

CITY OF AKRON
SUMMIT COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2022



Rea & associates

www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Honorable Daniel Horrigan and
Members of City Council
City of Akron
166 South High Street, Room 502
Akron, Ohio 44308

We have reviewed the *Independent Auditor's Report* of the City of Akron, Summit County, prepared by Rea & Associates, Inc., for the audit period January 1, 2022 through December 31, 2022. 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 Akron 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

December 15, 2023

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City of Akron
Summit County, Ohio

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

To the Honorable Daniel Horrigan, Mayor and
Stephen F. Fricker, Director of Finance
City of Akron, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2023.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. 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 entity'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.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
October 30, 2023

**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

To the Honorable Daniel Horrigan, Mayor and
Stephen F. Fricker, Director of Finance
City of Akron, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Akron's, Summit County, Ohio (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 30, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
October 30, 2023

CITY OF AKRON, OHIO

**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL No.	Pass Through or Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
DEPARTMENT OF EDUCATION				
Passed Through the Ohio Department of Education:				
Twenty-First Century Community Learning Centers	84.287	FY2021-2022-079111	\$ -	\$ 171,178
Total Department of Education			-	171,178
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-39-0001	2,306,567	7,615,246
COVID-19: Community Development Block Grants/Entitlement Grants	14.218	B20MW3-90001	1,260,685	1,261,444
Total CDBG - Entitlement Grants Cluster			3,567,252	8,876,690
Emergency Solutions Grants Program	14.231	E-20-MC-39-0001	558,658	563,363
COVID-19: Emergency Solutions Grants Program	14.231	E-20MW3-90001	2,179,149	2,196,588
HOME Investment Partnership Program	14.239	M-20-MC-39-0206	2,024,535	2,043,549
Continuum of Care Program	14.267	OH056265E061600	169,026	169,026
Lead-Based Paint:				
Lead-Based Paint Hazard Control Program	14.900	OHLHB0735-19		996,297
Total Department of Housing and Urban Development			4,931,368	14,845,513
DEPARTMENT OF JUSTICE				
Direct Programs:				
COVID-19: Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-1552	-	119,594
Violence Against Women	16.588	2021-WF-VA2-8503	-	38,045
Public Safety Partnership and Community Policing Grants (CHP)	16.710	2020ULWX0018	-	1,598,043
National Sexual Assault Kit Initiative	16.833	2018-AK-BX-0010	-	78,126
National Sexual Assault Kit Initiative	16.833	2019-AK-BX-0004	531,662	552,170
National Sexual Assault Kit Initiative	16.833	2020-AK-BX-0043	-	41,521
National Sexual Assault Kit Initiative	16.833	15PBJA-21-GG-04327-SAKI	-	222,804
Equitable Sharing Program	16.922	OH0770100	-	142,254
Passed Through the Governor's Office of Criminal Justice Services:				
COVID-19: Coronavirus Emergency Supplemental Funding	16.034	2020-CE-LEF-2335	-	11,882
Project Safe Neighborhood	16.609	2018-PS-PSN-433	-	20,160
Project Safe Neighborhood	16.609	2020-PS-PSN-433	-	25,000
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2019-DJ-BX-0495	20,024	82,185
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2020-DJ-BX-0725	-	34,721
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	2020-JG-A02-6005	-	19,444
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	15PBJA-21_GG-01729-JAGX	-	91,518
Total Department of Justice			551,686	3,077,467
ENVIRONMENTAL PROTECTION AGENCY				
Direct Programs:				
Great Lakes Program	66.469	00E02825	-	447,600
Passed Through the Ohio Environmental Protection Agency:				
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	OWDA 8540, OWDA 8727	-	23,777,259
Total for Environmental Protection Agency			-	24,224,859
DEPARTMENT OF TRANSPORTATION				
Passed Through the Federal Aviation Administration:				
COVID-19: Airport Improvement Program	20.106	3-39-0002-024-2022	-	59,000
Airport Improvement Program	20.106	3-39-0002-022-2021	-	8,500
Airport Improvement Program	20.106	3-39-0002-020-2020	-	960
Airport Improvement Program	20.106	3-39-0002-025-2022	-	693,980
Total for Airport			-	762,440

Passed Through the Ohio Department of Public Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP- 2022-APD-00003	-	6,367
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (DWI)	20.608	IDEP--2023-APD-00057	-	2,745
			<u>-</u>	<u>9,112</u>
Passed Through the Ohio Department of Highway Safety:				
Highway Safety Cluster:				
National Priority Safety Programs	20.616	69A3752130000405DOHL	-	21,202
State and Community Highway Safety	20.600	STEP-2022-APD-00003	-	14,744
State and Community Highway Safety	20.600	STEP-2023-APD-00057	-	5,326
Total Highway Safety Cluster			<u>-</u>	<u>41,272</u>
Passed Through the Ohio Department of Transportation:				
Highway Planning and Construction Cluster:				
ODOT - Akron Metropolitan Area Transportation Study - Rideshare	20.205	PID-111431	-	79,930
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-111426	-	15,548
ODOT - Akron Metropolitan Area Transportation Study - Air Quality	20.205	PID-111428	-	1,063
ODOT - Akron Metropolitan Area Transportation Study -Federal Direct	20.205	PID-114262	-	940,682
ODOT - Akron Metropolitan Area Transportation Study -Federal Direct	20.205	PID-116044	-	186,027
ODOT - Akron Innerbelt	20.205	PID-75436	-	1,691
ODOT - Akron Safe Routes to School 2016	20.205	PID-103747	-	9,848
ODOT -Canton Road Market Street Intersection	20.205	PID-93433	-	2,196,385
ODOT -Dart and Rand Avenue	20.205	PID-111012	-	895,870
ODOT - Evans Avenue	20.205	PID-80684	-	315,986
ODOT - Main Street Corridor	20.205	PID-104042	-	95,000
ODOT - Main Street Corridor Phase 2	20.205	PID-108164	-	2,160,754
ODOT - South Arlington Avenue Resurfacing	20.205	PID-115313	-	800,000
ODOT - South Hawkins Avenue Resurfacing	20.205	PID-108132	-	60,867
ODOT - Tallmadge Avenue	20.205	PID-88556	-	250,016
ODOT - US 224 Massillon Road Intersection	20.205	PID-107203	-	184,265
Total Highway Planning & Construction Cluster			<u>-</u>	<u>8,193,932</u>
Total Department of Transportation			<u>-</u>	<u>9,006,756</u>
DEPARTMENT OF THE TREASURY				
Passed Through the Ohio Office of Management and Budget and Summit County:				
COVID-19: Coronavirus State and Local Fiscal Recovery Funds (ARPA)	21.027		3,691,883	26,204,457
Total Department of Treasury			<u>3,691,883</u>	<u>26,204,457</u>
EXECUTIVE OFFICE OF THE PRESIDENT				
Office of National Drug Control Policy				
Passed Through the City of Shaker Heights, Ohio:				
High Intensity Drug Trafficking Area	95.001		-	70,237
Total Executive Office of the President			<u>-</u>	<u>70,237</u>
DEPARTMENT OF HOMELAND SECURITY				
Passed Through the Ohio Emergency Management Agency:				
Hazard Mitigation Grant Program	97.039	FEMA-DR-4424-OH	-	313,388
Direct Programs:				
Staffing for Adequate Fire and Emergency Response 2020	97.083	EMW-2020-FF-00837	-	1,691,716
From the Federal Emergency Management Agency:				
Assistance to Firefighters Grant	97.044	EMW-2019-FG-04119	-	150,210
Assistance to Firefighters Grant	97.044	EMW-2020-FG-10592	-	106,328
Assistance to Firefighters Grant	97.044	EMW-2020-FP-00338	-	49,932
Total Department of Homeland Security			<u>-</u>	<u>2,311,574</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 21,792,495</u>	<u>\$ 79,912,041</u>

See notes to supplementary schedule of expenditures of federal awards.

**CITY OF AKRON, OHIO
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
YEAR ENDED DECEMBER 31, 2022**

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Akron, Ohio, (the Government's) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Government.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. Pass-through numbers are presented where available.

CITY OF AKRON
SUMMIT COUNTY, OHIO
Schedule of Findings & Questioned Costs
2 CFR Section 200.515
December 31, 2022

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	None Reported
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list): CDBG – Entitlement Grants Cluster Emergency Solutions Grants Program Highway Planning and Construction Cluster COVID-19: Coronavirus State and Local Fiscal Recovery Funds (ARPA)	AL#: 14.218 14.231 20.205 21.027
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 2,397,361 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

CITY OF AKRON
SUMMIT COUNTY, OHIO
Schedule of Findings & Questioned Costs (Continued)
2 CFR Section 200.515
December 31, 2022

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

Finding: 2022-001

Significant Deficiency – Internal Control Over Financial Reporting

Criteria: According to Clarified Statements on Auditing Standards, management is responsible for producing financial statements that are prepared, in all material respects, in accordance with generally accepted accounting principles (GAAP) (AU-C 260.10).

Condition: Passed audit adjustments were identified during the course of the audit in multiple reporting line items of the financial statements.

Context/Cause: Audit adjustments were proposed and passed for the reporting of homestead and rollback revenue. State law grants tax relief in the form of a ten percent reduction in real property tax bills. In addition, a two-and-a-half percent rollback is granted on residential property taxes. Tax relief is also granted to qualified elderly and disabled homeowners based on their income. These payments are received from the state for each fund which has a tax level and should be classified as intergovernmental revenue.

In addition, audit adjustments were proposed and passed in accounts payable. During our testing of a sample of transactions subsequent to year end, we tested transactions that were obligated at year end, however; they were omitted from the payables listing. These amounts were projected across the population. Lastly, we identified that for one lease, an adjustment was required to adjust the lease to the present value using the City’s imputed interest rate. Another lease required an adjustment to record the original lease and the sublease separately.

Effect: The items identified above for leases resulted in the following adjustments to the financial statements:

- Other governmental funds: Increased accounts receivable by \$19,843,102, increased community environment expense by \$14,869,698, increased deferred inflows of resources by \$19,843,102, and increased other financing sources by \$14,869,698.
- Government-wide: Increased accounts receivable by \$19,843,102, increased amortization expense by \$775,341, increased deferred inflows of resources by \$19,843,102, decreased capital assets by \$21,255,989, and decreased lease liability by \$20,480,648.
- Off-street parking fund and business-type activities: Increased interest income by \$75,443 and decreased accounts receivable and deferred inflows of resources by \$3,707,701 and \$3,783,144, respectively.

CITY OF AKRON
SUMMIT COUNTY, OHIO
Schedule of Findings & Questioned Costs (Continued)
2 CFR Section 200.515
December 31, 2022

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

The other items identified above resulted in the following unadjusted differences to the financial statements:

- General Fund: Property taxes revenue and shared revenues were overstated/understated by \$2,215,291, respectively.
- Other governmental funds: Property taxes revenue and shared revenues were overstated/understated by \$1,024,197, respectively.
- Sewer Fund: accounts payable and the related direct expense were understated by an actual amount \$83,561. This amount, projected by methodology, is a financial impact of \$435,359.

Recommendation: The City should implement procedures to ensure that all appropriate journal entries and adjustments are made prior to the commencement of the audit.

Management's Response: See corrective action plan.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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MICHAEL P. WHEELER
Deputy Director of Finance
MWheeler@akronohio.gov



TINA A. VICK
Executive Assistant
TVick@akronohio.gov

DANIEL HORRIGAN, MAYOR

DEPARTMENT OF FINANCE

200 Municipal Building / 166 South High Street / Akron, Ohio 44308
PH: (330) 375-2316

**Corrective Action Plan
December 31, 2022**

Finding Number	Condition	Contact Person – Anticipated Completion Date	Planned Corrective Action
2022-001	Significant Deficiency: Passed audit adjustments to multiple reporting line items of the financial statements.	Stephen F. Fricker, Director of Finance December 31, 2023	The City will implement additional review procedures to minimize adjustments.

STEPHEN F. FRICKER
 Director of Finance
 SFricke@akronohio.gov

MICHAEL P. WHEELER
 Deputy Director of Finance
 MWheeler@akronohio.gov



TINA A. VICK
 Executive Assistant
 TVick@akronohio.gov

DANIEL HORRIGAN, MAYOR

DEPARTMENT OF FINANCE

200 Municipal Building / 166 South High Street / Akron, Ohio 44308
 PH: (330) 375-2316

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Material Weakness: Material Audit adjustments were necessary to the financial statements for activity paid by the state on behalf of the City in the Community Learning Centers Fund and to net investment in capital assets of the Water Fund. Finding initially incurred 2021.	Fully Corrected	
2021-002	Significant Deficiency: Cash balances reported in the payroll cash clearing accounts were not reconciled timely throughout the year. Finding initially incurred 2021.	Fully Corrected	
2021-003	Material Weakness and Material Noncompliance With Laws and Regulations: The City did not file the required FFATA reports in the Department of Housing and Urban Development Community Development Block Grants/Entitlement Grants and COVID-19 Community Development Block Grants/Entitlement Grants. Finding initially incurred 2021.	Fully Corrected	

Annual Comprehensive Financial Report

City of Akron, Ohio

For the Fiscal Year Ended December 31, 2022



Daniel Horrigan, Mayor

City of Akron, Ohio
Daniel Horrigan, Mayor

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**



For the Fiscal Year Ended December 31, 2022

Issued by the Department of Finance



ELECTED AND APPOINTED OFFICIALS

As of July 2023

Daniel Horrigan, Mayor

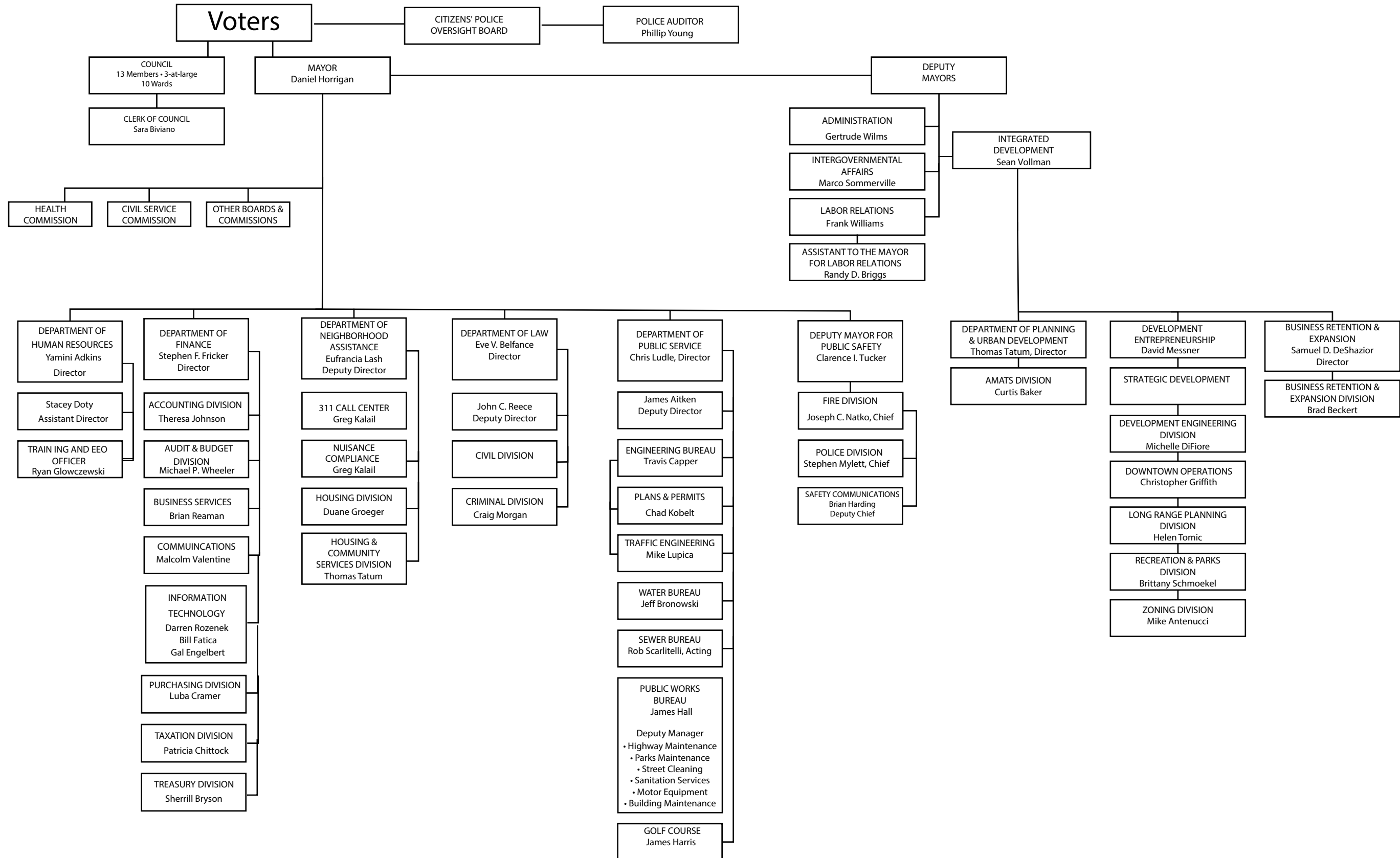
COUNCIL MEMBERS

Nancy L. Holland	1st Ward
Phil Lombardo	2nd Ward
Margo M. Sommerville, Council	3rd Ward
Russel C. Neal, Jr.	4th Ward
Tara Mosley	5th Ward
Brad McKittrick	6th Ward
Donnie J. Kammer	7th Ward
Shammas Malik	8th Ward
Michael N. Freeman	9th Ward
Sharon L. Connor	10th Ward
Jeff Fusco	Councilman-at-Large
Linda F. R. Omobien	Councilwoman-at-Large
Ginger Baylor	Councilwoman-at-Large

CABINET OF THE MAYOR

Stephen F. Fricker	Director of Finance
Christopher D. Ludle	Director of Public Service
Eve V. Belfance	Director of Law
Thomas A. Tatum	Director of Planning and Urban Development
Yamini Adkins	Director of Human Resources
Gertrude Wilms	Chief of Staff and Deputy Mayor for Administration
Sean Vollman	Director of Integrated Development
Marco S. Sommerville	Deputy Mayor for Intergovernmental Affairs and Senior Advisor
Samuel D. DeShazor	Director of Business Retention and Expansion
Clarence I. Tucker	Deputy Mayor for Public Safety
Frank Williams	Deputy Mayor for Labor Relations
Michael P. Wheeler	Deputy Director of Finance
Eufrancia Lash	Deputy Director of Public Service and Neighborhood Assistance
John C. Reece	Deputy Director of Law
Randy D. Briggs	Assistant to the Mayor for Labor Relations
James Aitken	Deputy Director of Public Service -Operations

2023
CITY OF AKRON
GOVERNMENT ORGANIZATION



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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DANIEL HORRIGAN, MAYOR

DEPARTMENT OF FINANCE

200 Municipal Building / 166 South High Street / Akron, Ohio 44308
PH: (330) 375-2316

October 30, 2023

The Honorable Daniel Horrigan
and Members of City Council
The City of Akron, Ohio

Dear Mayor Horrigan and Council Members:

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Akron for the year ended December 31, 2022. This report presents financial and operating information about the City's activities during 2022 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent auditors in their performance of the annual audit. The Treasury Division assisted in drafting the statistical section.

Generally accepted accounting principles (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). This letter of transmittal is designed to

complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Auditor's Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2020 Census population of 190,469. The City's land area is approximately 62.03 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts members' ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, payroll and general accounting, investment and debt management, purchasing, local income tax administration, utility revenue collection and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport and off-street parking.

Economic Conditions and Outlook

The COVID-19 pandemic has upended the world and has dramatically impacted the United States. From unprecedented and tragic loss of life to historic job loss, this worldwide crisis continues to significantly impact the way people work, play and engage with one another. The City of Akron has been affected due to the impact on our residents, businesses and the increased need for municipal services (including, but not limited to, first responder and other critical services).

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections increased by approximately 3.02% in 2022. On a cash basis for 2022, property taxes in the general fund increased by 4.16% and the state's local government revenue to the City increased by approximately 7.6%. Despite the pandemic, the City of Akron remains in a stable financial position due to assistance from the federal government. In May 2021, the City received \$72,688,813 in federal funds from the American Rescue Plan Act (ARPA) and an additional \$72,688,813 in June of 2022. These funds will be utilized in part as revenue replacement as well as to continue to respond to the COVID-19 emergency and to bring equitable economic recovery to Akron.

Long-term Financial Policies

Unassigned fund balance in the general fund is 15.07% of the general fund expenditures. The general fund of the City does not have a specified unassigned fund balance target. The recommended level of unassigned fund balance will be determined as needed and as recommended by officials and approved by Council when necessary.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs. The passage of Issue 4 that went into effect January 2018 increased the Akron income tax rate by 0.25%. This tax increase will fund police, fire, emergency medical services and roads.

Major Initiatives

The major initiatives for the City of Akron can be summarized as follows: complete major construction projects, expand economic opportunity and entrepreneurship, redevelop neighborhoods, empower Akron families financially and build a more equitable Akron. The \$145 million in federal support from the funds that Akron received will impact Akron's recovery economically now and in the future. ARPA funds will be spent on six areas of critical need of investment for the City of Akron. They are housing, public utility support, local economic recovery, youth violence prevention, parks and public facilities and City Information Technology (IT).

The City's administration re-affirmed its commitment in 2022 to investing in infrastructure through City and capital improvements. With the help of the Safety and Streets Income Tax, the City of Akron completed paving another 73.6 miles of roadways in 2022. This is an addition to the more than 230 miles of Akron roadway that were repaved over the past six years. Since its passage in November 2017, the .25% Safety and Streets income tax ("Issue 4"), has brought in over \$84 million in new funding to support Akron police, fire, and roads. These additional funds have supported the construction of two new fire stations, purchased new body cameras, vehicles and safety equipment, and re-opened the Akron Police Academy.

The City of Akron broke ground in October 2020 on Phase II of the Main Street project. Phase II improvements include a new roadway with one lane in each direction, plus turn lanes at Market Street and SR 59, a lane on each side of the street for parallel parking, short term deliveries, or buses, a continuation of the cycle track connecting to the nearby towpath trail, new sidewalks, pedestrian and roadway LED lighting, utility upgrades, and aesthetics and amenities, including room for sidewalk cafes. One mid-block pedestrian crossing near the library will be provided. Main Street Phase II project was completed in the fall of 2022. These improvements create a unified, accessible, and beautiful corridor all the way from Cedar Street to Martin Luther King Blvd. (State Route 59).

In 2020, the City of Akron announced a new program to assist businesses and entrepreneurs with financial aid, technical assistance, and vacant retail properties in the Great Streets Akron districts.

The program has been designed to achieve two goals at once: boost Akron's neighborhood retail zones and remove barriers for new and expanding businesses to thrive locally. These neighborhood districts include Aster Avenue, East Copley, Ellet, Goodyear Heights, Kenmore Blvd., Maple Valley, Middlebuy, North Hill, Wallhaven, West Hill, Merriman Valley, Sherbondy Hill and South Arlington. Approximately \$2.6 million have been awarded with the Great Streets Akron program to over 125 Akron businesses.

Small businesses in Akron are still challenged by the negative impacts related to the COVID-19 pandemic. In August 2022, Akron Mayor Dan Horrigan announced a new program to provide 100 eligible Akron small businesses with a one-time \$10,000 grant. This program used \$1 million in ARPA funding and was administered by the Greater Akron Chamber. Of the 100 grant recipients, 43 were minority-owned businesses and 40 were women-owned businesses. The City of Akron and the national nonprofit Cities for Financial Empowerment Fund (CFE Fund) announced the launch of the Small Business Boost in March 2022. This new pilot will connect small business owners and entrepreneurs to one-on-one Financial Empowerment Center financial counseling. This program will help entrepreneurs manage their personal finances so they can better access capital and generate wealth. The Akron Financial Empowerment Center will assist this program. The Akron Financial Empowerment Center has helped residents reduce debt and build savings. This free counseling service is helping make a difference even for residents with very low incomes and other complex financial challenges.

Redeveloping our neighborhoods is a high priority for Akron. In 2022, the City launched a new program to help residential housing repairs in our neighborhoods. The Akron Home Repair Program is for residential homes and inspections and repairs will be completed by City-approved, licensed building contractors. This program is intended to address the housing, health, and safety needs of income eligible households and provides up to \$25,000 in home repairs to qualified homeowners in Akron. The program utilizes ARPA funding for repairs that include accessibility modifications, carpentry repairs, siding, drywall and painting, flooring, foundations, gutters and downspouts, plumbing, roofing, windows and doors along with heating, air conditioning and electrical work. This program will benefit our neighborhoods directly now and increase value for residential homes receiving the needed repairs. Over 1,800 applications were received in 2022 and the City has begun the process of reviewing applications to determine eligibility and starting repairs. \$25 million in ARPA funds will be used to upgrade and renovate parks and community centers in Akron. Perkins Woods Pool upgrades include replacement of the pool including the addition of a 15-foot slide, climbing wall, a shallow water play space, 25-meter lap lanes and shaded seating with completion set for August 2023. Ed Davis Community Center, Reservoir Pool, Reservoir Park Community Center and Patterson Park will also be renovated in the future. Redesign of Lock 3 and construction of the Ohio and Erie Canal Summit Lake Trail is set to begin in 2023. A splash pad was installed and completed at Firestone Park in August 2022.

Akron is committed to empowering Akron families financially and building a more equitable Akron. ARPA funds will help provide direct water/sewer bill relief to Akron households through the ongoing Akron Cares program. ARPA funds will also help tackle youth and community violence in Akron. \$10 million will be spent to support youth employment programs and training, improving recreational assets across Akron neighborhoods, and gun violence interventions for those most at risk of being caught up in the violence either as a perpetrator or a victim. The first round of grant funding totaling \$1.3 million has been awarded to 11 local organizations who work in the violence, prevention, and intervention arena. Denico Buckley-Knight has been hired to take on the newly

created role of Youth and Community Opportunity Director. His priorities will focus on services to help reduce violence in our City. Mayor Horrigan appointed Tammy Tucker as the first Director of Diversity, Equity, and Inclusion. She will help promote a more diverse, centralized, and inclusive work environment for all City employees. As more of the ARPA funds are utilized, they will make a positive future impact on Akron's economy with growth and progress toward equality and empowerment.

Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance/equity. Following are the titles of these fund types with a brief description.

Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2022, the City had 23 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2022, the City had seven Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2022, the City had six Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

Proprietary funds:

Enterprise Funds – The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in that the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has six Enterprise Funds.

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has seven Internal Service Funds.

Fiduciary funds:

Custodial Funds – The Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. During 2022, the City had seven Custodial Funds.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

The City’s basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as an allocation of fund balances.

Accounting policies are further explained in Note 1 to the basic financial statements.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of investment principal. The Treasurer’s Office within the Department of Finance invests all cash, following the City’s own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City’s investment ordinance was modified in late 1986 to take advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2022, investment interest income averaged a yield of 2.799% compared to a yield of .25% in 2021. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that does not underwrite insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Uniform police and fire employees participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. In accordance with GASB Statement No. 68 and GASB Statement No. 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability/assets and net OPEB liability/assets not accounted for as deferred inflows/outflows.

