



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CITY OF MADEIRA, OHIO

HAMILTON COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2021

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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(800) 282-0370

Members of Council
City of Madeira
7141 Miami Avenue
Cincinnati, Ohio 45243

We have reviewed the *Independent Auditors' Report* of the City of Madeira, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 11, 2022

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Attachment: Annual Comprehensive Financial Report

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Madeira, Ohio:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Madeira, Ohio ("City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 27, 2022.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City's Response to Findings

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 27, 2022

City of Madeira
Schedule of Findings and Responses
Year Ended December 31, 2021

2021-001 Financial Reporting

During the course of our audit, we identified misstatements in the financial statements that were not initially identified by the City's internal control over financial reporting. Internal control over reporting includes not only the transaction entries to the City's books and records throughout the year but also the financial statement preparation process at year-end. A deficiency in internal control exists when the design of 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. In this case, the internal controls over the preparation and review of the City's financial statements did not operate as designed.

We proposed audit adjustments to correct:

- Fund balance classifications in the Water Distribution Fund,
- Intergovernmental revenue in the ARP Local Fiscal Recovery Fund
- Reporting of notes payable in the Traditions Public Improvement Fund and Governmental Activities

We also identified a number of immaterial audit adjustments. Management elected to record certain of those adjustments.

We recommend the City enhance its internal controls over financial reporting with steps such as additional management analysis of the financial statements.

Views of Responsible Officials: We will enhance our internal controls over financial reporting with steps such as additional management analysis of the financial statements.

CITY OF MADEIRA

City of Madeira
Schedule of Prior Audit Findings
Year Ended December 31, 2021

7141 Miami Avenue • Cincinnati, Ohio 45243-2699
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2020-001 **Financial Reporting**

Misstatements in the financial statements were identified that were not initially identified by the City's internal control over financial reporting.

Status: Repeated as Finding 2021-001.

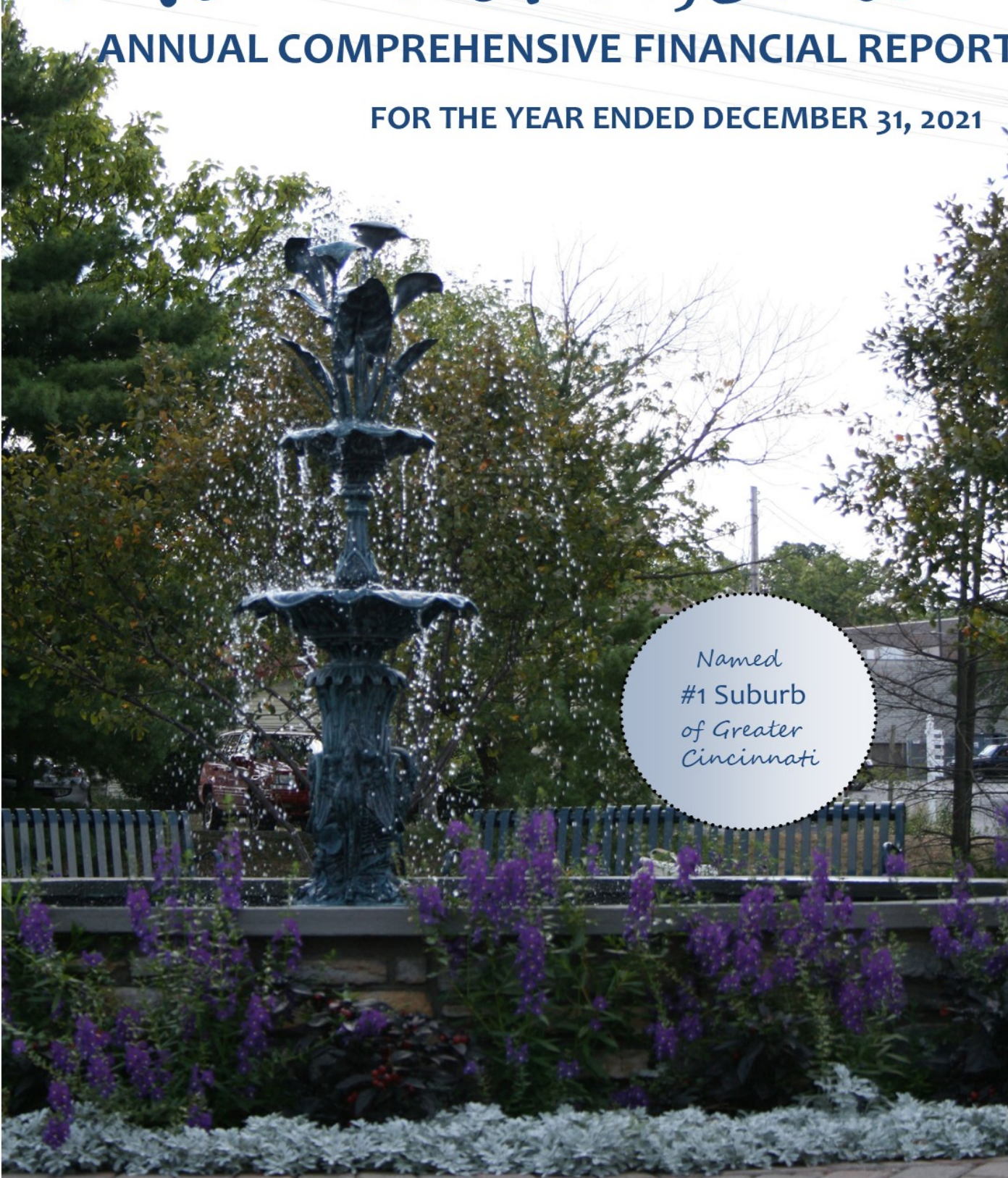


THE CITY OF

Madreira, Ohio

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021



*Named
#1 Suburb
of Greater
Cincinnati*

**CITY OF MADEIRA,
OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL
REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021**

Prepared by:

Treasurer's Office

City of Madeira, Ohio
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

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INTRODUCTORY SECTION

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June 29, 2022

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Madeira:

State law requires that all general-purposes local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Madeira for the fiscal year ended December 31, 2021.

This report consists of management's representations concerning the finances of the City of Madeira. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Madeira has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Madeira financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Madeira's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Madeira's financial statements have been audited by Clark Schaefer Hackett. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Madeira for the fiscal year ended December 31, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Madeira's financial statements for the fiscal year ended December 31, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Madeira's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Madeira, incorporated in 1910 as a village, is located in the southwestern part of the state. The City of Madeira currently occupies a land area of 3.4 square miles and serves a population of 9,483. The City of Madeira is empowered to levy a property tax on real properties located within its boundaries.

The City of Madeira has operated under the council-manager form of government since 1959. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, treasurer, clerk of council, and law director. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members are elected at large and serve four-year staggered terms, with elections every two years. The Madeira Home Rule Charter specifies term limits of three consecutive terms.

The Madeira City Council elects a Mayor and Vice-Mayor from within its ranks. The Mayor and Vice-Mayor each serve a two-year term. The Mayor's primary duties include presiding over City Council meetings, performing ceremonial civic duties and overseeing the proceedings of Mayor's Court. The Vice-Mayor assumes the duties of the Mayor in his or her absence.

The City of Madeira provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

The annual budget serves as the foundation for the financial planning and control. The City Manager presents a proposed budget to the council for review prior to December 31. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City of Madeira's fiscal year. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund and major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Madeira operates.

Local Economy. Through Fiscal Year 2021 and despite the COVID-19 Pandemic, the City of Madeira continues to enjoy a relatively favorable economic environment. At the end of FY2021, local indicators pointed to continued stability. The general region surrounding the City of

Madeira has a varied manufacturing and industrial base, along with a strong commercial/retail base that adds to the relative stability of the unemployment rate. Major industries with headquarters or divisions in the Greater Cincinnati area and in close proximity to the City of Madeira include consumer manufacturers, jet engine and automotive components manufacturers, and several financial and insurance institutions.

Despite the diminished effects of the COVID-19; the Pandemic will continue to cause uncertainty through both local and national economic markets. The City of Madeira continues to closely monitor the impacts of the Pandemic on the City's future financial and economic conditions. The City's Central Business District does not appear to have been severely impacted over the past 2 years as retailers and service sectors have continued to operate. However there have been some consequences of closures of small retail businesses. New and relocated business activity during this period seems to offset the loss of other small businesses. Vacancy rates in the business district appear to be steady and occupancy appears to be relatively high given the circumstances. State legislation may have an impact as to how Ohio Cities and Villages are able to collect earnings taxes relative to "work from home" employment. There continues to be discernible trend toward steady residential tax base growth as new housing continues to replace older single-family residential units, although the trend has slowed as the inventory of older housing targeted for teardowns/rebuilds has dwindled. Residential real estate continues to be in high demand as younger families look to the Madeira City School District for high quality public school education as well as Madeira's excellent location in the Greater Cincinnati market.

Long-term financial planning. Unassigned fund balance in the general fund (59% of general fund expenditures) falls above the policy guidelines set by the City Council for budgeting and planning purposes (Unassigned fund balance of 27% of General Fund Expenditures). Council continues the policy of not issuing debt to fund improvements unless absolutely necessary to do so, usually when the project costs exceeds \$1 million. Beginning in 2022, the City has issued debt of \$9.765 million for 30 years to fund the McDonald Commons Project, scheduled for construction in late 2022 through 2023. Future plans for capital improvements include the addition of sidewalks along major streets to improve the walkability of the community, bikeways where feasible, increasing park space and making application for state and federal capital improvement funds for road improvements. The schedule for repaving local streets has been targeted at 20 years which will require an average annual budget for road improvements of \$1 million.

Relevant Financial Policies. In FY2020, City Council approved legislation which reduced the earnings tax credit for taxes paid to another municipality. The reduction brought the tax credit to .6% beginning in January 2021. The additional revenue will be earmarked for Street Repair Programs and allow for the continuation of other public services and programs at their present levels.

Major Initiatives. The City approved a Tax Increment Financing District (TIF) for the Traditions on Camargo Senior Facility in FY2019. The incremental additional property tax revenue, minus the portion that is generated for the Madeira Public Schools, was used for improvements to Camargo Road, including a waterline replacement, streetscape treatment and new pavement. The TIF is approved for 30 years and is also expected to fund improvements to the McDonald Commons facility. A second TIF was approved for the development of the Swing

Line Grill on Railroad Avenue. The funds generated through this TIF, again minus the payments to the Madeira School District, will be used on various infrastructure improvements within the Central Business District.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Madeira for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This was the twenty-sixth consecutive year the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both GAAP and applicable legal requirements.

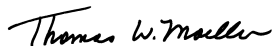
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Madeira's finances.

Respectfully submitted,



C. Robert Paul
Treasurer



Thomas W. Moeller
City Manager

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Madeira
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

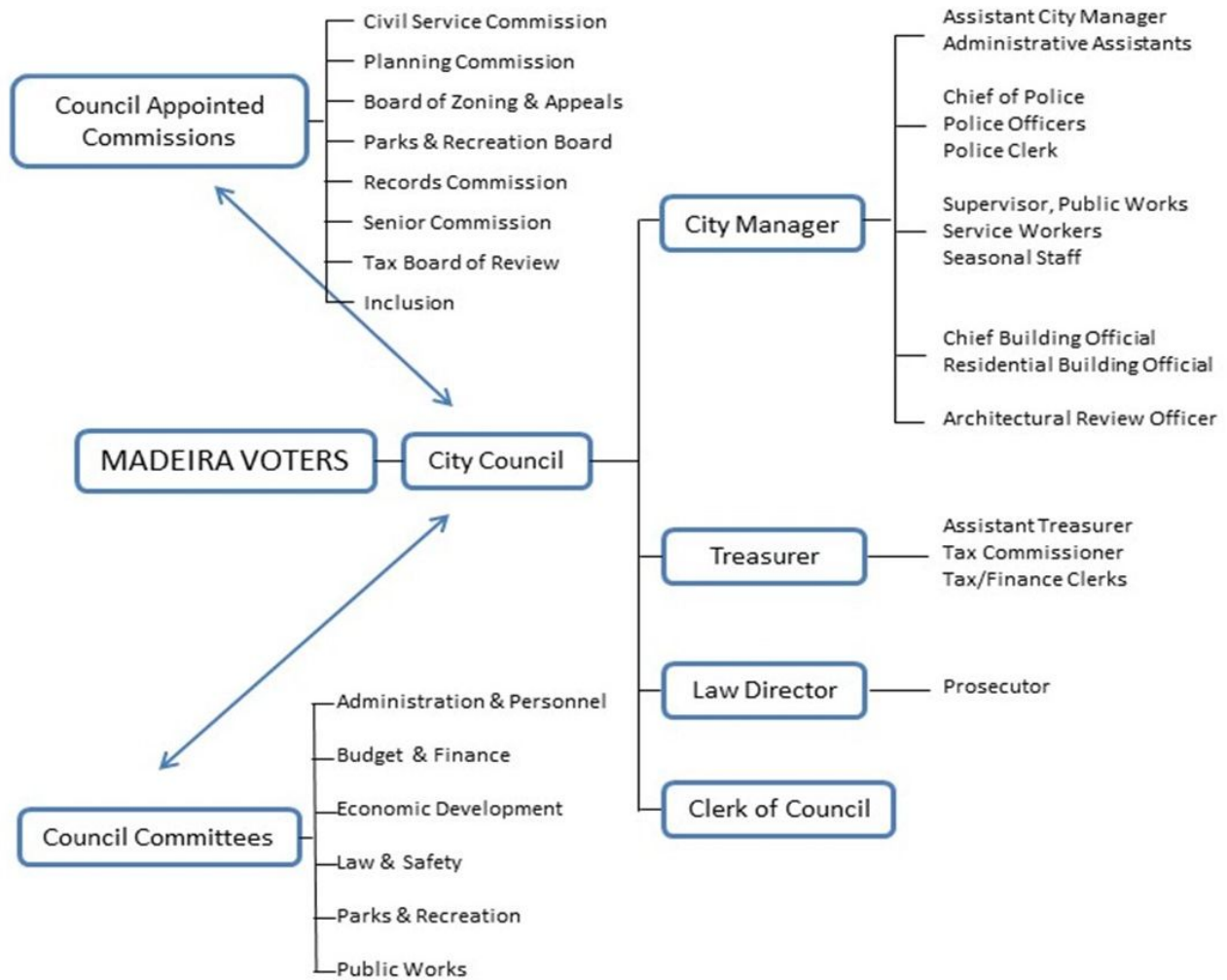
December 31, 2020

Christopher P. Morill

Executive Director/CEO

City of Madeira

Organizational Chart



City of Madeira, Ohio
List of Elected and Appointed Officials
December 31, 2021

ELECTED OFFICIALS:

Chris Hilberg	Mayor	12/01/15 thru 11/30/23
Doug Moorman	Vice-Mayor	13/11/19 thru 11/30/25
Scott Gehring	Council Member	12/01/15 thru 11/30/23
Tom Henning	Council Member	12/01/19 thru 11/30/23
Alicia Camper	Council Member	12/01/21 thru 11/30/25
Tim Brock	Council Member	12/01/21 thru 11/30/25
Anne Horne	Council Member	12/01/21 thru 11/30/25

APPOINTED OFFICIALS:

Thomas W. Moeller, MPA	City Manager	Hired 3/6/89 thru 12/01/22
C. Robert Paul, CPA	Treasurer	01/14/20 thru 11/30/23
Brian W. Fox, JD	Law Director	05/01/16 thru 11/30/23
Christine Doyle	Clerk of Council	02/13/17 thru 11/30/23
David H. Ballweg	Architectural Review Officer	07/01/94 thru 12/31/23

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Madeira, Ohio:

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 Madeira, Ohio (the "City") as of and for the year ended December 31, 2021, 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 Madeira, Ohio, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparisons for the General Fund, Street Repair Fund, and Traditions Public Improvement TIF Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*.) Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Madeira, Ohio 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 of Madeira, Ohio's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Madeira, Ohio'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 City of Madeira, Ohio'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 other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on them.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2022 on our consideration of the City of Madeira, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Madeira's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Madeira's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 27, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the City of Madeira, we offer readers of the City of Madeira's financial statements this narrative overview and analysis of the financial activities of the City of Madeira for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in this report.

Financial Highlights

- The assets and deferred outflows of the City of Madeira exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$14,425,697 (net position).
- The government's total net position increased by \$3,770,861.
- As of the close of the current fiscal year, the City of Madeira's governmental funds reported combined ending fund balances of \$6,581,498, an increase of \$2,806,652 in comparison with the prior year. Fifty-nine percent (59%) of this total amount \$3,850,953, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,935,053 or fifty-four (54%) of total general fund expenditures.
- The City of Madeira's total debt increased by \$1,878,628 during the current fiscal year.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City of Madeira's basic financial statements. The City of Madeira's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Madeira's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Madeira's assets, deferred outflows, liabilities and deferred inflows of resources, with the residual being reported as net position. Over time, increases and decreases in net position serve as a useful indicator of whether the financial position of the City of Madeira is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal 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 related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in 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 Madeira 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 Madeira include general government, public safety, transportation, sanitation, community

environment, and recreation. The business-type activity of the City of Madeira is rental property.

