



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF GENEVA
ASHTABULA COUNTY
DECEMBER 31, 2024**

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**CITY OF GENEVA
ASHTABULA COUNTY
DECEMBER 31, 2024**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

City of Geneva
Ashtabula County
44 North Forest Street
Geneva, Ohio 44041

To the City Council and City Manager:

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

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

KEITH FABER
Ohio Auditor of State



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

August 27, 2025

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

The discussion and analysis of the City of Geneva's 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 are encouraged to consider the information presented here in conjunction with the additional information contained in the basic financial statements and notes to enhance their understanding of the City's financial performance.

Financial Highlights

- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2024 by \$32,317,975. This is an increase of \$3,979,162 over the prior year. Net position of the City's governmental activities increased \$197,973 while net position of the business-type activities increased \$3,781,189.
- Total assets increased by \$3,339,290 and deferred outflows of resources decreased by \$1,950,814. The main factors affecting total assets and deferred outflows was changes related to the City's capital assets, net pension and net OPEB.
- Total liabilities decreased by \$1,065,176 and deferred inflows of resources increased by \$3,360,759. The main fluctuation in liabilities and deferred inflows can be directly related to net pension liability and net OPEB liability reported for the pension systems.

Using This Annual Financial Report

This discussion and analysis is intended to serve as an introduction to the City of Geneva's basic financial statements. These statements are organized so that readers can understand the City as a financial whole or as an entire operating entity. The statements then proceed to provide an increasing detailed look at specific financial conditions.

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

The City of Geneva as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the questions, "How did we do financially during 2024?" The statement of net position and the statement of activities answer this question. These statements include all (non-fiduciary) assets and deferred outflows of resources and all liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

The statement of net position presents information on all of the City of Geneva's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between all the elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Geneva is improving or deteriorating. However, the analysis on the City's condition must also look at the City's tax base, property tax evaluation and the condition of the City's assets.

The statement of activities presents information showing how the City's net position changed during the recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Geneva that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Geneva include general government, security of persons and property (police and fire), leisure time activities, community development and transportation. Business-type activities include wastewater and water operations.

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 of Geneva, 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 of Geneva can be divided into three categories: governmental, proprietary and fiduciary.

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 funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the year.

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

The City of Geneva maintains 25 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund and the street maintenance, construction and repair special revenue fund, which are considered to be major funds. Data from the other governmental funds are combined into single, aggregated presentation.

The City of Geneva adopts an annual appropriated budget for each of its funds to demonstrate budgetary compliance.

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

Proprietary Funds The City of Geneva's proprietary funds are the wastewater and water enterprise funds. Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

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

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

The City as a Whole

As noted earlier, the statement of net position looks at the City as a whole. The following table provides a summary of the City's net position for 2024 compared to 2023.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024*	2023*	2024	2023
Assets						
Current and Other Assets	\$8,602,561	\$8,107,908	\$4,171,631	\$3,856,595	\$12,774,192	\$11,964,503
Net Pension Asset	63,872	49,839	31,647	25,886	95,519	75,725
Net OPEB Asset	60,876	0	30,162	0	91,038	0
Capital Assets, Net	15,098,593	15,684,951	24,730,250	21,725,123	39,828,843	37,410,074
Total Assets	23,825,902	23,842,698	28,963,690	25,607,604	52,789,592	49,450,302
Deferred Outflows of Resources						
Deferred Charge on Refunding	4,387	5,265	0	0	4,387	5,265
Pension	1,714,254	2,233,745	283,045	444,512	1,997,299	2,709,203
OPEB	220,672	360,222	28,800	69,412	249,472	1,489,507
<i>Total Deferred Outflows of Resources</i>	1,939,313	2,599,232	311,845	513,924	2,251,158	4,203,975
Liabilities						
Current Liabilities	795,618	872,620	351,926	232,940	1,147,544	1,105,560
Long-Term Liabilities						
Due Within One Year	1,009,587	384,558	958,207	676,518	1,967,794	1,061,076
Net Pension Liability	5,462,869	5,809,126	863,219	1,056,628	6,326,088	6,865,754
Net OPEB Liability	281,173	327,376	0	23,098	281,173	350,474
Due in More Than One Year	1,613,483	2,246,612	9,631,421	10,403,203	11,244,904	12,649,815
<i>Total Liabilities</i>	\$9,162,730	\$9,640,292	\$11,804,773	\$12,392,387	\$20,967,503	\$22,032,679

(continued)

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

Table 1
Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024*	2023*	2024	2023
Deferred Inflows of Resources						
Property Tax	\$792,163	\$793,496	\$0	\$0	\$792,163	\$793,496
Lease	160,224	250,357	0	0	160,224	250,357
Pension	407,422	471,436	48,469	39,081	455,891	2,363,881
OPEB	329,673	381,555	17,321	8,255	346,994	1,710,300
<i>Total Deferred Inflows of Resources</i>	<u>1,689,482</u>	<u>1,896,844</u>	<u>65,790</u>	<u>47,336</u>	<u>1,755,272</u>	<u>5,118,034</u>
Net Position						
Net Investment in Capital Assets	12,780,070	13,281,872	14,183,627	10,703,105	26,963,697	23,984,977
Restricted for:						
Capital Outlay	258,928	264,306	0	0	258,928	264,306
Pension and OPEB Plans	124,748	49,839	61,809	25,886	186,557	75,725
Unclaimed Monies	3,775	3,775	0	0	3,775	3,775
Other Purposes	1,999,470	1,734,205	0	0	1,999,470	1,734,205
Unrestricted (Deficit)	<u>(253,988)</u>	<u>(429,203)</u>	<u>3,159,536</u>	<u>2,952,814</u>	<u>2,905,548</u>	<u>2,523,611</u>
<i>Total Net Position</i>	<u>\$14,913,003</u>	<u>\$14,904,794</u>	<u>\$17,404,972</u>	<u>\$13,681,805</u>	<u>\$32,317,975</u>	<u>\$28,586,599</u>

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

New Accounting Pronouncements

For 2024, the City implemented GASB Statement No. 101 *Compensated Absences*. The City also implemented GASB Statement No. 100 *Accounting Changes and Error Corrections*, which does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principle. The implementation of GASB 101 resulted in recognizing additional compensated absences liabilities of \$189,764 in governmental activities and \$58,022 in business-type activities at January 1, 2024. These amounts also impacted beginning net position for the cumulative effect of additional compensated absences expense (See Note 14).

Governmental and Business-Type Activities

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2024. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension 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.

City of Geneva, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2024
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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained 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.

Total net position for governmental activities showed an increase from 2023. This was largely due to an increase in cash and cash equivalents due to revenues outpacing operational needs of the City. Total net position for business-type activities saw an increase as the City continues to pay down on long-term obligations.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for the current year.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	\$635,295	\$796,118	\$3,507,036	\$3,419,779	\$4,142,331	\$4,215,897
Operating Grants and Contributions	632,534	578,669	0	0	632,534	578,669
Capital Grants and Contributions	0	47,585	3,251,435	0	3,251,435	47,585
Total Program Revenues	1,267,829	1,422,372	6,758,471	3,419,779	8,026,300	4,842,151
General Revenues						
Property Taxes	824,675	792,064	0	0	824,675	792,064
Municipal Income Taxes	3,382,447	3,375,607	0	0	3,382,447	3,375,607
Hotel Taxes	19,811	25,356	0	0	19,811	25,356
Permissive Taxes	79,116	64,851	0	0	79,116	64,851
Grants and Entitlements	629,999	621,927	0	0	629,999	621,927
Franchise Taxes	61,705	70,648	0	0	61,705	70,648
Unrestricted Contributions	7,745	17,320	0	0	7,745	17,320
Investment Earnings/Interest	18,929	23,677	11,810	10,887	30,739	34,564
Other	168,350	126,446	23,397	85,263	191,747	211,709
Total General Revenues	5,192,777	5,117,896	35,207	96,150	5,227,984	5,214,046
<i>Total Revenues</i>	<i>\$6,460,606</i>	<i>\$6,540,268</i>	<i>\$6,793,678</i>	<i>\$3,515,929</i>	<i>\$13,254,284</i>	<i>\$10,056,197</i>

(continued)

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

Table 2
Change in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program Expenses						
General Government	\$1,410,433	\$1,336,515	\$0	\$0	\$1,410,433	\$1,336,515
Security of Persons and Property	2,956,499	3,024,399	0	0	2,956,499	3,024,399
Leisure Time Activities	162,779	183,931	0	0	162,779	183,931
Community Development	305,670	198,147	0	0	305,670	198,147
Transportation	1,375,574	1,338,463	0	0	1,375,574	1,338,463
Interest	45,173	79,826	0	0	45,173	79,826
Wastewater	0	0	1,550,726	1,509,849	1,550,726	1,509,849
Water	0	0	1,468,268	1,341,340	1,468,268	1,341,340
<i>Total Expenses</i>	<u>6,256,128</u>	<u>6,161,281</u>	<u>3,018,994</u>	<u>2,851,189</u>	<u>9,275,122</u>	<u>9,012,470</u>
Increase (Decrease) in Net Position						
Before Transfers	204,478	378,987	3,774,684	664,740	3,979,162	1,043,727
Transfers	(6,505)	(23,335)	6,505	23,335	0	0
Change in Net Position	<u>197,973</u>	<u>355,652</u>	<u>3,781,189</u>	<u>688,075</u>	<u>3,979,162</u>	<u>1,043,727</u>
<i>Net Position Beginning of Year as Previously Reported</i>	14,904,794	14,549,142	13,681,805	12,993,730	28,586,599	27,542,872
Change in Accounting Principle (See Note 3)	<u>(189,764)</u>	<u>0</u>	<u>(58,022)</u>	<u>0</u>	<u>(247,786)</u>	<u>0</u>
<i>Restated Net Position Beginning of Year</i>	<u>14,715,030</u>	<u>14,549,142</u>	<u>13,623,783</u>	<u>12,993,730</u>	<u>28,338,813</u>	<u>27,542,872</u>
Net Position End of Year	<u>\$14,913,003</u>	<u>\$14,904,794</u>	<u>\$17,404,972</u>	<u>\$13,681,805</u>	<u>\$32,317,975</u>	<u>\$28,586,599</u>

New Accounting Pronouncements

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

Governmental Activities

Several revenue sources fund governmental activities with City municipal income tax being the largest contributor. The City has a current municipal income tax rate of 1.5 percent and grants a 1 percent credit to residents who pay municipal income tax to another city. Property tax collections are the next largest source of general revenue for governmental activities. The City collects 3.9 mills of inside millage and has approved 4.8 mills of outside millage. The outside millage is generated from a 4.8 mill police levy.

During 2024, property tax revenue collections increased slightly from the prior year. Municipal income taxes also saw an increase in collections from 2023. The City was able to balance their budget and keep expenditures below revenues by \$197,973.

Program expenses slightly increased from 2023 levels largely due to a 2.5 percent wage increase for the police, dispatch and fire employees. The street employees received a 2.5 percent wage increase.

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

Business-Type Activities

The City's business-type activities are comprised of two enterprise funds, which are the City's wastewater and water operations. The City's wastewater system services not only include the City, but a few surrounding communities. The water fund accounts for distribution of water to individuals and commercial users in various parts of the City. Total net position for the wastewater treatment and water enterprise funds increased from \$13,623,783 to \$17,404,972 as user charges exceeded current year expenses.

Governmental Funds Financial Analysis

A review of the City's governmental funds provides information on near-term flows and balances of expendable resources and serves as a useful measure of the City's net resources. Governmental fund information can be found beginning on page 18 and is accounted for using the modified accrual basis of accounting.

The City's major governmental funds are the general fund and the street maintenance, construction and repairs special revenue fund. The general fund revenues exceeded expenditures for the year after inception of subscriptions and transfers are included by \$148,088. Revenues and expenditures both increased from the prior year; however, management was able to monitor their budgets closely and despite wage and health care increases, revenues outpaced expenditures. Management continues to monitor its spending to stay in line with the budget. The street maintenance, construction and repairs special revenue fund balance increased due to revenues outpacing expenditures for the year.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2024, the City amended its general fund accordingly to avoid waiting until the end of the year to adjust appropriations. The control level of the general fund is by the personal services and other object within each department. This allows the City to make small interdepartmental budget modifications within departments. The general fund is monitored closely with regard to revenues and related expenditures. There was an increase in revenues from the final budget due to higher than expected property taxes, municipal income taxes, intergovernmental, and other revenue received. There was a decrease in actual expenditures made compared to the final budget. This was due to restricting spending as much as possible in the City's efforts to continue its financial stability.

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

Capital Assets and Debt Administration

Capital Assets

Table 4 shows 2024 balances of capital assets as compared to 2023.