Independent Annual Audit

This report is subject to review and acceptance by the Auditor of State's office, and the requirements of Ohio Revised Code § 117.25 are not met until the Auditor of State certifies this report. This process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

In 2022, Rea & Associates, Inc., was contracted to perform the audit of the City of Akron for a period of five years. We appreciate the cooperation of State Auditor Keith Faber and Rea & Associates, Inc. in completing the City's audit in a timely and highly professional manner.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Akron, Ohio, for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Akron, Ohio, has received Certificates of Achievement for the last 38 consecutive years (1984 through 2021). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The 2022 Annual Comprehensive Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Annual Comprehensive Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Stephen F. Fricker
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Akron
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

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Independent Auditor's Report

To the Honorable Daniel Horrigan, Mayor and
Stephen F. Fricker, Director of Finance
City of Akron, 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 Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2022, 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 as of December 31, 2022, and the respective changes in its financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Notes 12 and 30, effective January 1, 2022, the City adopted GASB Statement No. 87, *Leases*. The implementation of GASB Statement No. 87 resulted in the City recognizing certain assets, liabilities, and deferred inflows of resources not previously reported. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary schedules, and pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2023, on our consideration of the City'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
October 30, 2023

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CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an unaudited overview of Akron's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the transmittal letter on page 8 and the City's financial statements, which begin on page 41.

FINANCIAL OVERVIEW

- The assets and deferred outflows of the City of Akron, Ohio exceeded its liabilities and deferred inflows at December 31, 2022 by \$809,340,219 (net position). Of this amount, \$6,987,709 is restricted for debt service, \$15,423,321 is restricted for community learning centers, \$12,161,057 is restricted for capital projects, \$43,885,761 is restricted for program purpose, \$1,517,279 is restricted for net pension asset, and \$13,392,616 is restricted for net OPEB (Other Post-Employment Benefit) asset.
- The unrestricted net position is primarily the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* (GASB 68) in 2015 and in 2018. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2018. As of December 31, 2022, the City reports a net pension liability of \$199,028,180 and \$8,470,867 and net pension assets of \$1,178,922 and \$338,357 for governmental and business-type, respectively. Additionally, a net OPEB liability of \$95,441,816 and \$9,427,624 and net OPEB assets of \$10,407,449 and \$2,985,167 are reported for the governmental and business-type, respectively.
- The City's total net position increased by \$58,559,380 during the current year. Governmental activities total net position increased by \$41,543,344 and the business-type activities total net position increased by \$17,016,036. This reflects an improvement in the overall financial position of the City.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$111,070,994, an increase from the prior year which is attributed to the increase in grants and subsidies and shared revenues. A portion of these revenues are being used to fund the payment of expenditures as reflected in public service and community environment expenditures for project specific costs.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25,628,120 or 15.07% of total General Fund expenditures.
- The City of Akron's total debt outstanding decreased by \$9,865,856 (0.80%) during the current year. During 2022, the City issued \$3,172,247 in Special Assessment - Direct Placements for resurfacing improvements. Additionally, there were OWDA loans issued for the cost of improving the Water System totaling \$14,556,894 and the Sewer System totaling \$38,373,637.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Akron's basic financial statements. The City of Akron's basic financial statements are comprised of the following: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to

the financial statements. This report also contains required and 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 Akron's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the City of Akron's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City of Akron.

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 this 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 Akron 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 Akron include general government, public service, public safety, community environment, public health, and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf course, airport, and off-street parking operations.

The government-wide financial statements can be found on pages 41–42 of this report.

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 Akron, 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 Akron 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 the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Akron maintains 37 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Various Purpose Funding Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, special revenue funds, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Various Purpose Funding Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 43-46 of this report.

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

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City implemented GASB 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and also GASB 65 *Items Previously Reported as Assets and Liabilities*. The standard establishes a basis to reclassify certain items that were previously reported as assets and liabilities and instead classify them as Deferred Inflows of Resources, Deferred Outflows of Resources, or as outflows of resources.

Fund balances are the differences between assets and deferred outflows and liabilities and deferred inflows in governmental funds. 1) Nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. 2) Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grantors or bondholders, as well as amounts that are restricted through enabling legislation. 3) Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the City's highest level of decision making authority. 4) Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental funds other than the General Fund. 5) Unassigned fund balances include all amounts not contained in other classifications for the General Fund and deficit fund balances in any other governmental funds.

As of the end of the current fiscal year, the City's total governmental funds reported an ending fund balance of \$111,070,994, an increase of \$12,056,113 in comparison with the prior year. 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 fund balance represents 15.07% of total General Fund expenditures, while total fund balance represents 16.30% of that same amount.

Proprietary Funds. The City of Akron maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its motor equipment, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, information technology (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking funds, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 47–49 of this report.

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 statements because the resources of those funds are not available to support the City of Akron's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 50–51 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 52-136 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, Income Tax Capital Improvement

Fund, Special Assessment Fund, and Various Purpose Funding Fund budgetary comparison. Also included are three required schedules related to the City's participation in two state pension and OPEB funds. The Schedule of City's Proportionate Share of Net Pension Liability includes a history of the City's proportionate share of the collective net pension liability for each state pension fund. The Schedule of City Contributions to State Pension and OPEB Funds includes a history of contractually required contributions compared to contributions made. The Schedule of the City's Proportionate Share of Net OPEB Liability includes a history of the City's proportionate share of the collective net OPEB liability/asset for each state pension fund. Additionally, the Schedule of Contributions to the City of Akron's OPEB Plan includes a history of contributions made. Required Supplementary Information (RSI) can be found on pages 138-153 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the RSI and can be found on pages 154-216 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$809,340,219 at the close of the most recent fiscal year.

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

The City's overall net position increased by \$58,559,380 during the current year; the net position of the governmental activities increased by \$41,543,344 and the business-type activities, total net position increased by \$17,016,036. In addition, 1% of the City of Akron's net position is restricted for the payment of debt service, 1.91% is restricted for community learning center activity and 8.77% is restricted for other purposes.

Summary Statement of Net Position
as of December 31, 2021 and 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Assets:						
Current and other assets	\$ 369,508	\$ 422,645	\$ 132,483	\$ 133,254	\$ 501,991	\$ 555,898
Capital assets	1,118,878	1,127,993	1,246,009	1,268,386	2,364,887	2,396,379
Total assets	\$ 1,488,386	\$ 1,550,637	\$ 1,378,492	\$ 1,401,640	\$ 2,866,878	\$ 2,952,277
Deferred outflows	64,641	90,732	3,911	4,592	68,552	95,324
Total assets and deferred outflows	\$ 1,553,027	\$ 1,641,370	\$ 1,382,403	\$ 1,406,232	\$ 2,935,430	\$ 3,047,602
Liabilities:						
Long-term liabilities	909,638	829,699	776,321	783,144	1,685,959	1,612,843
Other liabilities	186,462	220,987	64,969	58,750	251,431	279,736
Total liabilities	\$ 1,096,100	\$ 1,050,685	\$ 841,290	\$ 841,894	\$ 1,937,390	\$ 1,892,579
Deferred inflows	229,638	322,490	16,897	23,192	246,535	345,682
Total liabilities and deferred inflows	\$ 1,325,738	\$ 1,373,175	\$ 858,187	\$ 865,086	\$ 2,183,925	\$ 2,238,262
Net position:						
Net investment in capital assets	581,070	601,393	473,064	468,805	1,054,134	1,070,198
Restricted	82,475	86,841	3,172	6,526	85,647	93,367
Unrestricted (deficit)	(436,256)	(420,041)	47,980	65,815	(388,276)	(354,226)
Total net position	\$ 227,289	\$ 268,194	\$ 524,216	\$ 541,146	\$ 751,505	\$ 809,340

For fiscal year 2018, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. Changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investments returns, and other changes are insufficient to keep up with the required nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

Governmental Activities. Changes in net position before transfers was an increase in the amount of \$44,161 (in thousands).

For the governmental activities, the unrestricted deficit results from having insufficient assets set aside for long-term obligations such as pension liability, compensated absences, and OPEB liability. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

The following table (in thousands) shows total revenues for 2022 were \$439,851 which reflects an increase from the prior year. Charges for services reflect a decrease of \$843 which stems from the continued effects of the COVID-19 pandemic. During 2021 and 2022 the City received

American Rescue Plan Act (ARPA) funding totaling more than \$144 million, which has been recorded as unearned revenues and is recognized when earned, is reflected in the increase in operating grants and contributions as progress for the City's various ARPA projects moves forward. Investment earnings also increased by \$3,111 relating to interest earned on ARPA cash proceeds. Income taxes showed a slight decrease of \$3,077 as certain receivables are recorded where the related revenue is unavailable and reported as deferred inflows of resources; therefore, reducing recognized revenue. Unrestricted shared revenues decreased by \$3,055 which is directly attributed to the Community Learning Centers (CLC) activity. Miscellaneous revenues increased by \$4,931 due to a large refund related to the refinancing of the several Community Learning Center debt instruments.

Expenses for 2022 were higher than 2021 by approximately \$55,152. General government reflected an increase of \$24,364 due to a significant increase of income tax refunds and a construction fee relating to the Ocasek lease agreement. The increase in Public service of \$19,732 and decrease in Public Safety for \$7,553 relates to 2022 changes in the Ohio Public Employees Retirement System (OPERS) Net Other Post-Employment Benefit (OPEB) Liability. Interest expenses on debt also increased by \$7,935 relating to deferred gains on refinancing.

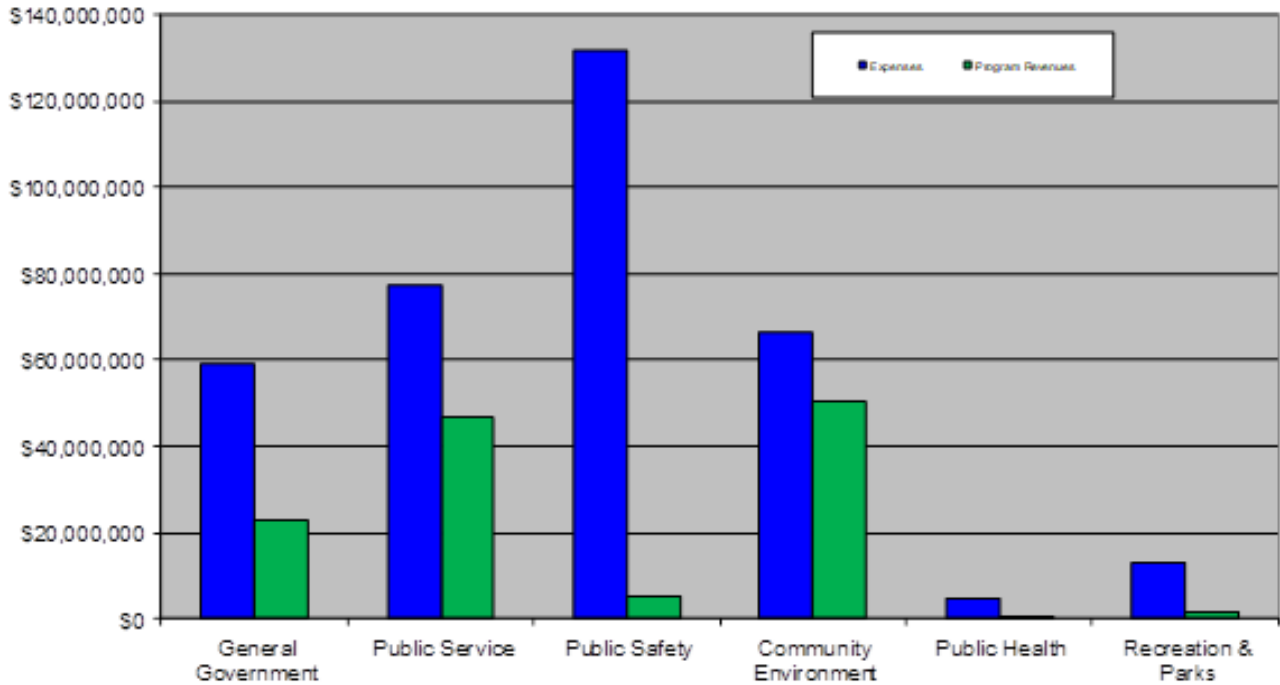
Key events contributing to the changes are as follows:

- Income taxes on the accrual basis reflects a slight decrease due to the availability of funds and recording additional amounts as deferred inflows of resources.
- The City received two tranches of the American Rescue Plan Act funding totaling in excess of \$144 million during 2021 and 2022, which has not been fully earned as of December 31, 2022.
- Community Learning Centers (CLC) fund accounts for both the decrease in unrestricted shared revenues.
- CLC bonds refinanced during 2022 resulted in the closeout of several trust account balances relating to the previous investment balances held in the Trust accounts and producing a refund to the City in excess of \$2.5 million.
- CLC bonds refinanced during 2022 resulted in a gain on refinancing of \$23,849,931 which is deferred and amortized on the statements. The deferral of this gain resulted in an increase to interest on debt during 2022.
- Income tax refunds on a cash basis increased from \$2,430,243 during 2021 to \$10,941,695 during 2022, reflected in the increase to general government expenses.
- The City deposited a construction fee in the amount of \$13 million relating to the Ocasek lease agreement, reflected in the increase to general government expenses.
- The City has focused efforts on maintaining transfers to Enterprise funds. During 2022, the transfers of the Off-Street Parking and Airport funds were maintained due to the lasting effects of COVID-19.

Changes in Net Position
For Fiscal Year Ended December 31, 2021 and 2022
(in thousands)

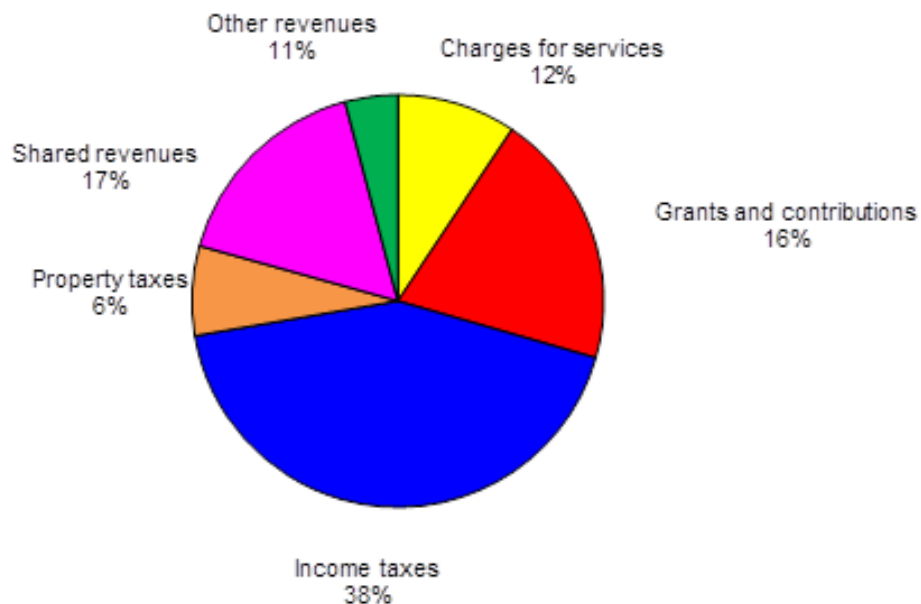
	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Revenues:						
Program revenues:						
Charges for services	\$ 41,589	\$ 40,746	\$ 125,584	\$ 125,869	\$ 167,173	\$ 166,615
Operating grants and contributions	19,069	50,418	44	96	19,113	50,514
Capital grants and contributions	30,555	37,158	30,858	6,576	61,413	43,734
General revenues:						
Income taxes	189,795	186,718	-	-	189,795	186,718
Property taxes	30,876	30,560	-	-	30,876	30,560
JEDD revenues	18,712	18,324	-	-	18,712	18,324
Investment earnings	969	4,080	4	122	973	4,202
Unrestricted shared revenues	56,869	53,814	-	-	56,869	53,814
Miscellaneous	13,060	17,991	6,560	6,373	19,620	24,364
Gain on sale of capital assets	40	42	-	-	40	42
Total revenues	\$ 401,534	\$ 439,851	\$ 163,050	\$ 139,036	\$ 564,584	\$ 578,887
Expenses:						
General government	\$ 34,597	\$ 58,961	\$ -	\$ -	\$ 34,597	\$ 58,961
Public service	57,386	77,118	-	-	57,386	77,118
Public safety	139,429	131,876	-	-	139,429	131,876
Community environment	62,392	66,346	-	-	62,392	66,346
Public health	3,869	4,558	-	-	3,869	4,558
Recreation and parks	7,349	13,044	-	-	7,349	13,044
Interest on debt	16,917	24,852	-	-	16,917	24,852
Unallocated depreciation	18,599	18,935	-	-	18,599	18,935
Water	-	-	35,104	45,947	35,104	45,947
Sewer	-	-	102,089	70,836	102,089	70,836
Oil & gas	-	-	19	43	19	43
Golf course	-	-	1,294	1,851	1,294	1,851
Airport	-	-	1,590	558	1,590	558
Off-street parking	-	-	7,565	5,403	7,565	5,403
Total expenses	\$ 340,538	\$ 395,690	\$ 147,661	\$ 124,638	\$ 488,199	\$ 520,328
Changes in net position before transfers	60,996	44,161	15,389	14,398	76,385	58,559
Transfers	(2,988)	(2,618)	2,988	2,618	-	-
Changes in net position	\$ 58,008	\$ 41,543	\$ 18,377	\$ 17,016	\$ 76,385	\$ 58,559
Net position - beginning, as restated	169,280	226,651	505,839	524,130	675,119	750,781
Net position - ending	\$ 227,288	\$ 268,194	\$ 524,216	\$ 541,146	\$ 751,504	\$ 809,340

Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

Revenues By Sources Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the City of Akron'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 Akron'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 Akron's governmental funds reported a combined ending fund balance of \$111,070,994, an increase in comparison to the prior year. The unassigned fund balance at the end of the current year is \$9,200,417. The remainder of fund balance is distributed to indicate that it is not available for new spending because it has already been dedicated. The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund, and the Various Purpose Funding Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,628,120, while the total fund balance is \$27,715,379. 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 fund balance represents 15.1% of total General Fund expenditures, while total fund balance represents 16.3% of that same amount.

The fund balance of the City of Akron's General Fund decreased by \$3,847,098 during the current fiscal year. Key factors in this change are as follows:

- The City of Akron experienced significant supply chain inflation across all divisions and departments of the City, in excess of 10% year over year.
- Significant overtime increases in the Police and Fire departments, in addition to 3.25% cost of living increases for all City of Akron employees.
- Income taxes collected in 2022 decreased by \$3.9 million while cash basis income tax refunds increased by \$7 million.
- In addition to the subsidy for EMS and the local match for grants, the practice of transferring monies from the General Fund, to subsidize various operations is a method used annually by the City to provide resources to other funds.
- The City's commitment to monitor revenues and approve expenditures in conformity with available resources.

The Community Learning Centers Fund has a total fund balance of \$15,423,321. The net decrease in fund balance of the Community Learning Centers Fund from the prior year of \$7,406,286 is attributed to the spending of previously issued Income Tax Revenue Bonds. The proceeds are being used to fund the payment of expenditures as reflected in the community environment expenditures for project specific costs.

The Income Tax Capital Improvement Fund has a total fund balance of \$9,600,762. Revenues exceeded expenditures by \$2,267,058 in 2022 due to the City's budgeted capital project activity being shifted to other capital projects funds. Coupled with the issuance of bonds and refunding bonds yields an increase in the fund balance of \$3,467,057. The Fund is responsible for debt service payments and relies heavily on the collection of income taxes.

The Special Assessment Fund has a total fund balance deficit of \$8,963,227. The Fund is utilized for the accumulation of resources for, and the payment of, special assessment note issued for street lighting and street cleaning along with equipment lease costs and related assessment costs. The 2022 decrease in Fund balance relates to the inception of the Ocasek lease agreement, a portion of which is to be paid using pledged special assessment revenues.

The Various Purpose Funding Fund has a total fund balance of \$1,632,632. The Fund is used to account for the accumulation of resources for, and payment of various projects and funds with a finite life span. The majority of the fund balance changes in this fund relate to the receipt of ARPA funds and the spending down of the ARPA project balances year-over-year.

Other Governmental Funds have a combined fund balance of \$65,662,127. The increase in the combined fund balance was \$33,327,477. The majority of the change is attributed to the issuance of bonds.

GENERAL FUND BUDGETARY OVERVIEW

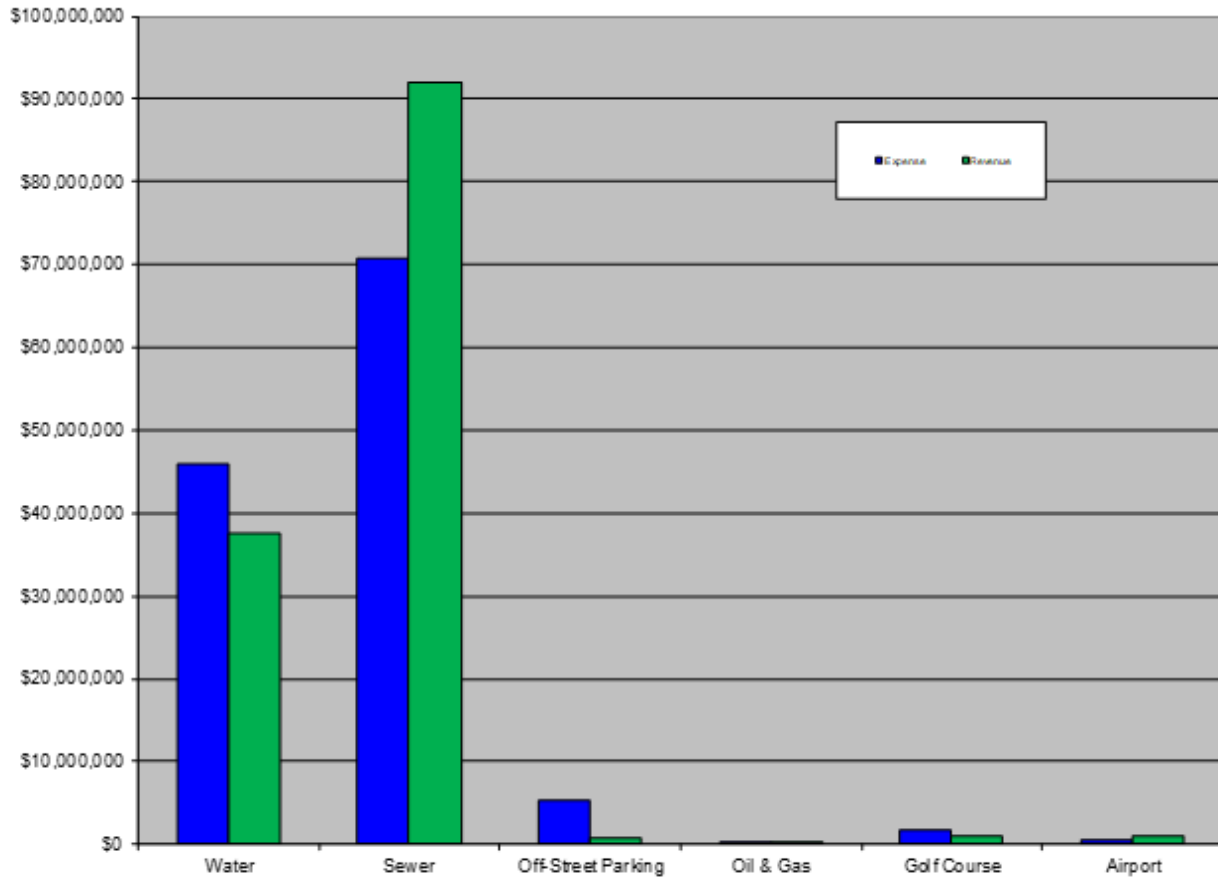
During the year, actual revenues and other sources were greater than original budgetary estimates by \$2,642,902 (1.5%). Taxes, Assessments and JEDD revenue, the major revenue sources, were greater than the budgeted amount by \$6,080,443 and miscellaneous revenues . Increases in revenues during 2022 included intergovernmental revenues by \$1,195,195, license and fees by \$3,200,450. Miscellaneous revenues and charges for services decreased by \$3,591,137 and \$4,440,454, respectively.

As a result of expenses exceeding revenues, the General Fund balance reported a decrease of \$2,065,825. The actual expenditures were under the final budget by \$16,541,441.

Key events contributing to the changes in the General Fund budget amounts are as follows:

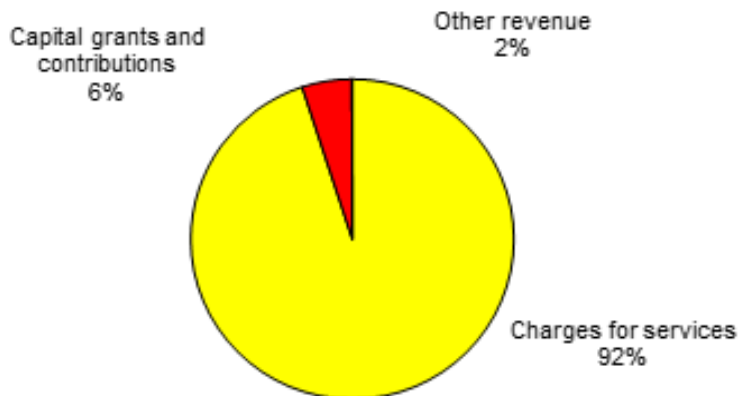
- The Public Service Department's budget was increased by \$2,893,053 and the Finance Department's budget was increased by \$2,018,115 to allow for year-end encumbrances along with transfers and advances.
- The Fire Department's budget was increased by \$5,174,155, and the Police Department by \$2,330,738 to cover higher-than-anticipated overtime wages relating to increased service needs and staffing shortages caused by the ongoing impact of the COVID-19 pandemic.

Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.

Revenues By Sources Business-type Activities



FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

Business-Type Activities. Business-type activities increased the City of Akron's net position by \$17,016,036 compared to an increase of \$18,376,879 in the prior year. Total program revenues decreased by \$23,945,021 combined with a decrease in expenses of \$23,022,403 contributed to the overall increase in net position.

Proprietary Funds. The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water Fund, Sewer Fund, and Off-Street Parking Fund.

Unrestricted net deficit of the Water Fund at the end of the year was \$7,716,730, for the Sewer Fund unrestricted net position was \$77,974,972, and for the Off-Street Parking Fund was a deficit of \$193,628. The decreases reported in net position for the Water Fund was \$2,865,504 and the increase reported for the Sewer Funds was \$21,412,568. The decrease reported in net position for Off-Street Parking was \$2,456,362.

The expenses in the Sewer Fund decreased significantly, as there was a reduction in project planning costs and utility related payables within the Sewer Fund. Additionally, the timing differences between loan draws and capitalization of project expenses year over year has further decreased expenses as assets are capitalized in the Sewer Fund.

The Water Bureau services the City and 13 surrounding communities which account for 83,800 customer accounts and 1,182 miles of water lines. All bonds of the Water Fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net position due to cost containment. The Sewer Bureau services the City and 12 surrounding communities which account for 76,300 customer accounts and 1,347 miles of sewer lines. All bonds of the Sewer Fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net position due again to cost containment.