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 Madeira, 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 Madeira can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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 government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds.

The City of Madeira maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, street repair special revenue fund, traditions public improvement TIF special revenue fund and water distribution capital project fund; all are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Madeira adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the general fund, street repair special revenue fund and traditions public improvement TIF special revenue fund to demonstrate compliance with this budget.

Proprietary fund. The City of Madeira maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Madeira uses an enterprise fund to account for its rental property operation.

Proprietary funds provide the same type of information as the governmental-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the rental property operation, which is considered to be a major fund of the City of Madeira.

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

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

Required supplementary information. Displays to better understand pension and OPEB costs and liabilities are required.

Other information. In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City of Madeira believes readers will find useful. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, the statement of net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Madeira, the net position at the close of the most recent fiscal year was \$14,425,697.

A portion of the City of Madeira's net position (78.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets to provide services to citizens consequently; these assets are not available for future spending. Although the City of Madeira's investment is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

The following table provides a summary of the City's net position compared to the previous year.

City of Madeira's Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$13,693	\$11,390	\$38	\$42	\$13,731	\$11,432
Capital Assets	15,918	12,487	242	255	16,160	12,742
Total Assets	29,611	23,877	280	297	29,891	24,174
Deferred Outflows of Resources	970	1,171	0	0	970	1,171
Current and other liabilities	1,685	2,642	4	4	1,689	2,646
Long-term liabilities outstanding	9,798	7,406	0	0	9,798	7,406
Total Liabilities	11,483	10,048	4	4	11,487	10,052
Total Deferred Inflows of Resources	4,948	4,638	0	0	4,948	4,638
Net Position:						
Net Investment in Capital Assets	11,039	9,487	243	255	11,282	9,742
Restricted	1,744	1,929	0	0	1,744	1,929
Unrestricted	1,367	(1,054)	33	38	1,400	(1,016)
Total Net Position	\$14,150	\$10,362	\$276	\$293	\$14,426	\$10,655

An additional portion of the City of Madeira's net position (12%) represents resources that have been restricted on how they may be used.

At the end of the current fiscal year, the City of Madeira is able to report positive balances in three categories of net position, both for the government as a whole as well as for its governmental activities.

The government's net position increased by \$3,770,861, during the current fiscal year. This largely reflects increases in revenues due to receiving grants and additional property taxes due to our TIF and increase in property values.

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 and prior year.

City of Madeira's Changes in Net Position
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues						
Charges for Services	\$896	\$1,050	\$41	\$27	\$937	\$1,077
Operating Grants and Contributions	1,142	889	0	0	1,142	889
Capital Grants and Contributions	515	669	0	0	515	669
General Revenues						
Property Taxes	3,186	2,808	0	0	3,186	2,808
Other Taxes	5,188	3,535	0	0	5,188	3,535
Payment in Lieu of Taxes	632	372	0	0	632	372
Grants & Contributions not Restricted to Specific Programs	1,075	1,007	0	0	1,075	1,007
Investment Earnings	5	29	0	0	5	29
Transfers	(60)	0	60	0	0	0
TOTAL REVENUES	12,579	10,359	101	27	12,680	10,386
EXPENSES						
General Government	927	2,275	0	0	927	2,275
Public Safety	4,676	4,273	0	0	4,676	4,273
Transportation	2,240	2,076	0	0	2,240	2,076
Sanitation	570	551	0	0	570	551
Community Environment	248	202	0	0	248	202
Recreation	123	1	0	0	123	1
Interest on Long-Term Debt	7	21	0	0	7	21
Rental Property	0	0	118	51	118	51
TOTAL EXPENSES	8,791	9,399	118	51	8,909	9,450
Increase/(Decrease) in Net Position	3,788	960	(17)	(24)	3,771	936
Net Position - Beginning	10,362	9,402	293	317	10,655	9,719
Net Position - Ending	\$14,150	\$10,362	\$276	\$293	\$14,426	\$10,655

Governmental activities. Governmental activities increased the City of Madeira's net position by \$3,787,989, thereby accounting for namely all of the increase in the net position of the City of Madeira. Key elements of this increase are as follows:

- Increase in Property Taxes due to reappraisals.
- Increase in Payment in Lieu of Taxes due to receipt of TIF Revenues.
- Increase in Income Taxes due to the credit reduction.

Business-type activities. Business-type activities decreased the City of Madeira's net position by (\$17,128).

Financial Analysis of the City of Madeira's Funds

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

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

As of the end of the current fiscal year, the City of Madeira's governmental funds reported combined ending fund balances of \$6,581,498, an increase of \$2,806,652 in comparison with the prior year. Of this amount, \$3,850,953 constitutes unassigned fund balance, which is available for spending at the government's discretion and \$0, is assigned fund balance.

The general fund is the chief operating fund of the City of Madeira. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,935,053. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 54% of total general fund expenditures.

The fund balance of the City of Madeira's general fund increased by \$702,726 during the current fiscal year. Key factors in this change are as follows:

- Increase in Income Taxes due to the credit reduction.
- Increase in Property Taxes due to reappraisals.

The fund balance for Street Repair decreased by (\$37,129), which was due to project completions in our street program expenses.

The fund balance for the Traditions Public Improvement TIF fund increased by \$1,609,598, which was due to the issuance of a BAN in the amount of a \$1,440,000, which was subsequently refinanced with bonds.

The fund balance for the Water Distribution Fund increased by \$558,307, which was due to the completion of the improvements made to water lines.

Proprietary fund. The City of Madeira's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position of the rental property fund at the end of the year amounted to \$33,127. The decrease in net position was (\$17,128). This decrease was due to repairs and maintenance of the rental properties throughout 2021.

General Fund Budgetary Highlights

The increase between the original and final budget anticipated revenues totaled \$396,938. This was largely due to property tax revenue and income tax revenue.

The original budget and the final amended budget for expenditures increased \$100,000. Actual revenues, expenditures, and transfers finished better than expected by a total of \$654,026. The favorable variance was due to revenues more than final budget. The credit for taxes paid to other municipalities was reduced from .9% to .6% on January 1, 2021.

Capital Asset and Debt Administration

Capital Assets. The City of Madeira's investment in capital assets for its governmental and business type activities as of December 31, 2021 amounts to \$16,160,866 (net of accumulated depreciation). This investment in capital assets includes land, vehicles, improvements, furniture and equipment, and roads. The total increase in the City of Madeira's investment in capital assets for the current fiscal year was 26.82%.

**City of Madeira's Capital Assets
(net of depreciation)
(in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$907	\$907	\$134	\$134	\$1,041	\$1,041
Buildings and Improvements	873	386	108	121	981	507
Vehicles	108	124	0	0	108	124
Furniture and Software	199	222	0	0	199	222
Infrastructure	13,831	10,848	0	0	13,831	10,848
Total	\$15,918	\$12,487	\$242	\$255	\$16,160	\$12,742

The Infrastructure capital assets increased due to road and waterline improvements. Additional information on City of Madeira's capital assets can be found in note IV.C.

Long-term debt. On August 14, 2021, the City issued a one-year bond anticipation note in the amount of \$1,440,000 for the Camargo Road Improvement Sewer and Road Project. The note will be due on August 12, 2022. All \$1,440,000 is backed by the full faith and credit of the government. Subsequent to year-end, the note was refinanced with bonds.

The City entered into two debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund water line replacements in 2020. The loans are payable over 30 years with interest paid in January and June. The loan amount at December 31, 2021 was \$3,439,380.

**City of Madeira's Outstanding Debt
General Obligation Bonds
(In thousands)**

	Governmental Activities	
	2021	2020
General Obligation Bond Anticipation Note	\$1,440	\$1,620
OWDA Loans	3,439	1,380
Total Long-term Obligations	\$4,879	\$3,000

Additional information on City of Madeira's long-term debt can be found in note IV.F.

The City of Madeira's total debt increased by \$1,878,628 during the current fiscal year. The key factor in the increase was the OWDA loan in 2021.

Economic Factors and Next year's Budgets and Rates.

- The occupancy rate of the City's Central Business District has remained at a high percent for the past three years.
- Inflationary trends in the region continue to compare favorably to national indices.
- Earnings Tax revenue increased, effective January 1, 2021, as a result of the reduction in the credit for taxes paid to other municipalities.
- Increases in expenditures due to expanded capital improvement projects.

All of these factors were considered in preparing the City of Madeira's budget for FY2022.

As this report is being prepared, the COVID-19 Pandemic has caused some uncertainty through both local and national economic markets. The City of Madeira is closely monitoring the impacts of the Pandemic on the City's future financial and economic conditions.

Requests for Information

This financial report is designed to provide a general overview of the City of Madeira's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Treasurer, 7141 Miami Avenue, Madeira, Ohio, 45243.

BASIC FINANCIAL STATEMENTS

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CITY OF MADEIRA, OHIO

**Statement of Net Position
December 31, 2021**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$7,049,525	\$37,402	\$7,086,927
Cash with Fiscal Agent	125,483	0	125,483
Cash in Segregated Accounts	62,272	0	62,272
Receivables			
Taxes Receivable	4,887,412	0	4,887,412
Intergovernmental Receivable	639,480	0	639,480
TIF Receivable	732,194	0	732,194
Accounts Receivables	18,898	300	19,198
Inventory of Supplies	80,225	0	80,225
Net OPEB Asset	97,526	0	97,526
Capital Assets: Land	907,389	134,008	1,041,397
Capital Assets, Net of Accumulated Depreciation	15,010,933	108,536	15,119,469
TOTAL ASSETS	29,611,337	280,246	29,891,583
DEFERRED OUTFLOWS OF RESOURCES			
Pension	626,809	0	626,809
OPEB	343,649	0	343,649
TOTAL DEFERRED OUTFLOWS OF RESOURCES	970,458	0	970,458
LIABILITIES			
Accounts Payable	1,293,243	4,575	1,297,818
Retainage Payable	250,316	0	250,316
Accrued Payroll	48,464	0	48,464
Unearned Revenues	88,442	0	88,442
Accrued Interest	4,902	0	4,902
Long Term Liabilities			
Due within One Year	1,710,995	0	1,710,995
Due in More Than One Year			
Net Pension Liability	4,068,196	0	4,068,196
Net OPEB Liability	504,220	0	504,220
Other Amounts	3,514,810	0	3,514,810
TOTAL LIABILITIES	11,483,588	4,575	11,488,163
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,924,912	0	2,924,912
Payment in Lieu of Taxes	732,194	0	732,194
Pension	785,362	0	785,362
OPEB	505,713	0	505,713
TOTAL DEFERRED INFLOWS OF RESOURCES	4,948,181	0	4,948,181
NET POSITION			
Net Investment in Capital Assets	11,038,942	242,544	11,281,486
Restricted for:			
Street Repair	1,554,482	0	1,554,482
Public Safety	189,557	0	189,557
Unrestricted	1,367,045	33,127	1,400,172
TOTAL NET POSITION	\$14,150,026	\$275,671	\$14,425,697

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	927,115	134,187	400	398,880	(393,648)	0	(393,648)
Public Safety	4,676,309	258,709	10,400	0	(4,407,200)	0	(4,407,200)
Transportation	2,240,645	0	1,130,241	116,202	(994,202)	0	(994,202)
Sanitation	570,086	39,098	0	0	(530,988)	0	(530,988)
Community Environment	247,905	412,179	0	0	164,274	0	164,274
Recreation	123,408	51,795	1,051	0	(70,562)	0	(70,562)
Interest Expense	6,855	0	0	0	(6,855)	0	(6,855)
Total Governmental Activities	8,792,323	895,968	1,142,092	515,082	(6,239,181)	0	(6,239,181)
Business-Type Activities							
Rental Property	118,078	40,950	0	0	0	(77,128)	(77,128)
Total Business-Type Activities	118,078	40,950	0	0	0	(77,128)	(77,128)
Total Functions/Programs	8,910,401	936,918	1,142,092	515,082	(6,239,181)	(77,128)	(6,316,309)
General Revenues							
Property & Other Taxes					3,186,204	0	3,186,204
Payment in Lieu of Taxes					632,601	0	632,601
Income Taxes					4,969,385	0	4,969,385
Franchise Taxes					218,696	0	218,696
Grants and Contributions Not Restricted to Specific Programs					1,075,007	0	1,075,007
Unrestricted Investment Earnings					5,277	0	5,277
Transfers					(60,000)	60,000	0
Total General Revenues and Transfers					10,027,170	60,000	10,087,170
Change in Net Position					3,787,989	(17,128)	3,770,861
Net Position Beginning of Year					10,362,037	292,799	10,654,836
Net Position End of Year					14,150,026	275,671	14,425,697

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Balance Sheet
Governmental Funds
December 31, 2021**

	General	Street Repair	Traditions Public Improvement	Water Distribution Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$2,753,171	\$2,094,041	\$3,953	\$842,894	\$1,355,466	\$7,049,525
Cash with Fiscal Agent	125,483	0	0	0	0	\$125,483
Cash in Segregated Account	62,272	0	0	0	0	\$62,272
Taxes Receivable	4,887,412	0	0	0	0	\$4,887,412
Intergovernmental Receivable	332,301	307,179	0	0	0	\$639,480
TIF Receivable	0	0	732,194	0	0	\$732,194
Accounts Receivables	18,898	0	0	0	0	\$18,898
Inventory of Supplies	0	80,225	0	0	0	\$80,225
Due from other funds	360,000	0	0	0	0	360,000
TOTAL ASSETS	<u>8,539,537</u>	<u>2,481,445</u>	<u>736,147</u>	<u>842,894</u>	<u>1,355,466</u>	<u>13,955,489</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts Payable	149,513	757,945	0	1,675	384,110	1,293,243
Retainage Payable	0	169,018	0	61,354	19,944	250,316
Accrued Payroll	48,464	0	0	0	0	48,464
Unearned Revenues	3,110	0	0	0	85,332	88,442
Due to other funds	0	0	50,000	250,000	60,000	360,000
TOTAL LIABILITIES	<u>201,087</u>	<u>926,963</u>	<u>50,000</u>	<u>313,029</u>	<u>549,386</u>	<u>2,040,465</u>
Deferred Inflows of Resources						
Property Taxes & Payment in Lieu of Taxes	3,023,761	0	732,194	0	0	3,755,955
Unavailable Revenue: Income Tax	1,129,411	0	0	0	0	1,129,411
Unavailable Revenue: Grants	250,225	197,935	0	0	0	448,160
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,403,397</u>	<u>197,935</u>	<u>732,194</u>	<u>0</u>	<u>0</u>	<u>5,333,526</u>
Fund Balances						
Nonspendable	0	80,225	0	0	0	80,225
Restricted for Public Safety	0	0	0	0	189,557	189,557
Restricted for Street Repair	0	1,276,322	0	0	0	1,276,322
Committed for:						
Recreation	0	0	0	0	3,058	3,058
Capital Improvements	0	0	0	529,865	651,518	1,181,383
Unassigned	3,935,053	0	(46,047)	0	(38,053)	3,850,953
TOTAL FUND BALANCES	<u>3,935,053</u>	<u>1,356,547</u>	<u>(46,047)</u>	<u>529,865</u>	<u>806,080</u>	<u>6,581,498</u>
TOTAL LIABILITIES , DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES	<u>\$8,539,537</u>	<u>\$2,481,445</u>	<u>\$736,147</u>	<u>\$842,894</u>	<u>\$1,355,466</u>	<u>\$13,955,489</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
December 31, 2021**

TOTAL GOVERNMENTAL FUND BALANCES		\$6,581,498
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.		15,918,322
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Property Taxes	98,849	
Income Taxes	1,129,411	
Grants	448,160	
Total	1,676,420	1,676,420
Long-term liabilities, compensated absences, and accrued interest are not due and payable in the current period and, therefore, are not reported in the funds.		(5,230,707)
The Net Pension/OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds.		
Deferred Outflows: Pension & OPEB	970,458	
Deferred Inflows: Pension & OPEB	(1,291,075)	
Net OPEB Asset	97,526	
Net Pension & OPEB Liability	(4,572,416)	
Total	(4,795,507)	(4,795,507)
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$14,150,026