Table 4
Capital Assets at December 31
(Net of Accumulated Depreciation/Amortization)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$868,815	\$884,215	\$0	\$0	\$868,815	\$884,215
Construction in Progress	562,768	379,141	4,261,710	574,327	4,824,478	953,468
Historical Treasurers	46,378	46,378	0	0	46,378	46,378
Easements	0	0	45,431	45,431	45,431	45,431
Buildings and						
Land Improvements	2,186,935	2,373,576	4,109,043	4,270,501	6,295,978	6,644,077
Machinery and Equipment	217,221	269,867	2,422,972	2,578,938	2,640,193	2,848,805
Vehicles	1,250,802	1,408,766	85,581	6,221	1,336,383	1,414,987
Infrastructure	9,889,087	10,272,500	13,789,195	14,242,238	23,678,282	24,514,738
Intangible Right to Use -						
Equipment	0	0	5,867	7,467	5,867	7,467
Intangible Right to Use -						
Software	76,587	50,508	10,451	0	87,038	50,508
Total Capital Assets	<u>\$15,098,593</u>	<u>\$15,684,951</u>	<u>\$24,730,250</u>	<u>\$21,725,123</u>	<u>\$39,828,843</u>	<u>\$37,410,074</u>

Governmental Additions For 2024, the primary additions for governmental activities included construction in progress that includes energy improvements throughout the City and infrastructure additions including the Senior Center project. These additions were offset by another year of depreciation.

Business-type Additions For 2024, the primary additions for business-type activities included construction in progress. The City also added a security camera system. Additional information concerning the City's capital assets can be found in Note 13 to the basic financial statements.

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

Debt

Table 5 summarizes the City's long-term obligations outstanding at December 31, 2024.

Table 5
 Outstanding Long-Term Obligations at Year End

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Notes Payable	\$664,805	\$716,392	\$0	\$0	\$664,805	\$716,392
General Obligation Bonds	598,591	734,787	0	0	598,591	734,787
OWDA Loans	0	0	9,930,074	10,437,021	9,930,074	10,437,021
OPWC Loans	536,669	546,221	479,905	536,610	1,016,574	1,082,831
Financed Purchases	346,579	383,970	36,220	40,911	382,799	424,881
Lease Payables	0	0	6,125	7,476	6,125	7,476
Subscription Payables	56,971	26,974	8,556	0	65,527	26,974
Compensated Absences	419,455	389,606	128,748	110,715	548,203	500,321
Net Pension Liability	5,462,869	5,809,126	863,219	1,056,628	6,326,088	6,865,754
Net OPEB Liability	281,173	327,376	0	23,098	281,173	350,474
Total	<u>\$8,367,112</u>	<u>\$8,934,452</u>	<u>\$11,452,847</u>	<u>\$12,212,459</u>	<u>\$19,819,959</u>	<u>\$21,146,911</u>

At December 31, 2024, the notes payable include 2018 bond anticipations notes. General obligation bonds include 2018 fire truck acquisition bonds, 2018 various purpose bonds and 2018 general obligation refunding bonds. The OPWC and OWDA loans outstanding are for infrastructure improvement projects, which are being repaid using street construction, maintenance and repair revenues as well as wastewater treatment and water user charges.

In addition to the debt discussed above, the City's long-term obligations also include financed purchases, leases, subscriptions, compensated absences, pension and OPEB. Additional information concerning debt issuances can be found in Note 14 to the basic financial statements.

Current Related Financial Activities

The City of Geneva is committed to maintaining the highest standards of services to the citizens of Geneva and is proactive when planning expenses in order to stay within the City's revenues. The City is heavily reliant on income and property taxpayers. During 2024, the City did see a slight upswing in property tax collection received by the County. Income Tax also increased as a result of an increase in collections for prior year delinquencies, as well as an increase in overall taxable wages paid by employers to compensate for the dramatic increase in inflation and a need to hire and retain employees. Water and sewer revenue collection also increased in comparison to the previous year as a result of a 10 percent rate increase.

The City's elected and appointed officials considered many factors when preparing the fiscal year 2024 budget. The continued use of a conservative spending approach; current economic conditions; basic operating costs, which include negotiated salary increases, benefits; and upcoming infrastructure projects are all factors recognized during the challenging budget process. Management is committed to keeping a close watch on current conditions as it compares to the budgeted projections to determine if increased revenues, or reductions in expenses are necessary in order to maintain fiscal stability. In conclusion, management is committed to provide the residents of the City with full disclosure of the financial position of the City.

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

Contacting the City of Geneva'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 the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional financial information, contact Finance Director, Traci Welch, City of Geneva, at 440-466-4675.

City of Geneva, Ohio
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities*	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,738,045	\$2,127,648	\$7,865,693
Accounts Receivable	54,947	553,565	608,512
Internal Balances	(25,155)	25,155	0
Intergovernmental Receivable	584,317	1,359,962	1,944,279
Prepaid Items	160,356	44,836	205,192
Materials and Supplies Inventory	33,879	48,859	82,738
Property Taxes Receivable	829,251	0	829,251
Municipal Income Taxes Receivable	948,584	0	948,584
Hotel Taxes Receivable	3,750	0	3,750
Permissive Taxes Receivable	4,519	0	4,519
Special Assessments Receivable	131,602	11,606	143,208
Leases Receivable	138,466	0	138,466
Net Pension Asset (See Note 16)	63,872	31,647	95,519
Net OPEB Asset (See Note 17)	60,876	30,162	91,038
Nondepreciable Capital Assets	1,477,961	4,307,141	5,785,102
Depreciable Capital Assets, Net	13,620,632	20,423,109	34,043,741
<i>Total Assets</i>	<i>23,825,902</i>	<i>28,963,690</i>	<i>52,789,592</i>
Deferred Outflows of Resources			
Deferred Charge on Refunding	4,387	0	4,387
Pension	1,714,254	283,045	1,997,299
OPEB	220,672	28,800	249,472
<i>Total Deferred Outflows of Resources</i>	<i>1,939,313</i>	<i>311,845</i>	<i>2,251,158</i>
Liabilities			
Accounts Payable	108,406	46,781	155,187
Accrued Wages	95,686	20,245	115,931
Contracts Payable	119,295	94,299	213,594
Intergovernmental Payable	71,261	138,251	209,512
Matured OWDA Loans Payable	0	3,664	3,664
Matured Interest Payable	0	252	252
Deposits Held Payable	38,231	0	38,231
Accrued Interest Payable	7,861	178	8,039
Accrued Vacation Leave Payable	24,049	7,756	31,805
Unearned Revenue	330,829	40,500	371,329
Long-Term Liabilities:			
Due Within One Year	1,009,587	958,207	1,967,794
Due In More Than One Year:			
Net Pension Liability (See Note 16)	5,462,869	863,219	6,326,088
Net OPEB Liability (See Note 17)	281,173	0	281,173
Other Amounts Due In More Than One Year	1,613,483	9,631,421	11,244,904
<i>Total Liabilities</i>	<i>9,162,730</i>	<i>11,804,773</i>	<i>20,967,503</i>
Deferred Inflows of Resources			
Property Taxes	792,163	0	792,163
Leases	160,224	0	160,224
Pension	407,422	48,469	455,891
OPEB	329,673	17,321	346,994
<i>Total Deferred Inflows of Resources</i>	<i>1,689,482</i>	<i>65,790</i>	<i>1,755,272</i>
Net Position			
Net Investment in Capital Assets	12,780,070	14,183,627	26,963,697
Restricted for:			
Capital Projects	258,928	0	258,928
Street Construction, Maintenance and Repair	507,387	0	507,387
Police and Fire Operations	832,979	0	832,979
Law Enforcement and Education	108,043	0	108,043
Street Lighting	464,362	0	464,362
Pension and OPEB Plans	124,748	61,809	186,557
Unclaimed Monies	3,775	0	3,775
Other Purposes	86,699	0	86,699
Unrestricted (Deficit)	(253,988)	3,159,536	2,905,548
<i>Total Net Position</i>	<i>\$14,913,003</i>	<i>\$17,404,972</i>	<i>\$32,317,975</i>

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

See accompanying notes to the basic financial statements

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

		Program Revenues		
		Charges for Services and Assessments	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
Governmental Activities:				
General Government	\$1,410,433	\$233,231	\$24,414	\$0
Security of Persons and Property	2,956,499	233,443	57,866	0
Leisure Time Activities	162,779	12,708	0	0
Community Development	305,670	13,119	146,338	0
Transportation	1,375,574	142,794	403,916	0
Interest	45,173	0	0	0
<i>Total Governmental Activities</i>	<u>6,256,128</u>	<u>635,295</u>	<u>632,534</u>	<u>0</u>
Business-Type Activities:				
Wastewater	1,550,726	1,641,469	0	3,251,435
Water	1,468,268	1,865,567	0	0
<i>Total Business-Type Activities</i>	<u>3,018,994</u>	<u>3,507,036</u>	<u>0</u>	<u>3,251,435</u>
<i>Total</i>	<u>\$9,275,122</u>	<u>\$4,142,331</u>	<u>\$632,534</u>	<u>\$3,251,435</u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Other Purposes

Municipal Income Taxes Levied for:

 General Purposes

Hotel Taxes

Permissive Taxes

Grants and Entitlements not Restricted
to Specific Programs

Franchise Taxes

Unrestricted Contributions

Investment Earnings/Interest

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year as Previously Reported

Change in Accounting Principle (See Note 3)

Net Position Beginning of Year - Restated (See Note 3)

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$1,152,788)	\$0	(\$1,152,788)
(2,665,190)	0	(2,665,190)
(150,071)	0	(150,071)
(146,213)	0	(146,213)
(828,864)	0	(828,864)
(45,173)	0	(45,173)
(4,988,299)	0	(4,988,299)
0	3,342,178	3,342,178
0	397,299	397,299
0	3,739,477	3,739,477
(4,988,299)	3,739,477	(1,248,822)
369,195	0	369,195
455,480	0	455,480
3,382,447	0	3,382,447
19,811	0	19,811
79,116	0	79,116
629,999	0	629,999
61,705	0	61,705
7,745	0	7,745
18,929	11,810	30,739
168,350	23,397	191,747
5,192,777	35,207	5,227,984
(6,505)	6,505	0
5,186,272	41,712	5,227,984
197,973	3,781,189	3,979,162
14,904,794	13,681,805	28,586,599
(189,764)	(58,022)	(247,786)
14,715,030	13,623,783	28,338,813
\$14,913,003	\$17,404,972	\$32,317,975

City of Geneva, Ohio

Balance Sheet

Governmental Funds

December 31, 2024

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,392,459	\$242,217	\$2,061,363	\$5,696,039
Materials and Supplies Inventory	20,899	12,980	0	33,879
Accounts Receivable	26,104	0	28,843	54,947
Intergovernmental Receivable	355,447	168,078	60,792	584,317
Prepaid Items	134,437	22,829	3,090	160,356
Municipal Income Taxes Receivable	948,584	0	0	948,584
Property Taxes Receivable	369,217	0	460,034	829,251
Hotel Taxes Receivable	3,750	0	0	3,750
Permissive Taxes Receivable	0	4,519	0	4,519
Special Assessments Receivable	0	0	131,602	131,602
Leases Receivable	138,466	0	0	138,466
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	3,775	0	38,231	42,006
Total Assets	\$5,393,138	\$450,623	\$2,783,955	\$8,627,716
Liabilities				
Accounts Payable	\$70,503	\$11,302	\$26,601	\$108,406
Contracts Payable	119,295	0	0	119,295
Accrued Wages	82,258	9,014	4,414	95,686
Intergovernmental Payable	57,583	11,379	2,299	71,261
Unearned Revenue	19,334	0	311,495	330,829
Deposits Held Payable from Restricted Assets	0	0	38,231	38,231
Interfund Payable	0	0	25,155	25,155
Total Liabilities	348,973	31,695	408,195	788,863
Deferred Inflows of Resources				
Property Taxes	352,689	0	439,474	792,163
Leases	160,224	0	0	160,224
Unavailable Revenue	842,914	111,494	193,299	1,147,707
Total Deferred Inflows of Resources	1,355,827	111,494	632,773	2,100,094
Fund Balances				
Nonspendable	159,111	35,809	3,090	198,010
Restricted	0	271,625	1,739,897	2,011,522
Assigned	199,253	0	0	199,253
Unassigned	3,329,974	0	0	3,329,974
Total Fund Balances	3,688,338	307,434	1,742,987	5,738,759
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$5,393,138	\$450,623	\$2,783,955	\$8,627,716

See accompanying notes to the basic financial statements

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

Total Governmental Funds Balances	\$5,738,759
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*Amounts reported for governmental activities in the
statement of net position are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	15,098,593
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Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable in the funds:	
Delinquent Property Taxes	37,088
Municipal Income Taxes	521,142
Intergovernmental	450,843
Charges for Services	131,602
Fines, Forfeitures and Settlements	7,032
Total	1,147,707

In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.	(7,861)
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Deferred outflows of resources represent deferred charges on refunding which are not reported in the funds.	4,387
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Accrued vacation leave payable is not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(24,049)
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Notes Payable	(664,805)
General Obligation Bonds	(598,591)
OPWC Loans Payable	(536,669)
Financed Purchases	(346,579)
Subscriptions Payable	(56,971)
Compensated Absences	(419,455)
Total	(2,623,070)

The net pension asset, net pension liability and net OPEB liability are not due and payable in the current periods; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:	
Net Pension Asset	63,872
Deferred Outflows - Pension	1,714,254
Deferred Inflows - Pension	(407,422)
Net Pension Liability	(5,462,869)
Net OPEB Asset	60,876
Deferred Outflows - OPEB	220,672
Deferred Inflows - OPEB	(329,673)
Net OPEB Liability	(281,173)
Total	(4,421,463)