The Off-Street Parking Fund experienced a decrease in both the operating revenues and operating expenses. The decrease in net position directly relates to expenses exceeding operating revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City of Akron’s investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$2,396,379,270 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements (other than buildings), equipment, and infrastructure. The total increase in the City of Akron’s investment in capital assets for the current fiscal year was \$31,492,243 (a 0.8% increase for governmental activities and a 1.8% increase for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Land	\$ 154,663	\$ 154,663	\$ 38,403	\$ 38,403	\$ 193,066	\$ 193,066
Construction in progress	152,408	96,042	464,879	424,813	617,287	520,855
Buildings	341,695	357,057	96,193	92,115	437,888	449,172
Improvements	102,015	102,497	122,344	106,976	224,359	209,473
Equipment	31,655	30,441	38,711	37,039	70,366	67,480
Right to Use Assets	-	33,111	-	817	-	33,928
Infrastructure	336,441	354,181	485,479	568,224	821,920	922,405
	<u>\$ 1,118,877</u>	<u>\$ 1,127,992</u>	<u>\$ 1,246,009</u>	<u>\$ 1,268,387</u>	<u>\$ 2,364,886</u>	<u>\$ 2,396,379</u>

The City of Akron displays additional information relating to the capital assets of the City that can be found in Note 1. G. and Note 7.

Major capital assets placed into service during the current fiscal year included the following:

- WRF Headworks Improvements - \$18,907,773
- Northside Interceptor Tunnel - \$8,934,242
- Fixed Network Advanced Metering Infrastructure with MDM and CIS Integrated Platform Project - \$7,765,625
- Main Street Corridor Phase 2 - \$4,409,723
- Waterloo Road Brewster Creek Box Culvert Replacement - \$2,232,826
- Fire Station 12 Site Work - \$1,665,826

Long-Term Debt. At the end of the current fiscal year, the City of Akron had total debt outstanding of \$1,230,857,792. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron’s debt represents bonds secured solely by specified revenue sources.

City of Akron
Outstanding Debt
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
General Obligation Bonds	\$ 86,610	\$ 71,240	\$ -	\$ -	\$ 86,610	\$ 71,240
General Obligation Notes	32,900	50,245	-	-	32,900	50,245
OPWC Loan	5,238	4,666	207	988	5,445	5,654
Ohio Development						
Services Agency	3,305	2,970	-	-	3,305	2,970
Non-Tax Revenue Bonds	24,115	25,844	-	-	24,115	25,844
Income Tax Revenue						
Income Tax Revenue						
Bonds and Notes	323,575	288,398	-	-	323,575	288,398
Special Revenue Bonds	1,870	-	-	-	1,870	-
Special Assessment						
Bonds and Notes	19,978	21,645	-	-	19,978	21,645
Mortgage Revenue Bonds	-	-	4,395	3,565	4,395	3,565
OWDA Loan	-	-	738,531	761,297	738,531	761,297
	<u>\$ 497,591</u>	<u>\$ 465,008</u>	<u>\$ 743,133</u>	<u>\$ 765,850</u>	<u>\$ 1,240,724</u>	<u>\$ 1,230,858</u>

The City of Akron’s total debt outstanding decreased by \$9,865,856 (2.1%) during the current fiscal year.

During 2022, the City issued \$3,172,247 in Special Assessment - Direct Placement Bonds for resurfacing. Additionally, there were OWDA loans issued for the cost of improving the Sewer System totaling \$38,373,637 and the Water System totaling \$14,556,894.

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of total assessed value of property. The City of Akron’s total debt limit (10.5%) is \$324,014,346 and the total unvoted net debt limit (5.5%) is \$169,721,800.

The City's general obligation bonds are rated "A+" by Standard & Poor's Ratings Services, "A+" by Fitch Ratings.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

Economic Factors and Next Year's Budgets and Rates

- The City will utilize \$63 million in ARPA funding in 2023, including \$11 million of revenue replacement within the General Fund.
- The City of Akron budgeted income tax collections to increase by 2.0%, Local Government to remain stable, and Property Taxes to remain stable.
- The City of Akron budgeted a 4% cost-of-living wage increase in 2023 for all City employees, in addition to hiring classes of both Police officers and Firefighters in 2023.

Request for Information

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 205, Akron, Ohio 44308.

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BASIC FINANCIAL STATEMENTS

City of Akron, Ohio
Statement of Net Position
December 31, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Pooled cash and investments	\$ 155,800,108	\$ 105,897,312	\$ 261,697,420
Receivables, net	145,696,723	16,241,355	161,938,078
Loans receivable	4,646,664	-	4,646,664
Due from other governments	1,317,197	669,070	1,986,267
Due from others	494,326	-	494,326
Internal balances	3,679,516	(3,679,516)	-
Inventories, at cost	871,463	3,043,483	3,914,946
Total current assets	<u>312,505,997</u>	<u>122,171,704</u>	<u>434,677,701</u>
Noncurrent assets:			
Receivables, net	79,002,026	4,555,730	83,557,756
Restricted cash and investments	2,186,213	3,202,617	5,388,830
Loans receivable	8,899,405	-	8,899,405
Assets held for resale	8,464,523	-	8,464,523
Net pension asset	1,178,922	338,357	1,517,279
Net OPEB asset	10,407,449	2,985,167	13,392,616
Capital assets:			
Land and construction in progress	250,705,168	463,215,601	713,920,769
Other capital assets, net	877,287,608	805,170,893	1,682,458,501
Total noncurrent assets	<u>1,238,131,314</u>	<u>1,279,468,365</u>	<u>2,517,599,679</u>
Total assets	<u>1,550,637,311</u>	<u>1,401,640,069</u>	<u>2,952,277,380</u>
Deferred Outflows of Resources	90,732,223	4,592,175	95,324,398
Total assets and deferred outflows of resources	<u>1,641,369,534</u>	<u>1,406,232,244</u>	<u>3,047,601,778</u>
Liabilities			
Current liabilities:			
Accounts payable and other accrued liabilities	141,766,929	8,365,981	150,132,910
Deposits	3,510,433	751,797	4,262,230
Due to other governments	1,406,907	3,799,822	5,206,729
Accrued interest payable	2,136,608	7,488,669	9,625,277
Accrued wages	6,516,558	715,454	7,232,012
Accrued vacation and leave	11,338,410	1,467,651	12,806,061
COPs, leases, and direct financing	4,315,485	2,282,155	6,597,640
Liability for unpaid claims	6,396,593	-	6,396,593
Bonds, notes and loans payable	43,598,610	33,878,278	77,476,888
Total current liabilities	<u>220,986,533</u>	<u>58,749,807</u>	<u>279,736,340</u>
Noncurrent liabilities:			
Noncurrent COPs, leases, and direct financing	75,024,394	26,153,406	101,177,800
Liabilities due in more than one year	83,561,818	7,120,359	90,682,177
Bonds, notes and loans payable	376,642,720	731,971,785	1,108,614,505
Net pension liability	199,028,180	8,470,867	207,499,047
Net OPEB liability	95,441,816	9,427,624	104,869,440
Total noncurrent liabilities	<u>829,698,928</u>	<u>783,144,041</u>	<u>1,612,842,969</u>
Total liabilities	<u>1,050,685,461</u>	<u>841,893,848</u>	<u>1,892,579,309</u>
Deferred Inflows of Resources	322,489,948	23,192,302	345,682,250
Total liabilities and deferred inflows of resources	<u>1,373,175,409</u>	<u>865,086,150</u>	<u>2,238,261,559</u>
Net position			
Net investment in capital assets	601,393,040	468,805,249	1,070,198,289
Restricted for debt service	3,785,093	3,202,616	6,987,709
Restricted for community learning centers	15,423,321	-	15,423,321
Restricted for capital projects	12,161,057	-	12,161,057
Restricted for program purpose	43,885,761	-	43,885,761
Restricted for net pension asset	1,178,922	338,357	1,517,279
Restricted for net OPEB asset	10,407,449	2,985,167	13,392,616
Unrestricted (deficit)	(420,040,518)	65,814,705	(354,225,813)
Total net position	<u>\$ 268,194,125</u>	<u>\$ 541,146,094</u>	<u>\$ 809,340,219</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Activities
For the Year Ended December 31, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 58,961,573	\$ 19,515,823	\$ 209,287	\$ 3,100,590	\$ (36,135,873)	\$ -	\$ (36,135,873)
Public service	77,118,211	18,417,119	-	28,538,851	(30,162,241)	-	(30,162,241)
Public safety	131,875,742	970,509	4,449,556	777	(126,454,900)	-	(126,454,900)
Community environment	66,345,703	52,083	45,758,791	4,653,846	(15,880,983)	-	(15,880,983)
Public health	4,557,880	821,250	-	-	(3,736,630)	-	(3,736,630)
Recreation and parks	13,043,898	969,328	-	864,431	(11,210,139)	-	(11,210,139)
Interest	24,852,120	-	-	-	(24,852,120)	-	(24,852,120)
Unallocated depreciation*	18,935,385	-	-	-	(18,935,385)	-	(18,935,385)
Total governmental activities	395,690,512	40,746,112	50,417,634	37,158,495	(267,368,271)	-	(267,368,271)
Business-type Activities:							
Water	45,947,108	34,360,695	36,967	3,092,555	-	(8,456,891)	(8,456,891)
Sewer	70,835,872	89,569,914	-	2,474,468	-	21,208,510	21,208,510
Oil and gas	42,651	4,810	-	-	-	(37,841)	(37,841)
Golf course	1,851,442	1,087,514	-	-	-	(763,928)	(763,928)
Airport	558,471	84,315	59,000	1,009,091	-	593,935	593,935
Parking facilities	5,402,767	762,193	-	-	-	(4,640,574)	(4,640,574)
Total business-type activities	124,638,311	125,869,441	95,967	6,576,114	-	7,903,211	7,903,211
Total Government	\$ 520,328,823	\$ 166,615,553	\$ 50,513,601	\$ 43,734,609	\$ (267,368,271)	\$ 7,903,211	\$ (259,465,060)
General revenues:							
Taxes:							
Income taxes					\$ 186,718,101	\$ -	\$ 186,718,101
Property taxes					30,560,442	-	30,560,442
JEDD Revenues					18,323,843	-	18,323,843
Investment earnings					4,080,098	122,413	4,202,511
Unrestricted shared revenues					53,813,529	-	53,813,529
Miscellaneous					17,991,220	6,372,690	24,363,910
Gain on sale of capital assets					42,104	-	42,104
Transfers					(2,617,722)	2,617,722	-
Total general revenues and transfers					308,911,615	9,112,825	318,024,440
Change in net position					41,543,344	17,016,036	58,559,380
Net position - beginning, as restated					226,650,781	524,130,058	750,780,839
Net position - ending					\$ 268,194,125	\$ 541,146,094	\$ 809,340,219

*Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Balance Sheet - Governmental Funds
December 31, 2022

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	Total Governmental Funds
Assets							
Pooled cash and investments	\$ 22,579,857	\$ 16,411,805	\$ 4,021,405	\$ 4,693,725	\$ 121,845,398	\$ 56,898,421	\$ 226,450,611
Restricted cash and investments	-	49,243	-	-	-	2,136,970	2,186,213
Receivables, net of allowances for uncollectibles	61,053,031	36,073,238	7,090,616	41,721,331	39,581	74,497,403	220,475,200
Loans receivable	-	-	-	-	-	13,546,069	13,546,069
Due from other governments	-	-	-	-	49,213	6,631,697	6,680,910
Due from other funds	5,222,518	-	16	85	112,953	439,853	5,775,425
Due from others	-	-	-	-	-	254,308	254,308
Advances to other funds	1,170,000	-	1,785,000	-	-	-	2,955,000
Assets held for resale	-	-	-	-	-	8,464,523	8,464,523
Total assets	\$ 90,025,406	\$ 52,534,286	\$ 12,897,037	\$ 46,415,141	\$ 122,047,145	\$ 162,869,244	\$ 486,788,259
Liabilities							
Accounts payable	\$ 3,545,919	\$ 64,182	\$ 155,534	\$ 178,905	\$ 1,402,901	\$ 8,397,319	\$ 13,744,760
Deposits	12,280	2,518,477	-	-	-	979,676	3,510,433
Advances from other funds	-	-	-	-	60,000	1,415,000	1,475,000
Due to other governments	-	-	-	-	-	5,306,907	5,306,907
Due to other funds	516,626	176,079	797	239,773	-	2,935,847	3,869,122
Due to others	881,462	-	-	-	-	2,090,535	2,971,997
Accrued liabilities	2,402,226	-	5,128	71,975	-	1,221,115	3,700,444
Accrued wages	4,867,481	-	15,242	171,384	-	1,240,036	6,294,143
Accrued vacation and leave	42,141	-	-	-	-	-	42,141
Unearned revenue	6,369,113	-	-	-	118,951,612	-	125,320,725
Special assessment notes	-	-	-	13,000,000	-	-	13,000,000
Total liabilities	18,637,248	2,758,738	176,701	13,662,037	120,414,513	23,586,435	179,235,672
Deferred Inflows of Resources	43,672,779	34,352,227	3,119,574	41,716,331	-	73,620,682	196,481,593
Fund balances							
Restricted	-	15,423,321	9,600,762	-	1,516,345	53,138,482	79,678,910
Committed	425,279	-	-	-	116,287	19,988,121	20,529,687
Assigned	1,661,980	-	-	-	-	-	1,661,980
Unassigned	25,628,120	-	-	(8,963,227)	-	(7,464,476)	9,200,417
Total fund balances (deficit)	27,715,379	15,423,321	9,600,762	(8,963,227)	1,632,632	65,662,127	111,070,994
Total liabilities, deferred inflows and fund balances	\$ 90,025,406	\$ 52,534,286	\$ 12,897,037	\$ 46,415,141	\$ 122,047,145	\$ 162,869,244	\$ 486,788,259

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
 December 31, 2022

Total fund balances for governmental funds (Exhibit 3)		\$ 111,070,994
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.		1,126,480,326
The net pension asset (excluding internal service fund net pension asset) is not an available resource and, therefore, is not reported in the funds.		1,073,345
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred inflows in the funds.		
Income taxes	14,257,386	
Property taxes	8,497,627	
Special assessments	18,496,275	
Shared revenues	<u>15,922,696</u>	
		57,173,984
Long-term accounts receivables are not available to pay for current period expenditures.		978,337
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		(10,141,827)
Long-term liabilities (excluding internal service fund liabilities) including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Accounts payable and other accrued liabilities	(13,211,375)	
Accrued interest payable	(2,136,608)	
Accrued vacation and leave	(73,944,753)	
Bonds, notes and loans payable	(452,007,729)	
Net OPEB deferred inflows/outflows	(27,946,887)	
Net OPEB liabilities	(92,545,341)	
Net Pension deferred inflows/outflows	(18,184,846)	
Net Pension liabilities	(186,878,254)	
Obligations under leases and COPs	(79,339,879)	
Unamortized bond premium, discount, deferred loss, gain	<u>(72,245,362)</u>	
		(1,018,441,034)
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 268,194,125</u></u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2022

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	Total Governmental Funds
Revenues							
Income taxes	\$ 101,068,321	\$ 17,941,186	\$ 37,753,330	\$ -	\$ -	\$ 31,408,549	\$ 188,171,386
Property taxes	21,937,239	-	-	-	-	10,629,185	32,566,424
JEDD revenues	6,300,000	-	3,000,000	-	-	9,505,535	18,805,535
Special assessments	137,786	-	-	17,995,297	-	2,172,558	20,305,641
Grants and subsidies	-	-	-	-	26,204,458	38,753,140	64,957,598
Investment earnings	46,953	174,033	50,277	-	1,600,195	1,747,589	3,619,047
Shared revenues	14,047,927	7,014,148	243,822	-	-	27,752,095	49,057,992
Licenses, fees and fines	14,264,190	-	-	47,743	679,993	6,536,786	21,528,712
Charges for services	15,388,999	-	16	85	-	3,517,220	18,906,320
Miscellaneous	3,465,667	2,490,737	1,527,473	31,389	158,406	7,826,616	15,500,288
	<u>176,657,082</u>	<u>27,620,104</u>	<u>42,574,918</u>	<u>18,074,514</u>	<u>28,643,052</u>	<u>139,849,273</u>	<u>433,418,943</u>
Expenditures							
Current:							
General government	27,567,673	242,230	-	11,199,203	13,528,860	21,657,769	74,195,735
Public service	26,823,682	-	22,055	14,280,753	690,499	44,115,638	85,932,627
Public safety	104,321,402	-	1,410,590	1,674	-	36,494,851	142,228,517
Community environment	2,514,127	13,313,623	1,306,241	-	24,572,834	41,057,793	82,764,618
Public health	4,307,739	-	-	-	-	265	4,308,004
Recreation and parks	4,152,925	-	-	-	943,746	8,020,329	13,117,000
Debt service:							
Principal retirement	143,606	14,465,000	27,649,825	1,505,688	-	36,479,883	80,244,002
Interest	193,757	10,077,798	9,919,149	140,047	533,218	831,803	21,695,772
Bond issuance expenditures	-	344,965	-	10,000	-	20,000	374,965
	<u>170,024,911</u>	<u>38,443,616</u>	<u>40,307,860</u>	<u>27,137,365</u>	<u>40,269,157</u>	<u>188,678,331</u>	<u>504,861,240</u>
Excess (deficiency) of revenues over (under) expenditures	6,632,171	(10,823,512)	2,267,058	(9,062,851)	(11,626,105)	(48,829,058)	(71,442,297)
Other financing sources (uses)							
Capital contributions	-	-	-	-	-	545,100	545,100
Issuance of bonds	-	-	1,199,999	-	200	57,914,063	59,114,262
Premium on debt	-	16,742,874	-	-	-	-	16,742,874
Original bond issue discount	-	(490,648)	-	-	-	-	(490,648)
Issuance of refunding obligations	-	114,970,000	-	-	-	-	114,970,000
Issuance of leases	-	-	-	8,169,846	-	14,869,698	23,039,544
Payment to refunding agent	-	(127,805,000)	-	-	-	-	(127,805,000)
Transfers-in	156,152	-	-	-	-	9,077,674	9,233,826
Transfers-out	(10,635,421)	-	-	-	(966,127)	(250,000)	(11,851,548)
	<u>(10,479,269)</u>	<u>3,417,226</u>	<u>1,199,999</u>	<u>8,169,846</u>	<u>(965,927)</u>	<u>82,156,535</u>	<u>83,498,410</u>
Net change in fund balance	(3,847,098)	(7,406,286)	3,467,057	(893,005)	(12,592,032)	33,327,477	12,056,113
Fund balances (deficit), January 1, 2022	31,562,477	22,829,607	6,133,705	(8,070,222)	14,224,664	32,334,650	99,014,881
Fund balances (deficit), December 31, 2022	<u>\$ 27,715,379</u>	<u>\$ 15,423,321</u>	<u>\$ 9,600,762</u>	<u>\$ (8,963,227)</u>	<u>\$ 1,632,632</u>	<u>\$ 65,662,127</u>	<u>\$ 111,070,994</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities - Governmental Funds
 For the Year Ended December 31, 2022

Net changes in fund balances - total governmental funds (Exhibit 4) \$ 12,056,113

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, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$50,877,805) exceeded depreciation (\$42,741,846) in the current period. 8,135,959

The net effect of selling capital assets increased net position. 42,104

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount is the net effect of the reversal of prior year items against current year accruals. (54,690,992)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt	(173,419,187)	
Issuance of leases	(23,039,544)	
Payment of debt	80,244,002	
Payment to refunding agent	127,805,000	
Premium on debt	(16,742,874)	
Discount on debt	490,648	
Bond issuance expenditures	374,965	
		(4,286,990)

Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 78,777,373

The change in net position of the internal service funds are included in the governmental activities in the statement of activities. 1,509,777

Change in net position of governmental activities (Exhibit 2) \$ 41,543,344

The notes to financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Position - Proprietary Funds
December 31, 2022

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Assets						
Current assets:						
Pooled cash and investments	\$ 11,237,782	\$ 94,208,957	\$ 38,580	\$ 411,993	\$ 105,897,312	\$ 8,122,817
Receivables, net of allowance for uncollectibles	2,845,334	13,274,496	2,488,246	2,189,009	20,797,085	1,002,238
Due from other governments	5,655	-	-	663,415	669,070	-
Due from other funds	898,917	299,873	246	168	1,199,204	3,813,724
Inventories, at cost	2,129,603	873,080	-	40,800	3,043,483	871,463
Total current assets	17,117,291	108,656,406	2,527,072	3,305,385	131,606,154	13,810,242
Noncurrent assets:						
Restricted cash and investments	806,631	2,395,986	-	-	3,202,617	-
Net pension asset	212,500	112,357	-	13,500	338,357	105,577
Net OPEB asset	1,876,931	988,586	-	119,650	2,985,167	922,051
Property, plant and equipment, net of accumulated depreciation	161,276,434	1,037,402,189	57,728,765	11,979,106	1,268,386,494	1,512,450
Total noncurrent assets	164,172,496	1,040,899,118	57,728,765	12,112,256	1,274,912,635	2,540,078
Total assets	181,289,787	1,149,555,524	60,255,837	15,417,641	1,406,518,789	16,350,320
Deferred Outflows of Resources	2,861,390	1,567,909	-	162,876	4,592,175	1,453,521
Total assets and deferred outflows	184,151,177	1,151,123,433	60,255,837	15,580,517	1,411,110,964	17,803,841
Liabilities						
Current liabilities:						
Accounts payable	902,315	5,752,236	158,697	140,630	6,953,878	908,308
Deposits	751,797	-	-	-	751,797	-
Due to other governments	69,408	3,730,414	-	-	3,799,822	-
Advances from other funds	-	-	-	910,000	910,000	570,000
Due to other funds	482,803	3,363,268	91,392	11,127	3,948,590	2,970,641
Accrued interest payable	388,219	7,096,381	-	4,069	7,488,669	-
Accrued liabilities	138,661	1,198,840	-	74,602	1,412,103	2,031,230
Accrued wages	457,603	246,192	-	11,659	715,454	222,415
Accrued vacation and leave	908,733	532,856	-	26,062	1,467,651	614,521
Obligation under leases	80,292	2,174,014	-	27,849	2,282,155	-
Liability for unpaid claims	-	-	-	-	-	5,809,093
Debt:						
Mortgage revenue bonds	855,000	-	-	-	855,000	-
OWDA loans	2,782,734	30,158,344	-	-	32,941,078	-
OPWC loans	44,750	37,450	-	-	82,200	-
Total current liabilities	7,862,315	54,289,995	250,089	1,205,998	63,608,397	13,126,208
Noncurrent liabilities:						
Obligations under leases	163,321	25,930,440	-	59,645	26,153,406	-
Due in more than one year	4,175,680	2,559,200	-	385,479	7,120,359	3,756,003
Bonds, notes, and loans payable	56,849,447	675,122,338	-	-	731,971,785	-
Net pension liability	5,339,534	2,791,679	-	339,654	8,470,867	2,664,528
Net OPEB liability	5,560,900	3,866,724	-	-	9,427,624	2,896,475
Total noncurrent liabilities	72,088,882	710,270,381	-	784,778	783,144,041	9,317,006
Total liabilities	79,951,197	764,560,376	250,089	1,990,776	846,752,438	22,443,214
Deferred Inflows of Resources	11,125,068	6,856,317	2,470,611	2,740,306	23,192,302	5,522,584
Net Position						
Net investment in capital assets	99,985,012	299,335,782	57,728,765	11,755,690	468,805,249	1,512,450
Restricted for debt service	806,630	2,395,986	-	-	3,202,616	-
Unrestricted (deficit)	(7,716,730)	77,974,972	(193,628)	(906,255)	69,158,359	(11,674,407)
Total net position	93,074,912	379,706,740	57,535,137	10,849,435	541,166,224	(10,161,957)
Total liabilities, deferred inflows and net position	\$ 184,151,177	\$ 1,151,123,433	\$ 60,255,837	\$ 15,580,517		\$ 17,803,841
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:					(20,130)	
Net position of business-type activities					<u>\$ 541,146,094</u>	

City of Akron, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds
For the Year Ended December 31, 2022

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Operating revenues						
Charges for services	\$ 34,510,897	\$ 89,697,264	\$ 758,527	\$ 1,176,639	\$ 126,143,327	\$ 54,884,181
Other	5,315,849	111,190	273,779	723,803	6,424,621	7,686,518
	<u>39,826,746</u>	<u>89,808,454</u>	<u>1,032,306</u>	<u>1,900,442</u>	<u>132,567,948</u>	<u>62,570,699</u>
Operating expenses						
Personal services	9,860,301	4,963,580	-	682,352	15,506,233	4,894,369
Direct expenses	24,362,543	26,354,540	786,725	1,236,380	52,740,188	16,404,504
Claims	13,117	1,505	675	658	15,955	38,538,560
Rentals and lease	65,199	50,189	-	42,334	157,722	364,703
Utilities	1,595,733	525,436	519,764	79,008	2,719,941	196,040
Insurance	210,712	494,358	117,892	33,096	856,058	42,148
Depreciation, depletion and amortization	9,014,941	24,466,652	2,915,313	349,725	36,746,631	202,040
Other	101,596	155,836	1,054,070	28,816	1,340,318	5,979
	<u>45,224,142</u>	<u>57,012,096</u>	<u>5,394,439</u>	<u>2,452,369</u>	<u>110,083,046</u>	<u>60,648,343</u>
Operating income (loss)	<u>(5,397,396)</u>	<u>32,796,358</u>	<u>(4,362,133)</u>	<u>(551,927)</u>	<u>22,484,902</u>	<u>1,922,356</u>
Nonoperating revenues (expenses)						
Interest income	5,140	17,539	73,350	4,560	100,589	61
Interest expense	(810,645)	(14,435,644)	(17,579)	(4,069)	(15,267,937)	(3,961)
Other revenues (expenses)	36,967	-	-	59,000	95,967	-
	<u>(768,538)</u>	<u>(14,418,105)</u>	<u>55,771</u>	<u>59,491</u>	<u>(15,071,381)</u>	<u>(3,900)</u>
Gain (loss) before transfers and contributions	(6,165,934)	18,378,253	(4,306,362)	(492,436)	7,413,521	1,918,456
Transfers-in	207,875	559,847	1,850,000	-	2,617,722	-
Capital contributions	3,092,555	2,474,468	-	1,009,091	6,576,114	-
	<u>3,300,430</u>	<u>3,034,315</u>	<u>1,850,000</u>	<u>1,009,091</u>	<u>9,193,836</u>	<u>-</u>
Changes in net position	(2,865,504)	21,412,568	(2,456,362)	516,655	16,607,357	1,918,456
Net position, January 1, 2022, as restated	95,940,416	358,294,172	59,991,499	10,332,780		(12,080,413)
Net position, December 31, 2022	<u>\$ 93,074,912</u>	<u>\$ 379,706,740</u>	<u>\$ 57,535,137</u>	<u>\$ 10,849,435</u>		<u>\$ (10,161,957)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					408,679	
Change in net position of business-type activities					<u>\$ 17,016,036</u>	

