2016	0.093756000%	6,031,391	2,009,053	300.21%	66.77%
2015	0.093705400%	4,854,331	2,454,379	197.78%	72.20%

Calendar Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<i>Police:</i>					
2024	\$ 427,843	\$ (427,843)	\$ -	\$ 2,251,805	19.00%
2023	293,407	(293,407)	-	1,544,247	19.00%
2022	365,184	(365,184)	-	1,922,021	19.00%
2021	349,774	(349,774)	-	1,840,916	19.00%
2020	314,926	(314,926)	-	1,657,505	19.00%
2019	328,143	(328,143)	-	1,727,068	19.00%
2018	298,529	(298,529)	-	1,571,205	19.00%
2017	313,524	(313,524)	-	1,650,126	19.00%
2016	289,374	(289,374)	-	1,523,021	19.00%
2015	285,479	(285,479)	-	1,502,521	19.00%
<i>Fire:</i>					
2024	\$ 587,412	\$ (587,412)	\$ -	\$ 2,499,626	23.50%
2023	546,183	(546,183)	-	2,324,183	23.50%
2022	509,042	(509,042)	-	2,166,136	23.50%
2021	449,390	(449,390)	-	1,912,298	23.50%
2020	333,419	(333,419)	-	1,418,804	23.50%
2019	207,767	(207,767)	-	884,115	23.50%
2018	199,132	(199,132)	-	847,370	23.50%
2017	196,671	(196,671)	-	836,898	23.50%
2016	146,454	(146,454)	-	623,209	23.50%
2015	119,035	(119,035)	-	506,532	23.50%

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

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT AND TEN FISCAL YEARS

Fiscal Year (1) (2)	City's Proportion of the Net OPEB Liability/(Asset)	City's Proportionate Share of the Net OPEB Liability/(Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2024	0.020215000%	\$ (182,445)	\$ 3,576,774	5.10%	107.76%
2023	0.021158000%	133,404	3,522,500	3.79%	94.79%
2022	0.023613000%	(739,595)	3,708,321	19.94%	128.23%
2021	0.023464000%	(418,030)	3,421,611	12.22%	115.57%
2020	0.022983000%	3,174,551	3,499,250	90.72%	47.80%
2019	0.023966000%	3,124,602	3,468,476	90.09%	46.33%
2018	0.024590000%	2,670,293	3,499,717	76.30%	54.14%
2017	0.023267010%	2,350,047	3,248,014	72.35%	54.05%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 5,023	\$ (5,023)	\$ -	\$ 3,781,856	0.13%
2023	571	(571)	-	3,576,774	0.02%
2022	80	(80)	-	3,522,500	0.00%
2021	80	(80)	-	3,708,321	0.00%
2020	212	(212)	-	3,421,611	0.01%
2019	80	(80)	-	3,499,250	0.00%
2018	192	(192)	-	3,468,476	0.01%
2017	35,136	(35,136)	-	3,499,717	1.00%
2016	65,221	(65,221)	-	3,248,014	2.01%
2015	63,690	(63,690)	-	3,248,309	1.96%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT AND TEN FISCAL YEARS

<b>Fiscal Year (1) (2)</b>	<b>City's Proportion of the Net OPEB Liability</b>	<b>City's Proportionate Share of the Net OPEB Liability</b>	<b>City's Covered Payroll</b>	<b>City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
2024	0.154422900%	\$ 1,127,489	\$ 3,868,430	29.15%	51.89%
2023	0.151693100%	1,080,011	4,088,157	26.42%	52.59%
2022	0.146483900%	1,605,590	3,753,214	42.78%	46.86%
2021	0.129705700%	1,374,253	3,076,309	44.67%	45.42%
2020	0.106086200%	1,047,891	2,611,183	40.13%	47.08%
2019	0.104275000%	949,584	2,418,575	39.26%	46.57%
2018	0.109742000%	6,217,811	2,487,024	250.01%	14.13%
2017	0.094232000%	4,472,981	2,146,230	208.41%	15.96%
<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>City's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<i>Police:</i>					
2024	\$ 11,259	\$ (11,259)	\$ -	\$ 2,251,805	0.50%
2023	10,285	(10,285)	-	1,544,247	0.50%
2022	9,610	(9,610)	-	1,922,021	0.50%
2021	9,205	(9,205)	-	1,840,916	0.50%
2020	8,288	(8,288)	-	1,657,505	0.50%
2019	8,635	(8,635)	-	1,727,068	0.50%
2018	7,856	(7,856)	-	1,571,205	0.50%
2017	8,251	(8,251)	-	1,650,126	0.50%
2016	7,821	(7,821)	-	1,523,021	0.50%
2015	7,716	(7,716)	-	1,502,521	0.50%
<i>Fire:</i>					
2024	\$ 12,498	\$ (12,498)	\$ -	\$ 2,499,626	0.50%
2023	11,622	(11,622)	-	2,324,183	0.50%
2022	10,831	(10,831)	-	2,166,136	0.50%
2021	9,562	(9,562)	-	1,912,298	0.50%
2020	7,094	(7,094)	-	1,418,804	0.50%
2019	4,421	(4,421)	-	884,115	0.50%
2018	4,237	(4,237)	-	847,370	0.50%
2017	4,184	(4,184)	-	836,898	0.50%
2016	3,116	(3,116)	-	623,209	0.50%
2015	2,533	(2,533)	-	506,532	0.50%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

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**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 - BUDGETARY PROCESS**

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 and disbursements.