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021**

	<u>General</u>	<u>Street Repair</u>	<u>Traditions Public Improvement</u>	<u>Water Distribution System</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$7,634,871	\$0	\$0	\$0	\$0	\$7,634,871
Payment in Lieu of Taxes	\$0	\$0	\$632,601	\$0	\$0	\$632,601
Licenses & Permits	189,054	0	0	0	0	189,054
Intergovernmental Revenue	1,062,208	699,327	0	223,125	1,076,553	3,061,213
Charges for Services	219,754	0	0	0	51,795	271,549
Investment Earnings	4,068	1,209	0	0	0	5,277
Fines & Forfeitures	114,159	0	0	0	10,125	124,284
All Other Revenues	308,503	0	0	0	10,000	318,503
Total Revenues	<u>9,532,617</u>	<u>700,536</u>	<u>632,601</u>	<u>223,125</u>	<u>1,148,473</u>	<u>12,237,352</u>
EXPENDITURES						
Current						
Public Safety	4,475,652	0	0	0	65,970	4,541,622
Recreation	107,713	0	0	0	72,938	180,651
Community Environment	209,242	0	0	0	38,663	247,905
Transportation	794,594	149,581	0	0	0	944,175
Sanitation	570,086	0	0	0	0	570,086
General Government	1,169,604	0	454,110	0	0	1,623,714
Capital Outlay	0	1,803,084	0	1,723,446	1,225,752	4,752,282
Debt Service						
Interest	0	0	8,893	0	0	8,893
Total Expenditures	<u>7,326,891</u>	<u>1,952,665</u>	<u>463,003</u>	<u>1,723,446</u>	<u>1,403,323</u>	<u>12,869,328</u>
Excess/(Deficiency) of Revenues over (under) Expenditures	<u>2,205,726</u>	<u>(1,252,129)</u>	<u>169,598</u>	<u>(1,500,321)</u>	<u>(254,850)</u>	<u>(631,976)</u>
OTHER FINANCING SOURCES/(USES)						
Proceeds from the Sale of Notes	0	0	1,440,000	0	0	1,440,000
OWDA Issuance of Debt	0	0	0	2,058,628	0	2,058,628
Transfers In	0	1,215,000	0	0	228,000	1,443,000
Transfers Out	(1,503,000)	0	0	0	0	(1,503,000)
Total Other Financing Sources and Uses	<u>(1,503,000)</u>	<u>1,215,000</u>	<u>1,440,000</u>	<u>2,058,628</u>	<u>228,000</u>	<u>3,438,628</u>
Net Change in Fund Balances	702,726	(37,129)	1,609,598	558,307	(26,850)	2,806,652
Fund Balance: Beginning	<u>3,232,327</u>	<u>1,393,676</u>	<u>(1,655,645)</u>	<u>(28,442)</u>	<u>832,930</u>	<u>3,774,846</u>
Fund Balance: Ending	<u>\$3,935,053</u>	<u>\$1,356,547</u>	<u>(\$46,047)</u>	<u>\$529,865</u>	<u>\$806,080</u>	<u>\$6,581,498</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, 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, 2021**

Net Change in Fund Balances - Total Governmental Funds		\$2,806,652
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outflows exceeded depreciation in the current period.		
		3,430,370
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	5,653	
Income Tax	515,065	
Intergovernmental Revenues	<u>(117,758)</u>	
Total		402,960
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		390,348
Except for amounts reported as deferred inflows/outflows, OPEB changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
		254,386
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position		
		(3,498,628)
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Interest	2,038	
Compensated Absences	<u>(137)</u>	
Total		<u>1,901</u>
Change in Net Position of Governmental Activities		<u><u>\$3,787,989</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Taxes	\$6,962,000	\$7,202,000	\$7,634,871	\$432,871
Licenses & Permits	119,200	182,800	189,054	6,254
Intergovernmental Revenue	1,000,679	1,047,602	1,062,208	14,606
Charges for Services	226,060	227,175	219,754	(7,421)
Investment Earnings	40,000	5,200	4,068	(1,132)
Fines & Forfeitures	100,000	101,000	114,159	13,159
All Other Revenues	231,050	310,150	308,503	(1,647)
TOTAL REVENUES	8,678,989	9,075,927	9,532,617	456,690
EXPENDITURES				
Current				
Public Safety	4,508,377	4,508,377	4,475,652	32,725
Recreation	116,297	116,297	107,713	8,584
Community Environment	182,868	182,868	209,242	(26,374)
Transportation	776,426	776,426	794,594	(18,168)
Sanitation	568,547	568,547	570,086	(1,539)
General Government	1,271,712	1,371,712	1,169,604	202,108
TOTAL EXPENDITURES	7,424,227	7,524,227	7,326,891	197,336
Excess of Revenues Over Expenditures	1,254,762	1,551,700	2,205,726	654,026
OTHER FINANCING SOURCES/(USES)				
Transfers Out	(1,403,000)	(1,503,000)	(1,503,000)	0
Total Other Financing Sources/(Uses)	(1,403,000)	(1,503,000)	(1,503,000)	0
Net Change in Fund Balance	(148,238)	48,700	702,726	654,026
Fund Balance: Beginning	3,232,327	3,232,327	3,232,327	0
Fund Balance: Ending	\$3,084,089	\$3,281,027	\$3,935,053	\$654,026

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Street Repair Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$680,650	\$691,000	\$699,327	\$8,327
Investment Earnings	15,338	1,000	1,209	209
TOTAL REVENUES	695,988	692,000	700,536	8,536
EXPENDITURES				
Current				
Transportation	94,000	124,690	149,581	(24,891)
Capital Outlay	2,261,100	2,400,000	1,803,084	596,916
TOTAL EXPENDITURES	2,355,100	2,524,690	1,952,665	572,025
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,659,112)	(1,832,690)	(1,252,129)	580,561
OTHER FINANCING SOURCES/(USES)				
Transfers In	1,115,000	1,215,000	1,215,000	0
TOTAL OTHER FINANCING SOURCES/(USES)	1,115,000	1,215,000	1,215,000	0
Net Change in Fund Balance	(544,112)	(617,690)	(37,129)	580,561
Fund Balance: Beginning	1,393,676	1,393,676	1,393,676	0
Fund Balance: Ending	\$849,564	\$775,986	\$1,356,547	\$580,561

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Traditions Public Improvement TIF Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Payment in Lieu of Taxes	\$690,000	\$640,000	\$632,601	(\$7,399)
TOTAL REVENUES	\$690,000	\$640,000	\$632,601	(\$7,399)
EXPENDITURES				
Current				
General Government	707,000	464,700	454,110	10,590
Interest and Fiscal Charges	0	0	8,893	(8,893)
TOTAL EXPENDITURES	707,000	464,700	463,003	1,697
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(17,000)	175,300	169,598	(5,702)
OTHER FINANCING SOURCES/(USES)				
Proceeds from the Sale of Notes	0	0	1,440,000	1,440,000
TOTAL OTHER FINANCING SOURCES/(USES)	0	0	1,440,000	1,440,000
Net Change in Fund Balance	(17,000)	175,300	1,609,598	1,434,298
Fund Balance: Beginning	(1,655,645)	(1,655,645)	(1,655,645)	0
Fund Balance: Ending	(\$1,672,645)	(\$1,480,345)	(\$46,047)	\$1,434,298

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Net Position
Proprietary Fund
December 31, 2021**

	<u>Business-type Activities Enterprise Fund</u>
	<u>Rental Property</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$37,402
Receivables	
Accounts	300
Total Current Assets	<u>37,702</u>
Noncurrent Assets	
Land	134,008
Depreciable Capital Assets, Net	<u>108,536</u>
Total Noncurrent Assets	<u>242,544</u>
TOTAL ASSETS	<u>280,246</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	4,575
Total Current Liabilities	<u>4,575</u>
TOTAL LIABILITIES	<u>4,575</u>
Net Position	
Investment in Capital Assets	242,544
Unrestricted	<u>33,127</u>
Total Net Position	<u><u>\$275,671</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2021**

	<u>Business-type Activities Enterprise Fund</u>
	<u>Rental Property</u>
Operating Revenues	
Rents	<u>\$40,950</u>
Total Operating Revenues	<u>40,950</u>
Operating Expenses	
Insurance	8,009
Gas & Electric	194
Water	570
Professional Services	3,645
Repairs & Maintenance	81,913
Property Taxes	11,230
Depreciation	<u>12,517</u>
Total Operating Expenses	<u>118,078</u>
Operating Income (Loss)	<u>(77,128)</u>
Transfers	<u>60,000</u>
Change in Net Position	(17,128)
Total Net Position Beginning of Year	<u>292,799</u>
Total Net Position End of Year	<u><u>\$275,671</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2021**

	Business-Type Activities Enterprise Fund Rental Property
Cash Flows from Operating Activities	
Cash Received from Customers	\$45,450
Cash Payments for Goods and Services	(105,099)
Net Cash Used by Operating Activities	<u>(59,649)</u>
Cash Flows from Capital and Related Financing Activities	
Transfers from General Fund	60,000
Net Decrease in Cash and Cash Equivalents	<u>351</u>
Cash and Cash Equivalents Beginning of Year	<u>37,051</u>
Cash and Cash Equivalents End of Year	<u><u>37,402</u></u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	(77,128)
Adjustments	
Depreciation	12,517
Decrease in Assets	
Accounts Receivable	4,500
Increase in Liabilities	
Accounts Payable	462
Net Cash Used by Operating Activities	<u><u>(\$59,649)</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021**

	Custodial Funds
<i>Assets</i>	
Cash in segregated accounts	\$593,778
Accounts Receivable	394,998
Total assets	<u>988,776</u>
<i>Liabilities</i>	
Intergovernmental payable	<u>354,052</u>
<i>Net Position</i>	
Restricted for other governments and organizations	<u><u>\$634,724</u></u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021**

	Custodial Funds
<hr/> <hr/>	
<i>Additions</i>	
Collections for other governments and organizations:	
Income taxes	\$ 4,660,321
Fines, costs and forfeitures	39,071
Total additions	<hr/> 4,699,392 <hr/>
<i>Deductions</i>	
Administrative expenses	5,171
Distributions of income taxes	4,650,919
Distributions to state, local governments and others	36,465
Total deductions	<hr/> 4,692,555 <hr/>
Change in fiduciary net position	6,837
Net position, beginning of year	627,887
Net position, end of year	<hr/> \$ 634,724 <hr/> <hr/>

The Notes to the Financial Statements are an integral part of this statement.

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CITY OF MADEIRA, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

I. Summary of Significant Accounting Policies

A. Reporting entity

The City of Madeira (the City) is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter, which provides for a council/manager form of government and was adopted in 1959. The seven-member council is elected to four-year terms. Every two years council selects one of its members to serve as mayor and one of its members to serve as vice-mayor. Council also appoints the city manager, treasurer, law director, and clerk of council.

The reporting entity is composed of the primary government, component units, and other organizations. The primary government includes all funds, organizations, activities, and component units for which the City is financially accountable and that are not legally separate. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if it appoints a voting majority of the organization's governing board and either 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 organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. Based upon this definition, the City has no component units.

The City participates in two governmental joint ventures called the Sycamore Township JEDZ Kenwood – Central and Sycamore Township JEDZ Kenwood – East. These joint ventures are presented in Note V. Other information, C. Joint Ventures in the notes to the basic financial statements and are excluded from the accompanying financial statements except as noted.

The City provides various services including police protection, parks and recreation, planning, street maintenance and repair, and community development. The City also provides refuse collection and fire protection through annual contracts with outside contractors.

For financial reporting purposes, the City's financial statements include all funds for which the City is financially accountable based upon criteria set forth in Governmental Accounting Standards Board (GASB) Statement 61. The City reviewed certain legally separate organizations to determine if the elected officials of the City were financially accountable. No such organizations were identified.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed

from these statements; however, interfund services provided and used are not eliminated in the process of consolidating. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

- The government reports the following major governmental funds:
- The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The street repair special revenue fund accounts for that portion of the state gasoline tax and motor vehicle registration fees are restricted for maintenance of streets within the City.

- The traditions public improvement TIF special revenue fund accounts for service payments and then disperses funds to finance public improvements.
- The water distribution capital projects fund accounts for revenue and expenses to replace water lines throughout the City.

The government reports the following proprietary fund:

- The proprietary fund type consists of only one enterprise fund. This fund accounts for operations of rental properties.

The government reports the following fiduciary funds:

- The fiduciary fund type consists of three custodial funds. The City's custodial funds are Mayor's Court (used to account for funds collected by the court) and two Joint Economic Development Zones (used to account for various economic development projects).

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is rent. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

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

Under 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 tax), fines and forfeitures, interest, grants and entitlements, and rentals.

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.

D. Assets, liabilities, and net position or equity

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, Certificates of Deposit, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables

All trade and property tax receivables are considered collectable at December 31, 2021, and the allowance for uncollectable amounts receivable is zero.

Real property taxes are levied on assessed values that equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2020. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2021 Collections

Lien Date	January 1, 2020
Levy Date	October 31, 2020
First Installment Payment Due	January 31, 2021
Second Installment Payment Due	June 20, 2021

The full tax rate applied to real property for the fiscal year ended December 31, 2021, was \$7.50 per \$1,000 of assessed valuation. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the City by the State of Ohio.

The Hamilton County Treasurer collects property tax on behalf of all taxing districts within the County. The Hamilton County Auditor periodically remits to the taxing districts their portions of the taxes collected.

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

Property taxes that are measurable but not available at fiscal yearend are recorded as a receivable with the corresponding revenue deferred until available. Delinquent property tax amounts, net of allowance for uncollectables, are recorded if material in amount.

3. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Prepayments

Payments made to vendors for services that will benefit beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditures/expense in the year in which it was consumed.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building & Improvements	27
Infrastructure	10 – 15
Police Vehicles	3
All Other Vehicles	5
Office Furniture & Software	3 – 5

Infrastructure assets acquired prior to 2004 have not been capitalized.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension are explained in Note V. F and OPEB are explained in Note V. G.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. Deferred inflows of resources include property taxes, payment in lieu of taxes, unavailable revenue, pension and OPEB. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021 but which were levied to finance 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and other postemployment benefits (OPEB) are reported on the government-wide statement of net position. (See Note V. F and Note V. G)

7. Accrued Liabilities and Long-Term Obligations

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government, unless they are eligible to retire. If they are eligible to retire, a liability is recorded for 40 percent of their accrued sick leave up to a maximum of 85 days and accounted for using the termination method. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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 and are reported as obligations of the funds. However, claims and judgements, compensated absences, and net position liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

8. Fund Balance

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable fund balance:** Amounts that are not in a spendable form (such as inventory and prepaid items) or are required to be maintained intact.
- **Restricted fund balance:** Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation. The City's restricted fund balance is the police department, street repair fund and grant fund. The purposes imposed by the state are for crime prevention and detection and maintenance and repairs of the streets.
- **Committed fund balance:** Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The City's committed funds consist of recreation and capital improvements. Council has committed funds for recreation programs and amounts for future capital improvements to sidewalks, storm sewers, and other large capital purchases.
- **Assigned fund balance:** Amounts a government intends to use for a specific purpose as expressed by City Council.
- **Unassigned fund balance:** Amounts that are available for any purpose. Positive amounts are reported only in the general fund. Unassigned funds are used after all other fund balances are expended.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). The City generally uses restricted funds first, committed funds second, assigned funds third, and unassigned funds last when expenditures are made.

9. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets plus deferred outflows related to debt refunding. 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.

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

10. Estimates

The preparation of financial statements in accordance 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.

11. Pensions/Other Postemployment Benefits

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

II. Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

One element of that reconciliation explains that “long-term liabilities, including compensated absence and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Compensated Absences	\$346,425
Bond Anticipation Note	1,440,000
Accrued Interest Payable	4,902
OWDA Loans Payable	3,439,380
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$5,230,707

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over

their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital Outlay	\$4,790,203
Depreciation Expense	(1,359,833)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	\$3,430,370

III. Stewardship, compliance, and accountability

A. Budgetary information

In 1994 the City, being a home rule municipal corporation, adopted, through ordinance, GAAP (generally accepted accounting principle) as its budgetary basis. This change was thought necessary in order to provide more comparable budget and actual revenue and expenditure analysis. Therefore, the revenue and expenditure statements contained herein for comparative purposes are presented on the basis of generally accepted accounting principles. The City is reporting at the legal level of budgetary control that requires the governing body to approve any over budget expenditures of appropriations or transfers of appropriated amounts at the fund level.

Budgetary Process

Annual budgets are adopted for all governmental funds. The City adopts an annual budget for the proprietary fund; however, budgetary data is not presented for the proprietary fund due to the nature of the fund. There is no legal requirement to report on such budget. The budgetary process is prescribed by provisions of the Ohio Revised Code. The legal level of budgetary control is defined as the level at which management may not reallocate appropriations without the approval of the governing body (City Council). For the City, the legal level of control is the fund level for each fund. The major documents prepared are:

Tax Budget. A tax budget of estimated cash revenues and expenditures for all budgeted funds, for the period January 1 to December 31 of the following year, is submitted to the County Auditor by July 20 of each year. The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenues of each fund. The certificate of estimated resources may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. Because the tax budget prepared for the County Auditor is on a cash basis, those numbers do not match the GAAP-basis budget shown in this report as required by resolution.

Appropriations. A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation resolution must be passed by April 1 of each

year for the period January 1 to December 31. The appropriation resolution may be amended during the year by resolution of council as new information becomes available provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, one supplemental appropriation measure was passed. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications. All annual appropriations lapse at December 31.

Encumbrances. As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Unencumbered and unexpended appropriations lapse at year end. Encumbrances are closed to unassigned fund balance/net position at year end and are re-encumbered and re-appropriated at the start of the following year.

B. Deficit Fund Equity

The SR-28 Traditions Public Improvement TIF Fund had a deficit balance at December 31, 2021 due to improvements incurred in 2018 and 2019 in excess of revenue in the TIF District. The City issued a bond anticipation note in the amount of \$1,440,000, which was subsequently refinanced with bonds, to be repaid with revenue received from the Traditions Public Improvement TIF funds.