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2022

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating activities						
Cash received from customers	\$ 34,387,969	\$ 90,085,665	\$ 765,376	\$ 1,583,407	\$ 126,822,417	\$ 53,610,541
Cash payments to suppliers for goods and services	(28,467,639)	(28,012,165)	(1,857,206)	(1,922,839)	(60,259,849)	(15,672,735)
Cash paid for salaries and employee benefits	(15,538,369)	(9,560,481)	(675)	(815,058)	(25,914,583)	(48,335,275)
Other revenues	5,315,849	111,190	273,779	723,803	6,424,621	7,686,518
Other expenses	(101,596)	(155,836)	(1,054,070)	(28,816)	(1,340,318)	(5,979)
Net cash provided by (used for) operating activities	(4,403,786)	52,468,373	(1,872,796)	(459,503)	45,732,288	(2,716,930)
Non-capital financing activities						
Transfers from other funds	207,875	559,847	1,850,000	-	2,617,722	-
Transfers/advances in for negative cash balances	-	-	-	545,000	545,000	1,609,623
Net cash provided by (used for) non-capital financing activities	207,875	559,847	1,850,000	545,000	3,162,722	1,609,623
Capital and related financing activities						
Proceeds from the sale of bonds	14,556,894	39,223,146	-	-	53,780,040	-
Principal paid on bonds and loans	(3,989,309)	(27,073,544)	-	-	(31,062,853)	-
Interest paid on bonds and loans	(790,804)	(13,928,256)	(17,579)	-	(14,736,639)	(3,961)
Acquisition and construction of capital assets	(9,801,086)	(56,652,469)	-	(1,141,070)	(67,594,625)	-
Capital contributions	3,092,555	2,474,468	-	1,009,091	6,576,114	-
Net cash provided by (used for) capital and related financing activities	3,068,250	(55,956,655)	(17,579)	(131,979)	(53,037,963)	(3,961)
Investing activities						
Purchase of investment securities	(1,085,753)	(2,189,246)	-	-	(3,274,999)	-
Proceeds from sales and maturities of investment securities	1,085,753	2,189,246	-	-	3,274,999	-
Interest on investments	5,140	17,539	73,350	4,560	100,589	61
Net cash provided by investing activities	5,140	17,539	73,350	4,560	100,589	61
Net increase (decrease) in cash and cash equivalents	(1,122,521)	(2,910,896)	32,975	(41,922)	(4,042,364)	(1,111,207)
Cash and cash equivalents, January 1, 2022	13,166,934	99,515,839	5,605	453,915	113,142,293	9,234,024
Cash and cash equivalents, December 31, 2022	\$ 12,044,413	\$ 96,604,943	\$ 38,580	\$ 411,993	\$ 109,099,929	\$ 8,122,817
Operating income (loss)	(5,397,396)	32,796,358	(4,362,133)	(551,927)	22,484,902	1,922,356
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	9,014,941	24,466,652	2,915,313	349,725	36,746,631	202,040
(Increase) decrease in operating assets:						
Receivables	(72,962)	954,487	11,151	339,718	1,232,394	(881,159)
Due from other funds	(22,769)	(90,013)	(246)	67,050	(45,978)	(392,481)
Inventories	(302,453)	8,925	-	48,229	(245,299)	(232,771)
Increase (decrease) in operating liabilities:						
Accounts payable	8,211,527	(4,318,032)	(293,839)	(590,125)	3,009,531	(1,449,510)
Due to other funds	(50,676)	298,816	37,125	9,884	295,149	24,203
Due to other governments	(10,091,850)	3,422,649	(176,111)	(9)	(6,845,321)	-
Accrued liabilities	(5,181,707)	(4,889,192)	(4,056)	(137,010)	(10,211,965)	(3,543,020)
Accrued wages	81,940	(59,707)	-	3,529	25,762	34,916
Accrued vacation and leave	(592,381)	(122,570)	-	1,433	(713,518)	331,677
Estimated liability for unpaid claims	-	-	-	-	-	1,266,819
Net cash provided by (used for) operating activities	(4,403,786)	52,468,373	(1,872,796)	(459,503)	45,732,288	(2,716,930)

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds - Custodial
December 31, 2022

	Custodial Funds
Assets	
Cash	\$ 1,841,892
Receivables	4,933,562
Total assets	6,775,454
Liabilities	
Due to other governments	655,498
Due to others	85,993
Total liabilities	741,491
Deferred Inflows of Resources	2,722,461
Restricted for individuals, organizations, and governments	3,311,502
Net Position	\$ 3,311,502

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended December 31, 2022

Exhibit 9

	Custodial Funds
Additions	
Contributions	\$ 200
Confiscated evidence	427,252
JEDD income tax	7,240,827
Miscellaneous	11,577
	7,679,856
Deductions	
Distribution to participants	515,443
Education and awareness	8,274
JEDD district expenses	5,011,089
Refunds	511,638
	6,046,444
Net Increase in Fiduciary Net Position	1,633,412
Net position, January 1, 2022	1,678,090
Net position, December 31, 2022	\$ 3,311,502

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Notes to the Financial Statements
Year Ended December 31, 2022

1. Summary of Significant Accounting Policies

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, Statement No. 80, *Blending Requirements for Certain Component Units*, and Statement No. 90, *Majority Equity Interests*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14, 39, 61, 80, and 90. The City is associated with certain organizations which are defined as jointly governed organizations, joint ventures and related organizations. These organizations are presented in Notes 25, 26 and 27 to the basic financial statements. These organizations are the Akron/Summit Convention and Visitors' Bureau, the Copley-Akron Joint Economic Development District ("JEDD"), the Coventry-Akron JEDD, the Springfield-Akron JEDD, the Bath-Akron-Fairlawn JEDD, and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. Government-wide and fund financial statements

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities.

These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues, whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net position. Related

1. Summary of Significant Accounting Policies (Continued)

interest amounts are eliminated in the government-wide statement of activities. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

Internal service net position, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, Income Tax Capital Improvement Fund, Special Assessment Fund, and the Various Purpose Funding Fund. Water, Sewer, and Off-Street Parking Funds are considered major funds of the City's business-type activities.

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, JEDD revenues, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The cooperative agreement with the Board of Education of the Akron Public Schools District (District) provides a mechanism to fund the renovation and/or rebuilding of all CLC's in Akron. This major rebuilding program is funded primarily through City income tax, shared revenue and bond proceeds.

The Income Tax Capital Improvement Fund, a special revenue fund, is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

1. Summary of Significant Accounting Policies (Continued)

The Special Assessment Fund is used to account for the accumulation of resources for, and the payment of, assessment related activities including Street Lighting, Street Cleaning, and related costs. Revenues consist primarily of special assessment collections.

The Various Purpose Funding Fund is used to account for the accumulation of resources for, and payment of grant specific costs. Revenue consists primarily of grants and subsidies related to COVID funding and the American Rescue Plan Award (ARPA).

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. The Water Enterprise Fund serves six other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and information technology services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The financial activity relating to the self insurance funds are for workers' compensation, medical, and judgment and claims.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information:

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34. GASB Statement No. 68 requires the Schedule of City's Proportionate Share of Net Pension Liability and the Schedule of the City Contributions to State Pension Funds. GASB Statement No. 75 requires the Schedule of Net OPEB Liability and the Schedule of Contributions for the OPEB Plan.

B. *Financial reporting presentation*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

1. Summary of Significant Accounting Policies (Continued)

GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.
3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs. The City, however, does not utilize Permanent Funds at this time.

PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

1. **Custodial Funds** – Custodial Funds are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on eight Custodial Funds, the first one is the Claire Merrix which is to fund tennis related activities. Followed by the Police/Fire Beneficiary Fund which provides scholarships for dependents of those serving in the Police and Fire Departments. The Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies. The remaining funds relate to specific Joint Economic Development Districts (JEDD) and include: Copley-Akron JEDD, Coventry-Akron JEDD, Springfield-Akron JEDD, and Bath-Akron-Fairlawn JEDD. The JEDD funds are used to account for the specific JEDD District activities and disbursements.

1. Summary of Significant Accounting Policies (Continued)

C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and custodial fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Custodial Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, shared revenue, grants, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Property taxes and the balance of special assessments receivables, though measurable, are not available soon enough in the subsequent year to finance current period obligations.

1. Summary of Significant Accounting Policies (Continued)

Therefore, property tax and the balance of special assessment receivables are recorded as deferred inflows until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2022, supplemental appropriations were passed by City Council.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.
- (6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund	City Facilities Operating	Golf Course
Income Tax Collection	Various Purpose Funding	Airport
Emergency Medical Service	Deposits	Off-Street Parking
Special Assessment	Community Learning Centers	Motor Equipment
Income Tax Capital Improvement	Police, Fire, and Road Activity	Medical Self-Insurance
Street and Highway Maintenance	General Grants	Workers' Compensation Reserve
Community Development	General Bond Payment Fund	Self-Insurance Settlement
Community Environment Grants	Streets	Telephone System
Akron Metro. Area Transportation Study	Information Technology and Improvements	Engineering Bureau
H.O.M.E. Program	Parks and Recreation	Information Technology
Tax Equivalency	Public Facilities and Improvements	Claire Merrix
E.D.A. Revolving Loans	Public Parking	Police/Fire Beneficiary
Joint Economic Development Districts	Economic Development	Police Property Monetary Evidence
Akron Muni. Court Information System	Water	
Police Grants	Sewer	
Safety Programs	Oil and Gas	

1. Summary of Significant Accounting Policies (Continued)

- (7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund, which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund.
- (8) The City appropriates an annual budget for the Unclaimed Monies Fund which on a GAAP basis, is combined with the General Fund.

E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

- F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.
- G. *Capital Assets and Leased Assets* – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and leased assets, which include intangible right-to-use assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$50,000 for intangibles – easements; \$500,000 for intangibles – computer software; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their acquisition value at the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Infrastructure acquired prior to December 31, 1980, is also reported as a component of the above-mentioned capital assets. The city values leased assets at the net present value of all future lease payments and capitalizes the leased assets using the same thresholds as capital assets, based on the type of property being leased.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets

1. Summary of Significant Accounting Policies (Continued)

utilized by the proprietary funds has been capitalized through December 31, 2017. As a result of the 2018 implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the end of a construction period*, interest accrued during construction is no longer capitalized in Proprietary funds. Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrading that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis half-year convention, using the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical, and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment and Intangibles	3-20
CLC Building Equity Interest	50
CLC improvements other than buildings	40

The City amortizes leased assets on a straight-line basis half-year convention, using the lesser of the useful life or the lease term.

- H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued for as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation, paid leave, and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent that it is probable that benefits will result in payments. The liability is an estimate based on the City’s past experience at making payments.

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

(1) **Nonspendable** – Amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

(2) **Restricted** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

(3) **Committed** – Amounts constrained to specific purposes imposed by a formal action (ordinance) of City Council, its highest level of decision making authority; to be reported as committed, amounts cannot be used for any other purposes unless the same highest level of action is taken to remove or change the constraints.

1. Summary of Significant Accounting Policies (Continued)

(4) **Assigned** – Amounts the City intends to use for a specified purpose; intent can be expressed by the governing body or by the Director of Finance which has been designated this authority. The City's intent is typically expressed through a directive issued by the Director of Finance.

(5) **Unassigned** – Amounts that are available for any new purpose: positive amounts are reported only in the general fund. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

Council establishes fund balance commitments by passage of an ordinance. Assigned fund balance is established by City administration including the Director of Finance through the issuance of requisitions, purchase orders, contracts, and directives.

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

Governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by officials and approved by Council where necessary.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to restrict that portion of the appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Significant encumbrances as of December 31, 2022, total \$1,661,980 in the General fund, \$1,128,938 in the Income Tax Capital Improvement fund, \$1,971,226 in the Special Assessment fund, \$1,516,345 in the Various Purpose fund, and \$9,706,901 in all other Governmental funds.

J. ***Interfund Transactions*** – During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.
- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables are presented in Note 5. These are eliminated entity-wide and shown as Internal Balances on the Statement of Net Position. Interfund transfers are presented in Note 22.

1. Summary of Significant Accounting Policies (Continued)

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

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).

- L. ***Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings*** – Debt issuance costs, except prepaid insurance costs, are reported as expenses in the period incurred. Bond premiums and discounts, as well as prepaid insurance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.

- M. ***Employment Related Liabilities*** – The City records a liability for employment related liabilities relating to former employees of the Health Department (see note 14).

In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City, along with the retirement differential. The City has recorded a long-term liability of \$736,621. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees.

- N. ***Net Position*** – Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for Capital Projects are mainly attributed to economic development, public parking, and street projects. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

1. Summary of Significant Accounting Policies (Continued)

- O. **Accounting Standards** – The City applies all applicable and effective pronouncements issued by the Governmental Accounting Standards Board (GASB).

In June 2017, GASB issued statement No. 87, *Leases*. The object of this Statement is to improve accounting and financial reporting for leases by governments. For the City, this statement is effective for periods beginning after June 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

In May 2019, the GASB issued statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. For the City, this statement is effective for reporting periods beginning after December 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

In January 2020, the GASB issued statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. For the City, this statement is effective for reporting periods beginning after June 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

In March 2020, the GASB issued statement No 93, *Placement of Interbank Offered Rates*. The objective of this Statement requires governments to terminate hedge accounting when it renegotiates or amends a critical term of hedging derivative instrument. For the City, this statement is effective for reporting periods beginning after June 15, 2021, except paragraph 11b effective for reporting periods ending after December 31, 2022.

In March 2020, the GASB issued statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement is effective for reporting periods beginning after June 15, 2022. The City's financial statements have been prepared in conformance with this Statement.

In May 2020, the GASB issued statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides. The City's financial statements have been prepared in conformance with this statement.

In May 2020, the GASB issued statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial statements reporting requirements for Subscription-Based Information Technology Agreements (SBITA); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. For the City, this statement is effective for reporting periods beginning after June 15, 2022.

1. Summary of Significant Accounting Policies (Continued)

In June 2020, the GASB issued statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRS Section 457 Deferred Compensation Plans (an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32)*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

In October 2021, the GASB issued statement No. 98, *The Annual Comprehensive Financial Report*. The primary objectives of this Statement establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of annual comprehensive financial report and its acronym in generally accepted accounting principles for state and local governments. For the City, this statement is effective for reporting period ending after December 15, 2021. The City's financial statements have been prepared in conformance with this Statement.

In April 2022, the GASB issued statement No. 99, *Omnibus 2022*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements clarifying Statement No. 34, No. 53, and No. 63 are effective upon issuance. Requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. For the City, this statement is effective for fiscal years beginning after June 15, 2023.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. For the City, this statement is effective for fiscal years beginning after December 15, 2023.

2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net position or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements, and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

Deposits:

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money have been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

At December 31, 2022, the carrying amount of the City's deposits was \$160,516,718 and the bank balance was \$164,136,243. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$2,704,054 was covered by federal depository insurance, and \$161,432,189 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

The money market funds, amounting to \$164,790 while held by bond trustees as the City's agents and in the City's name, are also considered uncollateralized and uninsured. The City holds money market funds amounting to \$2,388,156, while held by the City these funds are also considered uncollateralized and uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

Investments in City of Akron notes amounting to \$78,773,320 are eliminated in the government-wide statement of net position at December 31, 2022.

2. Pooled Cash and Investments (Continued)

Investments:

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Investments in U.S. Treasury securities of \$80,578,670 were classified in Level 1 of fair value hierarchy and valued using quoted market prices.

The City does not have any Investments in Federal Government Agency securities as of December 31, 2022 classified in Level 2 of fair value hierarchy and valued using pricing sources as provided by the investment managers. Investments in the City of Akron notes and Akron Public Schools (APS) bonds amounting to a fair value of \$85,083,319 were classified as Level 3. Securities classified as Level 3 have limited trade information, these securities are priced using the last trade price or estimated using recent trade prices. At December 31, 2022, total fair value was \$1,412,246 below the City's net cost for its investments.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

Credit Risk. City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies, and instrumentalities, and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2022, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

2. Pooled Cash and Investments (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on December 31, 2022.

As of December 31, 2022 the City had the following investments and maturities:

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasuries or Agencies:					
Treasury Notes	\$ 26,214,980	\$ 18,506,840	\$ 7,708,140	\$ -	\$ -
Treasury Bills	4,943,550	4,943,550	-	-	-
FFCB Bond	12,873,660	4,990,250	7,883,410	-	-
FHLB Bond	36,546,480	9,732,975	26,813,505	-	-
City of Akron and Akron Public Schools (APS):					
Municipal Notes	70,128,712	68,296,712	171,000	263,000	1,398,000
Assessment Debt	8,644,607	1,794,888	5,274,716	1,575,003	-
School Facility Bonds	6,310,000	985,000	4,205,000	1,120,000	-
Investments held by bond trustees:					
U.S. Treasuries or Agencies	1,787,823	1,787,823	-	-	-
Cash Reserve	171,688	171,688	-	-	-
Total Investment Maturities		<u>\$ 111,209,726</u>	<u>\$ 52,055,771</u>	<u>\$ 2,958,003</u>	<u>\$ 1,398,000</u>
Total Fair Value	<u>\$ 167,621,500</u>				

Not included in the fair value totals above is STAR Ohio, an external investment pool which was recorded at amortized cost of \$19,563,244 at December 31, 2022. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.

2. Pooled Cash and Investments (Continued)

Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers, and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

At December 31, 2022, \$5,388,830 of cash and investments was restricted for the following purposes: \$167,590 was restricted for lease costs for Canal Park Stadium; \$1,043,950 was restricted for Akron District Energy COPs; and \$4,128,047 was restricted solely for retirement of City obligations; and the balance of \$49,243 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2022:

	Fair Value
Investments (Summarized in prior table)	\$ 167,621,500
STAR Ohio	19,563,244
Carrying amount of the City's Deposits	<u>160,516,718</u>
	\$ 347,701,462
Governmental Activities:	
Governmental Funds	
Cash and investments with treasurer	\$ 226,450,611
Restricted Cash and investments with fiscal and escrow agents and others	2,186,213
Internal Service Funds	
Cash and investments with treasurer	<u>8,122,817</u>
Total Cash and Investments - Governmental Activities	<u>\$ 236,759,641</u>
Business-Type Activities:	
Enterprise Funds	
Cash and investments with treasurer	\$ 105,897,312
Restricted cash and cash equivalents with treasurer and others	<u>3,202,617</u>
Total Cash and Investments - Business-Type Activities	<u>\$ 109,099,929</u>
Fiduciary Funds	
Cash and investments with City	\$ 1,841,892
Total	<u><u>\$ 347,701,462</u></u>

3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Position, consist of the following at December 31, 2022:

	Taxes	Customer Charges, Special Assessments, and Others	Lease Receivables	Gross Receivables	Allowance for Uncollectibles	Net
Governmental Activities						
Governmental Funds:						
General Fund	\$ 44,428,819	\$ 13,011,382	\$ 4,974,024	\$ 62,414,225	\$ (1,361,194)	\$ 61,053,031
Community Learning Centers	3,073,238	33,000,000	-	36,073,238	-	36,073,238
Income Tax Capital Improvement	7,089,929	687	-	7,090,616	-	7,090,616
Special Assessment Fund	-	104,859,229	-	104,859,229	(63,137,898)	41,721,331
Various Purpose Funding	-	39,581	-	39,581	-	39,581
Other Governmental Funds	32,735,506	35,313,491	22,066,802	90,115,799	(12,397,085)	77,718,714
Total Governmental Funds	87,327,492	186,224,370	27,040,826	300,592,688	(76,896,177)	223,696,511
Internal Service Funds	-	995,998	6,240	1,002,238	-	1,002,238
Total Governmental Activities	87,327,492	187,220,368	27,047,066	301,594,926	(76,896,177)	224,698,749
Business-type Activities						
Enterprise Funds:						
Water	-	3,870,378	-	3,870,378	(1,025,044)	2,845,334
Sewer	-	15,696,912	-	15,696,912	(2,422,416)	13,274,496
Off-Street Parking	-	34,946	2,466,443	2,501,389	(13,143)	2,488,246
Other Enterprise Funds	-	4,810	2,184,199	2,189,009	-	2,189,009
Total Business-type Activities	-	19,607,046	4,650,642	24,257,688	(3,460,603)	20,797,085
Total Receivables	\$ 87,327,492	\$ 206,827,414	\$ 31,697,708	\$ 325,852,614	\$ (80,356,780)	\$ 245,495,834

Included in the amounts above are water and sewer unbilled charges for services of approximately \$1,082,254 and \$4,288,278 respectively.

Delinquent special assessment receivables amounted to \$63,137,898 at December 31, 2022 and were fully reserved for in the allowance for uncollectibles in the General, Special Assessment, Water, and Sewer funds.

4. Due From/To Other Governments

Amounts due from other governments at December 31, 2022 consist of the following:

	Federal	State	Total
Governmental Funds:			
Various Purpose Funding	\$ 49,213	\$ -	\$ 49,213
Other Governmental Funds	6,546,559	85,138	6,631,697
Total Governmental Funds	<u>\$ 6,595,772</u>	<u>\$ 85,138</u>	<u>\$ 6,680,910</u>
Enterprise Funds:			
Water	\$ -	\$ 5,655	\$ 5,655
Airport	435,119	228,296	663,415
Total Enterprise Funds	<u>\$ 435,119</u>	<u>\$ 233,951</u>	<u>\$ 669,070</u>

Amounts due to other governments at December 31, 2022 consist of the following:

	Federal	State	Total
Governmental Funds:			
Other Governmental Funds	\$ 4,115,000	\$ 1,191,907	\$ 5,306,907
Total Governmental Funds	<u>\$ 4,115,000</u>	<u>\$ 1,191,907</u>	<u>\$ 5,306,907</u>

The \$5,306,907 due to other governments includes \$3,900,000 that is reported as long-term liabilities in the government-wide statement of net position as liabilities due in more than one year.

	State	Total
Enterprise Funds:		
Water	\$ 69,408	\$ 69,408
Sewer	3,730,414	3,730,414
Total Enterprise Funds	<u>\$ 3,799,822</u>	<u>\$ 3,799,822</u>

The federal amount listed in due to other governments is comprised of three section 108 loans from the U.S. Department of Housing and Urban Development (HUD) and payroll taxes.

The state amount listed in due to other governments is comprised of accounts payable transactions for capital assets and engineering estimates for projects for work completed

The state amount recorded in Business type Activities relates to accounts payable transactions for engineering estimates for water and sewer projects for work completed.

5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2022, due within one year, consist of the following individual fund receivables and payables:

	Receivable	Payable
Governmental Funds:		
General	\$ 5,222,518	\$ 516,626
Income Tax Collection	430,498	1,277
Emergency Medical Service	-	10,518
Special Assessment	85	239,773
Income Tax Capital Improvement	16	797
Street and Highway Maintenance	162	199,786
Community Development	218	315,328
Akron Metro. Area Transportation Study	114	219
Joint Economic Development Districts	-	255,249
Akron Muni. Court Information System	7,354	-
Police Grants	-	171,138
Safety Programs	1,467	-
Various Purpose Funding	112,953	-
Deposits	-	127,750
Community Learning Centers	-	176,079
General Bond Payment	40	2,411
Streets	-	1,395,947
Parks and Recreation	-	190,964
Public Facilities and Improvements	-	189,842
Public Parking	-	17,184
Economic Development	-	58,234
	<u>\$ 5,775,425</u>	<u>\$ 3,869,122</u>
Proprietary Funds:		
Enterprise:		
Water	\$ 898,917	\$ 482,803
Sewer	299,873	3,363,268
Oil and Gas	-	426
Golf Course	168	7,310
Airport	-	3,391
Off-Street Parking	246	91,392
	<u>\$ 1,199,204</u>	<u>\$ 3,948,590</u>
Internal Service Funds:		
Motor Equipment	833,178	27,099
Liability Self-Insurance	-	15,732
Workers' Compensation Reserve	-	46
Telephone System	85,826	14,350
Engineering Bureau	2,894,579	2,889,544
Information Technology	141	23,870
	<u>3,813,724</u>	<u>2,970,641</u>
Total	<u><u>\$ 10,788,353</u></u>	<u><u>\$ 10,788,353</u></u>

5. Due From/To Other Funds (Continued)

Transactions between funds are reported as revenues in the receiving funds, and expenditures/expense in purchaser funds. The transactions result from numerous transactions between funds including expenditure and transfers of resources to provide services, subsidize operations, administration charges, and rental fee.

The General Fund makes advances to other funds primarily to grant funds waiting on reimbursement and the repayment is shown above. Additionally, the General Fund charges an administration fee and storeroom services to various funds. The Income Tax Collection Fund receives tax revenue during December that is posted in the subsequent month to the Community Learning Centers Fund. The proprietary funds provide goods and services through the end of the year causing a time lag between the dates the goods or services were provided and when the transactions are recorded. The Engineering Bureau Fund charges for services experienced an unusual delay during 2022 resulting in receivable from numerous capital projects and an associated advance from the General Fund.

6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2022, the District had \$(2,518,477) of overspent City funds that are recorded as Deposits on the City's Statement of Net Position and are recorded on the District's financial statements as "Due to City of Akron".

7. Capital Assets

Capital asset activity for the year ended December 31, 2022 was as follows:

	Balance January 1, 2022, as restated	Additions	Deletions	Balance December 31, 2022,
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 153,288,364	\$ -	\$ -	\$ 153,288,364
Construction in progress	103,338,195	11,810,392	42,738,132	72,410,455
CLC Land	1,374,959	-	-	1,374,959
CLC Construction in progress	49,070,413	7,262,451	32,701,474	23,631,390
Total capital assets, not being depreciated	<u>307,071,931</u>	<u>19,072,843</u>	<u>75,439,606</u>	<u>250,705,168</u>
Capital assets, being depreciated:				
Buildings	215,167,811	1,767,268	-	216,935,079
CLC Building Equity Interest	285,443,269	32,701,474	-	318,144,743
Improvements other than buildings	205,904,927	7,074,539	-	212,979,466
CLC Improvements other than buildings	253,244	-	-	253,244
Equipment & Intangibles	155,845,111	6,086,375	1,517,624	160,413,862
Infrastructure	785,430,467	36,272,457	-	821,702,924
Right-to-Use Lease Assets	11,153,084	23,039,544	-	34,192,628
Total capital assets, being depreciated	<u>1,659,197,913</u>	<u>106,941,657</u>	<u>1,517,624</u>	<u>1,764,621,946</u>
Less accumulated depreciation for:				
Buildings	120,596,647	4,475,334	-	125,071,981
CLC Building Equity Interest	47,233,389	5,717,794	-	52,951,183
Improvements other than buildings	104,074,469	6,585,067	-	110,659,536
CLC Improvements other than buildings	68,257	7,671	-	75,928
Equipment & Intangibles	125,143,403	6,341,498	1,512,731	129,972,170
Infrastructure	448,989,058	18,533,087	-	467,522,145
Right-to-Use Lease Assets	-	1,081,395	-	1,081,395
Total accumulated depreciation	<u>846,105,223</u>	<u>42,741,846</u>	<u>1,512,731</u>	<u>887,334,338</u>
Total capital assets, being depreciated, net	<u>813,092,690</u>	<u>64,199,811</u>	<u>4,893</u>	<u>877,287,608</u>
Governmental activities capital assets, net	<u>\$ 1,120,164,621</u>	<u>\$ 83,272,654</u>	<u>\$ 75,444,499</u>	<u>\$ 1,127,992,776</u>

7. Capital Assets (Continued)

	Balance January 1, 2022, as restated	Additions	Deletions	Balance December 31, 2022
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 38,402,937	\$ -	\$ -	\$ 38,402,937
Construction in progress	464,879,166	768,127	40,834,629	424,812,664
Total capital assets, not being depreciated	<u>503,282,103</u>	<u>768,127</u>	<u>40,834,629</u>	<u>463,215,601</u>
Capital assets, being depreciated:				
Buildings	207,772,360	42,670	-	207,815,030
Improvements other than buildings	470,485,748	10,847	-	470,496,595
Equipment and Intangibles	81,119,740	283,637	349,732	81,053,645
Infrastructure	576,512,861	98,226,276	-	674,739,137
Right-to-Use Lease Assets	1,020,334	-	-	1,020,334
Total capital assets, being depreciated	<u>1,336,911,043</u>	<u>98,563,430</u>	<u>349,732</u>	<u>1,435,124,741</u>
Less accumulated depreciation for:				
Buildings	111,579,832	4,120,516	-	115,700,348
Improvements other than buildings	348,142,025	15,378,305	-	363,520,330
Equipment and Intangibles	42,801,161	1,563,192	349,732	44,014,621
Infrastructure	91,033,931	15,480,945	-	106,514,876
Right-to-Use Lease Assets	-	203,673	-	203,673
Total accumulated depreciation	<u>593,556,949</u>	<u>36,746,631</u>	<u>349,732</u>	<u>629,953,848</u>
Total capital assets, being depreciated, net	<u>743,354,094</u>	<u>61,816,799</u>	<u>-</u>	<u>805,170,893</u>
Business-type activities capital assets, net	<u>\$ 1,246,636,197</u>	<u>\$ 62,584,926</u>	<u>\$ 40,834,629</u>	<u>\$ 1,268,386,494</u>

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, in fiscal year 2019. This statement requires governmental entities to record a liability and a corresponding deferred outflow at the time there is an external obligating event such as a federal or state regulation, a legally binding contract or court judgment, and when there is an internal obligating event which is at the time an asset is acquired or if constructed placed in service. In accordance with GASB 83, the City recorded a current liability of \$62,570 and long-term liability of \$312,850 associated with the retirement of inactive oil wells as there is an enforceable legal obligation. After extensive legal and procedural research, the City has determined that it is impractical that City's sewer and water treatment facilities will ever be closed, and ongoing projects preserve the overall condition of the operations of the facilities. Thus, no associated retirement liability was recorded for the sewer and water treatment facilities. While the FAA-administered financing requires reimbursement if closure of the airport occurs, the City intends to keep the facility operational as new projects are ongoing to preserve the conditions and overall operations at the facility, and therefore no retirement liability was recorded. The liabilities for Hardy Road Landfill and City-owned gas tanks fall under GASB 18 and GASB 49, respectively, and are reflected in the statements. Other assets are maintained and/or disposed of by the City in accordance with best practice standards. Due to the implementation of GASB 87 some of the beginning balances have been adjusted.