<i>Net Position of Governmental Activities</i>	<u><u>\$14,913,003</u></u>
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See accompanying notes to the basic financial statements

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

	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$371,553	\$0	\$462,098	\$833,651
Municipal Income Taxes	3,380,987	0	0	3,380,987
Hotel Taxes	19,811	0	0	19,811
Permissive Taxes	0	79,116	0	79,116
Special Assessments	0	0	237,896	237,896
Intergovernmental	613,610	387,944	106,327	1,107,881
Fees, Licenses and Permits	78,837	0	7,897	86,734
Fines, Forfeitures and Settlements	0	0	22,411	22,411
Leases	86,498	0	0	86,498
Rentals	25,685	0	0	25,685
Charges for Services	305,320	0	19,466	324,786
Contributions and Donations	9,495	0	0	9,495
Investment Earnings/Interest	18,905	0	24	18,929
Franchise Taxes	78,253	0	0	78,253
Other	92,676	8,749	66,925	168,350
<i>Total Revenues</i>	<u>5,081,630</u>	<u>475,809</u>	<u>923,044</u>	<u>6,480,483</u>
Expenditures				
Current:				
General Government	1,178,526	0	19,466	1,197,992
Security of Persons and Property	2,447,771	0	240,346	2,688,117
Leisure Time Activities	119,505	0	0	119,505
Community Development	297,955	0	8,231	306,186
Transportation	0	679,683	249,262	928,945
Capital Outlay	54,029	209,854	13,279	277,162
Debt Service:				
Principal Retirement	25,723	48,985	228,249	302,957
Interest	2,221	0	74,997	77,218
<i>Total Expenditures</i>	<u>4,125,730</u>	<u>938,522</u>	<u>833,830</u>	<u>5,898,082</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>955,900</u>	<u>(462,713)</u>	<u>89,214</u>	<u>582,401</u>
Other Financing Sources (Uses)				
Inception of Subscriptions	54,029	0	0	54,029
OPWC Loan Issued	0	44,199	0	44,199
Transfers In	6,497	517,600	372,090	896,187
Transfers Out	(868,338)	(7,082)	(27,272)	(902,692)
<i>Total Other Financing Sources (Uses)</i>	<u>(807,812)</u>	<u>554,717</u>	<u>344,818</u>	<u>91,723</u>
<i>Net Change in Fund Balances</i>	<u>148,088</u>	<u>92,004</u>	<u>434,032</u>	<u>674,124</u>
<i>Fund Balances Beginning of Year</i>	<u>3,540,250</u>	<u>215,430</u>	<u>1,308,955</u>	<u>5,064,635</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,688,338</u></u>	<u><u>\$307,434</u></u>	<u><u>\$1,742,987</u></u>	<u><u>\$5,738,759</u></u>

See accompanying notes to the basic financial statements

City of Geneva, 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		\$674,124
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which depreciation/amortization exceeded capital outlay in the current period:		
Capital Asset Additions	503,768	
Current Year Depreciation/Amortization	<u>(1,008,755)</u>	
Total		(504,987)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(81,371)
Revenue in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:		
Delinquent Property Taxes	(8,976)	
Municipal Income Taxes	1,460	
Intergovernmental	152,902	
Charges for Services	(95,102)	
Fines, Forfeitures and Settlements	(53,613)	
Franchise Taxes	<u>(16,548)</u>	
Total		(19,877)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position:		
Notes Payable	51,587	
General Obligation Bonds Payable	136,196	
OPWC Loans Payable	53,751	
Financed Purchases	37,391	
Subscriptions Payable	<u>24,032</u>	
Total		302,957
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of net position:		
Accrued Interest	32,923	
Amortization of Deferred Charge on Refunding	<u>(878)</u>	
Total		32,045
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Compensated Absences	(29,849)	
Accrued Vacation Leave Payable	<u>(1,065)</u>	
Total		(30,914)
Other financing sources in the governmental funds increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities:		
OPWC Loan Issued	(44,199)	
Inception of Subscriptions	<u>(54,029)</u>	
Total		(98,228)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	413,863	
OPEB	<u>7,826</u>	
Total		421,689
Except for amounts reported as deferred inflows/outflows, changes in net pension liability are reported as pension expense in the statement of activities.		
Pension	(509,050)	
OPEB	<u>11,585</u>	
Total		<u>(497,465)</u>
<i>Change in Net Position of Governmental Activities</i>		<u>\$197,973</u>

See accompanying notes to the basic financial statements

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$332,443	\$332,443	\$371,553	\$39,110
Municipal Income Taxes	2,680,377	3,239,110	3,379,640	140,530
Hotel Taxes	15,921	18,710	18,710	0
Intergovernmental	484,467	576,876	619,933	43,057
Fees, Licenses and Permits	65,716	86,292	73,825	(12,467)
Rentals	116,250	116,250	116,250	0
Charges for Services	272,651	319,144	311,902	(7,242)
Contributions and Donations	7,745	7,745	7,745	0
Interest	13,646	13,654	13,457	(197)
Franchise Taxes	64,210	64,210	64,210	0
Other	27,678	66,152	92,489	26,337
<i>Total Revenues</i>	<u>4,081,104</u>	<u>4,840,586</u>	<u>5,069,714</u>	<u>229,128</u>
Expenditures				
Current:				
General Government	1,324,442	1,320,548	1,222,367	98,181
Security of Persons and Property	2,986,257	2,973,799	2,543,168	430,631
Leisure Time Activities	288,042	287,621	119,340	168,281
Community Development	139,027	138,618	117,438	21,180
Debt Service:				
Principal Retirement	3,684	3,684	3,671	13
Interest	12,854	12,854	12,854	0
<i>Total Expenditures</i>	<u>4,754,306</u>	<u>4,737,124</u>	<u>4,018,838</u>	<u>718,286</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(673,202)</u>	<u>103,462</u>	<u>1,050,876</u>	<u>947,414</u>
Other Financing Sources (Uses)				
Advances In	229	229	229	0
Advances Out	(185,651)	(185,651)	(185,651)	0
Transfers In	226,249	606,132	6,901	(599,231)
Transfers Out	(2,170,134)	(1,988,259)	(841,178)	1,147,081
<i>Total Other Financing Sources (Uses)</i>	<u>(2,129,307)</u>	<u>(1,567,549)</u>	<u>(1,019,699)</u>	<u>547,850</u>
<i>Net Change in Fund Balance</i>	<u>(2,802,509)</u>	<u>(1,464,087)</u>	<u>31,177</u>	<u>1,495,264</u>
<i>Fund Balance Beginning of Year</i>	<u>2,947,317</u>	<u>2,947,317</u>	<u>2,947,317</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>52,137</u>	<u>52,137</u>	<u>52,137</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$196,945</u>	<u>\$1,535,367</u>	<u>\$3,030,631</u>	<u>\$1,495,264</u>

See accompanying notes to the basic financial statements

City of Geneva, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Permissive Motor Vehicle Taxes	\$46,160	\$75,000	\$74,597	(\$403)
Intergovernmental	233,117	386,900	389,028	2,128
Other	0	0	8,749	8,749
<i>Total Revenues</i>	<u>279,277</u>	<u>461,900</u>	<u>472,374</u>	<u>10,474</u>
Expenditures				
Current:				
Transportation	1,102,815	1,107,094	747,568	359,526
Capital Outlay	294,662	296,020	209,854	86,166
Debt Service:				
Principal Retirement	54,213	54,540	50,558	3,982
<i>Total Expenditures</i>	<u>1,457,324</u>	<u>1,463,324</u>	<u>1,013,489</u>	<u>449,835</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,178,047)</u>	<u>(1,001,424)</u>	<u>(541,115)</u>	<u>460,309</u>
Other Financing Sources (Uses)				
OPWC Loan Issued	32,912	50,000	44,199	(5,801)
Transfers In	692,426	892,534	517,600	(374,934)
<i>Total Other Financing Sources (Uses)</i>	<u>725,338</u>	<u>942,534</u>	<u>561,799</u>	<u>(380,735)</u>
<i>Net Change in Fund Balance</i>	<u>(452,709)</u>	<u>(58,890)</u>	<u>20,684</u>	<u>79,574</u>
<i>Fund Balance Beginning of Year</i>	<u>82,658</u>	<u>82,658</u>	<u>82,658</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>52,890</u>	<u>52,890</u>	<u>52,890</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>(\$317,161)</u></u>	<u><u>\$76,658</u></u>	<u><u>\$156,232</u></u>	<u><u>\$79,574</u></u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Wastewater	Water	Total
Assets			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$1,158,597	\$969,051	\$2,127,648
Materials and Supplies Inventory	10,541	38,318	48,859
Receivables:			
Accounts	305,982	247,583	553,565
Intergovernmental	1,359,820	142	1,359,962
Special Assessments	6,329	5,277	11,606
Prepaid Items	31,223	13,613	44,836
Interfund Receivable	25,155	0	25,155
<i>Total Current Assets</i>	<u>2,897,647</u>	<u>1,273,984</u>	<u>4,171,631</u>
<i>Noncurrent Assets:</i>			
Restricted Assets:			
Net Pension Asset	23,216	8,431	31,647
Net OPEB Asset	22,126	8,036	30,162
Capital Assets:			
Nondepreciable Capital Assets	4,295,103	12,038	4,307,141
Depreciable Capital Assets, Net	13,115,150	7,307,959	20,423,109
<i>Total Noncurrent Assets</i>	<u>17,455,595</u>	<u>7,336,464</u>	<u>24,792,059</u>
<i>Total Assets</i>	<u>20,353,242</u>	<u>8,610,448</u>	<u>28,963,690</u>
Deferred Outflows of Resources			
Pension	207,825	77,208	285,033
OPEB	20,254	8,561	28,815
<i>Total Deferred Outflows of Resources</i>	<u>228,079</u>	<u>85,769</u>	<u>313,848</u>
Liabilities			
<i>Current Liabilities:</i>			
Accounts Payable	25,103	21,678	46,781
Contracts Payable	94,299	0	94,299
Accrued Wages	13,784	6,461	20,245
Intergovernmental Payable	10,573	127,678	138,251
Accrued Vacation Leave Payable	4,685	3,071	7,756
Compensated Absences Payable	17,519	4,336	21,855
Matured OWDA Loans Payable	3,664	0	3,664
Matured Interest Payable	252	0	252
Accrued Interest Payable	178	0	178
Unearned Revenue	40,500	0	40,500
OPWC Loans Payable	26,901	24,866	51,767
OWDA Loans Payable	432,448	443,144	875,592
Financed Purchases	3,277	0	3,277
Leases Payable	1,494	0	1,494
Subscriptions Payable	2,222	2,000	4,222
<i>Total Current Liabilities</i>	<u>676,899</u>	<u>633,234</u>	<u>1,310,133</u>
<i>Long-Term Liabilities (net of current portion):</i>			
Compensated Absences Payable	80,223	26,670	106,893
OPWC Loans Payable	207,574	220,564	428,138
OWDA Loans Payable	6,656,304	2,398,178	9,054,482
Financed Purchases	32,943	0	32,943
Leases Payable	4,631	0	4,631
Subscriptions Payable	2,281	2,053	4,334
Net Pension Liability	633,259	229,960	863,219
<i>Total Long-Term Liabilities</i>	<u>7,617,215</u>	<u>2,877,425</u>	<u>10,494,640</u>
<i>Total Liabilities</i>	<u>8,294,114</u>	<u>3,510,659</u>	<u>11,804,773</u>
Deferred Inflows of Resources			
Pension	13,500	36,957	50,457
OPEB	12,661	4,675	17,336
<i>Total Deferred Inflows of Resources</i>	<u>26,161</u>	<u>41,632</u>	<u>67,793</u>
Net Position			
Net Investment in Capital Assets	9,950,385	4,233,242	14,183,627
Restricted for Pension and OPEB Plans	45,342	16,467	61,809
Unrestricted	2,265,319	894,217	3,159,536
<i>Total Net Position</i>	<u>\$12,261,046</u>	<u>\$5,143,926</u>	<u>\$17,404,972</u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Wastewater	Water	Total
Operating Revenues			
Charges for Services	\$1,641,469	\$1,865,567	\$3,507,036
Other	22,568	829	23,397
<i>Total Operating Revenues</i>	<u>1,664,037</u>	<u>1,866,396</u>	<u>3,530,433</u>
Operating Expenses			
Personal Services	609,006	245,709	854,715
Contractual Services	142,311	739,676	881,987
Materials and Supplies	151,796	95,129	246,925
Depreciation and Amortization	574,127	282,195	856,322
<i>Total Operating Expenses</i>	<u>1,477,240</u>	<u>1,362,709</u>	<u>2,839,949</u>
<i>Operating Income (Loss)</i>	<u>186,797</u>	<u>503,687</u>	<u>690,484</u>
Non-Operating Revenues (Expenses)			
Investment Earnings/Interest	6,927	4,883	11,810
Interest	(73,486)	(105,559)	(179,045)
<i>Total Non-Operating Income (Expenses)</i>	<u>(66,559)</u>	<u>(100,676)</u>	<u>(167,235)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	<u>120,238</u>	<u>403,011</u>	<u>523,249</u>
Capital Contributions	3,251,435	0	3,251,435
Transfers In	6,505	0	6,505
<i>Change in Net Position</i>	<u>3,378,178</u>	<u>403,011</u>	<u>3,781,189</u>
<i>Net Position Beginning of Year as Previously Reported</i>	<u>8,924,263</u>	<u>4,757,542</u>	<u>13,681,805</u>
Change in Accounting Principle (See Note 3)	(41,395)	(16,627)	(58,022)
<i>Net Position Beginning of Year</i>	<u>8,882,868</u>	<u>4,740,915</u>	<u>13,623,783</u>
<i>Net Position End of Year</i>	<u>\$12,261,046</u>	<u>\$5,143,926</u>	<u>\$17,404,972</u>