The SR-57 State & Federal Grant Fund had a deficit balance at December 31, 2021 due to grant funds not received by yearend 2021.

C. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021. The financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the City. The investments of the pension and other employee benefit plans in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of those losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

D. SUBSEQUENT EVENT

As one of the major initiatives from the Madeira 2019 Comprehensive Plan, the City is in the process of planning and designing a major reconstruction of the City's main park facility, McDonald Commons. In order to finance this project, the City has issued a 30-year municipal bond in the amount of \$9,625,000. An amount of approximately \$1,440,000 million will be expended on the retirement of a one year note which financed the Camargo Road Improvement

Project. Funds from both the General Fund and Traditions TIF will be expended for the retirement of the new municipal bond.

IV. Detailed Notes on All Funds

A. Deposits and investments

The City follows the practice of pooling cash and investments with the Treasurer, except for the cash and cash equivalents in the custodial funds. Each fund's portion of total cash and investments is summarized by fund type in the balance sheet as either "Cash and Cash Equivalents" and/or "Investments."

Deposits

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions participating in the Ohio Pooled Collateral System (OPCS), a centralized collateral system monitored by the Ohio Treasurer of State, must pledge securities equal to at least 102% of the carrying value of all public deposits held by each institution. Financial institutions choosing not to participate in the OPCS must pledge eligible securities equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Investments

The City's investments at December 31, 2021 are as summarized as follows:

	Fair Value	Average Maturity Years
Star Ohio	\$6,915,805	n/a

Credit Risk. It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments that have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. Investments in STAR Ohio are rated AAAM by Standard & Poor's.

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City is required to disclose the amount of

investments with any one issuer that represent five percent or more of total investments. Investments issued by the U.S. government and investments in external investment pools are excluded from this requirement. At December 31, 2021 100% of the City’s investments are at STAR Ohio, which is an external investment pool.

STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, “Certain External Investment Pools and Pool Participants.” Investments in STAR Ohio are valued at the net asset value per share provided by STAR Ohio on an amortized cost basis at December 31, 2021, which approximates fair value. Investments in STAR Ohio are excluded from fair value measurement requirements under generally accepted accounting principles and instead are reported at amortized cost.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

The classification of cash and cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Reconciliation between the classifications of cash and investments on the financial statements and the classifications per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement 9	\$7,742,977	\$0
STAR Ohio	(6,915,805)	6,915,805
GASB Statement 3	\$827,172	\$6,915,805

B. Cash with Fiscal Agent

This represents cash held by Miami Valley Risk Management Association (MVRMA) and due to the City. See Note V regarding insurance pool information.

C. Capital assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental Activities	Balance at 1/1/2021	Increases	Decreases	Balance at 12/31/2021
Capital Assets not being depreciated (land)	\$907,389	\$0	\$0	\$907,389
Capital Assets being depreciated				
Building & Land Improvements	3,546,547	539,255	0	4,085,802
Vehicles	860,296	74,934	0	935,230
Infrastructure	18,929,948	4,124,310	0	23,054,258
Furniture, Equipment and Software	829,754	51,704	0	881,458
Total Capital Assets	<u>25,073,934</u>	<u>4,790,203</u>	<u>0</u>	<u>29,864,137</u>
Less Accumulated Depreciation				
Building & Land Improvements	(3,160,031)	(52,926)	0	(3,212,957)
Vehicles	(736,201)	(90,798)	0	(826,999)
Infrastructure	(8,081,904)	(1,141,651)	0	(9,223,555)
Furniture, Equipment and Software	(607,846)	(74,458)	0	(682,304)
Total Accumulated Depreciation	<u>(12,585,982)</u>	<u>(1,359,833)</u>	<u>0</u>	<u>(13,945,815)</u>
Total Capital Assets, being depreciated, Net	<u>11,580,563</u>	<u>3,430,370</u>	<u>0</u>	<u>15,010,933</u>
Governmental Activities Capital Assets, Net	<u>\$12,487,952</u>	<u>\$3,430,370</u>	<u>\$0</u>	<u>\$15,918,322</u>

Business-type Activities	Balance at 1/1/2021	Increases	Decreases	Balance at 12/31/2021
Capital Assets not being depreciated (land)	\$134,008	\$0	\$0	\$134,008
Capital Assets being depreciated				
Land Improvements	127,828	0	0	127,828
Buildings	414,053	0	0	414,053
Subtotal	<u>675,889</u>	<u>0</u>	<u>0</u>	<u>675,889</u>
Less Accumulated Depreciation				
Land Improvements	(94,799)	(4,747)	0	(99,546)
Buildings	(326,029)	(7,770)	0	(333,799)
Total Accumulated Depreciation	<u>(420,828)</u>	<u>(12,517)</u>	<u>0</u>	<u>(433,345)</u>
Total Capital Assets, being depreciated, net	<u>121,053</u>	<u>(12,517)</u>	<u>0</u>	<u>108,536</u>
Net Capital Assets	<u><u>\$255,061</u></u>	<u><u>(\$12,517)</u></u>	<u><u>\$0</u></u>	<u><u>\$242,544</u></u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General Government	\$19,409
Public Safety	113,224
Transportation	1,201,415
Recreation	25,785

Total depreciation expense for governmental activities \$1,359,833

Business-type Activities	
Enterprise	\$12,517

D. Interfund transfers

Fund	Transfers In	Transfers Out
General Fund		\$1,503,000
Street Fund	\$1,215,000	
Other Governmental Funds	\$228,000	
Rental Property Enterprise Fund	\$60,000	
Totals	\$1,503,000	\$1,503,000

Transfers were made to fund capital improvements and subsidize recreation programs.

E. Interfund receivables and payables

The composition of interfund balances as of December 31, 2021:

Receivable Fund	Payable Fund	Amount
General Fund	Traditions Public Improvement TIF Fund	\$50,000
General Fund	State & Federal Grant Fund	60,000
General Fund	Water Distribution Fund	250,000
Totals		\$360,000

F. Other liabilities

Short-Term Debt

On August 11, 2021, the City issued a one-year bond anticipation note in the amount of \$1,440,000 with an interest rate of .875% for the Camargo Road Improvements. This note was due on August 10, 2022, but was refinanced by bonds subsequent to year-end.

Long-Term Debt

The City has entered into two direct financing arrangements through the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to OWDA are intended to be paid from water revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2021, the City had outstanding borrowings of \$3,439,380. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable.

OWDA Loan			
Year Ending 31-Dec	Principal	Interest	Total
2022	74,179	42,902	117,081
2023	99,888	68,950	168,838
2024	99,888	68,950	168,838
2025	99,888	68,950	168,838
2026	99,888	68,950	168,838
2027-2131	499,440	344,750	844,190
2032-2036	499,440	344,750	844,190
2037-2041	499,440	344,750	844,190
2042-2046	499,440	344,750	844,190
2047-2151	499,440	344,750	844,190
2052	468,449	275,796	744,245
	3,439,380	2,318,248	5,757,628

Changes in Other Liabilities

Other liability activity for the year ended December 31, 2021 was as follows:

Schedule of Liabilities Due within One Year

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance
Short-Term Liabilities				
Bond Anticipation Note	\$1,620,000	\$0	(\$1,620,000)	\$0
Total Short-Term Liabilities	\$1,620,000	\$0	(\$1,620,000)	\$0

Schedule of Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Other Long-Term Liabilities					
OWDA Loans	\$1,380,752	\$2,058,628	\$0	\$3,439,380	\$74,179
Bond Anticipation Note	\$0	\$1,440,000	\$0	\$1,440,000	\$1,440,000
Compensated Absences	346,288	150,086	(149,949)	346,425	196,816
Total Long-Term Liabilities	1,727,040	3,648,714	(149,949)	5,225,805	1,710,995
Net Pension Liability					
OPERS	1,115,538	0	(291,569)	823,969	
OP&F	3,312,616	0	(68,389)	3,244,227	
Total Net Pension Liability	4,428,154	0	(359,958)	4,068,196	
Net OPEB Liability					
OPERS	765,211		(765,211)	0	
OP&F	485,726	18,494	0	504,220	
Total Net OPEB Liability	1,250,937	18,494	(765,211)	504,220	

Compensated absences and pension liability/OPEB have been liquidated from the General Fund in the past.

V. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees and natural disasters. During 2021, the City contracted with Miami Valley Risk Management Association for vehicle, property, and general liability insurance. There has been no reduction in coverage from the prior years and claims have not exceeded coverage in any of the past three years. The City provided medical, dental and life insurance through Humana Health Insurance.

Insurance Pool

Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) is a consortium of municipalities located in southwest Ohio that beginning in 1988, formed an Association under Section 2744.081 of the Ohio Revised Code (ORC) to act collectively in addressing its members'

risk management and risk financing needs. At December 31, 2021 Madeira's participation was limited to coverage for all real and personal property, crime, surety, general liability, boiler and machinery, employment practices liability, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad-based coverage up to the limits stated below, with increased emphasis on safety and loss prevention, and to create an opportunity for other local governments to participate.

MVRMA is a non-profit corporation governed by a twenty-one member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. Management is provided by an Executive Director, who is assisted by a Claims Manager, a full-time Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board, and the organization is covered by policies, procedures, and formally adopted bylaws. The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 61 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 61.

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

- General/Automobile Liability: \$12,000,000 per occurrence
- Public Officials Liability: \$12,000,000 per occurrence
- Property: \$1,000,000,000 per occurrence
- Boiler and Machinery: \$100,000,000 per occurrence
- Cyber Liability: \$3,000,000

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

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

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. In order to lower rates charged to the City, the City has joined a group rating program through Ohio Municipal League.

B. Contingent liabilities

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

C. Joint venture

Sycamore Township and the City of Madeira contracted to create two Sycamore Township Joint Economic Development Zones for the purpose of facilitating economic development in the Zone.

A .75% income tax was enacted for each JEDZ. Imposition of the tax began on October 1, 2013 and terminates December 31, 2053 with three 10-year automatic extensions.

Distribution of Gross Tax:

- 2% Service Fee for the City of Madeira to collect the income
- 2% Escrow payments for refunds
- 1% Maintenance of the JEDZ
- 95% Net Distribution

Net Distribution:

- 90% Sycamore Township
- 10% City of Madeira

Financial information may be obtained from Sycamore Township, 8540 Kenwood Road, Cincinnati, OH 45236.

D. Contractual commitments

The City contracts with the Madeira/Indian Hill Joint Fire District for fire protection and emergency medical services. The contract fee for 2021 was \$2,111,810.

The City also contracts with Republic Services for solid waste collection. The contract fee for 2021 was \$568,546.

Health Department services are provided by Hamilton County. The contract for 2021 was \$25,607.

E. Resolution of legal claim

In March 1992, an employee of the City suffered a fatal accident while working on City business. In February of 1993, Council approved Resolution 10-93 which approved an agreement concerning a settlement with the employee's widow. The settlement provided for a guaranteed amount of \$88,400, payable to the widow (or her estate) in monthly installments of \$737 from February of 1993 through February of 2003. The guaranteed amount was paid off in February of 2003 and no liability exists at December 31, 2021 relative to the guaranteed settlement.

In addition, the agreement provided for monthly payments of \$650 to the widow after February of 2003, contingent upon death or remarriage. The City made all such required payments to the widow from January through December 2021.

F. Defined benefit pension plan

Net Pension Liability

All of the City's employees participate in one of two separate retirement systems that are cost-sharing multiple-employer defined benefit pension plans.

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

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

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

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

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

Plan Description - Ohio Public Employees Retirement System (OPERS)

The City of Madeira employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-share, multiple-employer defined benefit pension plan. The

Member-Directed Plan is a defined contribution plan and the Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g., City employees) may elect the Member-Directed Plan and the Combined Plan, the majority of employee members are in OPERS' Traditional Plan; therefore, the following disclosures focus on the Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code (ORC). 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 Ohio Public Employees Retirement System, 277 East Town Street, Columbus, OH 43215-4642, or by calling 800-222-7377.

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

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

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.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3%.

Funding Policy

The Ohio Revised Code provides the statutory authority for member and employer contributions. For 2021, member and employer contribution rates were consistent across all three plans. The member contribution rates were 10.0% of covered salary and the employer contribution rates were 14.0%. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$120,815 for 2021.

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

City of Madeira full-time police 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 (ORC). OP&F issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at <https://www.op-f.org> or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, OH 43215-5164.

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% of the allowable average annual salary is paid after 33 years of service credit.

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 adjustment (COLA). The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending September 30 of the immediately

preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

Funding Policy

The Ohio Revised Code provides statutory authority for member and employer contributions. During 2021, plan members were required to contribute 12.25% of their annual covered payroll. During 2021, the City was required to contribute 19.5% of annual covered payroll for police officers. Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$262,622 for 2021.

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

The net pension liability for OPERS was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	OPERS	OP&F	Total
Proportionate share of the Net Pension Liability	\$ 823,969	\$ 3,244,227	\$ 4,068,196
Proportion of the Net Pension Liability	0.005564%	0.0475896%	
Change in Proportion	-0.000079%	-0.0015843%	
Pension Expense	\$ 7,355	\$ 288,832	\$ 296,187

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred outflows:			
Differences between expected and actual experience	\$ -	\$ 135,619	\$ 135,619
Change in assumptions	-	54,407	54,407
Change in Entity's proportionate share and difference in employer contributions	-	53,346	53,346
Contributions subsequent to the measurement date	<u>120,815</u>	<u>262,622</u>	<u>383,437</u>
Total deferred outflows	<u>\$ 120,815</u>	<u>\$ 505,994</u>	<u>\$ 626,809</u>
Deferred inflows:			
Differences between expected and actual experience	\$ (34,467)	\$ (126,386)	\$ (160,853)
Net difference between projected and actual earnings on pension plan investments	(321,158)	(157,367)	(478,525)
Change in Entity's proportionate share and difference in employer contributions	<u>(11,580)</u>	<u>(134,404)</u>	<u>(145,984)</u>
Total deferred inflows	<u>\$ (367,205)</u>	<u>\$ (418,157)</u>	<u>\$ (785,362)</u>

\$383,437 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (144,726)	\$ 5,763	\$ (138,963)
2023	(47,763)	38,742	(9,021)
2024	(130,915)	(173,410)	(304,325)
2025	(43,801)	(40,971)	(84,772)
2026	-	(4,909)	(4,909)
	<u>\$ (367,205)</u>	<u>\$ (174,785)</u>	<u>\$ (541,990)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25%
Future Salary Increases Including inflation	3.25% to 10.75%
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3% simple; Post 1/7/2013 retirees: 0.5% simple through 2021, then 2.15% simple
Investment rate of return	7.20%
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

Post-retirement mortality rates are based on the RP-2014 Health Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic 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, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00 %	5.64 %
Real Estate	10.00 %	5.39 %
Private Equity	12.00 %	10.42 %
International Equities	23.00 %	7.36 %
Other Investments	9.00 %	4.75 %
Total	100.00 %	5.43 %

Discount Rate. The discount rate used to measure the total pension liability was 7.20% for the Traditional Pension 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 statutorily required rates. 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 was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following chart represents the City's proportionate share of the net pension liability at the 7.20% discount rate, as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate.

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability	\$ 1,571,706	\$ 823,969	\$ 202,208

Changes subsequent to the Measurement Date. In September 2021, the Board approved several changes to the pension plan based on the completed five-year experience study covering the period 2016-2020. In addition to other changes, the Board approved to decrease the assumed pension investment rate of return from 7.20% to 6.90%. These changes are not reflected in the current measurement period but are expected to increase the associated pension liability.

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial

procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past experiences and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are presented below:

Valuation Date	January 1, 2020 with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8%
Projected Salary Increases	3.75% to 10.5%
Payroll Growth	2.75% plus productivity increase rate of 0.5%
Inflation Assumptions	2.75%
Cost of Living Adjustments	2.2% simple per year

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016.

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

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalents	0.0%	0.00%
Domestic equity	21.0%	4.10%
Non-U.S. equity	14.0%	4.80%
Private markets	8.0%	6.40%
Core fixed income*	23.0%	0.90%
High yield fixed income	7.0%	3.00%
Private credit	5.0%	4.50%
U.S. inflation linked bonds*	17.0%	0.70%
Midstream energy infrastructure	5.0%	5.60%
Real assets	8.0%	5.80%
Gold	5.0%	1.90%
Private real estate	12.0%	5.30%
	125.0%	

*Note: Assumptions are geometric. * Levered 2.5x*

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

Discount Rate. The total pension liability was calculated using the discount rate of 8.0%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8.0%. Based on those assumptions, OP&F's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan

investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (7.0%) or one-percentage point higher (9.0%) than the current rate.

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's proportionate share of the net pension liability	\$ 4,516,380	\$ 3,244,227	\$ 2,179,564

G. DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability(asset). Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits are presented as a long-term net OPEB asset or net OPEB liability on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the year is included in accrued payroll on both the accrual and modified accrual basis of accounting.