7. Capital Assets (Continued)

Depreciation expense was charged during 2022 to functions of the government as follows:

Governmental Activities:

General government	\$ 2,916,103
Public service	9,855,259
Public safety	2,594,788
Community environment	7,988,361
Public health	249,910
Unallocated depreciation	18,935,385
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>202,040</u>
 Total depreciation expense charged to governmental activities	 <u><u>\$ 42,741,846</u></u>

Business-type Activities:

Water	\$ 9,014,941
Sewer	24,466,652
Off-Street Parking	2,915,313
Other Business-type activities	<u>349,725</u>
 Total depreciation, depletion, and amortization expense charged to business-type activities	 <u><u>\$ 36,746,631</u></u>

Construction in progress and remaining capital commitments (including capitalized interest of \$5,390,276 through December 31, 2017 before the implementation of GASB statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*) are comprised of the following:

	Project Authorization	Expended to December 31, 2022	Committed
Governmental Activities:			
Governmental	\$ 86,373,868	\$ 68,828,763	\$ 17,545,105
 Business-type Activities:			
Water	40,725,191	25,230,627	15,494,564
Sewer	395,952,543	385,733,028	10,219,515
Airport	4,053,647	3,548,330	505,317
	<u>\$ 527,105,249</u>	<u>\$ 483,340,748</u>	<u>\$ 43,764,501</u>

8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee's separation, such compensated absences are paid to the employee from the fund to which the employee's payroll is charged.

Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net position. Vacation, paid leave, sick leave, and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net position and in the proprietary fund statement of net position.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours for uniformed firefighters and 1,000 hours for all other eligible employees. Unused sick leave vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2022 and expected to vest in the future has been accrued for in the Government-wide Statement of Net Position for all City employees. Amounts related to the City's proprietary fund operations are also accrued for in the proprietary fund statement of net position due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

General Fund	Street and Highway Maintenance
Income Tax Collection	Community Development
Emergency Medical Service	Police Grants
Special Assessment Fund	Safety Programs
Income Tax Capital Improvement	

8. Accrued Vacation and Leave (Continued)

As of December 31, 2022, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Position as follows:

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Governmental Activities:				
Governmental Funds:				
General Fund	\$ 10,097,098	\$ 8,489,733	\$ (10,097,098)	\$ 8,489,733
Income Tax Capital Improvement	68,790	17,584	(68,790)	\$ 17,584
Special Assessment Fund	912,457	206,544	(912,457)	206,544
Other Governmental Funds	924,834	2,010,028	(924,834)	2,010,028
Total Governmental Funds	12,003,179	10,723,889	(12,003,179)	10,723,889
Internal Service Funds	593,920	614,521	(593,920)	614,521
Total Governmental Activities	12,597,099	11,338,410	(12,597,099)	11,338,410
Business-type Activities:				
Enterprise Funds:				
Water	1,074,679	908,733	(1,074,679)	908,733
Sewer	565,414	532,856	(565,414)	532,856
Other Enterprise Funds	31,533	26,062	(31,533)	26,062
Total Enterprise Funds/ Business-type Activities	1,671,626	1,467,651	(1,671,626)	1,467,651
	<u>\$ 14,268,725</u>	<u>\$ 12,806,061</u>	<u>\$ (14,268,725)</u>	<u>\$ 12,806,061</u>

The following amounts are also included as long-term obligations in the government-wide statement of net position (Note 14):

Governmental Activities:				
Governmental Funds:				
General Fund	\$ 49,605,999	\$ 14,402,235	\$ (13,077,522)	\$ 50,930,712
Income Tax Capital Improvement	270,202	17,005	\$ (110,195)	177,012
Special Assessment Fund	1,100,289	387,989	\$ (434,315)	1,053,963
Other Governmental Funds	11,716,295	3,441,786	\$ (4,056,763)	11,101,318
Total Governmental Funds	62,692,785	18,249,015	(17,678,795)	63,263,005
Internal Service Funds	3,189,783	1,082,420	(771,344)	3,500,859
Total Governmental Activities	65,882,568	19,331,435	(18,450,139)	66,763,864
Business-type Activities:				
Water	4,602,115	1,554,336	(1,980,771)	4,175,680
Sewer	2,649,212	693,301	(783,313)	2,559,200
Other Business-type Activities	65,725	39,525	(32,621)	72,629
Total Business-type Activities	7,317,052	2,287,162	(2,796,705)	6,807,509
	<u>\$ 73,199,620</u>	<u>\$ 21,618,597</u>	<u>\$ (21,246,844)</u>	<u>\$ 73,571,373</u>

9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted. In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service. Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-employer defined-benefit pension plan. The member-directed plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined-benefit pension plan that has elements of both a defined-benefit and a defined-contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these City employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan. Typically, the following funds have been used to liquidate the net pension obligation or net other post-retirement benefit obligation:

General Fund	General Bond Payment
Income Tax Collection	Water
Emergency Medical Service	Sewer
Special Assessment	Oil & Gas
Income Tax Capital Improvement	Golf Course
Street and Highway Maintenance	Airport
Community Development	Motor Equipment
Akron Metropolitan Area Transportation Study	Engineering
Joint Economic Development Districts	Information Technology
Safety Programs	

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, the member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Additionally, when member-directed plan members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. While members (e.g. City employees) may elect the member-directed plan and the combined plan, the vast majority of the City's employees participate in the traditional plan. Therefore, the following plan description 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. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio

9. Pension and Other Post-Retirement Benefit Plans (Continued)

43215-4642, or by calling 800-222-7377.

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
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
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

	<u>State and Local</u>
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0
2021 Actual Contribution Rates	
Employer:	
Pension	14.0
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City’s contractually required contribution was \$10,006,006 for 2022. Of this amount, \$977,691 is reported as a due to other governments. Both amounts reflected contributions for employees participating in the OPERS traditional plan, combined plan, and member directed plan.

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

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

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit 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 three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on 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 three percent of their base pension or disability benefit.

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution, excluding the amount related to post-retirement health care benefits, to OP&F was \$16,137,063 for 2022. Of this amount \$1,536,304 is reported as a due to other governments. Both amounts reflected contributions for police and firefighters participating in OP&F.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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, 2021, 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, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS			OP&F	Total
	Traditional Plan	Combined Plan	Member Directed		
Proportionate Share of the Net Pension Liability/(Asset)	\$ 38,122,390	\$ (1,477,405)	\$ (39,874)	\$ 169,376,657	\$ 205,981,768
Proportion of the Net Pension Liability/(Asset) as of 12/31/2022	0.43817%	0.37497%	0.21962%	2.71111%	
Proportion of the Net Pension Liability/(Asset) as of 12/31/2021	0.42634%	0.34861%	0.20177%	2.66596%	
Increase (Decrease) in Proportion	0.01183%	0.02636%	0.01785%	0.04516%	
Pension Expense	\$ (6,392,088)	\$ (54,776)	\$ (6,787)	\$ 11,158,255	\$ 4,704,604

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS			
	Traditional Plan	Combined Plan	Member Directed	OP&F
Deferred Outflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ -	\$ -
Differences between expected and actual experience	1,943,423	9,165	28,145	4,883,829
Changes in proportion and differences between City contributions and proportionate share of contributions	1,463,735	7,203	5,613	7,009,730
Changes in assumptions	4,767,165	74,243	946	30,954,779
City contributions subsequent to the measurement date	9,522,247	263,756	-	16,137,063
Total Deferred Outflows of Resources	<u>\$ 17,696,570</u>	<u>\$ 354,367</u>	<u>\$ 34,704</u>	<u>\$ 58,985,401</u>
Deferred Inflows of Resources				
Net Difference between projected and actual earnings on pension plan investments	\$ (45,345,196)	\$ (316,732)	\$ (4,001)	\$ (44,407,944)
Differences between expected and actual experience	(836,118)	(165,244)	(3,378)	(8,805,260)
Changes in proportion and differences between City contributions and proportionate share of contributions	(255,480)	(87,341)	(5,257)	(3,497,497)
Changes in assumptions	-	-	-	-
Total Deferred Inflows of Resources	<u>\$ (46,436,794)</u>	<u>\$ (569,317)</u>	<u>\$ (12,636)</u>	<u>\$ (56,710,701)</u>

9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2022, \$25,923,066 is 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 subsequent fiscal period rather than the current fiscal period. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pension will be recognized in pension expense as follows:

	OPERS			OP&F
	Traditional Plan	Combined Plan	Member Directed	
Year Ending December 31:				
2023	\$ (5,209,047)	\$ (109,427)	\$ 3,583	\$ 117,540
2024	(15,177,567)	(146,493)	4,245	(11,517,369)
2025	(10,662,489)	(100,090)	1,940	(3,639,798)
2026	(7,213,368)	(76,040)	2,061	(2,540,352)
2027	-	(19,831)	3,051	3,717,616
Thereafter	-	(26,826)	7,188	-
Total	<u>\$ (38,262,471)</u>	<u>\$ (478,707)</u>	<u>\$ 22,068</u>	<u>\$ (13,862,363)</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, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement and Valuation Date	December 31, 2021
Experience Study	5-Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Investment Rate of Return	6.9%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75 % (includes wage inflation at 2.75%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 3.00% Simple Through 2022, then 2.05% Simple

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

The long-term 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 discount rate used to measure the total pension liability was 6.9 percent.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio was 15.3%.

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 table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2021	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00 %	4.21 %

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

	City's proportionate share of the net pension liability/(asset) (in '000s)		
	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
	<u> </u>	<u> </u>	<u> </u>
Traditional Plan	\$ 100,511	\$ 38,122	\$ (13,793)
Combined Plan	(1,102)	(1,477)	(1,769)
Member Directed Plan	(35)	(39)	(43)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, 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 the probability of the 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below:

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience Study Date	5 year period ended December 31, 2016
Investment Rate of Return	7.50%
Cost of Living Increases (COLA)	2.2% per year simple
Salary Increases	3.75 to 10.50%
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent

Healthy Mortality

Mortality rates for non-disabled participants are 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%.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

Disabled Mortality

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

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

The 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 the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income*	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	125.00 %	

The Board of Trustees of OP&F has incorporated the "risk parity" concept into OP&F's asset-liability valuation in order to reduce equity risk exposure, which lowers overall Total Portfolio risk, without sacrificing return. This creates a more risk-balanced portfolio based on their relationship between asset classes and economic environments.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Total Portfolio may be leveraged up to 1.2 times due to the application of leverage in certain fixed income asset classes.

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

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

City's proportionate share of the net pension liability (in '000s)			
	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
OP&F	\$ 251,183	\$ 169,377	\$ 78,855

Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree’s collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City pays 100% of the cost of health care and life insurance benefits. Effective January 1, 2022, monthly contributions for supplemental medical coverage is \$60 single / \$120 family for Non-Bargaining and AFSCME participants, and \$30.00 / \$60 per family for all other participants. Supplemental dental, vision, and life insurance are non-contributory. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as an expenditure/expense as claims are incurred. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

The net OPEB liability was measured as of December 31, 2021, and the net OPEB liability was determined by an actuarial valuation as of December 31, 2020, and rolled-forward to the measurement date. For OPERS and OP&F, the City's proportion of the net OPEB liability was based on the City's share of contributions relative to the contributions of all participating entities. The following information related to the proportionate share and OPEB expense (in '000s):

	<u>OPERS</u>	<u>OP&F</u>
Proportion of the Net OPEB Liability as of December 31, 2021	0.4276%	2.71115%
Proportion of the Net OPEB Liability as of December 31, 2020	0.4152%	2.66596%
Increase (Decrease) in Proportion	0.0124%	0.0452%
Proportionate share of the Net OPEB Liability (Asset)	\$ (13,392)	\$ 29,716
OPEB Expense	(11,468)	2,933

The Net OPEB Liability for the City's OPEB plan was measured as of December 31, 2021 and the net OPEB liability was determined by an actuarial valuation as of December 31, 2020, and rolled-forward to the measurement date. The following information is related to the changes in the net OPEB liability for the City's plan (in '000s):

Net OPEB Liability - December 31, 2020	\$ 92,398
Total service cost	2,025
Interest cost	1,800
Experience (gains)/losses	(702)
Changes in assumptions	(18,108)
Benefit payments	(2,260)
Net OPEB Liability - December 31, 2021	<u>\$ 75,153</u>

At December 31, 2022 the City reported deferred (outflows) of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>City of Akron</u>	<u>OPERS</u>	<u>OP&F</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ -	\$ 605,791
Differences between expected and actual experience	162,396	-	1,351,834
Changes in proportion and differences between City and proportionate share of contributions	-	208,039	1,968,704
Changes in assumptions	1,925,245	-	9,647,546
City's contributions subsequent to the measurement date	2,002,382	-	381,419
Total Deferred Outflows of Resources	<u>\$ 4,090,023</u>	<u>\$ 208,039</u>	<u>\$ 13,955,294</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on OPEB plan investments	\$ (2,936,336)	\$ (6,384,657)	\$ -
Differences between expected and actual experience	-	(2,031,455)	(2,308,797)
Changes in proportion and differences between City and proportionate share of contributions	-	(182,961)	(513,949)
Changes in assumptions	(28,453,978)	(5,421,179)	(6,516,892)
Total Deferred Inflowsof Resources	<u>\$ (31,390,314)</u>	<u>\$ (14,020,252)</u>	<u>\$ (9,339,638)</u>

9. Pension and Other Post-Retirement Benefit Plans (Continued)

At December 31, 2022, \$2,605,607 was reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred (inflows) outflows of resources related to OPEB will be recognized in the OPEB expense as follows:

	<u>City of Akron</u>	<u>OPERS</u>	<u>OP&F</u>
Fiscal Year Ending December 31:			
2023	\$ (10,303,399)	\$ (8,604,114)	\$ 2,110,716
2024	(9,856,026)	(2,896,150)	1,712,193
2025	(5,610,676)	(1,395,014)	215,186
2026	(3,457,632)	(916,936)	(749,711)
2027	(74,940)	-	147,753
Thereafter	-	-	798,100
Total	<u>\$ (29,302,673)</u>	<u>\$(13,812,214)</u>	<u>\$ 4,234,237</u>

Actuarial Assumptions - City of Akron OPEB Plan

The total OPEB liability is based on the results of an actuarial measurement date and valuation date of December 31, 2021, using generally accepted actuarial procedures. The total OPEB liability was calculated by using the following assumptions:

Actuarial Cost Method	Entry age normal, level percent of projected payroll
Discount Rate	2.25%
Projected Payroll Growth Rate	2.00%
Health Care Cost Trend Rate for Medical and Prescription Drugs	7.0% in fiscal 2022, decreasing to an ultimate rate of 5.0% in fiscal year 2030 and after.
Health Care Cost Trend Rate for Dental and Vision	3.0%

Pursuant to paragraph 36 of GASB 75, since the City's plan is an unfunded plan, the discount rate should reflect a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate selected by the City reflects the S&P Municipal Bond 20-High Grade as of December 31, 2021. The discount rate used to measure the total OPEB liability was 2.25 percent, which is an increase from 1.93 percent used for the measurement date of December 31, 2020.

For OP&F active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the RPH-2014 Mortality Table adjusted to 2006 and projected with the Buck Modified 2019 Improvement Scale. Rates are also adjusted for experience. For OPERS active members, non-disabled retirees and beneficiaries, and disabled retirees, mortality rates are based on the PubH-2010 General and Disabled Morality Tables projected with the Buck Modified 2016 Improvement Scale.

The Net OPEB Liability is sensitive to changes in the discount rate and the health care trend rate. The following table presents what the Net OPEB Liability would be if it were calculated using a discount rate that is one (1) percentage point lower (1.25%) and higher (3.25%) than the current discount rate (2.25%). Additionally shown is what the City's net OPEB liability would be based on current health care trend rates that are one (1) percentage point lower (6.0%) and higher (8.0%) than the current rate (7.0%).

9. Pension and Other Post-Retirement Benefit Plans (Continued)

	1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Net OPEB Liability	\$ 87,556,006	\$ 75,152,958	\$ 65,224,100
	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 71,952,210	\$ 75,152,958	\$ 79,112,786

The below table covers the classes of plan members covered:

Retirees and surviving spouses receiving benefits:	2,316
Active plan members	1,845
Total membership	<u>4,161</u>

Actuarial Assumptions - OPERS

The total OPEB liability is based on the results of an actuarial valuation dated December 31, 2020 and rolled-forward to December 31, 2021 using generally accepted actuarial procedures. The total OPEB liability was calculated using the following assumptions:

Actuarial Valuation Date	December 31, 2019
Rolled-Forward Measurement Date	December 31, 2021
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Actuarial Assumptions	
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	1.84%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75%
	(Includes Wage Inflation at 2.75%)
Health Care Cost Trend Rate	5.0% Initial, 3.5% ultimate in 2034

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

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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 the OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that the 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 2121. As a result, the long-term expected rate of return on health care investments were applied to projected costs through the year 2121, and the municipal bond rate was applied to all health care costs after that date.

The following table presents the OPEB liability calculated using the single discount rate of 6.00%, and the expected Net OPEB Asset if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current rate (in '000s):

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
City's proportionate share of the Net OPEB (Asset)	\$ (7,876)	\$ (13,392)	\$ (17,971)

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 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-to-distant future, the health plan cost 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. The following table presents the OPEB liability calculated using the health care cost trend rate and the expected Net OPEB Liability if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current rate (in '000s):

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ (13,537)	\$ (13,392)	\$ (13,221)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The system's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return.

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
REITs	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00 %	3.45 %

Actuarial Assumptions - OP&F

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 the probability of the occurrence of events far into the future. This can include assumptions about service credit, salaries and salary increases, disabilities, and retirements. Actuarially determined amounts are subject to continual review and potential 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 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 members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

The following key methods and assumptions were used in calculating the total OPEB liability as of December 31, 2021:

Valuation Date	January 1, 2021
Rolled Forward Valuation Date	December 31, 2021
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumption Experience	
Study Date	5-Year Period Ended December 31, 2016
Investment Rate of Return	OP&F OPEB Long Term Rate is 7.5%
Cost of Living Increases (COLA)	2.2% simple per year
Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Projected Depletion Year of OPEB Assets	2037

9. Pension and Other Post-Retirement Benefit Plans (Continued)

Mortality Rates - OP&F

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 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 the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2021 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non - U.S. Equity	14.00	4.40
Private Markets	8.00	6.80
Core Fixed Income*	23.00	1.10
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.80
Midstream Energy Infrastructure	5.00	5.00
Real Assets	8.00	5.90
Gold	5.00	2.40
Private Real Estate	12.00	4.80
Total	<u>125.00 %</u>	

9. Pension and Other Post-Retirement Benefit Plans (Continued)

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

Discount Rate The total OPEB liability was calculated using the discount rate of 2.84 percent, which is a decrease from 2.96 percent used for the measurement date of December 31, 2020. The projection of cash flows used to determine the discount rate assumed that 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 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to not be available to make all future benefit payments to current plan members. Therefore, an S&P Municipal Bond 20 Year High Grade Rate Index of 2.05 percent at December 31, 2021, and 2.12 percent at December 31, 2020 was blended with the long-term rate of 7.50 percent, which resulted in a blended discount rate of 2.84 percent.

The Net OPEB Liability is sensitive to changes in the discount rate. The following tables present the Net OPEB Liability of OP&F and what OP&F's Net OPEB Liability would be if it were calculated using a rate that is 1% point lower and 1% point higher than what the current discount cost trend rates are (in '000s).

	1% Decrease	Current Discount Rate	1% Increase
	<u>1.84%</u>	<u>2.84%</u>	<u>3.84%</u>
City's proportionate share of the Net OPEB Liability	\$ 37,358	\$ 29,716	\$ 23,438

10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2022, reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2022	\$ 13,000,000	\$ 32,900,000	\$ 45,900,000
New notes issued	13,000,000	55,258,712	68,258,712
Notes retired	<u>(13,000,000)</u>	<u>(32,900,000)</u>	<u>(45,900,000)</u>
Notes Payable at December 31, 2022	<u>\$ 13,000,000</u>	<u>\$ 55,258,712</u>	<u>\$ 68,258,712</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2022:

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Principal	Interest	Principal	Interest	
2022	<u>\$ 13,000,000</u>	<u>\$ 486,146</u>	<u>\$ 55,258,712</u>	<u>\$ 1,902,859</u>	<u>\$ 70,647,717</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

Notes and Bonds issued by the City of Akron and held by the City as investments at December 31, 2022, amounting to \$78,773,320 (Note 2) are eliminated in the government-wide statement of net position.

10. Notes Payable (Continued)

Special assessment notes are issued to finance the property owners’ share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2022 were 3.75% and 3.50% respectively.

Notes payable as of December 31, 2022, are comprised of the following individual issues:

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
Special Assessment Notes:				
<u>Governmental Activities:</u>				
Street Cleaning/Lighting Note:				
November 22, 2022	3.75	11-22	November 21, 2023	\$ 13,000,000
General Obligation Notes:				
<u>Governmental Activities:</u>				
Various Purpose Improvements Note:				
December 13, 2022	3.50	12-13	December 7, 2023	48,645,000
Taxable GO Note:				
December 13, 2022	5.00	12-13	December 7, 2023	1,600,000
Non-Tax Revenue Note:				
September 27, 2022	5.00	9-27	September 26, 2023	<u>5,013,712</u>
				<u>\$ 68,258,712</u>

11. Bonds and Loans Payable and Defeased Debt

The following is a summary of bonds and loans payable for the year ended December 31, 2022:

	Governmental Activities			
	General Obligation	OPWC - Direct Borrowings	ODSA - Direct Borrowings	Non-Tax Revenue
Bonds and loans payable at January 1, 2022	\$ 86,610,000	\$ 5,238,163	\$ 3,305,000	\$ 24,115,000
New Issues:				
Community Learning Centers	-	-	-	-
Street Improvements	-	-	-	-
Resurfacing	-	-	-	-
Water System	-	-	-	-
Sewer System	-	-	-	-
Retirements	<u>(15,370,000)</u>	<u>(571,797)</u>	<u>(335,000)</u>	<u>(3,285,000)</u>
Bonds and loans payable at December 31, 2022	<u>\$ 71,240,000</u>	<u>\$ 4,666,366</u>	<u>\$ 2,970,000</u>	<u>\$ 20,830,000</u>
	Governmental Activities			
	Income Tax Revenue	Income Tax Revenue - Direct Borrowings	Special Revenue (JEDD)	Special Assessment - Direct Placements
Bonds and loans payable at January 1, 2022	\$ 315,325,000	\$ 8,249,560	\$ 1,870,000	\$ 6,978,049
New Issues:				
Community Learning Centers	114,970,000	-	-	-
Street Improvements	-	-	-	2,442,123
Resurfacing	-	-	-	730,124
Water System	-	-	-	-
Sewer System	-	-	-	-
Retirements	<u>(149,515,000)</u>	<u>(631,517)</u>	<u>(1,870,000)</u>	<u>(1,505,688)</u>
Bonds and loans payable at December 31, 2022	<u>\$ 280,780,000</u>	<u>\$ 7,618,043</u>	<u>\$ -</u>	<u>\$ 8,644,608</u>
	Business-type Activities			
	Mortgage Revenue - Direct Placements	OPWC - Direct Borrowings	OWDA - Direct Borrowings	Total
Bonds and loans payable at January 1, 2022	\$ 4,395,000	\$ 206,857	\$ 738,531,019	\$ 1,194,823,648
New Issues:				
Community Learning Centers	-	-	-	114,970,000
Street Improvements	-	-	-	2,442,123
Resurfacing	-	-	-	730,124
Water System	-	-	14,556,894	14,556,894
Sewer System	-	849,509	38,373,637	39,223,146
Retirements	<u>(830,000)</u>	<u>(68,041)</u>	<u>(30,164,812)</u>	<u>(204,146,855)</u>
Bonds and loans payable at December 31, 2022	<u>\$ 3,565,000</u>	<u>\$ 988,325</u>	<u>\$ 761,296,738</u>	<u>\$ 1,162,599,080</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Bonds and loans payable at December 31, 2022 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds:</u>				
Various Purpose Improvement Bonds:				
November 29, 2012	2.0 to 4.0	Series 2012	December 1, 2024	\$ 5,135,000
March 20, 2014	1.25 to 4.0	Series 2014A	December 1, 2026	5,385,000
March 20, 2014	.45 to 4.125	Series 2014B	December 1, 2026	5,800,000
December 2, 2014	2.0 to 5.0	Series 2014C	December 1, 2031	13,595,000
March 10, 2015	1.50 to 5.0	Series 2015	December 1, 2028	12,605,000
May 26, 2016	1.00 to 4.00	Series 2016 Judgement	December 1, 2036	3,895,000
December 6, 2016	1.75 to 4.00	Series 2016A	December 1, 2031	6,210,000
December 6, 2016	1.45 to 3.05	Series 2016B	December 1, 2028	5,645,000
December 20, 2017	1.75 to 4.00	Series 2017A	December 1, 2031	6,335,000
December 20, 2017	1.85 to 3.70	Series 2017B	December 1, 2031	3,725,000
November 12, 2020	2.0	Series 2020	December 1, 2023	2,910,000
Total General Obligation Bonds:				<u>\$ 71,240,000</u>
<u>Ohio Public Works Commission Loans - Direct Borrowings:</u>				
July 1, 1998	-	Tallmadge Ave.	July 1, 2022	\$ 66,690
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	-
July 1, 1999	-	Bye Street	July 1, 2022	-
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	-
July 1, 2000	-	Bishop Street	July 1, 2022	3,050
July 1, 2000	-	NW Storm Outlets	July 1, 2022	32,437
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	8,288
July 1, 2001	-	Darrow Road	July 1, 2023	82,378
July 1, 2003	-	US 244 Phase II	July 1, 2025	173,340
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	18,900
July 1, 2005	-	Arlington St Signalization	July 1, 2027	226,250
July 1, 2005	-	E. Market St Widening	July 1, 2027	469,500
July 1, 2006	-	W. Market Street	July 1, 2028	370,500
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	50,710
July 1, 2006	-	Brown and Power St.	July 1, 2027	312,750
November 28, 2008	-	Barbara Ave.	January 1, 2040	120,987
November 28, 2008	-	Newton Street Bridge	January 1, 2040	399,954
July 1, 2008	-	Mill St. Bridge	July 1, 2039	608,137
March 13, 2009	-	Dover Ave.	January 1, 2030	243,957
August 4, 2010	-	Smith/Riverview Round	December 1, 2031	98,003
October 11, 2011	-	Carroll Street	July 1, 2041	447,201
July 1, 2020	-	Firestone Industrial Park	July 1, 2050	933,334
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 4,666,366</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Governmental Activities (Continued):				
<u>Ohio Development Services Agency Loans - Direct Borrowings:</u>				
March 31, 2011	2.0	Goodyear 166 Loan	December 1, 2030	\$ 2,970,000
Total Ohio Development Services Agency Loans - Direct Borrowings:				<u>\$ 2,970,000</u>
<u>Non-Tax Revenue Bonds:</u>				
November 25, 2014	.85 to 4.75	2014	December 1, 2034	\$ 14,605,000
November 12, 2015	1.40 to 3.625	2015	December 1, 2026	<u>6,225,000</u>
Total Non-tax Revenue Bonds:				<u>\$ 20,830,000</u>
<u>Income Tax Revenue Bonds:</u>				
November 25, 2014	2.0 to 5.0	2014	December 1, 2034	\$ 22,240,000
November 12, 2015	1.0 to 5.0	2015	December 1, 2028	9,415,000
December 6, 2016	1.50 to 5.0	2016	December 1, 2028	9,200,000
December 6, 2019	4.0	2019	December 1, 2041	49,655,000
November 24, 2020	3.15	2020	December 1, 2032	<u>10,150,000</u>
Total Income Tax Revenue Bonds:				<u>\$ 100,660,000</u>
<u>Income Tax Revenue Bonds - CLC:</u>				
July 28, 2010	5.87	2010C	December 1, 2026	\$ 10,040,000
December 8, 2016	3.5 to 5.0	2016	December 1, 2033	19,615,000
December 20, 2017	1.75 to 5.0	2017	December 1, 2033	33,560,000
August 4, 2019	3.0 to 5.0	2019	December 1, 2033	10,160,000
March 3, 2022	4.0	2022	December 1, 2033	<u>106,745,000</u>
Total CLC Income Tax Revenue Bonds:				<u>\$ 180,120,000</u>
<u>Income Tax Revenue Bonds - Direct Borrowings:</u>				
August 8, 2013	4.20	2013	December 1, 2028	\$ 2,013,390
June 24, 2015	2.42	2015	June 1, 2035	3,734,653
November 14, 2018	4.7	2018	December 1, 2048	<u>1,870,000</u>
Total Income Tax Revenue Bonds - Direct Borrowings:				<u>\$ 7,618,043</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Governmental Activities (Continued):</u>				
Special Assessment Obligations - Direct Placements:				
Street Improvement Bonds - Direct Placements:				
December 15, 2017	2.3	2017	December 1, 2027	\$ 1,662,345
December 15, 2017	2.3	2017	December 1, 2027	28,738
November 11, 2018	1.95	2018	December 1, 2023	103,736
December 11, 2018	2.35	2018	December 1, 2028	37,316
December 11, 2018	2.35	2018	December 1, 2028	1,164,490
December 13, 2019	1.45	2019	December 1, 2024	633,310
December 1, 2020	0.95	2020	December 1, 2025	905,991
December 1, 2020	1.35	2020	December 1, 2030	114,559
October 1, 2021	0.45	2021	October 1, 2026	821,876
October 1, 2022	3.25	2022	October 1, 2032	2,442,123
October 1, 2022	3.00	2022	October 1, 2027	<u>730,124</u>
Total Special Assessment Obligations - Direct Placements:				<u>\$ 8,644,608</u>
 <u>Business-type Activities:</u>				
Mortgage Revenue Bonds - Direct Placements:				
Waterworks System Bonds:				
December 18, 2015	2.59	2015	March 1, 2026	<u>\$ 3,565,000</u>
Total Mortgage Revenue Bonds - Direct Placements:				<u>\$ 3,565,000</u>
 Ohio Public Works Commission Loans - Direct Borrowings:				
July 1, 2000	-	Water	July 1, 2024	\$ 111,875
July 1, 2005	-	Sewer	July 1, 2025	41,099
July 1, 2022	-	Sewer	January 1, 2052	<u>835,351</u>
Total Ohio Public Works Commission Loans - Direct Borrowings:				<u>\$ 988,325</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Business-type Activities (Continued):				
<u>Ohio Water Development Authority Loans - Direct Borrowings:</u>				
January 14, 2010	3.25	Sewer	January 1, 2030	\$ 447,168
November 19, 2009	3.25	Sewer	July 1, 2030	76,729
December 10, 2009	3.25	Sewer	January 1, 2030	39,203
March 31, 2011	4.72	Sewer	January 1, 2032	472,278
February 24, 2011	4.14	Sewer	January 1, 2032	1,261,987
February 24, 2011	4.14	Sewer	January 1, 2032	237,932
December 8, 2011	2.80	Sewer	July 1, 2032	1,566,982
December 8, 2011	2.80	Water	January 1, 2033	1,162,479
December 8, 2011	2.80	Sewer	January 1, 2033	1,162,479
December 8, 2011	2.80	Sewer	January 1, 2032	491,523
December 8, 2011	3.55	Water	July 1, 2032	276,301
October 27, 2011	2.78	Sewer	July 1, 2033	13,911,894
October 27, 2011	2.85	Sewer	January 1, 2033	739,416
October 27, 2011	2.85	Sewer	July 1, 2032	558,810
June 28, 2012	2.00	Water	July 1, 2033	651,219
March 28, 2013	3.15	Sewer	July 1, 2034	3,265,394
May 30, 2013	2.67	Sewer	July 1, 2033	1,370,481
June 27, 2013	2.00	Water	July 1, 2034	1,884,749
June 27, 2013	2.00	Water	July 1, 2034	467,445
August 29, 2013	3.05	Sewer	January 1, 2035	4,283,472
September 26, 2013	4.24	Water	July 1, 2023	26,842
December 12, 2013	3.62	Water	January 1, 2035	541,041
January 30, 2014	3.66	Sewer	July 1, 2034	976,665
January 30, 2014	3.66	Water	July 1, 2024	147,165
February 27, 2014	3.65	Water	January 1, 2035	1,607,243
February 27, 2014	4.15	Water	July 1, 2035	7,361,043
April 24, 2014	3.95	Sewer	January 1, 2036	2,607,727
April 24, 2014	3.45	Sewer	July 1, 2034	1,005,176
June 26, 2014	3.09	Sewer	January 1, 2036	7,162,823
June 26, 2014	3.01	Sewer	July 1, 2036	10,811,633
August 28, 2014	3.34	Sewer	July 1, 2035	4,509,532
February 26, 2015	1.89	Sewer	January 1, 2036	3,009,835
February 26, 2015	1.89	Sewer	January 1, 2038	14,287,834
May 28, 2015	2.26	Sewer	January 1, 2036	677,100
May 28, 2015	2.26	Sewer	January 1, 2036	4,745,114
September 24, 2015	2.45	Sewer	January 1, 2036	3,221,862
February 25, 2016	2.04	Sewer	January 1, 2036	801,314
May 28, 2015	1.96	Sewer	January 1, 2038	22,790,450
June 25, 2015	1.57	Water	January 1, 2037	641,170
July 30, 2015	2.29	Sewer	January 1, 2036	3,980,689
August 27, 2015	2.32	Sewer	January 1, 2037	4,495,616
September 24, 2015	1.74	Water	July 1, 2036	1,157,714
October 29, 2015	2.18	Sewer	January 1, 2037	2,215,390
October 29, 2015	2.35	Sewer	July 1, 2049	233,444,901
October 29, 2015	1.68	Water	July 1, 2037	301,867
December 10, 2015	2.14	Sewer	January 1, 2037	2,594,049
December 10, 2015	2.14	Sewer	January 1, 2037	3,213,592
December 10, 2015	2.14	Sewer	July 1, 2036	1,021,534
January 28, 2016	2.21	Sewer	January 1, 2026	352,667
February 25, 2016	2.05	Sewer	January 1, 2047	4,143,571
March 31, 2016	1.95	Sewer	January 1, 2048	17,802,554
June 30, 2016	1.75	Sewer	January 1, 2047	946,293
June 30, 2016	1.75	Sewer	July 1, 2048	19,215,473
June 30, 2016	1.66	Sewer	July 1, 2048	12,939,637
August 25, 2016	1.56	Sewer	July 1, 2037	1,462,439
August 25, 2016	1.40	Sewer	July 1, 2047	1,255,484
August 25, 2016	0.45	Sewer	July 1, 2049	37,624,333
August 25, 2016	1.40	Sewer	July 1, 2048	6,236,867
September 29, 2016	1.33	Sewer	January 1, 2048	3,727,758

11. Bonds and Loans Payable and Defeased Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Business-type Activities (Continued):</u>				
Ohio Water Development Authority Loans - Direct Borrowings (Continued):				
April 27, 2017	2.33	Sewer	July 1, 2024	\$ 5,034,138
April 27, 2017	2.33	Sewer	July 1, 2023	6,614,758
April 27, 2017	1.83	Water	July 1, 2038	518,037
May 25, 2017	0.93	Sewer	July 1, 2063	18,950,415
June 27, 2017	2.13	Sewer	January 1, 2025	1,122,858
June 29, 2017	2.13	Sewer	January 1, 2025	403,179
June 29, 2017	2.51	Sewer	January 1, 2048	2,057,301
February 22, 2018	-	Sewer	July 1, 2023	62,550
April 26, 2018	2.89	Water	January 1, 2029	352,477
June 28, 2018	1.65	Water	January 1, 2039	177,432
July 26, 2018	-	Water	January 1, 2039	227,716
September 27, 2018	1.63	Water	July 1, 2039	2,318,730
September 27, 2018	2.23	Sewer	July 1, 2065	6,107,852
December 6, 2018	2.54	Sewer	July 1, 2064	3,951,572
December 6, 2018	2.62	Sewer	July 1, 2065	1,755,860
January 31, 2019	2.40	Sewer	July 1, 2066	33,055,443
January 31, 2019	2.62	Sewer	January 1, 2066	1,369,025
January 31, 2019	2.52	Sewer	July 1, 2065	9,074,497
February 28, 2019	-	Water	January 1, 2050	278,944
March 28, 2019	-	Water	January 1, 2025	288,871
May 30, 2019	1.87	Sewer	January 1, 2037	1,307,751
May 30, 2019	-	Water	July 1, 2024	123,872
May 30, 2019	0.66	Sewer	January 1, 2067	73,358,280
June 27, 2019	-	Water	July 1, 2040	266,980
July 25, 2019	1.77	Sewer	July 1, 2066	893,715
October 31, 2019	-	Water	July 1, 2040	6,116,982
December 12, 2019	1.23	Sewer	January 1, 2051	836,876
December 12, 2019	1.30	Sewer	July 1, 2066	7,667,902
December 12, 2019	1.29	Sewer	January 1, 2067	46,612,157
December 12, 2019	1.23	Sewer	January 1, 2051	803,140
January 30, 2020	-	Water	July 1, 2041	307,424
February 27, 2020	1.39	Sewer	July 1, 2066	1,040,377
March 26, 2020	1.13	Sewer	July 1, 2051	1,224,792
June 25, 2020	-	Water	January 1, 2051	210,414
August 27, 2020	0.88	Sewer	July 1, 2066	4,682,563
August 27, 2020	-	Sewer	January 1, 2027	6,772,588
October 29, 2020	1	Sewer	January 1, 2052	805,714
October 29, 2020	-	Water	January 1, 2027	222,832
October 29, 2020	-	Water	January 1, 2052	59,800
December 10, 2020	0.52	Water	July 1, 2038	17,600,888
December 10, 2020	1.01	Sewer	July 1, 2067	649,879
May 27, 2021	0.90	Water	July 1, 2047	1,693,173
May 27, 2021	0.90	Water	January 1, 2048	372,583
June 24, 2021	-	Water	January 1, 2028	2,833
July 29, 2021	0.61	Sewer	January 1, 2053	1,023,192
November 18, 2021	1.12	Water	January 1, 2034	6,389,470
August 26, 2021	-	Water	January 1, 2032	2,901
August 26, 2021	0.46	Water	July 1, 2042	971,838
October 28, 2021	0.64	Water	January 1, 2048	903,474
March 31, 2022	0.99	Water	January 1, 2053	989,503
June 30, 2022	-	Sewer	July 1, 2029	3,654,037
June 30, 2022	2.47	Sewer	July 1, 2068	383,611
September 29, 2022	2.26	Water	July 1, 2038	144,679
September 29, 2022	2.26	Water	January 1, 2043	40,368
October 27, 2022	2.41	Water	July 1, 2044	46,557
Total Ohio Water Development Authority Loans - Direct Borrowings:				<u>\$ 761,296,738</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2022 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation		OPWC - Direct Borrowings		ODSA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 14,340	\$ 2,451	\$ 511	\$ -	\$ 340	\$ 65
2024	12,240	2,026	489	-	350	57
2025	8,500	1,585	403	-	360	49
2026	10,340	1,258	403	-	365	41
2027	6,720	871	360	-	375	33
2028-2032	17,780	1,689	903	-	1,180	47
2033-2037	1,320	135	628	-	-	-
2038-2042	-	-	600	-	-	-
2043-2047	-	-	269	-	-	-
2048-2052	-	-	134	-	-	-
2053-2057	-	-	-	-	-	-
2058-2062	-	-	-	-	-	-
2063-2067	-	-	-	-	-	-
	<u>\$ 71,240</u>	<u>\$ 10,015</u>	<u>\$ 4,700</u>	<u>\$ -</u>	<u>\$ 2,970</u>	<u>\$ 292</u>

Fiscal Year Ending December 31	Non-Tax Revenue		Income Tax Revenue		Income Tax Revenue - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 3,395	\$ 808	\$ 20,945	\$ 11,651	\$ 628
2024	3,515	692	20,980	10,761	638	243
2025	3,635	568	21,520	9,803	649	220
2026	3,775	430	22,450	8,835	658	197
2027	2,225	285	22,675	7,846	670	174
2028-2032	3,570	480	122,875	24,687	2,138	598
2033-2037	715	51	37,805	4,749	1,170	335
2038-2042	-	-	11,530	1,116	418	216
2043-2047	-	-	-	-	528	107
2048-2052	-	-	-	-	121	7
2053-2057	-	-	-	-	-	-
2058-2062	-	-	-	-	-	-
2063-2067	-	-	-	-	-	-
	<u>\$ 20,830</u>	<u>\$ 3,314</u>	<u>\$ 280,780</u>	<u>\$ 79,448</u>	<u>\$ 7,618</u>	<u>\$ 2,362</u>

Fiscal Year Ending December 31	Special Assessment - Direct Placements	
	Principal	Interest
	2023	\$ 1,795
2024	1,723	158
2025	1,431	126
2026	1,151	98
2027	970	72
2028-2032	1,575	137
2033-2037	-	-
2038-2042	-	-
2043-2047	-	-
2048-2052	-	-
2053-2057	-	-
2058-2062	-	-
2063-2067	-	-
	<u>\$ 8,645</u>	<u>\$ 783</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

Fiscal Year Ending December 31	Business-type Activities					
	Mortgage Revenue - Direct Placements		OPWC - Direct Borrowings		OWDA - Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	855	81	82	-	32,941	14,773
2024	880	59	82	-	36,395	14,583
2025	905	36	60	-	35,953	13,993
2026	925	12	37	-	33,055	13,296
2027	-	-	33	-	32,009	12,719
2028-2032	-	-	142	-	150,895	53,770
2033-2037	-	-	142	-	135,678	38,424
2038-2042	-	-	142	-	103,668	27,150
2043-2047	-	-	141	-	107,005	17,354
2048-2052	-	-	127	-	44,297	8,507
2053-2057	-	-	-	-	25,492	4,731
2058-2062	-	-	-	-	20,377	2,137
2063-2067	-	-	-	-	3,532	284
	<u>\$ 3,565</u>	<u>\$ 188</u>	<u>\$ 988</u>	<u>\$ -</u>	<u>\$ 761,297</u>	<u>\$ 221,721</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 41,954	\$ 15,432	\$ 33,878	\$ 14,854	\$ 75,832
2024	39,935	13,937	37,357	14,642	77,292	28,579
2025	36,498	12,351	36,918	14,029	73,416	26,380
2026	39,142	10,859	34,017	13,308	73,159	24,167
2027	33,995	9,281	32,042	12,719	66,037	22,000
2028-2032	150,021	27,638	151,073	53,770	301,094	81,408
2033-2037	41,638	5,270	135,820	38,424	177,458	43,694
2038-2042	12,548	1,332	103,810	27,150	116,358	28,482
2043-2047	797	107	107,146	17,354	107,943	17,461
2048-2052	255	7	44,424	8,507	44,679	8,514
2053-2057	-	-	25,492	4,731	25,492	4,731
2058-2062	-	-	20,377	2,137	20,377	2,137
2063-2067	-	-	3,462	284	3,462	284
	<u>\$ 396,783</u>	<u>\$ 96,214</u>	<u>\$ 765,816</u>	<u>\$ 221,909</u>	<u>\$ 1,162,599</u>	<u>\$ 318,123</u>

11. Bonds and Loans Payable and Defeased Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$161,276,434 at December 31, 2022. In the event of default the Series 2015 Water Mortgage Revenue Bonds are subject to a default rate of 10% at minimum. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

The outstanding Income Tax Revenue bond agreements contain provisions that in an event of default, the trustee may accelerate the bonds to be immediately due and payable, may sue to enforce the terms of the agreement, or may enforce available remedies including marshal all money available in the funds. The Non-Tax Revenue bond agreements are secured by a pledge of non-tax revenues and under the agreement any amounts in default will bear a minimum interest rate of 10%.

The outstanding OPWC Direct Borrowing loan agreements contain provisions that in an event of default, the lender may terminate its obligations and elect to accelerate the amount outstanding to become immediately due and payable. Under the agreement terms any amounts in default will bear an interest rate of 8%.

The outstanding OWDA Direct Borrowing loan agreements contain provisions that in an event of default, the amount of such default will bear an interest rate at 3% above the agreed contract interest rate. If the City fails to perform terms of the project agreement and fails to provide a remedy, the State may increase the rate of the contract to recover remedy costs and eliminate the discount rate for the remainder of the contract period. In the event of termination, the loan principal will be made due and payable in full no later than 30 days after the termination or upon terms mutually agreed upon between the State and the City.

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2022, the City's total net debt amounted to 1.89% of the total assessed value of all property within the City and unvoted net debt amounted to 1.89% of the total assessed value of all property within the City.

11. Bonds and Loans Payable and Defeased Debt (Continued)

On September 1, 2021, the City entered a Forward Delivery Bond Purchase Agreement to issue \$102,535,000 in Community Learning Centers Income Tax Revenue Refunding Bonds, Series 2022 (Forward Delivery), maturing December 1, 2033 with an interest rate of 4%. to advance refund Series 2012A CLC bonds in the amount of \$102,535,000 and Series 2014 CLC bonds in the amount of \$12,435,000. The Series 2022 Bonds were issued on March 3, 2022. Net proceeds of \$130,877,261, including a premium of \$16,742,874 and an underwriter's discount of \$490,648 were used to provide cash for the debt service payments on the Series 2012A and 2014 CLC bonds.

As a result, the Series 2012A and Series 2014 CLC bonds are considered defeased and the liability for these bonds has been removed from the financial statements. The City advanced refunded these bonds to reduce its total debt service payments by \$25,831,693 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of 23,849,931.

11. Bonds and Loans Payable and Defeased Debt (Continued)

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2022:

Issue	Defeasance Date	Original Amount		Outstanding at 12/31/22
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 2002	2011	\$ 19,390,000	\$ 20,342,508	\$ 2,105,000
Income Tax Revenue Bonds, Series 1999	2011	6,290,000	6,330,767	675,000
CLC Income Tax Revenue Bonds, Series 2004A	2012	165,000,000	177,376,931	111,170,000
Various Purpose Improvement Bonds, Series 2003	2012	8,755,000	9,301,891	5,100,000
Various Purpose Improvement Bonds, Series 2005	2014	36,750,000	40,380,525	11,575,000
Various Purpose Improvement Bonds, Series 2010C	2014	25,930,000	26,063,093	14,060,000
		62,680,000	66,443,618	25,635,000
Various Purpose Improvement Bonds, Series 2006	2015	12,990,000	14,021,482	6,120,000
Various Purpose Improvement Bonds, Series 2007	2015	11,095,000	12,333,842	6,190,000
		24,085,000	26,355,324	12,310,000
Waterworks Revenue Bonds, Series 2006	2015	8,065,000	8,242,290	3,660,000
Various Purpose Improvement Bonds, Series 2009	2016	10,200,000	10,609,118	5,360,000
Various Purpose Improvement Bonds, Series 2010D	2016	7,275,000	7,321,742	6,070,000
Income Tax Revenue Bonds, Series 2012	2016	15,955,000	16,473,042	9,545,000
Various Purpose Improvement Bonds, Series 2010B	2017	11,950,000	12,610,415	9,950,000
CLC Income Tax Revenue Bonds, Series 2010A	2017	15,000,000	15,929,577	15,000,000
CLC Income Tax Revenue Bonds, Series 2014	2017	20,625,000	23,306,790	18,335,000
		35,625,000	39,236,367	33,335,000
CLC Income Tax Revenue Bonds, Series 2010B	2019	12,060,000	12,825,548	11,060,000
Various Purpose Improvement Bonds, Series 2010A	2020	1,360,000		470,000
Various Purpose Improvement Bonds, Series 2010B	2020	1,195,000		370,000
Various Purpose Improvement Bonds, Series 2011	2020	14,245,000		2,140,000
		16,800,000	17,085,332	2,980,000
Income Tax Revenue Bonds, Series 2011	2020	1,980,000	2,015,863	680,000
Income Tax Revenue Bonds, Series 2012	2020	7,550,000	7,683,162	7,550,000
		9,530,000	9,699,025	8,230,000
Waterworks Revenue Bonds, Series 2009	2021	6,895,000	6,991,487	6,490,000
CLC Income Tax Revenue Bonds, Series 2010A	2022	113,700,000	116,542,501	106,565,000
CLC Income Tax Revenue Bonds, Series 2014	2022	14,105,000	14,334,760	14,105,000
		127,805,000	130,877,261	120,670,000
				\$ 374,345,000

11. Bonds and Loans Payable and Defeased Debt (Continued)

As of December 31, 2022, the City's bond ratings are as follows:

<u>Bond Description</u>	<u>Moody's Investors Service</u>	<u>Standard and Poor's</u>	<u>Fitch Ratings</u>
	<u>Current Rating</u>	<u>Current Rating</u>	<u>Current Rating</u>
2010C Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2012 Various Purpose Refunding Bonds	N/A	A+	N/A
2013-B Certificates of Participation	N/A	A	N/A
2014 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2014 Various Purpose Income Tax Refunding Bonds	N/A	AA-	N/A
2014 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2014 Various Purpose Refunding Bonds, Series C	N/A	A+	N/A
2015 Various Purpose Refunding Bonds	N/A	A+	N/A
2015 Income Tax Revenue Bonds	N/A	N/A	N/A
2015 Income Tax Revenue Refunding Bonds	N/A	N/A	N/A
2015 Nontax Revenue Economic Development Bonds	N/A	A+	N/A
2015 Waterworks System Mortgage Revenue Refunding Bonds	N/A	N/A	N/A
2016 General Obligation Judgement Bonds	N/A	A+	N/A
2016 Steam Utility Certificates of Participation	N/A	A	N/A
2016 Various Purpose Refunding Bonds, Series A	N/A	A+	N/A
2016 Various Purpose Refunding Bonds, Series B	N/A	A+	N/A
2016 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2016 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2017 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2017 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2017 Various Purpose Refunding Bonds, Series A	N/A	A+	A+
2017 Various Purpose Refunding Bonds, Series B	N/A	A+	A+
2018 Steam Utility Certificates of Participation	N/A	A	N/A
2018 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Income Tax Revenue Bonds	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2018 Street Improvement Special Assessment Bonds, Series B	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds (CLC)	N/A	AA-	N/A
2019 Steam Utility Certificates of Participation	N/A	A	N/A
2019 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2019 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Various Purpose Refunding Bonds	N/A	A+	N/A
2020 Income Tax Revenue Refunding Bonds	N/A	AA-	N/A
2020 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2020 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A
2021 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2022 Income Tax Revenue Bonds (CLC)	N/A	AA-	N/A
2022 Resurfacing Special Assessment Bonds, Series A	N/A	N/A	N/A
2022 Street Improvement Special Assessment Bonds, Series A	N/A	N/A	N/A

11. Bonds and Loans Payable and Defeased Debt (Continued)

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2022, the principal amount outstanding was \$83,042. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2022.

During 2012, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Development Finance Authority of Summit County Revenue Bonds (Akron Civic Theatre Project), issued by the Development Finance Authority of Summit County. As of December 31, 2022, the principal amount outstanding was \$10,830,000. The City believes that the Development Finance Authority of Summit County is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2022.

On May 8, 2013, the Development Finance Authority (DFA) of Summit County issued Taxable Development Revenue Bonds, Series 2013A, in the amount of \$6,645,000 for the University Edge project by developer Lawrence B. Levey & University Square Investors II, LLC. These bonds mature on November 15, 2027. The City has received approval from the State of Ohio for Tax Increment Financing (TIF) on improvements to the land to be used for the project. The TIF Service Payments will be used to pay the debt service on the bonds issued by the DFA. In the event TIF Service Payments are not sufficient in any particular year to cover the annual debt service on the bonds, the developer will be required to pay the deficiency.

On March 1, 2019, the Development Finance Authority (DFA) of Summit County issued Development Revenue Refunding Bonds, Series 2019, in the amount of \$2,750,000 to refinance previous bond obligations which the City had guaranteed on behalf of the Akron Community Service Center and Urban League to pay the costs of the Akron Urban League's community service center and operations. During 2019 the City entered into an agreement with the County of Summit and Development Finance Authority to guarantee one half of the loan payments on behalf of the Akron Community Service Center and Urban League. As of December 31, 2021, the principal outstanding on the loan is \$2,503,936. The City believes the Akron Urban League is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bond; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2022.