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Wastewater	Water	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$1,935,053	\$1,855,891	\$3,790,944
Other Cash Receipts	22,568	1,093	23,661
Cash Payments to Employees for Services	(587,397)	(272,620)	(860,017)
Cash Payments for Goods and Services	(552,682)	(801,973)	(1,354,655)
<i>Net Cash Provided by (Used in) Operating Activities</i>	817,542	782,391	1,599,933
Cash Flows from Capital and Related Financing Activities			
Transfers In for Debt Payment	6,505	0	6,505
Capital Contributions	2,124,039	0	2,124,039
Interest Earned on Investments	6,927	4,883	11,810
OWDA Loans Issued	304,945	0	304,945
Subscriptions Payable Issued	6,669	6,002	12,671
Principal Paid on OWDA Loans	(379,180)	(425,677)	(804,857)
Interest Paid on OWDA Loans	(73,906)	(105,402)	(179,308)
Principal Paid on OPWC Loans	(26,900)	(29,805)	(56,705)
Principal Paid on Financed Purchase	(4,691)	0	(4,691)
Interest Paid on Financed Purchase	(4,174)	0	(4,174)
Principal Paid on Lease	(1,351)	0	(1,351)
Interest Paid on Lease	(694)	0	(694)
Principal Paid on Subscription	(2,166)	(1,949)	(4,115)
Interest Paid on Subscription	(174)	(157)	(331)
Payments for Capital Acquisitions	(3,631,988)	(135,162)	(3,767,150)
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	(1,676,139)	(687,267)	(2,363,406)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(858,597)	95,124	(763,473)
<i>Cash and Cash Equivalents Beginning of Year</i>	2,017,194	873,927	2,891,121
<i>Cash and Cash Equivalents End of Year</i>	\$1,158,597	\$969,051	\$2,127,648

(continued)

See accompanying notes to the basic financial statements

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

	Business-Type Activities		
	Wastewater	Water	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$186,797	\$503,687	\$690,484
Adjustments:			
Depreciation and Amortization	574,127	282,195	856,322
(Increase) Decrease in Assets and Deferred Outflows:			
Accounts Receivable	(32,858)	(9,368)	(42,226)
Intergovernmental Receivable	41,971	264	42,235
Special Assessments Receivable	18,359	(308)	18,051
Materials and Supplies Inventory	2,948	15,201	18,149
Prepaid Items	3,131	(756)	2,375
Net Pension Asset	1,941	1,013	2,954
Net OPEB Asset	4,191	1,574	5,765
Deferred Outflows - Pension	70,749	24,976	95,725
Deferred Outflows - OPEB	23,974	9,474	33,448
Increase (Decrease) in Liabilities and Deferred Inflows:			
Accounts Payable	5,478	19,008	24,486
Accrued Wages	173	(3,735)	(3,562)
Accrued Vacation Leave Payable	4,685	3,071	7,756
Compensated Absences Payable	7,219	5,804	13,023
Intergovernmental Payable	3,852	885	4,737
Net Pension Liability	57,968	25,185	83,153
Deferred Inflows - Pension	(125,908)	(84,239)	(210,147)
Deferred Inflows - OPEB	(31,255)	(11,540)	(42,795)
<i>Total Adjustments</i>	<u>630,745</u>	<u>278,704</u>	<u>909,449</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$817,542</u>	<u>\$782,391</u>	<u>\$1,599,933</u>

Non-Cash Capital Transactions

During 2023, the wastewater fund reported a matured OWDA loan payable and matured interest payable for principal and interest not paid in the amounts of \$6,932 and \$802, respectively.

During 2024, the wastewater fund reported a matured OWDA loan payable and matured interest payable for principal and interest not paid in the amounts of \$3,664 and \$252, respectively.

During 2024, OWDA adjusted the wastewater treatment screening and grit improvements loan balance in the wastewater fund by \$10,303. This amount is included in capital contributions.

In 2024, the wastewater enterprise fund had contracts payable in the amount of \$94,299 related to capital acquisitions.

In 2024, the wastewater enterprise fund had intergovernmental receivables in the amount of \$1,091,938 related to capital contributions.

In 2024, the wastewater enterprise fund had interfund receivables in the amount of \$25,155 related to capital acquisitions.

See accompanying notes to the basic financial statements

City of Geneva, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2024

Assets	
Equity in Pooled Cash and Cash Equivalents	\$14,843
Municipal Income Taxes Receivable	30,561
Property Taxes Receivable	33,564
Intergovernmental Receivable	<u>2,007</u>
<i>Total Assets</i>	80,975
Liabilities	
Intergovernmental Payable	<u>80,975</u>
Net Position	
Restricted for Individuals, Organizations and Other Governments	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

City of Geneva, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2024

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Additions	
Income Tax Collections for Other Governments	\$167,157
Property Tax Collections for Other Governments	40,748
Intergovernmental Collections for Other Governments	<u>2,266</u>
<i>Total Additions</i>	210,171
 Deletions	
Distributions to Other Governments	<u>210,171</u>
 <i>Change in Fiduciary Net Position</i>	0
 <i>Net Position Beginning of Year</i>	<u>0</u>
 <i>Net Position End of Year</i>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Note 1 - Description of the City and Reporting Entity

The City of Geneva (the “City”) is a home rule municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. The City was incorporated as a city in 1958. The City operates under its own charter and is governed by a City Manager-Council form of government, which was adopted on November 2, 1957. Members of Council are elected to four-year staggered terms.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Geneva, this includes police protection, firefighting and prevention, street construction, maintenance and repairs, building inspection, parks and recreation, wastewater, water distribution, community center and general administration services. The operation of each of these activities is directly controlled by Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The reporting entity of the City does not include any component units.

The City is associated with one risk sharing pool, three jointly governed organizations and three joint economic development districts (JEDD). These organizations are the Public Entities Pool of Ohio (PEP), the Ashtabula County General Health District, the Geneva Union Cemetery District, the Northeast Ohio Public Energy Council, JEDD-1, JEDD-II and JEDD-III. These organizations are presented in Notes 18, 19 and 20 to the basic financial statements.

The City is also associated with the Community Improvement Corporation of Geneva (CIC). The CIC is a legally separate, non-profit organization, served by a 15-member board composed of City officials and community representatives. Charged with the responsibilities of advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of the Geneva area, the CIC is empowered with the ability to carry out the actions they consider necessary to achieve these responsibilities. The CIC is not deemed significant to the City; therefore, it has been excluded from the reporting entity. Separately issued financial statements can be obtained from the City of Geneva.

Note 2 - Summary of Significant Accounting Policies

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The 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 function is self-financing or draws from the general revenues of the City.

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

Fund Accounting

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

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

The following are the City's major governmental funds:

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Street Construction, Maintenance, and Repair Fund The Street Construction, Maintenance and Repair Special Revenue Fund (SCMR) accounts for the portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance of streets within the City.

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

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

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

Wastewater Fund The Wastewater Fund accounts for the wastewater service provided to residential and commercial users within the City.

Water Fund The Water Fund accounts for the provision of water distribution to residential and commercial users within the City.

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

The City's only fiduciary funds are custodial funds. The custodial funds report property taxes collected for the benefit of and distributed on behalf of the Geneva Union Cemetery and to distribute income tax revenues related to local Joint Economic Development Districts. When the property taxes and income taxes are collected, no further action is needed to release the assets to the beneficiaries.

Measurement Focus

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

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

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

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

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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources and in the presentation of expenses versus expenditures.

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). 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 non-exchange transactions must also be available before it can be recognized.

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

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue from grants received, charges for services for emergency medical services and tap in fees received before eligibility requirements have been met.

City of Geneva, Ohio
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For the Year Ended December 31, 2024

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, leases, unavailable revenue, pension and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represent receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, intergovernmental grants, ambulance charges, fines, forfeitures and settlements and franchise taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts became available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities on page 19. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position (See Notes 16 and 17).

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

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.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the personal services and other expenditure object levels within each department for all funds. Budgetary modifications for each fund may only be made by ordinance of the Council at the legal level of control.

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources and expenditures plus encumbrances cannot exceed appropriations at the legal level of control. The amounts reported as the original budgeted amounts on the budgetary statements reflect the first appropriations for that fund that covered the entire year including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

Cash and Cash Equivalents

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

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

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings/interest credited to the general fund during 2024 amounted to \$18,905, of which \$3,589 was assigned from other City funds.

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

Prepaid Items

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 purchase and reflecting the expenditure/expense in the year in which it was consumed.

Materials and Supplies Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types and as expenses in the proprietary fund types when used.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Restricted Assets

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

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

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
<i>Tangible Assets</i>		
Buildings and Improvements	5 - 50 years	10 - 90 years
Machinery and Equipment	3 - 60 years	3 - 60 years
Vehicles	2 - 20 years	3 - 20 years
Infrastructure	10 - 100 years	10 - 100 years
<i>Intangible Assets</i>		
Intangible Right to Use - Equipment	N/A	3 - 5 years
Intangible Right to Use - Software	3 - 5 years	3 - 5 years

The City's infrastructure consists of bridges, roads, curbs, sidewalks, traffic lights, storm water drains and sanitary sewers, waterlines and includes infrastructure acquired prior to December 31, 1980.

City of Geneva, Ohio
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For the Year Ended December 31, 2024

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

Interfund Balances

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

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

Deferred Charge on Refunding

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

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 judgements 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 fiscal year. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds, financed purchases, subscriptions payable and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Leases

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

Lessee At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus

City of Geneva, Ohio
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For the Year Ended December 31, 2024

certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

SBITAs

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

Pensions/Other Postemployment Benefits (OPEB)

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

Compensated Absences

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

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

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

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

On governmental fund financial as a liability and expenditure to the extent that payments come due each period upon the occurrence of employee resignations and retirements.

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. Nonspendable fund balance in the general fund includes unclaimed monies legally required to be maintained until the end of a five-year holding period offset by any estimated liability for payments to claimants.

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

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

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

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

City of Geneva, Ohio
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State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance for community development.

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

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets, consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Of the restricted net position, none has resulted from enabling legislation. Restricted net position for unclaimed monies represents amounts required to be maintained until the end of a five-year holding period offset by any estimated liability for payments to claimants. Net position restricted for other purposes include resources restricted for community development and grants. Restricted net position for pension and OPEB plans represent the corresponding restricted asset amounts held in trust by the pension and OPEB plans for future benefits.

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

Operating Revenues and Expenses

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

Contributions of Capital

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

Internal Activity

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

Estimates

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

Note 3 – Change in Accounting Principles and Restatement of Fund Balances and Net Position

Change in Accounting Principles

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

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

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

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

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The City's financial statements report compensated absences in two separate line items. Accrued vacation benefits payable are reported separately from the remainder of the compensated absences liability (see page 38). The compensated absences restatement amount includes accrued vacation benefits leave payable of \$22,984 for governmental activities and \$5,010 for business type activities (\$4,053 wastewater enterprise fund and \$957 water enterprise fund) and compensated absences payable amounts of \$166,780 for governmental activities and \$53,012 for business type activities (\$37,342 wastewater enterprise fund and \$15,670 water enterprise fund.) The effects of implementing the GASB pronouncement is shown on the table on the following page.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Restatement of Fund Balances and Net Position

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

	12/31/2023 As Previously Reported	Change in Accounting Principle GASB 101	12/31/2023 As Restated
Government-Wide			
Governmental Activities	\$14,904,794	(\$189,764)	\$14,715,030
Business-Type Activities	13,681,805	(58,022)	13,623,783
Total Primary Government	<u>\$28,586,599</u>	<u>(\$247,786)</u>	<u>\$28,338,813</u>
Governmental Funds			
Major Funds:			
General	\$3,540,250	\$0	\$3,540,250
Street Construction, Maintenance and Repair	215,430	0	215,430
Other Governmental Funds	1,308,955	0	1,308,955
Total Governmental Funds	<u>\$5,064,635</u>	<u>\$0</u>	<u>\$5,064,635</u>
Proprietary Funds			
Enterprise Funds:			
Wastewater	\$8,924,263	(\$41,395)	\$8,882,868
Water	4,757,542	(16,627)	4,740,915
Total Business Type Activities	<u>\$13,681,805</u>	<u>(\$58,022)</u>	<u>\$13,623,783</u>