Plan Description - Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit plan; the Member-Directed Plan, a defined contribution plan; and the Combined Plan, a cost-sharing, multiple-employer defined benefit 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, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and Combined plans. This trust is also used to fund health care for Member-Directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other post employment benefit (OPEB) as described in GASB Statement No. 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

Funding Policy

The Ohio Revised Code provides statutory authority requiring 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, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate 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. The portion of Traditional Pension and Combined plans' employer contributions allocated to health care was zero in 2021. 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 2021 was 4.0%.

For the year ended December 31, 2021, OPERS did not allocate any employer contributions to postemployment health care.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

OP&F maintains funds for health care in two separate accounts. There is 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. An IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2021, the portion of the employer contributions allocated to health care was 0.5% 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 and is limited by the provisions of Section 115 and 401(h).

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 \$6,911 for 2021.

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

The net OPEB liability/(asset) and total OPEB liability/(asset) for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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/(asset) was measured as of December 31, 2020 and was determined by rolling forward the total OPEB liability/(asset) as of January 1, 2020 to December 31, 2020. The City's proportion of the net OPEB liability/(asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. The following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability/(Asset)	(\$97,526)	\$504,220	\$406,694
Proportion of the Net OPEB Liability/(Asset)	0.005474%	0.0475896%	
Change in Proportion	-0.000066%	-0.0015843%	
OPEB Expense	(\$597,585)	\$47,012	(\$550,573)

At December 31, 2021, 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			
Change in Assumptions	\$ 47,944	\$ 278,555	\$ 326,499
Change in City's proportionate share	90	10,149	10,239
City contributions subsequent to the measurement date	0	6,911	6,911
Total Deferred Outflows of Resources	<u>\$ 48,034</u>	<u>\$ 295,615</u>	<u>\$ 343,649</u>

Deferred Inflows of Resources			
Differences between expected and actual experience	\$ (88,016)	\$ (83,167)	\$ (171,183)
Net difference between projected and actual investment earnings	(\$51,943)	(\$18,738)	(\$70,681)
Change in assumptions	(158,020)	(80,384)	(\$238,404)
Change in City's proportionate share and difference in employer contributions	(10,606)	(14,839)	(\$25,445)
Total Deferred Inflows of Resources	<u>\$ (308,585)</u>	<u>\$ (197,128)</u>	<u>\$ (505,713)</u>

\$6,911 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 of the net OPEB asset in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2022	\$ (138,477)	\$ 19,731	\$ (118,746)
2023	(93,381)	24,169	(69,212)
2024	(22,572)	17,173	(5,399)
2025	(6,121)	19,730	13,609
2026	0	6,113	6,113
Thereafter	<u>0</u>	<u>4,660</u>	<u>4,660</u>
Total	<u>\$ (260,551)</u>	<u>\$ 91,576</u>	<u>\$ (168,975)</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 and include the types of coverages provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OBEB asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 74:

Wage inflation	3.25%
Projected salary increases	3.25% to 10.75%, including wage inflation
Single discount rate:	
Current measurement period	6.00%
Prior measurement period	3.16%
Investment rate of return	6.00%
Municipal bond rate:	
Current measurement period	2.00%
Prior measurement period	2.75%
Health care cost trend rate:	
Current measurement period	8.5% initial, 3.50% ultimate in 2035
Prior measurement period	10.5% initial, 3.50% ultimate in 2030
Actuarial cost method	Individual entry age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

The allocation of investment assets within the Health Care portfolio is approved by the OPERS 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 pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic 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, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	1.07%
Domestic Equities	25.00%	5.64%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.02%</u>
Total	<u>100.00%</u>	<u>4.43%</u>

Discount Rate. A single discount rate of 6.00% was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. 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 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate. The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00%, as well as what the City's proportionate share of the net OPEB asset if it were calculated using a discount rate that is 1.0% point lower (5.00%) or 1.0% point higher (7.00%) than the current rate:

	1% Decrease (5.0%)	Current Discount Rate (6%)	1% Increase (7.0%)
City's proportionate share of the net OPEB asset	(\$24,258)	(\$97,526)	(\$157,816)

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Rate Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB asset	(\$99,935)	(\$97,526)	(\$94,898)

Actuarial Assumptions—OP&F

OP&F’s total OPEB liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020 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 benefit for financial purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee’s entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment

until the death of the employee and 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 below:

Actuarial valuation date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial cost method	Entry age normal
Investment rate of return	8.0%
Projected salary increases	3.75% to 10.50%
Payroll growth	3.25%
Single discount rate:	
Current measurement date	2.96%
Prior measurement date	3.56%
Municipal bond rate:	
Current measurement date	2.12%
Prior measurement date	2.75%
Cost of living adjustments	2.2% simple per year

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%.

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

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

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

The most recent experience study was completed for the five-year period ended December 31, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and cash equivalent	0.0%	0.00%
Domestic equity	21.0%	4.10%
Non-U.S. equity	14.0%	4.80%
Private markets	8.0%	6.40%
Core fixed income*	23.0%	.90%
High yield fixed income	7.0%	3.00%
Private credit	5.0%	4.50%
U.S. inflation linked bonds*	17.0%	.70%
Midstream energy infrastructure	5.0%	5.60%
Real assets	8.0%	5.80%
Gold	5.0%	1.90%
Private real estate	12.0%	5.30%
Total	125.00%	

*Note: Assumptions are geometric. * Levered 2.5x*

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

Discount Rate. Total OPEB liability was calculated using the discount rate of 2.96%. 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 of 8.0%. 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, a municipal bond rate of 2.12% at December 31, 2020 was blended with the long-term rate of 8.0%, which resulted in a blended discount rate of 2.96%.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net OPEB liability calculated using the discount rate of 2.96%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.96%) and 1% point higher (3.96%) than the current discount rate.

	1% Decrease 1.96%	Current Discount Rate 2.96%	1% Increase 3.96%
City's proportionate share of the net OPEB Liability	\$628,734	\$504,220	\$401,511

H. Tax Abatements

In 2010, the City approved its only tax abatement for the Euclid Avenue Community Reinvestment area to encourage development in this specific area. The percentage of tax exemption is on the increase in assessed valuation resulting from improvements to the residential real property and the term of these exemptions shall be in the amount of 50% for a maximum of fifteen years from the date of improvement. This area includes 23 townhomes, of which 23 have qualified for the tax abatement. The total abated tax for 2021 was \$21,748.

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REQUIRED
SUPPLEMENTARY
INFORMATION

CITY OF MADEIRA, OHIO
Schedule of City's Proportionate Share of the Net Pension Liability/(Asset)
Ohio Public Employees Retirement System (OPERS)
Last Eight Years (1)(2)

Year	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)
2021	0.0055644%	\$823,969	\$827,871	99.53%	86.88%
2020	0.0056438%	\$1,115,538	\$836,964	133.28%	82.17%
2019	0.0057640%	\$1,578,736	\$820,079	192.51%	74.70%
2018	0.0057034%	\$894,749	\$789,900	113.27%	84.66%
2017	0.0060890%	\$1,382,762	\$813,567	169.96%	77.25%
2016	0.0063590%	\$1,101,459	\$806,032	136.65%	81.08%
2015	0.0057800%	\$697,133	\$731,869	95.25%	86.45%
2014	0.0057800%	\$681,387	\$743,638	91.63%	86.36%

(1) Information prior to 2014 is not available. The City will continue to present information for years available until a full ten-year trend is completed

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

Notes to Schedule:

Change in assumptions. In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

In 2019, a reduction of the discount rate was made from 7.5% to 7.2%.

CITY OF MADEIRA, OHIO
Schedule of City Pension Contributions
Ohio Public Employees Retirement System (OPERS)
Last Nine Years (1)

Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required	Contribution Deficiency (Excess)	City Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$120,815	(\$120,815)	\$0	\$862,964	14%
2020	\$115,902	(\$115,902)	\$0	\$827,871	14%
2019	\$117,175	(\$117,175)	\$0	\$836,964	14%
2018	\$114,811	(\$114,811)	\$0	\$820,079	14%
2017	\$102,687	(\$102,687)	\$0	\$789,900	13%
2016	\$97,629	(\$97,629)	\$0	\$813,567	12%
2015	\$96,724	(\$96,724)	\$0	\$806,032	12%
2014	\$85,030	(\$85,030)	\$0	\$731,869	12%
2013	\$96,676	(\$96,676)	\$0	\$743,638	13%

(1) Information prior to 2013 is not available

CITY OF MADEIRA, OHIO
Schedule of City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund (OP&F)
Last Eight Years (1)(2)

Year	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.04758962%	\$3,244,227	\$1,294,917	250.54%	70.65%
2020	0.04917390%	\$3,312,616	\$1,296,873	255.43%	69.89%
2019	0.05000190%	\$4,081,474	\$1,256,289	324.88%	63.07%
2018	0.04969220%	\$3,049,837	\$1,218,137	250.37%	70.91%
2017	0.04957910%	\$3,140,290	\$1,184,439	265.13%	68.36%
2016	0.04697700%	\$3,022,039	\$1,060,691	284.91%	66.77%
2015	0.04521050%	\$2,342,092	\$993,243	235.80%	71.71%
2014	0.04521050%	\$2,201,893	\$967,687	227.54%	73.00%

(1) Information prior to 2014 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

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

Notes to Schedule:

Change in assumptions. In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2016. Significant changes included a reduction of the discount rate from 8.25% to 8.0%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables.

CITY OF MADEIRA, OHIO
Schedule of City Pension Contributions
Ohio Police and Fire Pension Fund (OP&F)
Last Nine Years (1)

Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$262,622	(\$262,622)	\$0	\$1,382,220	19.00%
2020	\$246,033	(\$246,033)	\$0	\$1,294,917	19.00%
2019	\$246,406	(\$246,406)	\$0	\$1,296,873	19.00%
2018	\$238,695	(\$238,695)	\$0	\$1,256,289	19.00%
2017	\$231,446	(\$231,446)	\$0	\$1,218,137	19.00%
2016	\$225,043	(\$225,043)	\$0	\$1,184,439	19.00%
2015	\$201,532	(\$201,532)	\$0	\$1,060,691	19.00%
2014	\$189,203	(\$189,203)	\$0	\$993,243	19.00%
2013	\$153,729	(\$153,729)	\$0	\$967,687	15.88%

(1) Information prior to 2013 is not available

CITY OF MADEIRA, OHIO
Schedule of City's Proportionate Share of the Net OPEB Liability/(Asset)
Ohio Public Employees Retirement System (OPERS)
Last Five Years (1)(2)

Year	City's Proportion of the Net OPEB Liability (Asset)	City's Proportionate Share of the Net OPEB Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2021	0.005474%	(\$97,526)	\$827,871	-11.78%	115.57%
2020	0.005540%	\$765,211	\$836,964	91.43%	47.80%
2019	0.005654%	\$737,136	\$820,079	89.89%	46.33%
2018	0.005571%	\$604,915	\$789,900	76.58%	54.14%
2017	0.005887%	\$594,613	\$813,567	73.09%	54.05%

(1) Information prior to 2017 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

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

Notes to Schedule:

Change in assumptions. In 2018, the single discount rate changed from 4.23% to 3.85%.

In 2019, the single discount rate changed from 3.85% to 3.96%, the investment rate of return changed from 6.50% to 6.00%, and the health care cost trend rate changed from 7.5% initial to 10.0% initial.

In 2020, the single discount rate changed from 3.96% to 3.16% and the health care cost trend rate changed from 10.0% initial, 3.25% ultimate in 2028 to 10.5% initial, 3.50% ultimate in 2030.

In 2021, the single discount rate changed from 3.16% to 6.00% and the health care cost trend rate changed from 10.5% initial, 3.50% ultimate in 2030 to 8.5% initial, 3.50% ultimate in 2035.

CITY OF MADEIRA, OHIO
Schedule of City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund (OP&F)
Last Five Years (1)(2)

Year	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2021	0.047590%	\$504,220	\$1,294,917	38.94%	45.42%
2020	0.049174%	\$485,726	\$1,296,873	37.45%	47.08%
2019	0.050002%	\$455,344	\$1,256,289	36.25%	46.57%
2018	0.049692%	\$2,815,494	\$1,218,137	231.13%	14.13%
2017	0.049579%	\$2,353,408	\$1,184,439	198.69%	15.96%

(1) Information prior to 2017 is not available. The City will continue to present information for years available until a full ten-year trend is compiled.

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

Notes to Schedule:

Change in assumptions. In 2018, the single discount rate changed from 3.79% to 3.24%.

In 2019, the single discount rate changed from 3.24% to 4.66%.

In 2020, the single discount rate changed from 4.66% to 3.56%.

In 2021, the single discount rate changed from 3.56% to 2.96%.

Change in benefit terms. Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model, depositing stipends into individual health reimbursements accounts that retirees will use to be reimbursed for health care expenses.

CITY OF MADEIRA, OHIO
Schedule of City OPEB Contributions
Ohio Public Employees Retirement System (OPERS)
Last Nine Years (1)

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	-	-	-	\$862,964	0.00%
2020	-	-	-	\$827,871	0.00%
2019	-	-	-	\$836,964	0.00%
2018	-	-	-	\$820,079	0.00%
2017	\$7,890	\$7,890	-	\$789,900	1.00%
2016	\$16,271	\$16,271	-	\$813,567	2.00%
2015	\$16,121	\$16,121	-	\$806,032	2.00%
2014	\$14,637	\$14,637	-	\$731,869	2.00%
2013	\$7,436	\$7,436	-	\$743,638	1.00%

(1) Information prior to 2013 is not available

CITY OF MADEIRA, OHIO
Schedule of City OPEB Contributions
Ohio Police and Fire Pension Fund (OP&F)
Last Nine Years (1)

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$6,911	\$6,911	\$0	\$1,382,220	0.50%
2020	\$6,475	\$6,475	\$0	\$1,294,917	0.50%
2019	\$6,484	\$6,484	\$0	\$1,296,873	0.50%
2018	\$6,281	\$6,281	\$0	\$1,256,289	0.50%
2017	\$5,892	\$5,892	\$0	\$1,218,137	0.50%
2016	\$5,922	\$5,922	\$0	\$1,184,439	0.50%
2015	\$5,303	\$5,303	\$0	\$1,060,691	0.50%
2014	\$4,966	\$4,966	\$0	\$993,243	0.50%
2013	\$35,030	\$35,030	\$0	\$967,687	3.62%

(1) Information prior to 2013 is not available

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Sidewalk Repairs Fund: Accounts for maintenance and repair of all City sidewalks.

Recreation and Parks: Accounts for the City's operation of recreation events, programs and improvements to the City's two parks, Sellman and McDonald Commons.

Donations: Accounts for donations received by the City and earmarked for specific projects.

Police Trust Fund: Receives proceeds from the sale of confiscated properties (vehicles, weapons, etc.) other than from drug cases. Disbursements may be made from the fund only to pay the costs of investigations, technical training, matching funds for federal grants, or other appropriate law enforcement purposes.

Police Forfeitures: Receives proceeds from the sale of confiscated properties and equipment from drug related cases. Expenditures may only be made for drug enforcement programs.

DUI: Receives fines imposed upon DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Computer Fund: Receives fines for the operation and maintenance of the computer system for the police department.

State & Federal Grant: Accounts for revenue and expenses reimbursed by the State of Ohio and/or Federal Government.

ARP Local Fiscal Recovery Fund: Accounts for revenue received from the Federal Government due to American Rescue Plan.

COVID-19 Reimbursement Fund: Accounts for County Reimbursements due to COVID.

Nonmajor Governmental Funds

Capital Project Funds

OPWC: Accounts for revenue and expenditures for Ohio Public Works Commission.

Stormwater: Accounts for expenditures made to repair and replace parts of the City's stormwater system.

Central Business District: Accounts for expenditures made for the repair and improvement of Madeira's central business district.

Capital Improvement & Reserve: Accounts for capital expenditures made for all general improvement projects not funded elsewhere.