The schedule of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and major special revenue funds is 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 that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

**Net Change in Fund Balance**

	<u>General fund</u>	<u>Fire and rescue fund</u>	<u>Police fund</u>	<u>Street fund</u>
Budget basis	\$ (310,244)	\$ (44,291)	\$ (348,211)	\$ (366,419)
Net adjustment for revenue accruals	(3,545)	229,971	24,964	6,432
Net adjustment for expenditure accruals	(255,079)	(86,494)	(28,814)	36,808
Net adjustment for other sources/uses	250,000	(152,253)	-	-
Funds budgeted elsewhere	(116,929)	-	-	-
Adjustments for encumbrances	<u>218,830</u>	<u>186,797</u>	<u>120,873</u>	<u>156,350</u>
GAAP Basis	<u>\$ (216,967)</u>	<u>\$ 133,730</u>	<u>\$ (231,188)</u>	<u>\$ (166,829)</u>

As part of Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting”, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the Earl Heck Community Center fund, the street lighting fund, and the street and related bonds fund.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**PENSION**

***OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)***

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

*Change in assumptions:*

- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25%, (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75% and (d) COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2018, then 2.15% simple.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- For 2020, COLA for post 1/7/2013 retirees were changed to 1.40%, simple through 2020, then 2.15% simple.
- For 2021, COLA for post 1/7/2013 retirees were changed to 0.50%, simple through 2021, then 2.15% simple.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- For 2023, COLA for post 1/7/2013 retirees were changed to 3.00%, simple through 2023, then 2.05% simple.
- For 2024, COLA for post 1/7/2013 retirees were changed to 2.30%, simple through 2024, then 2.05% simple.

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

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2015.
- There were no changes in benefit terms from the amounts reported for 2016.
- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

*Changes in assumptions:*

- There were no changes in assumptions for 2015.
- There were no changes in assumptions for 2016.
- There were no changes in assumptions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019.
- There were no changes in assumptions for 2020.
- There were no changes in assumptions for 2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.
- There were no changes in assumptions for 2024.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- There were no changes in benefit terms from the amounts reported for 2019.
- There were no changes in benefit terms from the amounts reported for 2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) the investment rate of return was decreased from 6.50% percent down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% up to 3.16%, (b) the municipal bond rate was decreased from 3.71% up to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% up to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed to 5.70%, (b) the municipal bond rate was changed to 3.77% and (c) the health care cost trend rate was changed to 5.50% initial, 3.50% ultimate in 2038.

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

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for 2017.
- There were no changes in benefit terms from the amounts reported for 2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020.
- There were no changes in benefit terms from the amounts reported for 2021.
- There were no changes in benefit terms from the amounts reported for 2022.
- There were no changes in benefit terms from the amounts reported for 2023.
- There were no changes in benefit terms from the amounts reported for 2024.

**CITY OF ENGLEWOOD  
MONTGOMERY COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) investment rate of return was reduced from 8.25% to 8.00%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66% and (b) the municipal bond rate was increased from 3.16% to 4.13%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% up to 3.56% and (b) the municipal bond rate was decreased from 4.13% to 2.75%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96% and (b) the municipal bond rate was decreased from 2.75% to 2.12%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50%, (b) the discount rate was changed from 2.96% to 2.84% and (c) the municipal bond rate was decreased from 2.12% to 2.05%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the municipal bond rate was increased from 2.05% to 3.65%.
- For 2024, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed to 4.07% and (b) and the municipal bond rate was changed to 3.38%.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

City of Englewood  
Montgomery County  
333 West National Road  
Englewood, Ohio 45322

To the Members of Council and Mayor:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Englewood, Montgomery County, Ohio, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Englewood's basic financial statements, and have issued our report thereon dated June 20, 2025, wherein we noted as described in Note 3 to the financial statements, the City of Englewood adopted a change in accounting principle by implementing GASB Statement No. 101, "Compensated Absences".

**Report on Internal Control over Financial Reporting**

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

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

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

City of Englewood  
Montgomery County  
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Julian & Grube, Inc.*

Julian & Grube, Inc.  
June 20, 2025

# OHIO AUDITOR OF STATE KEITH FABER



CITY OF ENGLEWOOD

MONTGOMERY 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 11/6/2025

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

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