Note 4 – Fund Balances

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

Fund Balances	General	Street Construction, Maintenance and Repair	Other Governmental Funds	Total
<i>Nonspendable</i>				
Inventory	\$20,899	\$12,980	\$0	\$33,879
Prepays	134,437	22,829	3,090	160,356
Unclaimed Monies	3,775	0	0	3,775
<i>Total Nonspendable</i>	<u>159,111</u>	<u>35,809</u>	<u>3,090</u>	<u>198,010</u>
<i>Restricted for</i>				
Capital Improvements	0	0	258,928	258,928
Streets and Highways	0	271,625	132,690	404,315
Police	0	0	874,431	874,431
Law Enforcement and Education	0	0	60,421	60,421
Community Development	0	0	79,667	79,667
Street Lighting	0	0	332,760	332,760
Debt Service	0	0	1,000	1,000
<i>Total Restricted</i>	<u>\$0</u>	<u>\$271,625</u>	<u>\$1,739,897</u>	<u>\$2,011,522</u>

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Fund Balances	General	Street Construction Maintenance and Repair	Other Governmental Funds	Total
<i>Assigned to</i>				
Purchases on Order:				
Supplies	\$135,466	\$0	\$0	\$135,466
Community Development	63,787	0	0	63,787
<i>Total Assigned</i>	199,253	0	0	199,253
<i>Unassigned</i>	3,329,974	0	0	3,329,974
<i>Total Fund Balances</i>	\$3,688,338	\$307,434	\$1,742,987	\$5,738,759

Note 5 - Budgetary Basis of Accounting

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

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but reported on the operating statements prepared using GAAP.
4. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).
5. Budgetary revenues and expenditures of the citizens police academy, 911 emergency service and community development funds are classified to the general fund for GAAP reporting.
6. Advances are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

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

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For the Year Ended December 31, 2024

Net Change in Fund Balance		
	General	Street Maintenance, Construction and Repairs
GAAP Basis	\$148,088	\$92,004
Net Adjustment for Revenue Accruals	(255,569)	(3,435)
Beginning Value Unrecorded Cash	2,072	0
Ending Value Unrecorded Cash	(3,885)	0
Net Adjustment for Expenditure Accruals	118,278	18,100
Advances In	229	0
Perspective Difference	191,841	0
Encumbrances	(169,877)	(85,985)
Budget Basis	<u>\$31,177</u>	<u>\$20,684</u>

Note 6 – Interfund Transfers and Balances

Interfund Transfers

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

Transfers To	Transfers From			Totals
	General	Street Maintenance Construction and Repairs	Other Governmental Funds	
Major Governmental Funds:				
General	\$0	\$0	\$6,497	\$6,497
Street Maintenance, Construction and Repairs	517,600	0	0	517,600
Other Governmental Funds	350,738	7,082	14,270	372,090
Wastewater Treatment	0	0	6,505	6,505
Totals	<u>\$868,338</u>	<u>\$7,082</u>	<u>\$27,272</u>	<u>\$902,692</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations; to segregate money for anticipated capital projects and to make debt payments. The general fund made transfers to other governmental funds and the wastewater treatment enterprise fund to support programs until resources became available and to make debt payments. The street maintenance, construction and repairs fund and other governmental funds made transfers to other governmental funds to make debt payments. The revolving loan special revenue fund (other governmental funds) made a transfer to the general fund to close the fund.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Interfund Balance

Interfund balances at December 31, 2024, consisted of an interfund receivable/payable of \$25,155 between the other governmental funds and the wastewater enterprise fund pending the allocation of grant dollars. The interfund balances will be repaid within one year.

Internal Balances – Change in Proportionate Share

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

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

	Pension		OPEB	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Business-Type Activities:				
Wastewater Treatment	\$1,375	\$613	\$15	\$0
Water	613	1,375	0	15
<i>Total Enterprise Funds/Business-Type Activities</i>	1,988	1,988	15	15
Elimination from Proprietary Fund Statements	(1,988)	(1,988)	(15)	(15)
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Note 7 - Deposits and Investments

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

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

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

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

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

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

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

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

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

Investments

At December 31, 2024, the City had \$332,607 invested in STAR Ohio measured at net asset value per share with an average maturity of 27.2 days.

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within two years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk The City does not have an investment policy that addresses credit risk beyond the requirements in State statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized statistical rating organization. The Star Ohio investment carried a rating of AAAm by Standards & Poor's.

Note 8 - Receivables

Receivables at December 31, 2024, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, leases, and accounts (billings for user charged services, including unbilled utility services and Opioid settlement monies).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivable except for delinquent property taxes, special assessments and leases receivable are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$131,602 in the street lighting special revenue fund, \$6,329 in the wastewater treatment enterprise fund and \$5,277 in the water enterprise fund. At December 31, 2024, the amount of delinquent special assessments was \$145,563.

Opioid Settlement Monies

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Subsequently, settlements have been reached with other distributors. As contingencies related to timing and measurement are resolved, a receivable will be reported in accompanying financial statements as a part of accounts receivable. As a participating subdivision, the City reported \$28,843 as an accounts receivable related to opioid settlement monies in the Opioid Settlement special revenue fund in the accompanying financial statements. Collections of these settlement monies are expected to extend through 2038 with \$7,032 not expected to be collected within one year of the date of the financial statements.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Property Taxes

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

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

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

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

The full tax rate for all City operations for the year ended December 31, 2024, was \$8.70 per \$1,000 of assessed value. The assessed values of real property and public utility property upon which 2024 property tax receipts were based are as follows:

Category	Assessed Value
Real Estate	
Residential/Agricultural	\$95,253,510
Other Real Estate	26,691,490
Public Utility Property	3,857,960
Total Assessed Values	<u>\$125,802,960</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2024 and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2024 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collective delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies municipal income tax of 1.5 percent on all salaries, wages, commissions and other compensation, and net profits earned within the City, as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 1 percent of the tax paid to another municipality.

Employers within the City are required to withhold municipal 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. Municipal income tax collections are received by the general fund.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities	
Gas Tax	\$181,427
Senior Center Improvement Grant	137,200
Local Government	123,401
Homestead and Rollback	47,075
Money Loaned to CIC For Property	44,558
Administration and Fair Housing	18,500
School Resource Officer	12,495
Attorney General Training Reimbursement	9,531
Western County Court	4,455
Ohio Department of Public Safety Body Camera Grant	2,636
Ohio Bureau of Workers' Compensation	2,039
Safety Grant	1,000
	<u> </u>
<i>Total Governmental Activities</i>	<u><u>\$584,317</u></u>
Business-type Activities	
Ohio Department of Transportation Grant	\$1,091,938
Harpersfield Township	266,874
Geneva Area City School District	707
Ohio Bureau of Workers' Compensation	443
	<u> </u>
<i>Total Business-type Activities</i>	<u><u>\$1,359,962</u></u>

Leases Receivables

The City is reporting leases receivable of \$138,466 in the general fund at December 31, 2024. These amounts represent the discounted future lease payments. This discount is being amortized using the interest method. For 2024, the City recognized lease revenue of \$90,565 and interest revenue of \$3,635 in the general fund related to lease payments received. These lease revenue amounts exclude short-term leases. A description of the City's leasing arrangements is as follows:

The City has entered into various lease agreements for certain real estate property with Ashtabula County, Geneva Area Grape Jamboree and Geneva Midget League Football Association for building space and Memorial Field Park at varying years and terms. A summary of future lease amounts receivable is as follows:

	<u>General</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$70,129	\$1,572
2026	68,337	564
	<u> </u>	<u> </u>
Total	<u><u>\$138,466</u></u>	<u><u>\$2,136</u></u>

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Note 9 – Tax Abatements

As of December 31, 2024, the City provides tax incentives under The Community Reinvestment Area (CRA).

Pursuant to Ohio Revised Code Chapter 3735, the City established a Community Reinvestment Area, which included all land within the boundaries of the City. The City authorizes incentives through passage of public ordinances, based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvement have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill.

The establishment of the CRA gave the City the ability to maintain and expand business located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements. During 2024, the City had one agreement under the CRA outstanding with total abated property taxes of \$7,793.

Note 10 - Contingencies

Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2024.

Litigation

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

Note 11 – Employee Benefits

Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. All full-time employees may carry over 40 vacation hours for use during the first six months of the following year. Work related circumstances causing an employee to have over 40 unused vacation hours are reviewed by the City Manager and approved on a case-by-case basis. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employees have acquired at least one year of service to the City.

Sick leave is earned at the rate of 10 to 14 hours for each month worked. The total amount of accumulated sick leave shall not exceed 960 hours to 1,344 hours, depending upon the employment contract. Each employee upon retirement, with a minimum of 15 years of employment, is paid at a rate of one-half (1/2) of the employee's earned unused sick leave balances up to a maximum of one-half (1/2) of 960 hours.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 456 and is considered an other employee benefit plan. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Equitable

City employees may participate in the Equitable Retirement Savings Plan. This plan offers pre-tax employee contributions, tax-deferred investment growth on retirement savings and flexible withdrawal. Participation is on a voluntary payroll deduction basis. The plan allows you to withdraw funds before age 59½ without the usual penalties.

Note 12 - Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the City contracted the Public Entities Pool of Ohio (PEP) for the various types of insurance as follows:

Type of Coverage	Coverage Amounts
Bodily Injury and Property	\$2,000,000
Law Enforcement	2,000,000
Public Officials	2,000,000
Employee Benefit	1,000,000
Stop Gap	2,000,000
Medical Payments	10,000
Automobile	2,000,000
Uninsured/Underinsured Motorist	100,000

Claims have not exceeded this coverage in any of the past three years and there has been no significant reduction in commercial coverage in any of the past three years.

Insurance

The City continues to carry health insurance through Medical Mutual of Ohio. There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

Workers' Compensation

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Note 13 - Capital Assets

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

	Balance 1/1/2024	Additions	Reductions	Transfers	Balance 12/31/2024
Governmental Activities					
<i>Nondepreciable Capital Assets</i>					
Land	\$884,215	\$7,500	(\$22,900)	\$0	\$868,815
Construction in Progress	379,141	183,627	0	0	562,768
Historical Treasures	46,378	0	0	0	46,378
<i>Total Nondepreciable Capital Assets</i>	1,309,734	191,127	(22,900)	0	1,477,961
<i>Depreciable Capital Assets</i>					
<i>Tangible Assets</i>					
Buildings and Improvements	5,672,054	24,291	(137,333)	0	5,559,012
Machinery and Equipment	1,888,455	21,422	(125,006)	0	1,784,871
Vehicles	3,372,603	0	0	(2,358)	3,370,245
Infrastructure	27,626,419	216,123	(64,400)	0	27,778,142
<i>Total Tangible Assets</i>	38,559,531	261,836	(326,739)	(2,358)	38,492,270
<i>Intangible Assets</i>					
<i>Subscription Assets</i>					
Intangible Right to Use - Software	74,027	73,705	(23,666)	0	124,066
<i>Total Depreciable Capital Assets</i>	38,633,558	335,541	(350,405)	(2,358)	38,616,336
<i>Less Accumulated Depreciation/Amortization</i>					
<i>Depreciation</i>					
Buildings and Improvements	(3,298,478)	(130,641)	57,042	0	(3,372,077)
Machinery and Equipment	(1,618,588)	(72,988)	123,926	0	(1,567,650)
Vehicles	(1,963,837)	(157,964)	0	2,358	(2,119,443)
Infrastructure	(17,353,919)	(599,536)	64,400	0	(17,889,055)
<i>Total Depreciation</i>	(24,234,822)	(961,129)	245,368	2,358	(24,948,225)
<i>Amortization</i>					
<i>Intangible Assets</i>					
<i>Subscription Assets</i>					
Intangible Right to Use - Software	(23,519)	(47,626)	23,666	0	(47,479)
<i>Total Accumulated Depreciation/Amortization</i>	(24,258,341)	(1,008,755)	269,034	2,358	(24,995,704)
<i>Total Depreciable Capital Assets, Net</i>	14,375,217	(673,214)	(81,371)	0	13,620,632
<i>Governmental Activities Capital Assets, Net</i>	\$15,684,951	(\$482,087)	(\$104,271)	\$0	\$15,098,593

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

	Depreciation	Amortization	Total
General Government	\$98,911	\$23,924	\$122,835
Security of Persons and Property	158,630	22,774	181,404
Leisure Time Activities	44,639	311	44,950
Community Development	0	311	311
Transportation	658,949	306	659,255
Total	\$961,129	\$47,626	\$1,008,755