CITY OF MADEIRA, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

	Special Revenue						
	Recreation						
ASSETS	Sidewalk Repairs	and Parks	Donations	Police Trust	Police Forfeitures	DUI	Computer Fund
Cash and Cash Equivalents	\$95,270	\$3,970	\$127,898	\$7,331	\$31,618	\$1,835	\$21,207
TOTAL ASSETS	\$95,270	\$3,970	\$127,898	\$7,331	\$31,618	\$1,835	\$21,207
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities							
Accounts Payable	3,830	912	332	0	0	0	0
Retainage Payable	0	0	0	0	0	0	0
Unearned Revenue	0	0	0	0	0	0	0
Due to other Funds	0	0	0	0	0	0	0
Total Liabilities	3,830	912	332	0	0	0	0
Fund Balances							
Restricted for Public Safety	0	0	127,566	7,331	31,618	1,835	21,207
Committed For:							
Recreation	0	3,058	0	0	0	0	0
Capital Improvements	91,440	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0	0
Total Fund Balances	91,440	3,058	127,566	7,331	31,618	1,835	21,207
TOTAL LIABILITIES DEFERRED INFLOWS AND FUND BALANCES	\$95,270	\$3,970	\$127,898	\$7,331	\$31,618	\$1,835	\$21,207

			Capital Projects				
State & Federal Grant Fund	ARP Local Fiscal Recovery Fund	Total Special Revenue Funds	Stormwater	Central Business District	Capital Improvement & Reserve	Total Capital Project Funds	Total Nonmajor Governmental Funds
\$21,947	\$484,212	\$795,288	\$122,147	\$55,229	\$382,802	\$560,178	\$1,355,466
\$21,947	\$484,212	\$795,288	\$122,147	\$55,229	\$382,802	\$560,178	\$1,355,466
0	378,936	384,010	0	0	100	100	384,110
0	19,944	19,944	0	0	0	0	19,944
0	85,332	85,332	0	0	0	0	85,332
60,000	0	60,000	0	0	0	0	60,000
60,000	484,212	549,286	0	0	100	100	549,386
0	0	189,557	0	0	0	0	189,557
0		3,058	0	0	0	0	3,058
0	0	91,440	122,147	55,229	382,702	560,078	651,518
(38,053)	0	(38,053)	0	0	0	0	(38,053)
(38,053)	0	246,002	122,147	55,229	382,702	560,078	806,080
\$21,947	\$484,212	\$795,288	\$122,147	\$55,229	\$382,802	\$560,178	\$1,355,466

CITY OF MADEIRA, OHIO

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021**

	Special Revenue						
	Recreation						
	Sidewalk Repairs	and Parks	Donations	Police Trust	Police Forfeitures	DUI	Computer Fund
REVENUES							
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	51,795	0	0	0	0	0
Fines & Forfeitures	0	0	0	0	127	253	9,745
All Other Revenues	0	0	10,000	0	0	0	0
TOTAL REVENUES	0	51,795	10,000	0	127	253	9,745
EXPENDITURES							
Current							
Public Safety	0	0	53,052	615	0	0	12,303
Recreation	0	72,938	0	0	0	0	0
Community Environment	0	0	0	0	0	0	0
Capital Outlay	8,550	0	0	0	0	0	0
TOTAL EXPENDITURES	8,550	72,938	53,052	615	0	0	12,303
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(8,550)	(21,143)	(43,052)	(615)	127	253	(2,558)
OTHER FINANCING SOURCES/(USES)							
Transfers In	0	18,000	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/(USES)	0	18,000	0	0	0	0	0
Net Change in Fund Balance	(8,550)	(3,143)	(43,052)	(615)	127	253	(2,558)
Fund Balance: Beginning	99,990	6,201	170,618	7,946	31,491	1,582	23,765
Fund Balance: Ending	\$91,440	\$3,058	\$127,566	\$7,331	\$31,618	\$1,835	\$21,207

State & Federal Grant Fund	ARP Local Fiscal Recovery Fund	COVID-19 Reimburse	Total Special Revenue Funds	Capital Projects				Total Capital Project Funds	Total Nonmajor Governmental Funds
				OPWC	Stormwater	Central Business District	Capital Improvement & Reserve		
\$116,202	\$398,880	\$128,360	\$643,442	\$433,111	\$0	\$0	\$0	\$433,111	\$1,076,553
0	0	0	51,795	0	0	0	0	0	51,795
0	0	0	10,125	0	0	0	0	0	10,125
0	0	0	10,000	0	0	0	0	0	10,000
116,202	398,880	128,360	715,362	433,111	0	0	0	433,111	1,148,473
0	0	0	65,970	0	0	0	0	0	65,970
0	0	0	72,938	0	0	0	0	0	72,938
22,202	0	0	22,202	0	0	16,461	0	16,461	38,663
232,053	398,880	0	639,483	433,111	23,008	0	130,150	586,269	1,225,752
254,255	398,880	0	800,593	433,111	23,008	16,461	130,150	602,730	1,403,323
(138,053)	0	128,360	(85,231)	0	(23,008)	(16,461)	(130,150)	(169,619)	(254,850)
0	0	0	18,000	0	60,000	10,000	140,000	210,000	228,000
0	0	0	18,000	0	60,000	10,000	140,000	210,000	228,000
(138,053)	0	128,360	(67,231)	0	36,992	(6,461)	9,850	40,381	(26,850)
100,000	0	(128,360)	313,233	0	85,155	61,690	372,852	519,697	832,930
(\$38,053)	\$0	\$0	\$246,002	\$0	\$122,147	\$55,229	\$382,702	\$560,078	\$806,080

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Sidewalk Repair Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Capital Outlay	0	15,000	8,550	6,450
TOTAL EXPENDITURES	0	15,000	8,550	6,450
Net Change in Fund Balance	0	(15,000)	(8,550)	6,450
Fund Balance: Beginning	99,990	99,990	99,990	0
Fund Balance: Ending	\$99,990	\$84,990	\$91,440	\$6,450

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Recreation & Parks Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Charges for Services	\$30,350	\$53,600	\$51,795	(\$1,805)
TOTAL REVENUES	30,350	53,600	51,795	(1,805)
EXPENDITURES				
Current				
Recreation	47,314	80,266	72,938	7,328
TOTAL EXPENDITURES	47,314	80,266	72,938	7,328
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(16,964)	(26,666)	(21,143)	5,523
OTHER FINANCING SOURCES/(USES)				
Transfers In	18,000	18,000	18,000	0
TOTAL OTHER FINANCING SOURCES/(USES)	18,000	18,000	18,000	0
Net Change in Fund Balance	1,036	(8,666)	(3,143)	5,523
Fund Balance: Beginning	6,201	6,201	6,201	0
Fund Balance: Ending	\$7,237	(\$2,465)	\$3,058	\$5,523

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Donations Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$10,000	\$10,000	\$0
TOTAL REVENUES	0	10,000	10,000	0
EXPENDITURES				
Current				
Security of Persons and Property	162,000	75,000	53,052	21,948
TOTAL EXPENDITURES	162,000	75,000	53,052	21,948
Net Change in Fund Balance	(162,000)	(65,000)	(43,052)	21,948
Fund Balance: Beginning	170,618	170,618	170,618	0
Fund Balance: Ending	\$8,618	\$105,618	\$127,566	\$21,948

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Police Trust Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$1,000	\$1,000	\$0	(\$1,000)
TOTAL REVENUES	1,000	1,000	0	(1,000)
EXPENDITURES				
Current				
Security of Persons				
Public Safety	2,000	1,000	615	385
TOTAL EXPENDITURES	2,000	1,000	615	385
Net Change in Fund Balance	(1,000)	0	(615)	(615)
Fund Balance: Beginning	7,946	7,946	7,946	0
Fund Balance: Ending	\$6,946	\$7,946	\$7,331	(\$615)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Police Forfeitures Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$1,000	\$1,000	\$127	(\$873)
TOTAL REVENUES	1,000	1,000	127	(873)
EXPENDITURES				
Current				
Public Safety	10,000	0	0	0
TOTAL EXPENDITURES	10,000	0	0	0
Net Change in Fund Balance	(9,000)	1,000	127	(873)
Fund Balance: Beginning	31,491	31,491	31,491	0
Fund Balance: Ending	\$22,491	\$32,491	\$31,618	(\$873)

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
DUI Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Fines & Forfeitures	\$1,000	\$1,000	\$253	(\$747)
TOTAL REVENUES	1,000	1,000	253	(747)
EXPENDITURES				
Current				
Public Safety	1,000	1,000	0	1,000
TOTAL EXPENDITURES	1,000	1,000	0	1,000
Net Change in Fund Balance	0	0	253	253
Fund Balance: Beginning	1,582	1,582	1,582	0
Fund Balance: Ending	\$1,582	\$1,582	\$1,835	\$253

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Computer Special Revenue Fund
For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
REVENUES				
Fines & Forfeitures	\$10,000	\$11,000	\$9,745	(\$1,255)
TOTAL REVENUES	<u>10,000</u>	<u>11,000</u>	<u>9,745</u>	<u>(1,255)</u>
EXPENDITURES				
Current				
Public Safety	20,000	13,000	12,303	697
TOTAL EXPENDITURES	<u>20,000</u>	<u>13,000</u>	<u>12,303</u>	<u>697</u>
Net Change in Fund Balance	<u>(10,000)</u>	<u>(2,000)</u>	<u>(2,558)</u>	<u>(558)</u>
Fund Balance: Beginning	<u>23,765</u>	<u>23,765</u>	<u>23,765</u>	<u>0</u>
Fund Balance: Ending	<u>\$13,765</u>	<u>\$21,765</u>	<u>\$21,207</u>	<u>(\$558)</u>

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
State & Federal Grants Special Revenue Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$100,000	\$120,000	\$116,202	(\$3,798)
TOTAL REVENUES	100,000	120,000	116,202	(3,798)
EXPENDITURES				
Current				
Community Environment	23,000	23,000	22,202	798
Capital Outlay	177,000	237,000	232,053	4,947
TOTAL EXPENDITURES	200,000	260,000	254,255	4,947
Net Change in Fund Balance	(100,000)	(140,000)	(138,053)	1,947
Fund Balance: Beginning	100,000	100,000	100,000	0
Fund Balance: Ending	\$0	(\$40,000)	(\$38,053)	\$1,947

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 COVID-19 Reimbursement Special Revenue Fund
 For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$0	\$0	\$128,360	\$128,360
TOTAL REVENUES	0	0	128,360	128,360
EXPENDITURES				
Current				
TOTAL EXPENDITURES	0	0	0	0
Net Change in Fund Balance	0	0	128,360	128,360
Fund Balance: Beginning	0	0	(128,360)	(128,360)
Fund Balance: Ending	\$0	\$0	\$0	\$0

CITY OF MADEIRA, OHIO

ARP Local Fiscal Recovery Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$0	\$484,212	\$398,880	(\$85,332)
TOTAL REVENUES	0	484,212	398,880	0
EXPENDITURES				
Current				
Recreation	0	484,212	398,880	85,332
TOTAL EXPENDITURES	0	484,212	398,880	85,332
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning	0	0	0	0
Fund Balance - Ending	\$0	\$0	\$0	\$0

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
OPWC Capital Project Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$350,000	\$450,000	\$433,111	(\$16,889)
TOTAL REVENUES	350,000	450,000	433,111	(16,889)
EXPENDITURES				
Capital Outlay	350,000	450,000	433,111	16,889
TOTAL EXPENDITURES	350,000	450,000	433,111	16,889
Net Change in Fund Balance	0	0	0	0
Fund Balance: Beginning	0	0	0	0
Fund Balance: Ending	\$0	\$0	\$0	\$0

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Stormwater Capital Project Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Capital Outlay	60,000	60,000	23,008	36,992
TOTAL EXPENDITURES	60,000	60,000	23,008	36,992
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(60,000)	(60,000)	(23,008)	36,992
OTHER FINANCING SOURCES				
Transfers In	60,000	60,000	60,000	0
TOTAL OTHER FINANCING SOURCES	60,000	60,000	60,000	0
Net Change in Fund Balance	0	0	36,992	36,992
Fund Balance: Beginning	85,155	85,155	85,155	0
Fund Balance: Ending	\$85,155	\$85,155	\$122,147	\$36,992

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Water Distribution System Capital Projects Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Intergovernmental Revenue	\$210,000	\$220,000	\$223,125	\$3,125
TOTAL REVENUES	210,000	220,000	223,125	3,125
EXPENDITURES				
Capital Outlay	2,276,000	2,575,000	1,723,446	851,554
TOTAL EXPENDITURES	2,276,000	2,575,000	1,723,446	851,554
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,066,000)	(2,355,000)	(1,500,321)	854,679
OTHER FINANCING SOURCES				
OWDA Issuance of Debt	2,000,000	2,150,000	2,058,628	(91,372)
TOTAL OTHER FINANCING SOURCES	2,000,000	2,150,000	2,058,628	(91,372)
Net Change in Fund Balance	(66,000)	(205,000)	558,307	763,307
Fund Balance: Beginning	(28,442)	(28,442)	(28,442)	0
Fund Balance: Ending	(\$94,442)	(\$233,442)	\$529,865	\$763,307

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Central Business District Capital Project Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Current				
Community Environment	1,800	17,060	16,461	599
TOTAL EXPENDITURES	1,800	17,060	16,461	599
Excess/(Deficiency) of Revenues				
Over/(Under) Expenditures	(1,800)	(17,060)	(16,461)	599
OTHER FINANCING SOURCES				
Transfers In	10,000	10,000	10,000	0
TOTAL OTHER FINANCING SOURCES	10,000	10,000	10,000	0
Net Change in Fund Balance	8,200	(7,060)	(6,461)	599
Fund Balance: Beginning	61,690	61,690	61,690	0
Fund Balance: Ending	\$69,890	\$54,630	\$55,229	\$599

CITY OF MADEIRA, OHIO

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Improvement & Reserve Capital Project Fund
For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
All Other Revenues	\$0	\$0	\$0	\$0
TOTAL REVENUES	0	0	0	0
EXPENDITURES				
Capital Outlay	360,000	245,000	130,150	114,850
TOTAL EXPENDITURES	360,000	245,000	130,150	114,850
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(360,000)	(245,000)	(130,150)	114,850
OTHER FINANCING SOURCES				
Transfers In	140,000	140,000	140,000	0
TOTAL OTHER FINANCING SOURCES	140,000	140,000	140,000	0
Net Change in Fund Balance	(220,000)	(105,000)	9,850	114,850
Fund Balance: Beginning	372,852	372,852	372,852	0
Fund Balance: Ending	<u>\$152,852</u>	<u>\$267,852</u>	<u>\$382,702</u>	<u>\$114,850</u>

CITY OF MADEIRA, OHIO

**Combining Statement of Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021**

	Mayor's Court	East JEDZ	Central JEDZ	Total Custodial Funds
<i>Assets</i>				
Cash in segregated accounts	\$4,366	\$197,585	\$391,827	\$593,778
Accounts Receivable	0	196,905	198,093	394,998
Total assets	<u>4,366</u>	<u>394,490</u>	<u>589,920</u>	<u>988,776</u>
<i>Liabilities</i>				
Intergovernmental payable	0	159,137	194,915	354,052
<i>Net Position</i>				
Restricted for other governments and organizations	<u>\$4,366</u>	<u>\$235,353</u>	<u>\$395,005</u>	<u>\$634,724</u>

CITY OF MADEIRA, OHIO

**Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2021**

	Mayor's Court	East JEDZ	Central JEDZ	Total Custodial Funds
<i>Additions</i>				
Collections for other governments and organizations:				
Income taxes	\$0	\$2,291,645	\$2,368,676	\$4,660,321
Fines, costs and forfeitures	39,071	0	0	39,071
Total additions	39,071	2,291,645	2,368,676	4,699,392
<i>Deductions</i>				
Administrative expenses	0	2,770	2,401	5,171
Distributions of income taxes	0	2,273,199	2,377,720	4,650,919
Distributions to state, local governments and others	36,465	0	0	36,465
Total deductions	36,465	2,275,969	2,380,121	4,692,555
 Change in fiduciary net position	 2,606	 15,676	 (11,445)	 6,837
Net position, beginning of year	1,760	219,677	406,450	627,887
Net position, end of year	\$4,366	\$235,353	\$395,005	\$634,724

CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules By Source
December 31, 2021 and 2020**

	<u>2021</u>	<u>2,020</u>
Governmental Funds Capital Assets		
Land	907,389	\$907,389
Buildings and Land Improvements	4,085,802	3,546,547
Furniture, Equipment and Software	881,458	829,754
Vehicles	935,230	860,296
Infrastructure	23,054,258	18,929,948
Total Governmental Funds Capital Assets	<u>29,864,137</u>	<u>25,073,934</u>
Investments in Governmental Funds Capital Assets by Source		
General Fund	6,809,879	6,143,986
Special Revenue Fund	17,122,341	15,359,337
Capital Project Fund	5,931,917	3,570,611
Total Governmental Funds Capital Assets	<u>\$29,864,137</u>	<u>25,073,934</u>

This schedule presents only the capital asset balances related to governmental funds.