11. Bonds and Loans Payable and Defeased Debt (Continued)

During 2012, the City entered into a cooperative agreement with the Development Finance Authority of Summit County (DFA), Akron Baseball, LLC, and The Bank of New York Mellon Trust Company, N.A. to facilitate financing. The Development Finance Authority of Summit Development Revenue Bonds, Series 2012 were issued for \$3.6 million. During 2020 the DFA issued Development Finance Authority of Summit County Development Revenue Refunding Bonds, Series 2020 for \$3 million to refund the Series 2012 bonds and refinance the cooperative agreement. The obligation of the City is subject to the annual appropriations made by City Council. The City has recorded a short-term liability of \$122,088 and a long-term liability of \$4,068,750 for the principal and interest payments scheduled to be paid during 2022 through 2042 in the accompanying financial statements. The principal balance outstanding as of December 31, 2022 is \$2,975,000.

The obligations of the City under this agreement, including its obligation to make payments during any fiscal year of the City in which this agreement is in effect, shall not constitute a general obligation or indebtedness of the City within the meaning of the constitution and laws of the State of Ohio. The agreement does not pledge any taxes or other moneys to the amounts payable by the City. Nothing constitutes a pledge by the City or an obligation by the City, of any taxes or other moneys to the payment of any amount payable by the City under this agreement.

As of December 31, 2022 the City has not issued any conduit debt obligations.

12. Obligations Under Leases, Financed Purchases and Certificates of Participation (COPs)

On October 25, 2016, the City issued \$11,965,000 Series 2016 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project (AES). During 2018, the City issued additional COPs totaling \$24,445,000 for the Akron Energy Systems Project. During 2019, the City issued additional AES COPS totaling \$9,360,000. Total future payments as of December 31, 2022 are as follows:

Year	Series 2016		Series 2018		Series 2019	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	365,000	349,969	670,000	875,175	830,000	195,961
2024	385,000	331,719	700,000	841,675	855,000	176,041
2025	405,000	312,469	735,000	806,675	875,000	154,666
2026	425,000	292,219	775,000	769,925	895,000	131,916
2027	445,000	270,969	815,000	731,175	920,000	107,751
2028-2032	2,450,000	1,145,594	4,625,000	3,096,725	2,790,000	163,766
2033-2037	2,855,000	734,694	5,580,000	2,141,913	-	-
2038-2042	2,645,000	226,800	6,670,000	1,046,388	-	-
2043-2047	-	-	1,490,000	55,875	-	-
	<u>\$ 9,975,000</u>	<u>\$ 3,664,433</u>	<u>\$ 22,060,000</u>	<u>\$ 10,365,526</u>	<u>\$ 7,165,000</u>	<u>\$ 930,101</u>

In November 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPS) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class "AA" standards) within the City. This issue was refunded by the issuance of Series 2005 COPS. The 2005 issue was refunded by the issuance of Series 2013 COPS. In connection with the issuance of these COPS, and as amended, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2023, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2023, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2014 through 2023.

The trust agreement for the issuance of the 2013 COPS requires the City to deposit \$20,000 annually into a Capital Renewal Fund. The City can utilize these funds for capital improvements such as repairs, renovations, additional equipment, other facilities, or other improvements to the baseball stadium.

Improvements to the stadium totaling a net book value of \$10,400,767 as of December 31, 2022 are included in the City's capital assets in the Statement of Net Position - Governmental Activities. Total future payments as of December 31, 2022 are as follows:

Stadium COPS			
Year	Principal	Interest	Total
2023	<u>270,000</u>	<u>12,150</u>	<u>282,150</u>
	<u>\$ 270,000</u>	<u>\$ 12,150</u>	<u>\$ 282,150</u>

**12. Obligations Under Leases, Financed Purchases and Certificates of Participation (COPs)
(Cont'd)**

The City also has two direct financed purchases. The first is a 2016 15-year direct finance agreement with Summit County to upgrade the radio system. The City's share of equipment totals \$10,635,000, consisting of City owned equipment in the amount of \$5,710,490 and the City's share of jointly owned equipment in the amount of \$4,924,510. The City's share of equipment automatically transfers to the City at the end of the direct finance term and is included in the City's capital assets in the Statement of Net Position - Governmental Activities.

The second agreement is a 2017, 20-year operating agreement in exchange for improvements to the Compost Facility Anaerobic Digestion System 2(ADS2) totaling \$39,490,889. Under GASB 94 this agreement is considered an availability payment arrangement (APA) and the financed improvements are included in the City's capital assets in the Statement of Net Position - Business-Type Activities.

The following is a summary of the direct financed purchase transactions for the year ended December 31, 2022:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
	<u>Radio System</u>	<u>Compost Facility (ADS2)</u>	<u>Total</u>
Financed purchase at January 1, 2022	\$ 7,630,000	\$ 29,618,167	37,248,167.00
Additions	-	-	-
Retirements	(650,000)	(1,974,544)	(2,624,544.00)
Financed purchase at December 31, 2022	<u>\$ 6,980,000</u>	<u>\$ 27,643,623</u>	<u>\$ 34,623,623</u>

Future direct finance payments are as follows as of December 31, 2022:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
<u>Year</u>	<u>Radio System</u>	<u>Compost Facility (ADS2)</u>	<u>Total</u>
2023	921,525	2,583,496	3,505,021
2024	919,725	2,583,496	3,503,221
2025	921,925	2,583,496	3,505,421
2026	920,175	2,583,496	3,503,671
2027-2031	4,602,700	12,917,480	17,520,180
2032-2036	-	12,917,480	12,917,480
Total direct finance payments	8,286,050	36,168,944	44,454,994
Less amount representing interest	1,306,050	8,525,321	9,831,371
Present value of direct finance payments	<u>\$ 6,980,000</u>	<u>\$ 27,643,623</u>	<u>\$ 34,623,623</u>
Net book value of direct financed assets	<u>\$ 3,722,250</u>	<u>\$ 34,113,547</u>	<u>\$ 37,835,797</u>

*Amount represents the entire net book value of the capital lease recorded in the statement of net position.

12. Obligations Under Leases, Financed Purchases and Certificates of Participation (COPs) (Cont'd)

GASB Statement No. 87, *Leases*, states that a lease is defined as a contract that conveys control of the right to use another entity's non-financial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of non-financial assets include buildings, land, vehicles and equipment.

Lessee

The City of Akron is involved in a total of 14 contracts as Lessee. The City initially measures the lease liability at the present value of payments expected to be made during the lease term. Thereafter, the lease liability is reduced by the principal portion of the lease payments made. The right-to-use lease asset is initially measured at the initial amount of the lease liability. Furthermore, the right to use lease asset is amortized into depreciation expense on a straight-line half-year basis over the term of the lease. As of December 31, 2022 the City recorded \$1,285,069 of accumulated amortization and \$1,261,367 of interest expense, and an outstanding lease liability balance of \$33,681,822.

Through the Ocasek building lease, the City of Akron had a deposit of \$240,018 which is recorded on the Government-wide statement as of December 31, 2022. This is an advanced payment to secure future Special Assessment collections which are pledged revenues towards future lease payments and will be refunded to the City at the end of the lease term.

The Principal and Interest amounts for lease payables as of December 31, 2022 are as follows:

Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	1,516,771	1,242,862	2,759,633	307,614	21,967	329,581
2024	1,642,761	1,189,083	2,831,844	169,276	11,181	180,457
2025	1,529,597	1,134,657	2,664,254	167,653	6,247	173,900
2026	1,596,773	1,083,351	2,680,124	147,398	2,602	150,000
2027	1,293,269	1,030,974	2,324,243	-	-	-
2028-2032	6,371,255	4,431,390	10,802,645	-	-	-
2033-2037	7,731,731	3,066,602	10,798,333	-	-	-
2038-2042	6,446,789	1,584,768	8,031,557	-	-	-
2043-2047	4,760,935	370,324	5,131,259	-	-	-
Outstanding:	<u>\$ 32,889,881</u>	<u>\$ 15,134,011</u>	<u>\$ 48,023,892</u>	<u>\$ 791,941</u>	<u>\$ 41,997</u>	<u>\$ 833,938</u>

As of December 31, 2022, the City's right-to-use assets consist of the following underlying assets:

<i>Governmental Activity</i>	Right-To-Use Leased Asset	Accumulated Amortization	Net Value as of 12/31/22
Buildings	31,053,209	(561,469)	30,491,740
Equipment	3,090,154	(495,294)	2,594,860
Improvements	49,265	(24,632)	24,633
	<u>34,192,628</u>	<u>(1,081,395)</u>	<u>33,111,233</u>
 <i>Business-Type Activity</i>			
Buildings	321,604	(20,100)	301,504
Equipment	698,730	(183,573)	515,157
	<u>1,020,334</u>	<u>(203,673)</u>	<u>816,661</u>

12. Obligations Under Leases, Financed Purchases and Certificates of Participation (COPs) (Cont'd)

Lessor

The City of Akron is involved in a total of 31 contracts as lessor. The City recognizes lease contracts that hold a minimum term of at least 12 months in addition to meeting designated thresholds based on the underlying asset for buildings and equipment, and a threshold of \$10,000 for ground leases which make up the majority of the City's lessor agreements. At lease commencement, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Thereafter, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods, for fiscal year 2022 the City recorded \$31,937,654 of deferred inflows. The City recognizes lease revenue from the deferred inflows of resources, and interest income on the lease receivable in a systematic method over the term of the lease. During the 2022 fiscal year the City has recognized \$796,369 in lease revenue and \$761,211 in interest revenue. Additionally, the City of Akron recorded \$1,063,881 of lease receivables, this total was broken out into \$968,969 of governmental fund activity and the remaining \$94,912 of proprietary fund activity. Through the various Lessor contracts in fiscal year 2022, the City has an outstanding lessor balance of \$31,697,706.

The following is a summary of the Principal and interest amounts for lease receivables as of December 31, 2022:

Year	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	968,969	796,198	1,765,167	94,912	65,169	160,081
2024	977,598	772,388	1,749,986	57,030	76,952	133,982
2025	942,157	748,470	1,690,627	46,276	76,606	122,882
2026	928,683	724,965	1,653,648	46,630	76,251	122,881
2027	971,751	700,622	1,672,373	46,994	75,887	122,881
2028-2032	5,690,158	3,070,425	8,760,583	240,771	373,636	614,407
2033-2037	6,866,762	2,154,430	9,021,192	251,412	362,995	614,407
2038-2042	8,258,446	920,769	9,179,215	256,753	350,862	607,615
2043-2047	940,181	10,648	950,829	260,419	337,008	597,427
2048-2052	103,305	-	103,305	276,262	321,165	597,427
2053-2057	103,305	-	103,305	294,405	303,022	597,427
2058-2062	103,305	-	103,305	306,686	282,219	588,905
2063-2067	56,305	-	56,305	315,848	258,339	574,187
2068-2072	32,805	-	32,805	285,256	232,191	517,447
2073-2077	32,805	-	32,805	308,444	203,846	512,290
2078-2082	32,805	-	32,805	341,392	170,897	512,289
2083-2087	32,805	-	32,805	379,708	132,581	512,289
2088-2092	4,921	-	4,921	387,406	88,023	475,429
2093-2097	-	-	-	413,884	36,205	450,089
2098-2102	-	-	-	40,152	457	40,609
Outstanding:	<u>\$ 27,047,066</u>	<u>\$ 9,898,915</u>	<u>\$ 36,945,981</u>	<u>\$ 4,650,640</u>	<u>\$ 3,824,311</u>	<u>\$ 8,474,951</u>

**12. Obligations Under Leases, Financed Purchases and Certificates of Participation (COPs)
(Cont'd)**

During 2017, the City entered into an agreement with EIP Communications I, LLC (EIP), under which the City relinquishes to EIP its future interest in the Assigned Agreements to EIP for the next 50 years. The City received from EIP a lump-sum payment of \$11,104,987. The estimated present value of the cell tower rent payments sold assuming a 2.2% interest rate and 4% rent escalation at the time of the sale \$4,028,194.

The City reports \$6,369,113 on the Balance Sheet - Governmental Funds as unearned revenue that will be recognized over 50 years. The City also reports \$1,656,159 on the Statement of Net Position as liabilities due in more than one year as December 31,2022. The following is a summary of the City's future debt service requirements as of December 31,2022:

Fiscal year Ending December 31	<u>Principal</u>
2023	474,407
2024	474,407
2025	474,407
2026	<u>232,938</u>
Total	<u><u>\$ 1,656,159</u></u>

Sublease

The City of Akron is lessor on a lease of eight (8) acres of industrial zoned property at the corner of Triplett Avenue and Glaser Parkway, this includes an approximate 100,000 square foot building. The Sublease has an initial five (5) year term commencing from 2017 to 2024. Furthermore, the Sublessee shall have the option to renew this Sublease agreement for a renewal term of five (5) years commencing at the end of the sublease term. The Sublessee shall also have the option to renew the lease for one additional renewal term of five (5) years, commencing at the end of the first renewal term. For the life of the lease the Sublessee shall pay minimum rent of \$405,903 annually subject to annual increases of 1.0% beginning May 31, 2018.

The City of Akron is lessor on seven (7) subleases with various State of Ohio agencies located within the Ocasek building at 161 S High Street. These subleases combine for approximately 107,344 square feet of office space and 32 parking spaces in the attached garage. The subleases each have an initial term commencing on March 3, 2022 and ending on June 30,2033. Additionally, the subleases have the option to renew for up to five (5) successive and continuous terms of two (2) years each. Commencing during 2022 and continuing until 2025 the total annual rent is \$1,263,617, from 2025 until the end of the base term the rent payments will increase every 2 years.

13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$300,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 981 vehicles for total auto liability including auto liability umbrella of \$21,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actually determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$5,116,357, \$420,802, and \$527,078 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2022, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2021 and 2022 were:

	<u>Beginning of Year Liability</u>	<u>Claim Adjustments</u>	<u>Current Period Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
Medical Self- Insurance Fund					
2021	4,154,587	-	35,796,268	(36,045,224)	3,905,631
2022	3,905,631	-	39,328,484	(38,117,758)	5,116,357
Workers' Compensation Reserve Fund					
2021	880,973	(33,335)	-	(263,525)	584,113
2022	584,113	-	-	(146,036)	438,077
Self-Insurance Settlement Fund					
2021	603,545	(546,122)	600,200	-	657,623
2022	657,623	(776,020)	645,475	-	527,078

14. Long-term Liabilities

The City reports the following amounts, on the Statement of Net Position, relating to the government's long-term liabilities for the year ended December 31, 2022:

	January 1, 2022	Additions	Deletions	December 31, 2022
Governmental Activities:				
Governmental Funds:				
Accrued vacation and leave (Note 8)	\$ 62,692,785	\$ 18,249,015	\$ (17,678,795)	\$ 63,263,005
Bonds, notes and loans payable	432,159,748	68,258,712	(123,775,740)	376,642,720
COPs and obligations under leases (Note 12)	55,087,435	24,951,981	(5,015,022)	75,024,394
Due to other governments (Note 4)	4,265,000	-	(365,000)	3,900,000
Employment Related Liabilities (Note 1)	736,621	-	-	736,621
Guarantees and other obligations	6,008,997	-	(771,924)	5,237,073
Net pension liability (Note 9)	224,932,786	-	(28,569,134)	196,363,652
OPEB liability (Note 9)	104,034,476	11,244,679	(22,733,814)	92,545,341
Liability for unpaid claims	600,003	-	(300,000)	300,003
Unearned revenue	6,510,649	-	(141,536)	6,369,113
Total Governmental Funds	<u>897,028,500</u>	<u>122,704,387</u>	<u>(199,350,965)</u>	<u>820,381,922</u>
Internal Service Funds:				
Accrued vacation and leave (Note 8)	3,189,783	1,082,420	(771,344)	3,500,859
Net pension liability (Note 9)	5,013,644	-	(2,349,116)	2,664,528
OPEB liability (Note 9)	3,967,833	-	(1,071,358)	2,896,475
Liability for unpaid claims	438,077	-	(182,933)	255,144
Total Internal Service Funds	<u>12,609,337</u>	<u>1,082,420</u>	<u>(4,374,751)</u>	<u>9,317,006</u>
Total Governmental Activities	<u>909,637,837</u>	<u>123,786,807</u>	<u>(203,725,716)</u>	<u>829,698,928</u>
Business-type Activities:				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	4,602,115	1,554,336	(1,980,771)	4,175,680
Bonds, notes and loans payable (Notes 10,11)	47,095,591	9,753,856	-	56,849,447
COPs and obligations under leases (Note 12)	-	163,321	-	163,321
Net pension liability (Note 9)	8,827,761	-	(3,488,227)	5,339,534
OPEB liability (Note 9)	7,532,543	-	(1,971,643)	5,560,900
Sewer				
Accrued vacation and leave (Note 8)	2,649,212	693,301	(783,313)	2,559,200
Bonds, notes and loans payable (Notes 10,11)	666,153,271	8,969,067	-	675,122,338
COPs and obligations under leases (Note 12)	27,787,590	-	(1,857,150)	25,930,440
Net pension liability (Note 9)	5,562,099	-	(2,770,420)	2,791,679
OPEB liability (Note 9)	5,068,745	-	(1,202,021)	3,866,724
Other Business-type Activities				
Accrued vacation and leave (Note 8)	65,725	39,525	(32,621)	72,629
COPs and obligations under leases (Note 12)	87,495	-	(27,850)	59,645
Net pension liability (Note 9)	535,983	-	(196,329)	339,654
OPEB liability (Note 9)	312,850	-	(312,850)	-
Guarantees and other obligations	40,375	272,475	-	312,850
Total Business-type Activities	<u>776,321,355</u>	<u>21,445,881</u>	<u>(14,623,195)</u>	<u>783,144,041</u>
Total	<u>\$ 1,685,959,192</u>	<u>\$ 145,232,688</u>	<u>\$ (218,348,911)</u>	<u>\$ 1,612,842,969</u>

15. Compliance and Accountability

The following funds have fund balance deficits or net position deficits at December 31, 2022:

Special Revenue Funds:	
Special Assessment	8,963,227
General Grants	60,025
Capital Projects Funds:	
Streets	7,393,886
Information Technology & Improvements	10,565
Enterprise Funds:	
Golf Course	222,148
Internal Service Funds:	
Motor Equipment	1,474,607
Medical Self-Insurance	426,854
Self-Insurance Settlement	509,136
Engineering Bureau	5,865,088
Information Technology	3,019,569

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement including some from other funds. The Special Assessment Fund is awaiting receipt of assessments from property owners to retire the special assessment notes issued to cover the property owners assessments including street cleaning and street lighting. General Grants funds incurred expenditures related to grants and have not yet been reimbursed. The City will review the charges for services in the City Facilities Operating Fund and adjust rates if necessary.

The Capital Projects Funds that have deficit fund balances have incurred expenditures that have not yet been reimbursed. The City will review the Streets Fund and Information Technology and Improvements Fund throughout the year to decrease deficits.

The Enterprise Funds that have a deficit fund balance have incurred expenditures above charges for services. The City will review the charges for services in the Golf Course Fund and adjust rates if necessary.

In 2018 GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits other than Pension* was implemented. This implementation for OPEB (other post-employment benefits) liabilities attributes to the deficits in Motor Equipment, Medical Self-Insurance, Self-Insurance Settlement, Engineering Bureau and Information Technology. Internal Service Funds that have deficit net position balances at year-end have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. The City is reviewing the charges for services in the Motor Equipment Fund and Information Technology and will adjust rates if necessary. The Medical Self-Insurance Fund debt will continue to be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Engineering Bureau Division will continue to review applied overhead rates charged for projects to decrease deficits going forward.

16. Income Taxes

The City levies a tax at the rate of 2.50% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to file a declaration annually and pay their estimated tax quarterly.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is restricted exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

On November 7, 2017, Akron voters increased the City's income tax rate from 2.25% to 2.50% which took effect January 1, 2018. However, the additional .25% increase is designated exclusively for funding public safety protection, including the capital and operating expenses of the Akron Police and Fire Departments, and public service improvements, including roadway improvements and related capital and operating expenses of the City of Akron. Therefore, the additional .25% will not be distributed according to the City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

17. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. The Property taxes collected are allocated to the various funds based upon voter authorization.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2017 for collection in 2018. The next sexennial revaluation will be completed in 2023 for collection in 2024. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year.

The assessed value upon which the 2022 property tax collections was based aggregated \$3,131,183,170. The assessed value for 2023 (upon which the 2022 property tax collections will be based) is approximately \$3,129,989,030. Under the current allocation method, the City's share was 1.05% (10.5 mills) of assessed value in 2022 for collection in 2023. The City's Charter limits the

17. Property Taxes (Continued)

maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property tax collections for the year ended December 31, 2022, including delinquencies from prior years, were 92.47% of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

18. JEDD Revenues

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increases, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increases, as of January 1, 2006, Bath's income tax rate increased to 2.25% and as of January 1, 2018 increased to 2.5%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$128.9 million in water system revenue bonds and Ohio Water Development Authority loans issued at various dates ranging from December 8, 2011 through October 27, 2021. Proceeds from the bonds and loans provided financing for various water projects. The bonds and loans are payable solely from water customer net revenues and have varying final maturity dates ranging from July 7, 2024 through January 1, 2052. The total principal and interest remaining to be paid on the bonds and loans as of December 31, 2022 is \$67,496,865. Principal and interest paid for 2022 and total customer net revenues were \$3,747,219 and \$3,617,545 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
12/18/15	\$ 8,300,000	Various Water Projects	03/01/26	\$ 933,082	\$ 3,752,710
06/28/12	1,092,305	Water Main Replacement	07/01/33	66,245	728,713
12/08/11	2,375,202	Water Wall	01/01/33	94,018	1,349,778.19
12/08/11	470,615	Stow Road Bolt Replcmnt	07/01/32	33,064	330,658
06/27/13	2,913,053	High Service Pumps Install	07/01/34	177,437	2,129,312
06/27/13	761,969	Chlorine Dioxide Feed Syst.	07/01/34	44,008	528,099
09/26/13	306,056	Spillway Improvements	07/01/23	27,574	27,698
12/12/13	783,568	Johnston St. Pump Station	01/01/35	54,194	677,446
01/30/14	699,377	Standby Generator Imprvmts	07/01/24	76,961	153,957
02/27/14	2,648,531	Water Main Reloctn & Repr	01/01/35	161,277	2,016,033
02/27/14	10,161,593	Water Distribution Yard	07/01/35	726,809	9,598,566
06/25/15	850,896	N. Generator & Substation	01/01/37	50,249	720,420
09/24/15	1,596,553	Backwash Water Supply	07/01/36	93,529	1,309,443
10/29/15	441,878	Sedimentation Basin 1 & 2	01/01/37	23,544	341,387
04/27/17	759,321	Stow Rd Emerg. Connection	07/01/38	45,675	615,735
04/26/18	573,613	Spillway Improvements	01/01/29	59,865	389,150
06/28/18	209,269	Eastwood Pump Station Impr.	01/01/39	9,285	203,406
07/26/18	288,468	Lead Service Line Replacement	01/01/39	12,244	227,716
09/27/18	2,665,509	Middleton Road Water Main	07/01/39	156,583	2,661,969
02/28/19	309,895	Druid Drive Wtr Main Extension	01/01/50	10,330	278,943
03/28/19	577,695	Brittain Road Reservoir Design	01/01/25	115,540	288,871
05/30/19	309,811	Asset Management Plan	07/01/24	61,962	123,872
06/27/19	333,663	Lead Service Line Replacement	07/01/40	16,684	266,979
10/31/19	6,898,614	Enhanced Raw Wtr Pre-Trtmt Fac.	07/01/40	344,980	6,116,982
01/30/20	350,993	Lead Service Line Replacement	07/01/41	17,550	307,424
06/25/20	316,271	Akron PWS Regionalization	01/01/51	10,542	210,415
10/29/20	248,434	Risk and Resilience Assessment	01/01/27	24,843	222,832
10/29/20	90,000	Lead Service Line Replacement	01/01/52	1,500	59,800
12/10/20	59,574,866	Advanced Metering Infrastructure	07/01/38	-	18,924,568
05/27/21	1,713,567	Hudson Water Main Replacement	07/01/47	-	1,897,596
05/27/21	1,045,880	Water Main Replacement - 2019	01/01/48	-	453,232
06/24/21	212,716	Watershed Master Plan Update	01/01/28	-	2,833
11/18/21	6,640,080	Refinance 2009 Revenue Bonds	01/01/34	296,845	6,827,038
08/26/21	15,999	Lead Service Line Replacement	01/01/32	800	2,901

19. Pledged Revenues (Continued)

Water System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
08/26/21	1,545,591	West High Pumping Station	07/01/42	\$ -	\$ 1,036,186
10/28/21	1,355,118	Water Main Replacement - 2021	01/01/48	-	1,005,858
03/31/22	2,480,285	West Side Main Lining	01/01/53	-	1,256,492
09/29/22	2,128,189	Caustic Soda Feed System Repl.	07/01/38	-	236,762
09/29/22	1,353,388	NSSM Booster Station Repl.	01/01/43	-	85,328
10/27/22	3,486,580	Waterline Replacement - 2022	07/01/44	-	129,757
	<u>\$ 128,885,441</u>			<u>\$ 3,747,219</u>	<u>\$ 67,496,865</u>

Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$902.3 million in Ohio Water Development Authority loans issued at various dates ranging from January 1, 2010 through June 30, 2022. Proceeds from the loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and have varying maturity dates ranging from July 1, 2023 through July 1, 2068. The total principal and interest remaining to be paid on the bonds as of December 31, 2022 is \$919,273,660. Principal and interest paid for 2022 and total customer net revenues were \$39,559,161 and \$57,263,010 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
01/14/10	\$ 989,338	Sand Run Sewer Recon	01/01/30	\$ 65,472	\$ 507,481
11/19/09	160,393	Mill Street Sewer Repair	07/01/30	10,596	87,754
12/10/09	86,741	WWTP Roof Replcmnt	01/01/30	5,740	44,491
03/31/11	846,270	Lake Woods Pump Station	01/01/32	58,650	591,502
02/24/11	2,189,031	Massillon Road Sewer	01/01/32	160,136	1,539,216
02/24/11	414,210	2nd Street Pump Station	01/01/32	30,192	290,200
12/08/11	2,987,144	CSO Rack 8 Sewer Sep	07/01/32	177,402	1,807,445
12/08/11	2,375,202	Water Wall	01/01/33	158,140	1,349,778
12/08/11	903,132	Sanitary Sewer Recon 2011	01/01/32	58,232	563,200
10/27/11	23,943,236	WPC Step Feed Ph1	07/01/33	1,447,146	16,242,891
10/27/11	1,243,132	CSO Rack 25 Separation	01/01/33	80,408	860,772
10/27/11	979,845	Northside Interceptor Rehab	07/01/32	63,424	646,159
03/28/13	4,861,683	Little Cuyahoga Int Rplcmnt	07/01/34	328,876	3,946,660
05/30/13	2,593,857	Main Outfall Sewer Rehab	07/01/33	141,697	1,590,627
08/29/13	6,174,836	Mud Run Trunk Swr Lining	01/01/35	403,470	5,183,922
01/30/14	1,881,680	Main Outfall Sewer	07/01/34	101,292	1,215,548
04/24/14	3,419,313	Retention Tank #2 Rehab.	01/01/36	251,068	3,389,553
04/24/14	1,500,016	Kingswood-Rocky Hollow Swr	07/01/34	103,002	1,236,077
06/26/14	11,029,390	Rack 15 Storage Basin	01/01/36	631,231	8,814,720
06/26/14	17,900,171	Mud Run Pump Station Impr.	07/01/36	928,376	13,329,047
08/28/14	6,827,976	OCIT Lining Protection of LCI	07/01/35	430,455	5,596,104
02/26/15	5,070,277	Mud Run Dist. Cap. Impr.	01/01/36	247,330	3,424,237
02/26/15	18,319,051	Rack 14 CSO Storage Basin	01/01/38	1,037,934	16,549,550
05/28/15	1,155,041	OCIT Otto St Pump Station	01/01/36	58,474	789,422
05/28/15	6,564,391	Sanitary Sewer Reconstruction	01/01/36	509,515	5,532,262
09/24/15	4,433,515	Sanitary Sewer Reconstruction	01/01/36	199,133	3,803,493
02/25/16	1,431,749	Sanitary Sewer Reconstruction	01/01/36	51,074	920,764
05/28/15	31,617,614	Rack 12 CSO Storage Basin	01/01/38	1,899,250	27,009,555