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

	Balance 1/1/2024	Additions	Reductions	Transfers	Balance 12/31/2024
Business-Type Activities					
<i>Nondepreciable Capital Assets</i>					
Construction in Progress	\$574,327	\$3,687,383	\$0	\$0	\$4,261,710
Easements	45,431	0	0	0	45,431
<i>Total Nondepreciable Capital Assets</i>	619,758	3,687,383	0	0	4,307,141
<i>Depreciable Capital Assets</i>					
<i>Tangible Assets</i>					
Buildings and Improvements	7,594,433	0	0	0	7,594,433
Machinery and Equipment	3,735,609	72,615	(22,609)	0	3,785,615
Vehicles	477,073	85,937	0	2,358	565,368
Infrastructure	20,884,449	0	0	0	20,884,449
<i>Total Tangible Assets</i>	32,691,564	158,552	(22,609)	2,358	32,829,865
<i>Intangible Right to Use</i>					
<i>Lease Assets</i>					
Intangible Right to Use - Equipment	8,000	0	0	0	8,000
<i>Subscription Assets</i>					
Intangible Right to Use - Software	0	15,514	0	0	15,514
<i>Total Intangible Assets</i>	8,000	15,514	0	0	23,514
<i>Total Depreciable Capital Assets</i>	32,699,564	174,066	(22,609)	2,358	32,853,379
<i>Less Accumulated Depreciation/Amortization</i>					
<i>Depreciation</i>					
Buildings and Improvements	(3,323,932)	(161,458)	0	0	(3,485,390)
Machinery and Equipment	(1,156,671)	(228,581)	22,609	0	(1,362,643)
Vehicles	(470,852)	(6,577)	0	(2,358)	(479,787)
Infrastructure	(6,642,211)	(453,043)	0	0	(7,095,254)
<i>Total Depreciation</i>	(11,593,666)	(849,659)	22,609	(2,358)	(12,423,074)
<i>Amortization</i>					
<i>Intangible Right to Use</i>					
<i>Lease Assets</i>					
Intangible Right to Use - Equipment	(533)	(1,600)	0	0	(2,133)
<i>Subscription Assets</i>					
Intangible Right to Use - Software	0	(5,063)	0	0	(5,063)
<i>Total Intangible Assets</i>	(533)	(6,663)	0	0	(7,196)
<i>Total Accumulated</i>					
<i>Depreciation/Amortization</i>	(11,594,199)	(856,322)	22,609	(2,358)	(12,430,270)
<i>Total Depreciable Capital Assets, Net</i>	21,105,365	(682,256)	0	0	20,423,109
<i>Business-type Activities</i>					
<i>Capital Assets, Net</i>	\$21,725,123	\$3,005,127	\$0	\$0	\$24,730,250

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
Wastewater Treatment	\$569,981	\$4,146	\$574,127
Water	279,678	2,517	282,195
Total	<u>\$849,659</u>	<u>\$6,663</u>	<u>\$856,322</u>

Note 14 - Long-Term Obligations

The original issue date, interest rate and original issuance amount for each of the City's debt issues follows:

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Year of Maturity</u>
Governmental Activities:			
<i>Bond Anticipation Notes from Direct Placement:</i>			
Rosenbauer Fire Engine	2.60%	\$850,000	2025
<i>General Obligation Bonds:</i>			
2018 Refunded various purpose	3.16	815,000	2029
2018 Various purpose	3.16	160,000	2028
2018 Fire truck acquisition	2.75	461,965	2028
<i>OPWC Loans from Direct Borrowings:</i>			
Ansel Road Improvements	0.00	189,160	2032
Sherman/Chestnut Pavement Repairs	0.00	572,345	2035
Grant Bridge Replacement	0.00	102,414	2035
North Avenue Bridge Replacement	0.00	71,833	2038
East Main Street Improvements - South Side	0.00	33,999	2039
East Main Street Improvements	0.00	50,000	2035
Austin Road Pavement Improvements	0.00	44,199	2034
<i>Financed Purchases from Direct Placement:</i>			
Key Gov't Finance - 2021 CAT Loader	2.61	149,641	2025
Huntington - Energy Project	4.99	319,089	2033
Business - Type Activities:			
<i>From Direct Borrowings:</i>			
<i>OWDA Loans:</i>			
Water System Purchase	4.56	6,735,100	2030
Harpersfield Booster Station	2.01	253,000	2032
Advanced Metering	1.68	251,093	2032
Elm Street Improvements	1.60	510,074	2038
North Broadway Waterline	1.35	408,730	2038
State Route 534 Sanitary Sewer - JEDD III	1.00	1,613,905	2038
Elm Street Sub-basin Sewer Rehab	1.00	229,206	2031
Wastewater Treatment Laboratory Building	1.00	327,230	2031
Wastewater Treatment Screening and Grit Improvements	1.00	6,029,794	2041
Secondary Sledge Holding Tank	1.00	953,345	2040
US Route 20 Sewer Replacement	1.00	304,945	2057
Geneva-on-the-Lake Sanitary Sewer Outfall	4.49	255,528	2026

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Debt Issue	Interest Rate	Original Issue Amount	Year of Maturity
Business - Type Activities (continued):			
<i>OPWC Loans:</i>			
West Liberty Sanitary Sewer	0.00 %	\$51,658	2032
Ansel Road Improvements	0.00	250,747	2032
Van Epps Street Repairs	0.00	49,376	2025
Water Meter Replacement Project	0.00	339,698	2032
State Route 534 Sanitary Sewer - JEDD III	0.00	150,000	2039
State Route 84 Waterline	0.00	56,100	2043
South Nearing Circle/Beach Street Water Main Replacement	0.00	73,657	2043
<i>Financed Purchases from Direct Placement:</i>			
Huntington - Energy Project	4.99	40,911	2033

A schedule of changes in bonds and other long-term obligations of the City during 2024 follows:

	Principal Outstanding 1/1/2024	Additions	Deletions	Principal Outstanding 12/31/2024	Amounts Due in One Year
Governmental activities:					
<i>Bond Anticipation Notes from Direct Placement:</i>					
Rosenbauer Fire Engine	\$716,392	\$0	(\$51,587)	\$664,805	\$664,805
<i>General Obligation Bonds:</i>					
2018 Refunded various purpose	460,000	0	(75,000)	385,000	80,000
2018 Various purpose	90,000	0	(15,000)	75,000	15,000
2018 Fire truck acquisition	184,787	0	(46,196)	138,591	46,197
<i>Total General Obligation Bonds</i>	<u>734,787</u>	<u>0</u>	<u>(136,196)</u>	<u>598,591</u>	<u>141,197</u>
<i>OPWC Loans from Direct Borrowings:</i>					
Ansel Road Improvements	75,563	0	(9,446)	66,117	9,446
Sherman/Chestnut Pavement Repairs	300,480	0	(28,617)	271,863	28,617
Grant Bridge Replacement	56,329	0	(5,120)	51,209	5,120
North Avenue Bridge Replacement	50,283	0	(3,592)	46,691	3,592
East Main Street Improvements - South Side	26,066	0	(2,266)	23,800	2,266
East Main Street Improvements	37,500	0	(2,500)	35,000	2,500
Austin Road Pavement Improvements	0	44,199	(2,210)	41,989	4,420
<i>Total OPWC Loans</i>	<u>\$546,221</u>	<u>\$44,199</u>	<u>(\$53,751)</u>	<u>\$536,669</u>	<u>\$55,961</u>

City of Geneva, Ohio
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For the Year Ended December 31, 2024

	Principal Outstanding 1/1/2024	Additions	Deletions	Principal Outstanding 12/31/2024	Amounts Due in One Year
Governmental activities (continued):					
<i>Other Long-Term Obligations:</i>					
Financed Purchase					
from Direct Placement	\$383,970	\$0	(\$37,391)	\$346,579	\$60,780
Subscriptions Payable	26,974	54,029	(24,032)	56,971	24,660
Compensated Absences	389,606	29,849	0	419,455	62,184
<i>Total Other Long-Term Obligations</i>	<u>800,550</u>	<u>83,878</u>	<u>(61,423)</u>	<u>823,005</u>	<u>147,624</u>
<i>Net Pension Liability</i>					
OPERS	2,034,735	0	(292,483)	1,742,252	0
OP&F	3,774,391	0	(53,774)	3,720,617	0
<i>Total Net Pension Liability</i>	<u>5,809,126</u>	<u>0</u>	<u>(346,257)</u>	<u>5,462,869</u>	<u>0</u>
<i>Net OPEB Liability</i>					
OPERS	44,480	0	(44,480)	0	0
OP&F	282,896	0	(1,723)	281,173	0
<i>Total Net OPEB Liability</i>	<u>327,376</u>	<u>0</u>	<u>(46,203)</u>	<u>281,173</u>	<u>0</u>
<i>Total Governmental Long-Term Liabilities</i>	<u>\$8,934,452</u>	<u>\$128,077</u>	<u>(\$695,417)</u>	<u>\$8,367,112</u>	<u>\$1,009,587</u>
	Principal Outstanding 1/1/2024	Additions	Deletions	Principal Outstanding 12/31/2024	Amounts Due in One Year
Business-Type Activities:					
Loans from Direct Borrowings:					
<i>OWDA Loans:</i>					
Water System Purchase	\$2,375,291	\$0	(\$352,635)	\$2,022,656	\$368,898
Harpersfield Booster Station	135,970	0	(16,973)	118,997	17,316
Advanced Metering	143,274	0	(16,879)	126,395	17,163
Elm Street Improvements	362,297	0	(24,246)	338,051	24,636
North Broadway Waterline	291,717	0	(19,839)	271,878	20,108
State Route 534 Sanitary Sewer - JEDD III	1,164,399	0	(77,887)	1,086,512	78,668
Elm Street Sub-basin Sewer Rehab	79,562	0	(11,907)	67,655	12,026
Wastewater Treatment Laboratory Building	113,589	0	(16,999)	96,590	17,170
Wastewater Treatment Screening and Grit Improvements	4,975,995	0	(222,086)	4,753,909	266,382
Secondary Sludge Holding Tank	780,103	0	(45,194)	734,909	45,648
US Route 20 Sewer Replacement	0	304,945	0	304,945	0
Geneva-on-the-Lake Sanitary Sewer Outfall	14,824	0	(7,247)	7,577	7,577
<i>Total OWDA Loans</i>	<u>10,437,021</u>	<u>304,945</u>	<u>(811,892)</u>	<u>9,930,074</u>	<u>875,592</u>
<i>OPWC Loans:</i>					
West Liberty Sanitary Sewer	18,081	0	(2,583)	15,498	2,583
Ansel Road Improvements	100,400	0	(12,550)	87,850	12,550
Van Epps Street Repairs	4,937	0	(4,937)	0	0
Water Meter Replacement Project	181,173	0	(22,647)	158,526	22,646
State Route 534 Sanitary Sewer - JEDD III	108,750	0	(7,500)	101,250	7,500
State Route 84 Waterline	53,295	0	(2,805)	50,490	2,806
South Nearing Circle/Beach Street Water Main Replacement	69,974	0	(3,683)	66,291	3,682
<i>Total OPWC Loans</i>	<u>\$536,610</u>	<u>\$0</u>	<u>(\$56,705)</u>	<u>\$479,905</u>	<u>\$51,767</u>

City of Geneva, Ohio
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For the Year Ended December 31, 2024

	Principal Outstanding 1/1/2024	Additions	Deletions	Principal Outstanding 12/31/2024	Amounts Due in One Year
Business-Type Activities (continued):					
<i>Other Long-Term Obligations:</i>					
Financed Purchases from Direct Placement	\$40,911	\$0	(\$4,691)	\$36,220	\$3,277
Leases Payable	7,476	0	(1,351)	6,125	1,494
Subscriptions Payable	0	12,671	(4,115)	8,556	4,222
Compensated Absences	110,715	18,033	0	128,748	21,855
Net Pension Liability - OPERS	1,056,628	0	(193,409)	863,219	0
Net OPEB Liability - OPERS	23,098	0	(23,098)	0	0
<i>Total Other-Term Obligations</i>	<u>1,238,828</u>	<u>30,704</u>	<u>(226,664)</u>	<u>1,042,868</u>	<u>30,848</u>
<i>Total Business-Type Long Term Obligations</i>	<u>\$12,212,459</u>	<u>\$335,649</u>	<u>(\$1,095,261)</u>	<u>\$11,452,847</u>	<u>\$958,207</u>

Bond anticipation notes will be paid from the vehicle and major equipment capital projects fund. General obligation bonds are direct obligations of the City and will be paid from the bond retirement debt service fund using income tax revenues. The OWDA loans will be paid partly with special assessments levied against benefited property owners as well as user charges from the appropriate enterprise fund. The OPWC loans in the enterprise funds will be paid with user charges. The OPWC loans will be paid from the street construction, maintenance and repair special revenue fund and infrastructure capital projects fund and the wastewater treatment and water enterprise funds. Increases and decreases to compensated absences are presented net on the above table. Financed purchases will be paid from infrastructure capital projects fund, general fund and wastewater enterprise funds. The leases payable will be paid from the wastewater treatment enterprise fund. The subscriptions payable will be paid from the general fund.

There is no repayment schedule for the net pension liability and net OPEB liability. However, employer pension/OPEB contributions are made from the following funds: general, street construction, maintenance and repair, cemetery, police levy II, recreation, police pension and fire pension special revenue funds and the sewer and water enterprise funds. For additional information related to the net pension liability and net OPEB liability see Notes 16 and 17.

In 2018, the City issued fire truck acquisition bonds in the amount of \$461,965, at the interest rate of 2.75 percent. The bonds were issued for an eleven-year period with final maturity on January 1, 2028.

In 2018, the City issued \$160,000 in various purpose improvement bonds for the purpose of purchasing City vehicles. The bonds were issued at a rate of 3.16 percent for a ten year period with final maturity on August 1, 2028.

In 2018, the City issued various purpose refunding bonds, in the amount of \$815,000 to refund the 2009 various purpose general obligation bonds in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. As of December 31, 2024, the bonds have been fully defeased.

In 2020, the City issued \$850,000 in bond anticipation notes through direct placement for the purpose of purchasing a fire truck. The notes were issued at an interest rate of 2.60 percent and issued for a four year period with final maturity on July 1, 2025.