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended December 31, 2021**

Function and Activity	Governmental Funds Capital Assets 1/1/21	Additions	Deletions	Governmental Funds Capital Assets 12/31/21
Public Safety	\$648,584	\$24,661		\$673,245
Transportation	20,146,767	4,203,665		24,350,432
Recreation	2,179,906	544,230		2,724,136
General Government	2,098,677	17,647		2,116,324
Total Governmental Funds Capital Assets	<u>\$25,073,934</u>	<u>\$4,790,203</u>	<u>\$0</u>	<u>\$29,864,137</u>

CITY OF MADEIRA, OHIO

**Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
December 31, 2021**

<u>By Function And Activity:</u>	<u>Land</u>	<u>Building & Land Improvements</u>	<u>Furniture, Equipment & Software</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Total</u>
Public Safety	\$0	\$4,795	\$290,672	\$377,778	\$0	\$673,245
Transportation	0	597,775	149,809	548,590	23,054,258	24,350,432
Recreation	722,389	1,714,816	278,069	8,862	0	2,724,136
General Government	185,000	1,768,416	162,908	0	0	2,116,324
 Governmental Funds Capital Assets	 <u>\$907,389</u>	 <u>\$4,085,802</u>	 <u>\$881,458</u>	 <u>\$935,230</u>	 <u>\$23,054,258</u>	 <u>\$29,864,137</u>

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	116
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
Revenue Capacity	126
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	
Debt Capacity	131
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	
Demographic and Economic Information	136
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
Operating Information	138
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	

CITY OF MADEIRA, OHIO
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)
(In Thousands)

	2021	2020	2019	2018
Governmental Activities				
Net Investment in Capital Assets	\$11,039	\$9,487	\$9,565	\$9,664
Restricted				
Street Repair	1,554	1,594	805	555
Public Safety	190	235	70	64
Grants	0	100	100	0
Unrestricted	\$1,367	(1,054)	(1,137)	(3,293)
<i>Total Governmental Activities Net Position</i>	<u>\$14,150</u>	<u>\$10,362</u>	<u>\$9,403</u>	<u>\$6,990</u>
Business-Type Activities				
Net Investment in Capital Assets	\$243	\$255	\$255	\$247
Unrestricted	33	38	61	63
<i>Total Business-Type Activities Net Position</i>	<u>\$276</u>	<u>\$293</u>	<u>\$316</u>	<u>\$328</u>
Primary Government				
Net Investment in Capital Assets	\$11,281	\$9,743	\$9,820	\$9,911
Restricted	1,744	1,929	975	619
Unrestricted	1,400	(1,017)	(1,076)	(3,230)
<i>Total Primary Government Net Position</i>	<u>\$14,425</u>	<u>\$10,655</u>	<u>\$9,719</u>	<u>\$7,300</u>

2017						
Restated	2016	2015	2014	2013	2012	
\$9,115	\$8,833	\$8,668	\$7,466	\$7,398	\$7,347	
599	578	341	111	0	0	
28	34	32	23	23	24	
0	0	0	0	0	0	
(2,542)	461	1,032	1,513	3,640	3,602	
\$7,200	\$9,906	\$10,073	\$9,113	\$11,061	\$10,973	
\$266	\$286	\$301	\$322	\$333	\$315	
62	38	18	13	(1)	29	
\$328	\$324	\$319	\$335	\$332	\$344	
\$9,381	\$9,119	\$8,969	\$7,788	\$7,731	\$7,662	
627	612	373	134	23	24	
(2,480)	499	1,050	1,526	3,639	3,631	
\$7,528	\$10,230	\$10,392	\$9,448	\$11,393	\$11,317	

CITY OF MADEIRA, OHIO
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(In Thousands)

	2021	2020	2019	2018
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	\$134	\$441	\$116	\$126
Public Safety	259	213	219	316
Sanitation	39	43	41	37
Recreation	52	8	39	22
Community Environment	412	344	332	294
Transportation	0	0	224	0
Subtotal: Charges for Services	<u>896</u>	<u>1,049</u>	<u>971</u>	<u>795</u>
Operating Grants and Contributions				
General Government	0	0	1	3
Public Safety	10	250	5	0
Recreation	2	0	3	0
Transportation	1,130	639	928	472
Subtotal: Operating Grants and Contributions	<u>1,142</u>	<u>889</u>	<u>937</u>	<u>475</u>
Capital Grants and Contributions				
Community Development				
Transportation	116	25	0	0
General Government	399	644	0	0
Subtotal: Capital Grants and Contributions	<u>515</u>	<u>669</u>	<u>0</u>	<u>0</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,553</u>	<u>2,607</u>	<u>2,258</u>	<u>1,270</u>
Business-Type Activities				
Charges for Services				
Rental Property	41	27	60	69
<i>Total Business-Type Activities Program Revenues</i>	<u>41</u>	<u>27</u>	<u>60</u>	<u>69</u>
<i>Total Primary Government Program Revenues</i>	<u>2,594</u>	<u>2,634</u>	<u>\$2,318</u>	<u>\$1,339</u>
Expenses				
Governmental Activities				
General Government	\$927	\$2,275	\$1,487	\$1,450
Public Safety	4,676	4,274	2,355	4,042
Sanitation	570	551	532	520
Recreation	123	1	157	15
Community Environment	248	202	202	247
Transportation	2,241	2,076	2,208	1,829
Interest and Fiscal Charges	7	21	18	8
<i>Total Governmental Activities Expenses</i>	<u>\$8,792</u>	<u>\$9,400</u>	<u>\$6,959</u>	<u>\$8,111</u>

2017	2016	2015	2014	2013	2012
\$121	\$93	\$93	\$98	\$52	\$60
212	157	204	222	206	263
48	54	31	33	34	27
18	12	9	9	12	11
407	291	308	313	275	89
0	0	0	0	0	0
806	607	645	675	579	450
0	0	5	4	0	0
0	0	0	0	0	0
0	0	0	0	1	14
494	483	464	569	475	468
494	483	469	573	476	482
0	177	411	168	0	0
0	0	0	0	0	0
0	177	411	168	0	0
1,300	1,267	1,525	1,416	1,055	932
55	47	33	45	22	36
55	47	33	45	22	36
\$1,355	\$1,314	\$1,558	\$1,461	\$1,077	\$968
\$1,515	\$1,230	\$944	\$768	\$1,143	\$976
3,805	3,724	3,430	3,293	3,212	3,199
505	508	475	496	438	446
144	170	190	164	163	180
184	174	155	107	120	110
1,557	1,570	1,062	1,360	1,212	1,243
8	8	8	9	11	0
\$7,718	\$7,384	\$6,264	\$6,197	\$6,299	\$6,154

Program Revenues (cont'd)

	2021	2020	2019	2018
Business-Type Activities				
Rental Property	118	51	53	88
<i>Total Business-Type Activities Expenses</i>	118	51	53	88
<i>Total Primary Government Program Expenses</i>	8,910	9,451	7,012	8,199
Net (Expense)/Revenue				
Governmental Activities	(6,239)	(6,154)	(4,875)	(6,841)
Business-Type Activities	(77)	(24)	7	(19)
<i>Total Primary Government Net Expense</i>	(6,316)	(6,231)	(4,869)	(6,860)
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property Taxes Levied For				
General Purposes	\$3,186	\$2,808	\$2,712	\$2,409
Payment in lieu of taxes	633	372		
Municipal Income Taxes Levied For				
General Purposes	4,969	3,215	3,296	2,870
Franchise Fees	219	321	226	211
Grants and Entitlements not Restricted to				
Specific Programs	1,075	1,007	961	1,072
Investment Income	5	29	92	70
Transfers	(60)	0	0	0
<i>Total Governmental Activities</i>	10,027	7,752	7,287	6,632
Transfers to Business-Type Activities	60	0	0	0
<i>Total Business-Type Activities Expenses</i>	60	0	0	0
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	10,087	7,752	7,287	6,632
Change in Net Position				
Governmental Activities	3,788	960	2,412	(210)
Business-Type Activities	(17)	(24)	7	(19)
<i>Total Primary Government Change in Net Position</i>	\$3,771	\$936	\$2,419	(\$229)

2017	2016	2015	2014	2013	2012
51	42	49	102	55	52
51	42	49	102	55	52
7,769	7,426	6,313	6,299	6,354	6,206
(6,418)	(6,117)	(4,739)	(4,781)	(5,244)	(5,222)
4	5	(16)	(57)	(33)	(16)
(6,414)	(6,112)	(4,755)	(4,838)	(5,277)	(5,238)
\$2,383	\$2,198	\$2,154	\$2,001	\$1,980	\$1,980
3,119	2,777	2,536	2,520	2,401	2,279
226	191	206	206	215	187
886	767	799	772	754	1,100
31	15	4	3	3	3
0	0	0	(60)	(20)	0
6,645	5,948	5,699	5,442	5,333	5,549
0	0	0	60	20	0
0	0	0	60	20	0
6,645	5,948	5,699	5,502	5,353	5,549
228	(167)	960	661	89	327
4	5	(16)	3	(13)	(16)
\$232	(\$162)	\$944	\$664	\$76	\$311

CITY OF MADEIRA, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(In Thousands)

	2021	2020	2019	2018
General Fund				
Nonspendable	\$0	\$9	\$32	\$84
Assigned	0	148	360	715
Unassigned	3,935	3,075	2,212	2,094
Total General Fund	3,935	3	2,604	2,893
All Other Governmental Funds				
Nonspendable	80	71	52	0
Restricted for Public Safety	190	235	70	64
Restricted for Street Repair	1,276	1,322	571	426
Grants	0	100	100	0
Committed for:				
Recreation	3	6	6	5
Capital Improvements	1,181	620	763	473
Unassigned	(84)	(1,812)	(1,716)	(713)
Total All Other Governmental Funds	2,646	542	(154)	255
<i>Total Governmental Funds</i>	<i>\$6,581</i>	<i>\$3,774</i>	<i>\$2,450</i>	<i>\$3,148</i>

2017	2016	2015	2014	2013	2012
\$57	\$71	\$41	\$5,334	\$20	\$46
0	223	0	0	0	0
2,164	1,603	1,951	1,548	2,365	2,244
2,221	1,897	1,992	2,350	2,385	2,290
0	0	0	0	0	0
29	34	32	23	23	24
468	448	209	0	0	0
0	0	0	0	0	0
23	19	13	11	9	7
423	598	587	561	562	434
(52)	0	0	(23)	(762)	(890)
891	1,099	841	572	(168)	(425)
\$3,112	\$2,996	\$2,833	\$2,922	\$2,217	\$1,865

CITY OF MADEIRA, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2021	2020	2019	2018
Revenues				
Property Taxes	\$3,416,151	\$2,622,854	\$2,590,821	\$2,438,838
Payment in Lieu of Taxes	632,601	372,036	0	0
Municipal Income Taxes	4,218,720	3,308,803	3,319,991	2,976,451
Charges for Services	271,549	238,809	270,926	237,856
Fees, Licenses and Permits	189,054	128,534	166,405	129,998
Fines and Forfeitures	124,284	104,341	109,610	195,924
Intergovernmental	3,061,213	2,353,433	2,168,663	1,706,082
Interest	5,277	29,420	91,698	69,862
Other	318,503	933,495	494,068	280,054
<i>Total Revenues</i>	<u>12,237,352</u>	<u>10,091,725</u>	<u>9,212,182</u>	<u>8,035,065</u>
Expenditures				
Current:				
General Government	1,623,714	1,501,281	1,217,752	1,283,445
Public Safety	4,541,622	3,840,819	4,163,244	3,739,107
Sanitation	570,086	551,862	532,311	520,205
Recreation	180,651	97,689	135,179	115,480
Community Environment	247,905	202,151	201,542	247,350
Transportation	944,175	924,082	844,924	781,874
Capital Outlay	4,752,282	3,000,545	2,807,114	1,303,887
Interest and Fiscal Charges	8,893	29,265	7,754	7,539
<i>Total Expenditures</i>	<u>12,869,328</u>	<u>10,147,694</u>	<u>9,909,820</u>	<u>7,998,887</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(631,976)</u>	<u>(55,969)</u>	<u>(697,638)</u>	<u>36,178</u>
Other Financing Sources (Uses)				
Proceeds from the Sale of Bonds	1,440,000	0	0	0
OWDA Loan Proceeds	2,058,628	1,380,752	0	0
Transfers In	1,443,000	784,212	1,020,203	140,000
Transfers Out	<u>(1,503,000)</u>	<u>(784,212)</u>	<u>(1,020,203)</u>	<u>(140,000)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>3,438,628</u>	<u>1,380,752</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$2,806,652</u>	<u>\$1,324,783</u>	<u>(\$697,638)</u>	<u>\$36,178</u>
Debt Service as a Percentage of Noncapital Expenditures	0.1%	0.4%	0.1%	0.1%

2017	2016	2015	2014	2013	2012
\$2,138,141	\$2,099,324	\$2,047,481	\$1,935,831	\$1,946,798	\$1,893,761
0	0	0	0	0	0
3,145,091	2,920,914	2,674,456	2,555,081	2,466,689	2,333,124
254,147	208,652	217,591	217,276	151,632	133,489
258,749	145,100	172,660	176,173	135,034	89,063
97,421	65,148	85,092	78,570	73,312	116,858
1,466,978	1,597,325	1,786,065	1,633,477	1,412,216	1,433,242
31,671	15,644	4,404	2,672	2,722	2,481
296,138	235,006	274,021	275,299	434,876	311,864
7,688,336	7,287,113	7,261,770	6,874,379	6,623,279	6,313,882
1,259,312	1,067,116	895,712	677,751	962,013	917,413
3,760,701	3,540,024	3,403,835	3,261,689	3,239,259	3,196,270
505,232	507,686	475,285	495,597	438,167	445,654
112,810	112,203	135,449	109,645	174,910	134,013
183,909	174,126	155,483	107,216	119,750	110,175
692,071	907,607	697,341	689,010	736,988	678,752
1,049,807	808,125	1,578,916	760,576	574,405	493,453
8,855	6,941	8,975	8,377	5,603	15,833
7,572,697	7,123,828	7,350,996	6,109,861	6,251,095	5,991,563
115,639	163,285	(89,226)	764,518	372,184	322,319
0	0	0	0	0	0
0	0	0	0	0	0
256,879	362,000	920,000	815,000	427,447	209,500
(256,879)	(362,000)	(920,000)	(875,000)	(447,447)	(209,500)
0	0	0	(60,000)	(20,000)	0
\$115,639	\$163,285	(\$89,226)	\$704,518	\$352,184	\$322,319
0.1%	0.3%	0.2%	0.6%	0.1%	0.3%

CITY OF MADEIRA, OHIO
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property		Tangible Personal Property		Total			
	Assessed Value	Estimated	Assessed Value	Estimated	Assessed Value	Total Direct Tax Rate Per Thousand	Estimated	Ratio
		Actual Value		Actual Value			Actual Value	
2021	\$441,719,650	\$1,262,056,143	\$10,447,310	\$11,871,943	\$452,166,960	7.50	\$1,273,928,086	35.49%
2020	433,640,920	1,238,974,057	9,993,170	11,355,875	443,634,090	7.50	1,250,329,932	35.48
2019	384,692,520	1,099,121,486	8,845,990	10,052,261	393,538,510	7.50	1,109,173,747	35.48
2018	379,614,840	1,084,613,829	7,147,090	8,121,693	386,761,930	7.50	1,092,735,522	35.39
2017	372,729,970	1,064,942,771	6,839,040	7,771,636	379,569,010	7.50	1,072,714,408	35.38
2016	332,585,990	950,245,686	6,385,130	7,255,830	338,971,120	7.50	957,501,515	35.40
2015	324,308,690	926,596,257	6,193,820	7,038,432	330,502,510	7.50	933,634,689	35.40
2014	320,768,770	916,482,200	5,993,590	6,810,898	326,762,360	7.50	923,293,098	35.39
2013	299,558,760	855,882,171	5,609,480	6,374,409	305,168,240	7.50	862,256,581	35.39
2012	296,358,390	846,738,257	5,226,120	5,938,773	301,584,510	7.50	852,677,030	35.37

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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

Source: Hamilton County Auditor

CITY OF MADEIRA, OHIO
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Fiscal Year	Overlapping Rates									
	City	Countywide			Local School Districts			Total Direct and Overlapping Rates		
	Charter Millage	Great Oaks		Total County Millage	Madeira School District	Cincinnati School District	Indian Hill School District	Total Madeira School District	Total Cincinnati School District	Total Indian Hill School District
		Hamilton County Millage	Vocational School District							
2021	7.50	24.88	2.70	27.58	112.17	72.85	49.53	147.25	105.23	84.61
2020	7.50	24.17	2.70	26.87	106.22	73.10	44.30	140.59	104.77	78.67
2019	7.50	24.17	2.70	26.87	106.82	76.50	44.30	140.69	108.17	78.67
2018	7.50	24.17	2.70	26.87	106.82	76.61	44.37	141.19	108.28	78.74
2017	7.50	21.19	2.70	23.89	107.07	77.23	46.16	138.46	105.92	77.55
2016	7.50	20.88	2.70	23.58	101.55	70.15	46.06	132.63	98.53	77.14
2015	7.50	20.88	2.70	23.58	101.55	70.15	46.06	132.63	98.53	77.14
2014	7.50	21.06	2.70	23.76	101.82	71.49	46.06	133.08	100.05	77.32
2013	7.50	21.06	2.70	23.76	101.94	71.34	45.99	133.20	99.90	77.25
2012	7.50	20.06	2.70	22.76	101.27	70.76	45.87	131.53	98.32	76.13

Source: Hamilton County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generate the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter Millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

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

CITY OF MADEIRA, OHIO
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy Amount (1)	Percentage of Levy	Collection in Subsequent Years
2021	\$3,430,272	\$3,267,459	95.25%	\$66,871
2020	3,037,598	2,891,161	95.18	54,738
2019	2,970,815	2,856,867	96.16	38,863
2018	2,923,084	2,809,368	96.11	44,848
2017	2,601,838	2,507,084	96.36	43,772
2016	2,533,711	2,438,058	96.22	35,505
2015	2,520,615	2,417,493	95.91	49,395
2014	2,358,894	2,245,776	95.20	50,396
2013	2,335,606	2,219,242	95.02	48,337
2012	2,310,912	2,179,595	94.32	56,782