City of Geneva, Ohio
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The City's outstanding OWDA loans from direct borrowings of \$9,930,074 related to business-type activities contain provisions that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

The City's outstanding OPWC loans from direct borrowings of \$479,905 related to governmental activities and \$536,610 related to business-type activities contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

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

Lines of credit have been established with the Ohio Water Development Authority in the amount of \$4,098,350 for phase I of the US Route 20 sewer replacement in the wastewater treatment fund. Since the loan repayment schedule has not yet been finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates. The balance of this loan at December 31, 2024 was \$304,945.

In prior years, the City entered into finance purchase agreements through direct placements for equipment and energy improvements. The financed purchases will be paid from the general fund, infrastructure capital projects fund and wastewater enterprise fund.

The City's overall legal debt margin was \$12,611,720 at December 31, 2024. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2024, are as follows:

Governmental Activities

Year	Governmental Activities						
	Direct Placement					Direct Borrowing	
	Notes Payable		Financed Purchase		General Obligation Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2025	\$664,805	\$8,642	\$60,780	\$16,138	\$141,197	\$18,030	\$55,961
2026	0	0	30,671	13,857	141,196	13,757	55,962
2027	0	0	31,285	12,346	141,198	9,485	55,962
2028	0	0	32,866	10,765	100,000	5,530	55,962
2029	0	0	34,526	9,104	75,000	2,370	55,963
2030-2034	0	0	156,451	18,070	0	0	234,956
2035-2038	0	0	0	0	0	0	21,903
	<u>\$664,805</u>	<u>\$8,642</u>	<u>\$346,579</u>	<u>\$80,280</u>	<u>\$598,591</u>	<u>\$49,172</u>	<u>\$536,669</u>

City of Geneva, Ohio
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Business-type Activities

Year	Business-Type Activities				
	From Direct Borrowing				
	OWDA Loans		OPWC Loans	Financed Purchase	
	Principal	Interest	Principal	Principal	Interest
2025	\$875,592	\$157,125	\$51,767	\$3,277	\$1,937
2026	890,544	136,436	51,767	3,443	1,756
2027	913,922	115,243	51,767	3,617	1,565
2028	938,188	93,265	51,767	3,800	1,365
2029	963,377	70,466	51,768	3,992	1,154
2030-2034	2,425,000	203,908	142,917	18,091	2,292
2035-2039	2,153,281	79,561	58,690	0	0
2040-2043	465,225	4,660	19,462	0	0
	<u>\$9,625,129</u>	<u>\$860,664</u>	<u>\$479,905</u>	<u>\$36,220</u>	<u>\$10,069</u>

In 2024, the City entered into a SBITA agreement for network monitoring. The City also has outstanding contracts for leased copiers and the use of a SBITA vendor's IT software, including financial systems and various other software. The future lease and subscription payments were discounted based on the interest rate implicit in the lease or using the City's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease and subscription. The lease will be paid from the wastewater treatment enterprise fund and the subscriptions will be paid from the wastewater treatment and water enterprise funds and the general fund. A summary of the principal and interest amounts for the remaining lease and subscriptions is as follows:

Year	Governmental Activities		Business-type Activities			
	Subscriptions		Leases		Subscriptions	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$24,660	\$1,487	\$1,494	\$551	\$4,223	\$223
2026	25,305	843	1,652	393	4,333	113
2027	7,006	183	1,826	218	0	0
2028	0	0	1,153	40	0	0
	<u>\$56,971</u>	<u>\$2,513</u>	<u>\$6,125</u>	<u>\$1,202</u>	<u>\$8,556</u>	<u>\$336</u>

Note 15 – Encumbrances

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

Governmental Funds		Proprietary Funds	
General	\$169,877	Wastewater	\$25,699
Street Construction, Maintenance and Repair	85,985	Water	<u>72,246</u>
Other Governmental Funds	<u>891,877</u>		
Total Governmental Funds	<u>\$1,147,739</u>	Total Proprietary Funds	<u>\$97,945</u>

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Note 16 - Defined Benefit Pension Plans

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

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

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

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

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

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

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

Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension

City of Geneva, Ohio
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plan. Effective January 1, 2024, the combined plan was consolidated into the traditional pension plan, as approved by the legislature in House Bill 33. The traditional pension plan includes members of the legacy combined plan, a hybrid defined benefit/defined contribution plan which was closed to new members effective January 1, 2022. New members are no longer able to select the combined plan and current members are no longer able to make a plan change to the combined plan. The combined plan was consolidated into the traditional pension plan effective January 1, 2024, as a separate division. No changes were made to the benefit design features of the combined plan as part of this consolidation so that members in this plan will experience no changes. The City's 2024 net pension liability (asset) for OPERS is measured as of December 31, 2023, and reflects the traditional plan and the combined plan as two separate plans. The City's 2025 financial statements will reflect the effects of the combined plan being consolidated into the traditional pension plan.

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

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):

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

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

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

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

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

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

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

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

* 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.

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

For 2024, the City's contractually required contribution was \$240,507 for the traditional plan and \$16,371 for the combined plan. Of these amounts, \$26,626 is reported as an intergovernmental payable for the traditional plan and \$1,813 for the combined plan.

Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$242,091 for 2024. Of this amount, \$29,159 is reported as an intergovernmental payable.

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

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

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.0099520%	0.0310750%	0.0385102%	
Prior Measurement Date	<u>0.0104650%</u>	<u>0.0321280%</u>	<u>0.0397345%</u>	
Change in Proportionate Share	<u>-0.0005130%</u>	<u>-0.0010530%</u>	<u>-0.0012243%</u>	
Proportionate Share of the:				
Net Pension Liability	\$2,605,471	\$0	\$3,720,617	\$6,326,088
Net Pension (Asset)	0	(95,519)	0	(95,519)
Pension Expense	191,597	5,828	368,416	565,841

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

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$42,585	\$3,871	\$119,443	\$165,899
Changes of assumptions	0	3,545	235,139	238,684
Net difference between projected and actual earnings on pension plan investments	525,896	15,535	421,624	963,055
Changes in proportion and differences between City contributions and proportionate share of contributions	0	3,159	127,533	130,692
City contributions subsequent to the measurement date	240,507	16,371	242,091	498,969
Total Deferred Outflows of Resources	<u>\$808,988</u>	<u>\$42,481</u>	<u>\$1,145,830</u>	<u>\$1,997,299</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$0	\$9,447	\$41,611	\$51,058
Changes of assumptions	0	0	56,502	56,502
Changes in proportion and differences between City contributions and proportionate share of contributions	85,594	9,284	253,453	348,331
Total Deferred Inflows of Resources	<u>\$85,594</u>	<u>\$18,731</u>	<u>\$351,566</u>	<u>\$455,891</u>

\$498,969 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
2025	\$64,010	\$1,281	\$180,602	\$245,893
2026	158,164	3,182	183,080	344,426
2027	335,597	7,885	250,848	594,330
2028	(74,884)	(3,682)	(63,947)	(142,513)
2029	0	(788)	1,543	755
Thereafter	0	(499)	47	(452)
Total	<u>\$482,887</u>	<u>\$7,379</u>	<u>\$552,173</u>	<u>\$1,042,439</u>

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Actuarial Assumptions – OPERS

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

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

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

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

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

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

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

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

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$4,101,717	\$2,605,471	\$1,361,036
OPERS Combined Plan	(57,800)	(95,519)	(125,232)

Actuarial Assumptions – OP&F

The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include

City of Geneva, Ohio
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assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful life of the participants which was 6.03 years at December 31, 2023.

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

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

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

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

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

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

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

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

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

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

Note: Assumptions are geometric.

* levered 2.0x

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

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$4,928,234	\$3,720,617	\$2,716,366

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Note 17 – Defined Benefit OPEB Plans

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

Ohio Public Employees Retirement System (OPERS)

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

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

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

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

OPERS members enrolled in the traditional pension plan or combined plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

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

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

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

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

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

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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; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$2,728 for 2024. Of this amount, \$302 is reported as an intergovernmental payable.

Ohio Police & Fire Pension Fund (OP&F)

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

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$6,002 for 2024. Of this amount, \$718 is reported as an intergovernmental payable.

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

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

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Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.0100870%	0.0385102%	
Prior Measurement Date	<u>0.0107180%</u>	<u>0.0397345%</u>	
Change in Proportionate Share	<u>-0.0006310%</u>	<u>-0.0012243%</u>	
Proportionate Share of the:			<u>Total</u>
Net OPEB Liability	\$0	\$281,173	\$281,173
Net OPEB (Asset)	(91,038)	0	(91,038)
OPEB Expense	(9,453)	(4,810)	(14,263)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$13,520	\$13,520
Changes of assumptions	23,438	96,755	120,193
Net difference between projected and actual earnings on OPEB plan investments	54,673	20,763	75,436
Changes in proportion and differences between City contributions and proportionate share of contributions	3,954	27,639	31,593
City contributions subsequent to the measurement date	<u>2,728</u>	<u>6,002</u>	<u>8,730</u>
Total Deferred Outflows of Resources	<u>\$84,793</u>	<u>\$164,679</u>	<u>\$249,472</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$12,957	\$51,672	\$64,629
Changes of assumptions	39,134	181,070	220,204
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>159</u>	<u>62,002</u>	<u>62,161</u>
Total Deferred Inflows of Resources	<u>\$52,250</u>	<u>\$294,744</u>	<u>\$346,994</u>

\$8,730 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase in the net OPEB asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year Ending December 31:	OPERS	OP&F	Total
2025	\$73	(\$21,357)	(\$21,284)
2026	5,645	(15,209)	(9,564)
2027	42,558	(8,012)	34,546
2028	(18,461)	(24,582)	(43,043)
2029	0	(29,395)	(29,395)
Thereafter	0	(37,512)	(37,512)
Total	<u>\$29,815</u>	<u>(\$136,067)</u>	<u>(\$106,252)</u>

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions. Post-retirement mortality rates 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

City of Geneva, Ohio
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throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

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

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

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

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

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$50,032	(\$91,038)	(\$207,893)

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

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB (asset)	(\$94,818)	(\$91,038)	(\$86,748)

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.

City of Geneva, Ohio
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For the Year Ended December 31, 2024

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

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

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

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

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

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

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

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

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

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

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 4.07 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07 percent), or one percentage point higher (5.07 percent), than the current rate:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City's proportionate share of the net OPEB liability	\$346,329	\$281,173	\$226,302

Note 18 – Public Entity Risk Pool

Property and Liability

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2024, the Pool retained \$500,000 for casualty claims and \$1,000,000 for property claims. The Board of Directors and Sedgwick periodically review the financial strength of PEP and other market conditions to determine the appropriate level of risk PEP will retain. There has been no significant reduction in coverage from last year.

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

Financial Position

PEP's financial statements conform to generally accepted accounting principles and show the following assets, liabilities, and net position at December 31, 2024:

<u>Casualty and Property Coverage</u>	<u>2024</u>
Assets	\$71,369,906
Liabilities	25,425,541
Net Position - Unrestricted	<u>\$45,944,365</u>

At December 31, 2024, the liabilities in the preceding table include unknown amounts of estimated incurred claims payable. The casualty coverage assets and net position in the preceding table include approximately \$18.7 million of unpaid claims to be billed to approximately 649 member governments in the future, as of December 31, 2024. These amounts will be included in future contributions from members when the related claims are due for payment.

City of Geneva, Ohio
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For the Year Ended December 31, 2024

As indicated by PEP, the rates PEP charges to compute member contributions, which are used to pay claims as they become due, are expected to increase from those used to determine the historical contributions detailed as follows. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. This was the third year the City was a member of the PEP. The contribution for 2024 was \$84,482.

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

Note 19 – Governed Organization

Ashtabula County General Health District

The Ashtabula County General Health District (District), a jointly governed organization, provides health services to the citizens with the county. The Board of Health which consists of a representative from each of the participating governments oversee the operation of the District. Twenty-seven townships, seven villages, and the City of Geneva participate in the District. The Board of Health has total control over budgeting, personnel and all other financial matters. The degree of control exercised by any participating government is limited to its representation on the Board. The City contributed \$49,500 during 2024 for the operation of the District. Financial information can be obtained by contacting the District at 12 W. Jefferson Street, Jefferson, OH 44047-1096.

Geneva Union Cemetery District

The Geneva Union Cemetery District (the “Cemetery”), a jointly governed organization, is a political subdivision governed by a Board of Trustees, which possesses its own contracting and budgeting authority. The degree of control exercised by any participating government is limited to its representation on the Board. The Board of Trustees consists of a representative from each of the participating governments: The City of Geneva, the Village of Geneva-on-the-lake, and Geneva Township. The members serve staggered three-year terms. In 2024, 0.30 mills of the tax valuation was paid to the Cemetery. Financial information can be obtained by contacting the Cemetery at PO Box 474, Geneva, OH 44041.

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC), a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas. NOPEC is currently comprised of 240 communities who have been authorized by ballot to purchase electricity on behalf of their citizens.

The intent of NOPEC is to provide electricity and natural gas at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity and natural gas to the citizens of its member communities.

City of Geneva, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2024

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board has total control over budgeting, personnel and all other financial matters. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Geneva did not contribute to NOPEC during 2024. Financial information can be obtained by contacting Chuck Keiper, Executive Director, 31320 Solon Road, Suite 33, Solon, Ohio 44139.

Note 20 – Joint Economic Development Districts

JEDD-I, JEDD-II, and JEDD-III

The City of Geneva and Harpersfield Township (Township) have formed three Joint Economic Development Districts (JEDD) (JEDD-I, JEDD-II and JEDD-III) which were formed under Chapter 715.72 through 715.83 of the Ohio Revised Code. JEDD-I was formed in 1996, JEDD-II was formed in 2005, and JEDD-III was formed in 2014 to provide sanitary sewers to each JEDD District. The purpose of each JEDD is to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State, the County, the Township, the City and the JEDD's served. The JEDD's are administered by a Board of locally appointed officials and local business leaders.

The City acts as the fiscal agent for the JEDD-I, JEDD-II, and JEDD-III District. In 2024 JEDD-I distributed \$96,134 to the City, \$34,958 to the Township, \$8,739 to the JEDD Board and \$34,958 to the Geneva-area Recreation, Education and Athletic Trust (GaREAT). JEDD-II distributed \$193,576 to the City, \$51,620 to the Township and \$12,905 to the JEDD Board. JEDD-III distributed \$24,791 to the City, \$20,940 to the Township, and \$2,407 to the JEDD Board.

Note 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2024. The City will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Note 22 – Asset Retirement Obligations

The Governmental Accounting Standards Board's (GASB) Statement No. 83, *Certain Asset Retirement Obligations*, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewer system to the Ohio Environmental Protection Agency (the "Ohio EPA") for approval. Any changes to the sewer system would be approved through a permit for a new plan that would take the place of the retired asset and would include a place for the proper abandonment of their wastewater treatment facilities and sanitary sewer pump stations. Through -this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities and sanitary sewer pump stations. At this time, the City is unable to reasonably estimate the liability to abandon the wastewater treatment facilities and sanitary sewer pump stations without the required permit from the Ohio EPA.

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

	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.0099520%	0.0104650%	0.0112170%	0.0114050%
City's Proportionate Share of the Net Pension Liability	\$2,605,471	\$3,091,363	\$975,923	\$1,688,832
City's Covered Payroll	\$1,638,121	\$1,629,071	\$1,658,491	\$1,604,921
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.05%	189.76%	58.84%	105.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%

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

See accompanying notes to required supplementary information

2020	2019	2018	2017	2016	2015
0.0120210%	0.0130770%	0.0134620%	0.0140790%	0.0123160%	0.0124940%
\$2,376,033	\$3,581,524	\$2,112,681	\$3,197,856	\$2,134,042	\$1,506,916
\$1,691,636	\$1,708,644	\$1,777,890	\$1,832,052	\$1,541,030	\$1,491,358
140.46%	209.61%	118.83%	174.55%	138.48%	101.04%
82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

City of Geneva, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
Last Ten Years

	2024	2023	2022	2021
City's Proportion of the Net Pension Asset	0.0310750%	0.0321280%	0.0288200%	0.0283310%
City's Proportionate Share of the Net Pension Asset	\$95,519	\$75,725	\$113,552	\$81,781
City's Covered Payroll	\$142,692	\$130,936	\$126,193	\$122,114
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	66.94%	57.83%	89.98%	66.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	144.55%	137.14%	169.88%	157.67%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.0267990%	0.0331860%	0.0360480%	0.0162040%	0.0129600%	0.0124240%
\$55,882	\$37,114	\$49,071	\$9,018	\$6,307	\$4,784
\$127,329	\$130,006	\$147,559	\$63,539	\$46,942	\$42,058
43.89%	28.55%	33.26%	14.19%	13.44%	11.37%
145.28%	126.64%	137.28%	116.55%	116.90%	114.83%

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

	2024	2023	2022	2021
City's Proportion of the Net OPEB Liability	0.0100870%	0.0107180%	0.0113740%	0.0115350%
City's Proportionate Share of the Net OPEB Liability/(Asset)	(\$91,038)	\$67,578	(\$356,251)	(\$205,505)
City's Covered Payroll	\$1,780,813	\$1,790,186	\$1,802,707	\$1,744,479
City's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-5.11%	3.77%	-19.76%	-11.78%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	128.23%	115.57%

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

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

See accompanying notes to required supplementary information

2020	2019	2018	2017
0.0120400%	0.0132050%	0.0013720%	0.0138410%
\$1,663,037	\$1,721,621	\$1,489,892	\$1,398,035
\$1,898,443	\$1,857,221	\$1,941,564	\$1,925,436
87.60%	92.70%	76.74%	72.61%
47.80%	46.33%	54.14%	54.04%

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

	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.0385102%	0.0397345%	0.0434906%	0.0416300%
City's Proportionate Share of the Net Pension Liability	\$3,720,617	\$3,774,391	\$2,717,041	\$2,837,934
City's Covered Payroll	\$1,158,895	\$1,144,203	\$1,183,057	\$1,073,320
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	321.05%	329.87%	229.66%	264.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.63%	62.90%	75.03%	70.65%

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

See accompanying notes to required supplementary information

2020	2019	2018	2017	2016	2015
0.0382260%	0.0396850%	0.0425690%	0.0416670%	0.0431110%	0.0427400%
\$2,575,074	\$3,239,345	\$2,705,546	\$2,732,040	\$2,773,363	\$2,214,085
\$965,603	\$881,710	\$987,297	\$979,629	\$903,727	\$887,302
266.68%	367.39%	274.04%	278.89%	306.88%	249.53%
69.89%	63.07%	70.91%	68.36%	66.77%	71.71%

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

	2024	2023	2022	2021
City's Proportion of the Net OPEB Liability	0.0385102%	0.0397345%	0.0434906%	0.0416300%
City's Proportionate Share of the Net OPEB Liability	\$281,173	\$282,896	\$476,693	\$441,074
City's Covered Payroll	\$1,158,895	\$1,144,203	\$1,183,057	\$1,073,320
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	24.26%	24.72%	40.29%	41.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	51.89%	52.59%	46.86%	45.42%

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

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

See accompanying notes to required supplementary information

2020	2019	2018	2017
0.0382260%	0.0396850%	0.0425690%	0.0416670%
\$377,580	\$361,393	\$2,411,899	\$1,977,839
\$965,603	\$881,710	\$987,291	\$979,629
39.10%	40.99%	244.29%	201.90%
47.08%	46.57%	14.13%	15.96%

City of Geneva, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Public Employees Retirement System
Last Ten Years (1)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	\$240,507	\$229,337	\$228,070	\$232,189
Contributions in Relation to the Contractually Required Contribution	<u>(240,507)</u>	<u>(229,337)</u>	<u>(228,070)</u>	<u>(232,189)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$1,717,907	\$1,638,121	\$1,629,069	\$1,658,491
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Asset - Combined Plan				
Contractually Required Contribution	\$16,371	\$17,123	\$18,331	\$17,667
Contributions in Relation to the Contractually Required Contribution	<u>(16,371)</u>	<u>(17,123)</u>	<u>(18,331)</u>	<u>(17,667)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$136,425	\$142,692	\$143,214	\$126,193
Contributions as a Percentage of Covered Payroll	<u>12.00%</u>	<u>12.00%</u>	<u>12.80%</u>	<u>14.00%</u>
Net OPEB Liability - OPERS Plan (1)				
Contractually Required Contribution	\$2,728	\$2,854	\$2,435	\$721
Contributions in Relation to the Contractually Required Contribution	<u>(2,728)</u>	<u>(2,854)</u>	<u>(2,435)</u>	<u>(721)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (2)	\$1,854,332	\$1,780,813	\$1,790,186	\$1,802,707
Contributions as a Percentage of Covered Payroll	<u>0.15%</u>	<u>0.16%</u>	<u>0.14%</u>	<u>0.04%</u>

(1) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented for the OPEB plan.

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
\$224,689	\$236,829	\$239,210	\$231,126	\$219,846	\$184,924
(224,689)	(236,829)	(239,210)	(231,126)	(219,846)	(184,924)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,604,921	\$1,691,636	\$1,708,644	\$1,777,890	\$1,832,052	\$1,541,030
14.00%	14.00%	14.00%	13.00%	12.00%	12.00%
\$17,096	\$17,826	\$18,201	\$19,183	\$7,625	\$5,633
(17,096)	(17,826)	(18,201)	(19,183)	(7,625)	(5,633)
\$0	\$0	\$0	\$0	\$0	\$0
\$122,114	\$127,329	\$130,006	\$147,559	\$63,539	\$46,942
14.00%	14.00%	14.00%	13.00%	12.00%	12.00%
\$698	\$364	\$283	\$19,416	\$38,509	
(698)	(364)	(283)	(19,416)	(38,509)	
\$0	\$0	\$0	\$0	\$0	
\$1,744,479	\$1,898,443	\$1,857,221	\$1,941,564	\$1,925,436	
0.04%	0.02%	0.02%	1.00%	2.00%	

City of Geneva, Ohio
Required Supplementary Information
Schedule of City Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2024	2023	2022	2021
Net Pension Liability				
Contractually Required Contribution	\$242,091	\$234,514	\$231,243	\$237,238
Contributions in Relation to the Contractually Required Contribution	<u>(242,091)</u>	<u>(234,514)</u>	<u>(231,243)</u>	<u>(237,238)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$1,200,334	\$1,158,895	\$1,144,203	\$1,183,057
Pension Contributions as a Percentage of Covered Payroll:	<u>20.17%</u>	<u>20.24%</u>	<u>20.21%</u>	<u>20.05%</u>
Net OPEB Liability				
Contractually Required Contribution	\$6,002	\$5,795	\$5,721	\$5,915
Contributions in Relation to the Contractually Required Contribution	<u>(6,002)</u>	<u>(5,795)</u>	<u>(5,721)</u>	<u>(5,915)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$1,200,334	\$1,158,895	\$1,144,203	\$1,183,057
OPEB Contributions as a Percentage of Covered Payroll:	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll:	<u>20.67%</u>	<u>20.74%</u>	<u>20.71%</u>	<u>20.55%</u>

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
\$217,149	\$196,383	\$179,472	\$200,180	\$198,919	\$183,594
(217,149)	(196,383)	(179,472)	(200,180)	(198,919)	(183,594)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,073,320	\$965,603	\$881,710	\$987,297	\$979,629	\$903,727
20.23%	20.34%	20.35%	20.28%	20.31%	20.32%
\$5,367	\$4,828	\$4,409	\$4,936	\$4,898	\$4,519
(5,367)	(4,828)	(4,409)	(4,936)	(4,898)	(4,519)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,073,320	\$965,603	\$881,710	\$987,297	\$979,629	\$903,727
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
20.73%	20.84%	20.85%	20.78%	20.81%	20.82%

City of Geneva, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

Changes in Assumptions – OPERS Pension – Traditional Plan

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

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

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

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

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

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

City of Geneva, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

Changes in Assumptions – OPERS Pension – Combined Plan

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

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

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

Changes in Assumptions – OP&F Pension

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

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

City of Geneva, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

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

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

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

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

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

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

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

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

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

City of Geneva, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

Changes in Assumptions – OPERS OPEB

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

City of Geneva, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

Changes in Assumptions – OP&F OPEB

Blended Discount Rate:	
2024	4.07 percent
2023	4.27 percent
2022	2.84 percent
2021	2.96 percent
2020	3.56 percent
2019	4.66 percent
2018	3.24 percent

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

Changes in Benefit Terms – OPERS OPEB

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

Changes in Benefit Terms – OP&F OPEB

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

CITY OF GENEVA
ASHTABULA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Federal Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through Ohio Department of Natural Resources:</i>			
Inflation Reduction Act Urban & Community Forestry Program	10.727	23-DG-11094200-363	\$9,825
Total - U.S. Department of Agriculture			9,825
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning and Construction - ATB Platt Spencer	20.205	PID 120328	2,111
Highway Planning and Construction - ATB US Rte 20	20.205	PID 111486	63,249
Total - Highway Planning and Construction			65,360
Total - U.S. Department of Transportation			65,360
<u>U.S. DEPARTMENT OF TREASURY</u>			
<i>Passed through Ohio Office of Budget and Management:</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (SLFRF)	21.027		219,605
<i>Passed through Ohio Department of Development:</i>			
COVID-19 - SLFRF	21.027	DEV-2021-182319	2,494,880
Total - COVID-19 - SLFRF			2,714,485
Total - U.S. Department of Treasury			2,714,485
Total Expenditures of Federal Awards			\$2,789,670

The accompanying notes are an integral part of this schedule.

**CITY OF GENEVA
ASHTABULA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Geneva (the City) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



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

City of Geneva
Ashtabula County
44 North Forest Street
Geneva, Ohio 44041

To the City Council and City Manager:

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

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

August 27, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

City of Geneva
Ashtabula County
44 North Forest Street
Geneva, Ohio 44041

To the City Council and City Manager:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Geneva's, Ashtabula County, (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City of Geneva's major federal program for the year ended December 31, 2024. City of Geneva's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Geneva complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



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

August 27, 2025

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**CITY OF GENEVA
ASHTABULA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	➤ AL# 21.027 – COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



CITY OF GENEVA

ASHTABULA 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 9/11/2025

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

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