Source: Hamilton County Auditor

<u>Total Collections to Date</u>		Accumulated	Percentage
<u>Amount</u>	<u>Percentage</u>	<u>Outstanding</u>	<u>of Delinquent</u>
	<u>of Levy</u>	<u>Delinquent</u>	<u>Taxes to Total</u>
		<u>Taxes</u>	<u>Tax Levy</u>
\$3,331,423	97.12%	\$98,849	2.88%
2,944,403	96.93	93,195	3.07
2,895,730	97.47	75,085	2.53
2,854,216	97.64	68,868	2.36
2,550,856	98.04	50,982	1.96
2,473,563	97.63	60,148	2.37
2,466,888	97.87	54,833	2.18
2,296,172	97.34	63,325	2.68
2,267,579	97.09	67,593	2.89
2,236,377	96.77	73,550	3.18

CITY OF MADEIRA, OHIO
Income Tax Revenue Base and Collections
Last Ten Years

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2021	1.00%	\$4,218,720	\$1,828,357	43.34%	\$224,568	5.32%	\$2,165,795	51.34%
2020	1.00	3,308,803	1,566,563	47.35	240,449	7.27	1,501,791	45.39
2019	1.00	3,319,991	1,620,314	48.80	203,718	6.14	1,495,959	45.06
2018	1.00	2,976,451	1,506,137	50.60	198,757	6.68	1,271,557	42.72
2017	1.00	3,145,091	1,458,691	46.38	240,831	7.66	1,445,569	45.96
2016	1.00	2,920,914	1,459,712	49.97	192,623	6.59	1,268,579	43.43
2015	1.00	2,674,456	1,308,687	48.93	214,153	8.01	1,151,616	43.06
2014	1.00	2,555,081	1,238,304	48.46	240,156	9.40	1,076,621	42.14
2013	1.00	2,466,689	1,156,967	46.90	168,862	6.85	1,140,860	46.25
2012	1.00	2,333,124	1,100,442	47.17	170,090	7.29	1,062,592	45.54

CITY OF MADEIRA, OHIO
*Ratio of General Obligation Debt to Assessed
Value and Debt Per Capita
Last Ten Years*

Year	Population (1)		Estimated Actual Value of Taxable Property (2)	Gross Debt (3)	Ratio of Net Debt to Estimated Actual Value of Taxable Property	Net Debt Per Capita
2021	9,483	a	\$1,273,928,086	\$0	0.00 %	\$0
2020	9,487	a	1,250,329,932	0	0.00	0
2019	8,976	b	1,109,173,747	0	0.00	0
2018	8,976	b	1,092,735,522	0	0.00	0
2017	8,976	b	957,501,515	0	0.00	0
2016	8,976	b	957,501,515	0	0.00	0
2015	8,726	c	933,407,155	0	0.00	0
2014	8,726	c	923,293,098	0	0.00	0
2013	8,726	c	862,256,581	0	0.00	0
2012	8,726	c	852,677,030	0	0.00	0

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2020 Federal Census

(b) 2015 Federal Census

(c) 2010 Federal Census

(2) Hamilton County Auditor

(3) Includes all general obligation long-term debt with the exception of Special Assessment debt.

CITY OF MADEIRA, OHIO
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2021

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct Debt	<u>\$3,439,380</u>	100.00 %	<u>\$3,439,380</u>
Overlapping			
Hamilton County	140,675,000	2.01%	2,827,568
Madeira City School District	18,290,000	98.79%	18,068,691
Cincinnati City School District	299,639,285	0.03%	89,892
Indian Hill XV School District	81,170,000	0.86%	698,062
Great Oaks Career Center Joint Vocational School District	<u>0</u>	1.94%	<u>0</u>
<i>Total Overlapping Debt</i>	<u>539,774,285</u>		<u>21,684,213</u>
Total	<u><u>\$539,774,285</u></u>		<u><u>\$21,684,213</u></u>

Long-term debt is allocated based on assessed valuations.

Source: Ohio Municipal Advisory Council

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CITY OF MADEIRA, OHIO
Legal Debt Margin
Last Ten Years

	2021	2020	2019	2018
Total Assessed Property Value	\$452,166,960	\$443,634,090	\$393,538,510	\$386,761,930
Overall Legal Debt Limit (10½ % of Assessed Valuation)	47,477,531	46,581,579	41,321,544	40,610,003
Debt Outstanding				
OWDA Loans	\$3,439,380	\$1,380,752	\$0	\$0
Bond Anticipation Notes	1,440,000	1,620,000	1,800,000	240,000
Total Gross Indebtedness	4,879,380	3,000,752	1,800,000	240,000
Less				
General Obligation Bond Retirement Fund Balance	0	0	0	0
Total Net Debt Applicable to Debt Limit	4,879,380	3,000,752	1,800,000	240,000
Legal Debt Margin Within 10½ % Limitations	\$42,598,151	\$43,580,827	\$39,521,544	\$40,370,003
Legal Debt Margin as a Percentage of the Debt Limit	89.72%	93.56%	95.64%	99.41%
Unvoted Debt Limitation (5½ % of Assessed Valuation)	\$24,869,183	\$24,399,875	\$21,644,618	\$21,271,906
Total Gross Indebtedness	4,879,380	3,000,752	1,800,000	240,000
Less:				
General Obligation Bond Retirement Fund Balance	0	0	0	0
Net Debt Within 5½ % Limitations	4,879,380	3,000,752	1,800,000	240,000
Unvoted Legal Debt Margin Within 5½ % Limitations	\$19,989,803	\$21,399,123	\$19,844,618	\$21,031,906
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	80.38%	87.70%	91.68%	98.87%

Source: City Financial Records

2017	2016	2015	2014	2013	2012
\$379,569,010	\$338,971,120	\$330,302,280	\$326,762,360	\$305,168,240	\$301,584,510
39,854,746	35,591,968	34,681,739	34,310,048	32,042,665	31,666,374
\$0	\$0	\$0	\$0	\$0	\$0
360,000	480,000	600,000	720,000	840,000	960,000
360,000	480,000	600,000	720,000	840,000	960,000
0	0	0	0	0	0
360,000	480,000	600,000	720,000	840,000	960,000
\$39,494,746	\$35,111,968	\$34,081,739	\$33,590,048	\$31,202,665	\$30,706,374
99.10%	98.65%	98.27%	97.90%	97.38%	96.97%
\$20,876,296	\$18,643,412	\$18,166,625	\$17,971,930	\$16,784,253	\$16,587,148
360,000	480,000	600,000	720,000	840,000	960,000
0	0	0	0	0	0
360,000	480,000	600,000	720,000	840,000	960,000
\$20,516,296	\$18,163,412	\$17,566,625	\$17,251,930	\$15,944,253	\$15,627,148
98.28%	97.43%	96.70%	95.99%	95.00%	94.21%

CITY OF MADEIRA, OHIO
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Hamilton County Unemploy- ment Rate (3)(6)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2021	9,483	\$599,979,927	\$63,269	\$134,565	36.5	74.3%	1,593	3.1%	\$516,195	\$452,166,960
2020	9,487	484,852,109	51,107	117,944	42.9	69.2	1,596	5.0	391,609	443,634,090
2019	8,976	443,737,536	49,436	112,513	42.9	68.1	1,475	3.8	365,389	393,538,510
2018	8,976	411,253,392	45,817	97,292	42.9	64.5	1,422	4.0	373,878	386,761,930
2017	8,976	372,566,832	41,507	91,810	42.9	61.1	1,419	4.1	333,027	379,569,010
2016	8,976	355,153,392	39,567	83,073	42.9	56.3	1,453	4.4	414,507	379,569,010
2015	8,726	351,195,322	40,247	86,612	42.9	56.9	1,465	4.7	318,929	330,302,280
2014	8,726	339,799,166	38,941	87,750	42.9	56.6	1,332	4.0	279,323	326,762,360
2013	8,726	332,137,738	38,063	81,020	42.9	55.1	1,372	5.6	310,101	305,168,240
2012	8,726	332,137,738	38,063	81,020	42.9	54.2	1,392	6.3	239,573	301,584,510

(1) Source: U. S. Census: "<https://www.census.gov/quickfacts/OH>"

(2) Source: Ohio Department of Education Website: "<https://reportcard.education.ohio.gov/district/overview/044289>"

(3) Source: Ohio Labor Market Info Website: "<https://ohiolmi.com/Home/RateMapArchive>"

(4) Source: Hamilton County Auditor

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

(6) Rate not available for only City of Madeira. The county rate is shown for informational purposes.

CITY OF MADEIRA, OHIO
Principal Employers
Current Year and Ten Years Ago

2021		
Employer	Employees	Percentage of Total City Employment
Kenwood Country Club	433	5.59%
Madeira City Schools	295	3.81
Traditions Management LLC	226	2.92
Intelycare Inc	209	2.70
Kroger Ltd Partnership	193	2.49
Ferrari's Little Italy	130	1.68
Hospice of Southwest Ohio	102	1.32
Jimmy Johns Gourmet	97	1.25
Chipotle Mexican Grill Service	84	1.08
Chuy's Opco Inc	83	1.07
Total	1,852	23.91%
Total W-2s Submitted	7,745	

2011		
Employer	Employees	Percentage of Total City Employment
Kenwood Country Club	302	8.14%
Heartland Employment	280	5.47
Madeira City Schools	223	4.35
Kroger Company	192	3.75
Hospice of Southwest Ohio	162	3.16
Madeira Health Care	151	2.95
Kutol Products	138	2.69
Embers	136	2.66
TGI Fridays	128	2.50
Chi-nnati's Pizza LLC	68	1.33
Total	1,780	34.75%
Total W-2s Submitted	5,122	

Source: Number of W2s submitted to the
City Tax Department

CITY OF MADEIRA, OHIO
Full-Time Equivalent City Government Employees by Function
Last Ten Years

Function	2021	2020	2019	2018	2017
General Government					
Council	3.50	3.50	3.50	3.50	3.50
Finance/Tax	3.00	3.00	3.00	3.00	3.00
City Manager	1.00	1.00	1.00	1.00	1.00
Administration	2.00	2.00	2.00	2.00	2.00
Security of Persons and Property					
Police	14.00	14.00	14.00	14.00	14.00
Police - Auxiliary/Guards	3.00	3.00	3.00	3.00	3.00
Police - Dispatchers/Office/Other	1.00	1.00	1.00	1.00	1.00
Leisure Time Activities					
Recreation	3.00	3.00	3.00	3.00	2.00
Transportation					
Service	6.00	6.00	6.00	6.00	6.00
Totals:	36.50	36.50	36.50	36.50	35.50

Source: City Payroll Department

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

2016	2015	2014	2013	2012
3.50	3.50	3.50	3.50	3.50
3.00	3.00	2.50	2.50	2.50
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
14.00	12.00	12.00	12.00	12.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
6.00	6.00	5.00	5.00	6.00
35.50	33.50	32.00	32.00	33.00

CITY OF MADEIRA, OHIO
Operating Indicators by Function
Last Ten Years

Function	2021	2020	2019	2018
General Government				
<i>Council and Clerk</i>				
Number of ordinances passed	13	10	6	9
Number of resolutions passed	65	67	50	42
Number of planning commission docket items	7	6	9	13
Zoning Board of Appeals docket items (2018)	52	52	29	23
<i>Finance Department</i>				
Number of checks	1,730	1,620	1,967	1,686
Amount of checks written	\$8,702,297	\$6,769,576	\$6,727,483	\$5,587,354
Interest earnings for fiscal year	\$5,277	\$29,420	\$91,698	\$69,862
Number of budget adjustments issued	1	6	2	2
Agency ratings: S&P Global	AA+	AA	AA	AA
General fund receipts (in thousands)	\$9,533	\$9,533	\$7,708	\$7,302
General fund expenditures (in thousands)	\$7,327	\$7,327	\$6,977	\$6,490
General fund cash balances (in thousands)	\$2,753	\$2,753	\$2,116	\$1,558
<i>Income Tax Department</i>				
Number of individual returns filed	3,740	3,266	3,900	3,738
Number of business returns filed	586	593	605	717
Number of withholding accounts	1,014	915	935	903
Amount of penalties and interest collected	\$56,884	\$18,936	\$37,638	\$30,106
Annual number of withholding forms processed	8,309	7,626	7,125	6,387
Annual number of balance due statements forms processed	1,523	900	1,044	1,073
Annual number of estimated payment forms processed	3,253	2,481	2,223	1,969
Annual number of reconciliations of withholdings processed	945	851	835	797
<i>Civil Service</i>				
Number of police entry tests administered	1	1	1	0
Number of police promotional tests administered	0	1	1	0
Number of hires of police officers from certified lists	1	2	2	0
Number of promotions from police certified lists	0	2	2	0
<i>Building Department Indicators</i>				
Number of permits issued	481	475	475	429
Estimated value of construction (in thousands)	\$17,958	\$16,263	\$16,263	\$15,476
Amount of revenue generated from permits	\$180,257	\$121,590	\$121,590	\$129,998
Security of Persons & Property				
<i>Police</i>				
Number of traffic citations issued	1,121	785	970	1,205
Number of parking citations issued	12	19	109	54
Number of criminal arrests	54	62	149	132
OVI arrests	3	4	14	11
Motor vehicle accidents	94	107	131	154
Fatalities from motor vehicle accidents	0	0	0	0
Gasoline costs of fleet	\$36,319	\$25,783	\$30,775	\$35,496
Basic Utility Services				
Refuse disposal per year (in tons)	2,497	2,978	2,908	3,270
Refuse disposal costs per year	\$570,086	\$551,862	\$551,862	\$532,311
Annual recycling tonnage (excluding leaf and compost items)	1,395	1,260	953	917
Percentage of waste recycled	35.84%	29.73%	24.68%	21.90%
Transportation				
Street improvements: asphalt overlay (lineal feet)	4,140	0	17,361	3,738
Leaf collection (hours)	860	860	860	860
Tons of snow melting salt purchased	817	233	639	1,010
Cost of salt purchased	\$68,062	\$19,452	\$51,737	\$88,739

Source: City records

2017	2016	2015	2014	2013	2012
12	11	34	32	34	32
38	47	6	9	8	9
48	63	43	37	80	43
0	0	0	0	0	0
2,693	2,863	2,903	2,920	2,810	2,891
\$5,899,518	\$4,840,245	\$4,671,889	\$4,408,893	\$4,035,601	\$4,860,317
\$31,671	\$15,644	\$4,404	\$2,672	\$2,722	\$2,481
2	1	1	1	2	2
AA	AA	AA	AA	AA	AA
\$7,013	\$6,460	\$6,227	\$5,985	\$5,990	\$5,805
\$6,433	\$6,193	\$5,664	\$5,146	\$5,895	\$5,356
\$1,538	\$1,215	\$1,272	\$1,616	\$2,065	\$1,916
3,986	3,679	3,587	3,513	3,743	4,550
723	655	661	599	686	645
862	812	822	693	698	621
\$35,370	\$15,495	\$18,939	\$12,147	\$27,830	\$49,386
6,033	5,554	3,700	3,340	3,054	2,863
1,380	893	899	846	1,071	1,365
2,292	2,528	2,788	2,791	2,680	2,500
871	835	818	774	724	685
0	1	0	0	1	0
0	0	0	0	1	0
0	2	0	0	2	0
0	0	0	1	0	0
402	365	370	346	346	321
\$35,170	\$18,918	\$24,035	\$25,101	\$16,400	\$11,136
\$258,749	\$145,100	\$165,341	\$158,303	\$112,183	\$81,066
932	480	520	608	490	910
92	85	122	72	57	74
172	152	160	448	160	353
12	7	5	10	7	16
154	160	175	161	148	177
0	0	0	1	0	0
\$29,115	\$24,351	\$26,958	\$38,342	\$35,307	\$32,434
3,024	2,860	2,897	2,717	2,318	2,634
\$520,205	\$505,232	\$475,285	\$495,597	\$438,167	\$445,654
981	1,069	997	962	1,012	986
24.49%	27.21%	40.78%	26.15%	30.39%	27.23%
4,000	4,200	0	5,074	9,435	9,225
860	860	860	860	860	860
563	564	797	873	663	287
\$45,021	\$50,988	\$58,358	\$58,983	\$44,365	\$19,379

CITY OF MADEIRA, OHIO
Capital Assets Statistics by Function
Last Ten Years

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
Square Footage Occupied	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Vehicles	10	10	9	9	9	9	9	9	8	7
Recreation										
Number of Parks	4	4	4	4	4	4	4	4	4	4
Number of Tennis Courts	4	4	4	4	4	4	4	4	4	4
Number of Baseball Diamonds	4	4	4	4	4	4	4	4	3	3
Number of Tot Lots	2	2	2	2	2	2	2	2	2	2
Number of Soccer Fields	4	4	4	4	4	4	4	4	4	4
Other Public Works										
Streets (miles)	47	47	47	47	47	47	47	47	47	47
Service Vehicles	8	8	8	8	8	8	8	8	9	9
Wastewater										
Storm Sewers (miles)	20	20	20	20	20	20	20	20	20	20

Source: City records



www.madeiracity.com

OHIO AUDITOR OF STATE KEITH FABER



CITY OF MADEIRA

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/23/2022

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

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