19. Pledged Revenues (Continued)

Sewer System Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
07/30/15	\$ 5,502,246	Sanitary Sewer Rec 2014 Ph 2	01/01/36	\$ 336,115	\$ 4,650,204
08/27/15	5,844,021	Sanitary Sewer Rec 2014 Ph 1-A	01/01/37	380,314	5,319,852
10/29/15	3,273,284	Dan Sewer Separation	01/01/37	174,398	2,595,891
10/29/15	254,744,002	Ohio Canal Interceptor Tunnel	07/01/49	11,796,323	3.21E+08
12/10/15	5,653,479	Mud Run District I-I Rehab	01/01/37	203,615	3,031,028
12/10/15	4,500,378	Mud Run District Repairs	01/01/37	252,246	3,754,935
12/10/15	1,374,691	Shullo & Weathervane Pump	07/01/36	82,715	1,187,650
01/28/16	1,299,344	Seiberling Street Sewer	01/01/26	171,074	368,425
02/25/16	4,823,288	Sewer Maintenance Relocation	01/01/47	207,500	5,291,605
03/31/16	26,047,415	Main Outfall Relief Sewer	01/01/48	852,948	22,678,839
06/30/16	1,238,790	White Pond Dr Pump Station	01/01/47	45,721	1,167,675
06/30/16	22,158,491	Middlebury Separation	07/01/48	912,992	23,807,291
06/30/16	14,692,039	Merriman Separation - Rack 36	07/01/48	605,164	16,072,160
08/25/16	2,147,990	Carpenter Sewer Separation	07/01/37	109,567	1,645,877
08/25/16	1,458,160	Tallmadge Ave Sanitary Sewer	07/01/47	57,119	1,492,325
08/25/16	47,518,521	WRF Step Feed Phase 2	07/01/49	1,616,279	40,317,050
08/25/16	7,409,403	Old Main Sewer Separation	07/01/48	290,672	7,532,516
09/29/16	5,147,458	Sanitary Sewer Recon 2016	01/01/48	296,865	4,529,581
05/30/19	5,791,638	Sanitary Sewer Recon 2016	01/01/48	158,916	6,523,348
04/27/17	18,071,206	CSO Program Management	07/01/24	3,905,728	6,838,254
05/25/17	21,922,129	Howard Storage Basin	07/01/63	518,500	22,835,823
06/27/17	2,203,764	Gorge Sewer Separation CSO Rack	01/01/25	464,063	1,159,249
06/29/17	1,343,546	Northside Interceptor Conveyance	01/01/25	282,920	423,867
06/29/17	2,919,239	Aqueduct St Green Impr.	01/01/48	139,081	2,972,528
02/22/18	312,685	Hawkins, Hackberry, Grand Park Study	07/01/23	62,538	62,549
09/27/18	4,173,574	Sanitary Sewer Recon. 2017	07/01/65	220,178	9,076,197
12/06/18	5,253,792	Sevilla Trunk Sewer Reconstruction	07/01/64	186,365	7,057,848
12/06/18	2,378,678	Kelly Conveyance Rack 3	07/01/65	85,628	3,274,337
01/31/19	36,235,266	Hazel Storage Basin CSO	07/01/66	1,280,627	55,895,242
01/31/19	1,537,468	Chittenden Green Project	01/01/66	56,423	2,413,059
01/31/19	9,460,635	Uhler Conveyance	07/01/65	335,072	15,030,504
05/30/19	2,000,000	Sanitary Sewer Rec 2014 Ph 1-B	01/01/37	77,837	1,499,114
05/30/19	86,851,394	WRF BioCEPT	01/01/67	1,036,797	86,594,007
07/25/19	1,150,527	Hampton Ridge Sanitary Sewer	07/01/66	35,608	1,389,993
12/12/19	961,581	Sourek Road Pump Station	01/01/51	36,543	1,009,897
12/12/19	8,596,490	Duane Green (CSO Rack 3)	07/01/66	236,740	10,335,518
12/12/19	73,305,117	WRF Headworks Improvements	01/01/67	1,006,302	67,633,186
12/12/19	917,745	Mayfield Ave Sewer Impr. Study	01/01/51	34,877	968,274
02/27/20	1,680,494	Sanitary Sewer Recon. 2018 Small	07/01/66	47,172	1,546,864
03/26/20	2,584,389	Cuyahoga St. Storage Facility Impr.	07/01/51	96,728	1,570,105
08/27/20	5,468,825	Sanitary Sewer Recon. 2018 Large	07/01/66	136,709	5,790,396
08/27/20	10,683,059	Sewer Separation and Conveyance	01/01/27	1,068,306	6,772,588
10/29/20	1,156,019	Quaker Ridge Pump Station	01/01/52	20,161	915,528
12/10/20	1,538,408	Sanitary Sewer Recon. 2019 Small	07/01/67	-	923,209
07/29/21	3,082,106	Sanitary Sewer Recon. 2019 Large	01/01/53	-	1,202,422
06/30/22	12,352,378	Northside Interceptor Tunnel	07/01/29	-	3,654,037
06/30/22	1,617,177	Memorial Conveyance (Rack 26)	07/01/68	-	953,815
	<u>\$ 902,280,566</u>			<u>\$ 39,559,161</u>	<u>\$ 919,273,660</u>

19. Pledged Revenues (Continued)

JEDD Revenues

As of December 31, 2022 the city does not have any outstanding future JEDD debt service commitments, and therefore no pledged JEDD revenues.

Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$46.5 million in non-tax revenue bonds issued November 25, 2014 through September 27, 2022. The series 2014 bonds refunded the issue from 2008. The 2015 issue refunded the issue from 2006. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including shared revenue, charges for services, licenses, fees, and fines, and miscellaneous revenue. The maturity dates range from September 30, 2022 through December 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2022 is \$29,307,896. Principal and interest paid for 2022 and total non-tax revenues were \$4,199,961 and \$104,993,312 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/25/14	\$ 28,230,000	Various Econ Dev. Proj.	12/01/34	\$ 2,506,625	\$ 17,367,925
11/12/15	13,250,000	Various Econ. Dev. Proj.	12/01/26	1,693,336	6,776,265
09/27/22	5,013,712	Various Econ. Dev. Proj.	09/26/23	-	5,163,706
	<u>\$ 46,493,712</u>			<u>\$ 4,199,961</u>	<u>\$ 29,307,896</u>

Income Tax Revenues

The City has pledged future income tax revenues to repay \$146 million in income tax revenue bonds and bond anticipation notes issued at various dates ranging from August 8, 2013 through November 24, 2020. The 2016 issue partially refunded the 2012 issue. The 2020 issue refunded issues from 2011 and 2012. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and have varying maturity dates ranging from December 1, 2028 through December 1, 2048. The total principal and interest remaining to be paid on the bonds as of December 31, 2022 is \$142,557,940. Principal and interest paid for 2022 and total income tax revenues were \$12,613,919 and \$170,230,200 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
08/08/13	2,355,914	OAQDA Series B	12/01/28	\$ 442,472	\$ 2,310,753
11/25/14	32,340,000	Var Purp IT Rev Bonds	12/01/34	2,423,500	29,038,250
06/24/15	5,500,000	Var Purp IT Rev Bonds	06/01/35	350,581	4,367,715
11/12/15	25,370,000	Var Purp IT Rev Bonds	12/01/28	1,974,000	10,804,250
12/06/16	14,655,000	Var Purp IT Rev Bonds	12/01/28	1,800,750	10,797,750
11/14/18	2,000,000	Var Purp IT Rev Bonds	12/01/48	126,916	3,301,572
12/09/19	51,780,000	Var Purp IT Rev Bonds	12/01/41	4,167,850	69,616,250
11/24/20	12,030,000	Var Purp IT Rev Bonds	12/01/32	1,327,850	12,321,400
	<u>\$ 146,030,914</u>			<u>\$ 12,613,919</u>	<u>\$ 142,557,940</u>

19. Pledged Revenues (Continued)

CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$295 million with final maturities in 2026 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$227,650,024. For 2022 total principal and interest paid by the City was \$21,470,538 and total income tax revenues were \$17,941,186.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
07/28/10	\$ 15,060,000	Community Learning Centers	12/01/26	3,247,187	11,514,374
12/08/16	27,000,000	Community Learning Centers	12/01/33	2,304,250	25,326,250
12/20/17	36,615,000	Community Learning Centers	12/01/33	3,842,350	43,696,600
08/04/19	11,045,000	Community Learning Centers	12/01/33	428,200	13,697,600
03/03/22	<u>114,970,000</u>	Community Learning Centers	12/01/33	<u>11,648,551</u>	<u>133,415,200</u>
	<u>\$ 204,690,000</u>			<u>\$ 21,470,538</u>	<u>\$ 227,650,024</u>

*Net of \$3,000,000 annual contribution from Akron City School District.

20. Pollution Remediation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of four sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as the Middlebury Property, which includes Middlebury East. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate Middlebury East was estimated at approximately \$1,200,000. A No Further Action (NFA) letter was submitted to the Ohio Environmental Protection Agency (OEPA) in 2014. Ohio EPA issued a Covenant Not To Sue on July 14, 2015. However, the cost of the abandonment of all the wells, piping, and vaults associated with the remediation will be completed in 2025, with an estimated cost of \$350,000. There are no expenses expected for 2023. This amount is included in the Statement of Net Position as of December 31, 2022.

The second site is known as the Cuyahoga Street Landfill - Rule 13 project where the City of Akron is performing a stream and bank restoration project on the Little Cuyahoga River. This site is in the vicinity of the Cuyahoga Street Storage Basin. In order to implement this project, the City will be conducting construction activities within and through a solid waste landfill. Ohio Administrative Code ("O.A.C.") 3745-27-13 requires authorization from Ohio EPA before engaging in filling, grading, excavating, building, drilling, or mining on land where a solid waste facility operated. This rule is referred to as Rule 13. The City completed the physical work under the Rule 13 in 2022. The City still needs to submit the final certification report to Ohio EPA. The amount estimated for the final report is \$10,000 for 2023 and no cost beyond. This amount is recorded as a liability in the Proprietary Net Position, Sewer Fund, as of December 31, 2022.

The third site for remediation work is known as the former Bridgestone property located at the southeast corner of Firestone Parkway and South Main Street. The City took ownership of the property in 2013 and with it transferred an Environmental Agreement regarding obligations for past completed remediation work. The City is obligated to operate and maintain the engineering control that is located in the basement floor in Plant N. 1. The Ohio EPA issued a Covenant Not to Sue on June 12, 2020. The City will continue to maintain financial assurance in the amount of \$10,000 for operation and maintenance activities in 2023. The City is also planning to demolish the building with an estimated cost of \$3.5 million for asbestos removal in the future after 2023. These amounts are included in the Statement of Net Position as of December 31, 2022.

The fourth site is known as the Rack 27/29 Combined Sewer Overflows (CSO) and Rack 28 Project -Rule 13. A federal Consent Decree between the City, the United States, and Ohio requires the City to implement specific control measures addressing CSO's. One set of measures includes upsizing the underflow drains to the interceptor sewer at CSO Rack 27 and CSO Rack 29 locations. In order to implement this project, the City needed to perform construction activities within and through a former solid waste landfill. Per Ohio's Rule 13, the City needed authorization from the Ohio EPA. Rule 13 authorization was issued by the Ohio EPA on October, 18, 2018. This authorization imposed obligations on the City with regard to the construction activities within the former landfill area. The City completed the work within the landfill area in 2022. The City still needs to submit the final certification report with an estimated cost of \$10,000 for 2023 and no cost beyond. This amount is included as a liability in the Proprietary Net Position, Sewer Fund, as of December 31, 2022.

21. Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred charges on the issuance of bonds reported in the Government-wide and Proprietary Fund Statements of Net Position. A deferred charge results from the difference in the carrying value of the debt and its par amount. This amount is deferred and amortized over the life of the debt. Deferred outflows related to pensions and OPEB result from changes in net pension liability and the net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has nonexchange revenue transactions and loans where a receivable has been recorded (such as when property taxes were levied), but the resources cannot be used until a future period. When the City refinances certain debt obligations, the portion of the gain that is not recognized in the current period has been deferred. These items have been reported as deferred inflows on the Government-wide Statement of Net Position. In addition, deferred inflows related to pensions and OPEB are reported in the Government-wide and Proprietary Fund Statements of Net Position. Deferred inflows related to pensions and OPEB result from changes in net pension liability and net OPEB liability not recognized as a component of current year pension and OPEB expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators.

On the Statement of Net Position Proprietary Funds, the City has recorded certain deferred items that will not be expensed in the current period. Internal service fund deferred outflows from pension and OPEB expense at December 31, 2022 were \$1,453,521 are included in governmental activities:

	Governmental Activities	Business Type Activities			Total Enterprise Funds
		Water	Sewer	Other Enterprise Funds	
OPEB	\$ 17,696,124	\$ 328,183	\$ 227,052	\$ 1,997	\$ 557,232
Pension	73,036,099	2,533,207	1,340,857	160,879	4,034,943
	<u>\$ 90,732,223</u>	<u>\$ 2,861,390</u>	<u>\$ 1,567,909</u>	<u>\$ 162,876</u>	<u>\$ 4,592,175</u>

A summary of the deferred inflows of resources reported in the Government-wide and Proprietary Fund Statement of Position follows. Internal service fund deferred inflows related to pensions and OPEB at December 31, 2022 were \$5,513,584 and are included in governmental activities.

	Governmental Activities	Business Type Activities				Total Enterprise Funds
		Water	Sewer	Off Street Parking	Other Enterprise Funds	
Deferred Gain	\$ 38,238,441	\$ -	\$ -	\$ -	\$ -	\$ -
Nonexchange revenues	100,601,632	235,902	732,533	8,277	-	976,712
OPEB	47,682,081	4,305,826	2,637,464	-	124,833	7,068,123
Pension	93,241,938	6,583,340	3,486,320	-	417,850	10,487,510
Pollution	6,891,600	-	-	-	-	-
Leases	27,250,726	-	-	2,462,334	2,197,623	4,659,957
Loans	8,583,530	-	-	-	-	-
	<u>\$ 322,489,948</u>	<u>\$ 11,125,068</u>	<u>\$ 6,856,317</u>	<u>\$ 2,470,611</u>	<u>\$ 2,740,306</u>	<u>\$ 23,192,302</u>

21. Deferred Inflows/Outflows of Resources (Continued)

On the modified accrual basis of accounting, the City has recorded certain receivables where the related revenue is unavailable. Unavailable revenues have been reported as deferred inflows of resources on the Governmental Fund Balance Sheet for the following:

	Governmental Funds						Total Governmental Funds
	General Fund	Community Learning Centers	Income Tax Capital Improvement	Special Assessment Fund	Various Purpose Funding	Other Governmental Funds	
Grants	\$ -	\$ -	\$ -	\$ 1,952,577	\$ -	\$ 2,134,568	\$ 4,087,145
Income Taxes	8,434,405	1,352,227	3,119,574	-	-	1,351,180	14,257,386
Leases	5,108,183	-	-	-	-	22,133,543	27,241,726
Loans	-	-	-	-	-	8,583,530	8,583,530
Property Taxes	25,259,749	-	-	39,763,754	-	29,664,648	94,688,151
Shared Revenue	4,870,442	33,000,000	-	-	-	9,753,213	47,623,655
	<u>\$ 43,672,779</u>	<u>\$ 34,352,227</u>	<u>\$ 3,119,574</u>	<u>\$ 41,716,331</u>	<u>\$ -</u>	<u>\$ 73,620,682</u>	<u>\$ 196,481,593</u>

Deferred inflows described in the table above also include shared revenues of \$15,438,667 and property taxes of \$48,379,347 where the resources cannot be used until a future period.

22. Transfers and Advances

For the year ended December 31, 2022 transfers and advances presented in conformity with generally accepted accounting principles (GAAP) are listed in the following tables. Resources are transferred annually to support other services which are accounted for in other funds, or to fulfill grant match requirements.

	Transfers Out	Transfers In			
		General	Other Governmental Funds	Water	Sewer
Governmental Funds:					
General Fund	\$ 10,635,421	\$ -	\$ 8,785,421	\$ -	\$ -
Various Purpose Funding	966,127	156,152	42,253	207,875	559,847
Other Governmental Funds	250,000	-	250,000	-	-
	<u>\$ 11,851,548</u>	<u>\$ 156,152</u>	<u>\$ 9,077,674</u>	<u>\$ 207,875</u>	<u>\$ 559,847</u>

	Transfers In (Continued)			
	Off- Street Parking	Other Enterprise Funds	Internal Service Funds	Total
Governmental Funds:				
General Fund	\$ 1,850,000	\$ -	\$ -	\$ 10,635,421
Various Purpose Funding	-	-	-	966,127
Other Governmental Funds	-	-	-	250,000
	<u>\$ 1,850,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,851,548</u>

The table below presents the amounts the City has advanced to various funds during 2022.

	Advanced From	Advanced To				Total
		Various Purpose Funding	Other Governmental Funds	Other Enterprise Funds	Internal Service Funds	
Governmental Funds:						
General Fund	\$ 1,170,000		\$ 40,000	\$ 560,000	\$ 570,000	\$ 1,170,000
Income Tax Capital Improvement	\$ 1,785,000	\$ 60,000	\$ 1,375,000	\$ 350,000		\$ 1,785,000
	<u>\$ 2,955,000</u>	<u>\$ 60,000</u>	<u>\$ 1,415,000</u>	<u>\$ 910,000</u>	<u>\$ 570,000</u>	<u>\$ 2,955,000</u>

23. Contingencies

(1) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. During 2019, an agreement was reached in an ongoing case, the plaintiff and City agreed to a settlement in the amount of \$1,150,000 to be paid over a three year period. As of December 31, 2021 the City has paid \$575,000 in 2019, \$287,500 in 2020, and recorded the remaining balance of \$287,500 as an accrued liability. The City's management is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

Additionally, the City is a party to a labor arbitration proceeding with the Civil Service Personnel Association (CSPA), Inc., a labor union representing a group of employees regarding grievances over the City's implementation of Temporary Emergency Leave during the COVID-19 pandemic. The parties are awaiting the decision of the arbitrator. The likelihood of an unfavorable outcome cannot be determined at this time.

(2) Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

(3) Water Agreement

The City of Akron acquired a water system, located in Hudson, from the County of Summit in December of 2006 for \$6,454,845. In exchange for the water system, the County received the benefit of a future credit to be applied towards the purchase of Akron owned sewer infrastructure. As of December 31, 2022, the County has not purchased any sewer infrastructure and the full balance of the credit is remaining.

24. Closure and Post-Closure Care Costs

On November 9, 1998, the City entered into an agreement to transfer control and operating responsibility of its Hardy Road Landfill (Landfill) to Akron Regional Landfill, Inc. (ARLI), a subsidiary of Waste Management of Ohio, Inc. Under the twenty-five year agreement, ARLI assumed the full responsibility for all future costs for operation, permitting, groundwater monitoring, closure, and post-closure costs of the Landfill, which are currently expected to approximate \$6,400,000 through 2034. There are estimated costs after agreement with ARLI terminates; therefore, the City has recorded a liability for \$3,041,600 for future estimated post-closure care costs.

Pursuant to a ruling by the Ohio EPA, the Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the Landfill.

25. Jointly Governed Organizations

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

26. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Development Services Agency and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2022, the City paid SMBA \$100,000 for operating expenses.

27. Joint Ventures

The Copley-Akron Joint Economic Development District (“Copley-Akron JEDD”) was created by contract between the City and Copley Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Copley-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Copley Township (all three Copley Township Trustees). The Copley-Akron JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Copley-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	7,812,107
Contractual Disbursements		(959,500)
		6,852,607
Disbursements to Akron		(6,852,607)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2022		-
Fund Cash Balance, December 31, 2022	\$	-

The Coventry-Akron Joint Economic Development District (“Coventry-Akron JEDD”) was created by contract between the City and Coventry Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Coventry-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Coventry Township (all three Coventry Township Trustees). The Coventry-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Coventry-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	4,140,738
Contractual Disbursements		(492,776)
		3,647,962
Disbursements to Akron		(3,647,962)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2022		-
Fund Cash Balance, December 31, 2022	\$	-

27. Joint Ventures (Continued)

The Springfield-Akron Joint Economic Development District (“Springfield-Akron JEDD”) was created by contract between the City and Springfield Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Springfield-Akron JEDD is governed by a six member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council) and three members are from the Springfield Township (all three Springfield Township Trustees). The Springfield-Akron JEDD Board, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Springfield-Akron JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	4,893,212
Contractual Disbursements		(241,845)
		4,651,367
Disbursements to Akron		(4,651,367)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2022		-
Fund Cash Balance, December 31, 2022	\$	-

The Bath-Akron-Fairlawn Joint Economic Development District (“Bath-Akron-Fairlawn JEDD”) was created by contract between the City of Akron (City), City of Fairlawn and Bath Township under the provisions of Ohio Revised Code sections 715.70 and 715.71. The Bath-Akron-Fairlawn JEDD is governed by a nine member Board of Directors of which three members are from the City (Mayor and two members of Council appointed by the Mayor and approved by Council), three members are from the City of Fairlawn (Mayor and approved by Council) and three members are from the Bath Township (all three Bath Township Trustees). The Bath-Akron-Fairlawn JEDD Boards, pursuant to the contract, levies an income tax at the same rate as the City of Akron’s income tax. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. Because it is legally separate from the City the Bath-Akron-Fairlawn JEDD is not reported as part of the primary government. A summary of the financial information is as follows:

Statement of Receipts, Disbursements and Change in Fund Balance
(Cash Basis)

Income Tax Receipts	\$	8,584,733
Contractual Disbursements		(5,412,840)
		3,171,893
Disbursements to Akron		(3,171,893)
Change in Fund Cash Balance		-
Fund Cash Balance, January 1, 2022		-
Fund Cash Balance, December 31, 2022	\$	-

28. Fund Balance

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

	<u>General Fund</u>	<u>Community Learning Centers</u>	<u>Income Tax Capital Improvement</u>	<u>Special Assessment Fund</u>	<u>Various Purpose Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:							
Restricted:							
Asset Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,389,143	1,389,143
Building, housing and economic incentive	-	-	-	-	-	-	-
Construction and renovation of CLCs	-	15,423,321	-	-	-	-	15,423,321
Community betterment and outreach	-	-	9,355,964	-	1,516,345	17,949,055	28,821,364
Debt service reserves	-	-	-	-	-	1,107,409	1,107,409
General governance	-	-	34,078	-	-	-	34,078
Information technology	-	-	-	-	-	234,350	234,350
Life enrichment	-	-	40,164	-	-	-	40,164
Other Purposes	-	-	-	-	-	167,590	167,590
Police and fire equipment	-	-	-	-	-	-	-
Protection and enforcement	-	-	170,556	-	-	21,979,899	22,150,455
Transportation/mobility	-	-	-	-	-	5,646,482	5,646,482
Total restricted	<u>-</u>	<u>15,423,321</u>	<u>9,600,762</u>	<u>-</u>	<u>1,516,345</u>	<u>53,138,482</u>	<u>79,678,910</u>
Committed:							
Building, housing and economic incentive	-	-	-	-	-	10,524,246	10,524,246
Community betterment and outreach	-	-	-	-	116,287	1,285,333	1,401,620
Information technology	-	-	-	-	-	-	-
Life enrichment	-	-	-	-	-	313,348	313,348
Non-financial assets held for resale	-	-	-	-	-	7,788,695	7,788,695
Protection and enforcement	425,279	-	-	-	-	-	425,279
Transportation/mobility	-	-	-	-	-	76,499	76,499
Total committed	<u>425,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,287</u>	<u>19,988,121</u>	<u>20,529,687</u>
Assigned:							
Asset management	174,529	-	-	-	-	-	174,529
Building, housing and economic incentive	117,289	-	-	-	-	-	117,289
Community betterment and outreach	43,854	-	-	-	-	-	43,854
General governance	305,304	-	-	-	-	-	305,304
Life enrichment	155,729	-	-	-	-	-	155,729
Municipal justice	26,905	-	-	-	-	-	26,905
Protection and enforcement	805,515	-	-	-	-	-	805,515
Transportation/mobility	-	-	-	-	-	-	-
Waste management	16,199	-	-	-	-	-	16,199
Wellness and prevention	16,656	-	-	-	-	-	16,656
Total assigned	<u>1,661,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,661,980</u>
Unassigned	<u>25,628,120</u>	<u>-</u>	<u>-</u>	<u>(8,963,227)</u>	<u>-</u>	<u>(7,464,476)</u>	<u>9,200,417</u>
Total fund balances	<u>\$ 27,715,379</u>	<u>\$ 15,423,321</u>	<u>\$ 9,600,762</u>	<u>\$ (8,963,227)</u>	<u>\$ 1,632,632</u>	<u>\$ 65,662,127</u>	<u>\$ 111,070,994</u>

29. Tax Abatements

Community Reinvestment Areas (CRAs) were established under Ohio Revised Code Section 3735.66 and administered through ORC Sections 3735.66 to 3735.70. The ORC Sections prescribe that in return for building or remodeling properties within the CRA boundaries, applicants can apply for an exemption of real property taxes at 100% of the increased market value of the property.

The City established a CRA in 2010 relating to Envision Apartments. During 2021, the City established a CRA relating to the Development Finance Authority of Summit County. During 2022, the City established a CRA relating to Riverwood Development Group LLC. For the fiscal year ended December 31, 2022, the City had only 3 active CRAs for which it abated property taxes totaling \$68,415.

During 2017, the City of Akron launched the residential tax abatement program, which designates the entire City as a CRA. Through the program residential applicants can apply for an exemption of real property taxes at 100% of the added property value on any new construction or improvements for a period of 15 years. For the fiscal year ended December 31, 2022, there were 97 active residential agreements with residential taxes abated of \$225,507.

30. Restatement of Net Position

Effective January 1, 2022, the City recorded adjustments to beginning balances for the change in accounting treatment of the existing leased assets and accumulated depreciation that were previously reported as capital leases. As a result of the revaluation of the accompanying liability, there was minimal impact to net position. The implementation of GASB Statement No. 87 - *Leases* had the following effect on Net position:

	Balance as of December 31, 2021	Restatement	December 31, 2021 as restated
Proprietary Funds - Sewer			
Net Position	<u>\$ 368,765,584</u>	<u>\$ (58,250)</u>	<u>\$ 368,707,334</u>
Proprietary Funds - Golf Course			
Net Position	<u>\$ 272,172</u>	<u>\$ (27,050)</u>	<u>\$ 245,122</u>
Entity-wide Activities			
Net Position	<u>\$ 227,289,890</u>	<u>\$ (639,109)</u>	<u>\$ 226,650,781</u>

31. Subsequent Events

The impact of remote work remains a threat to the City's future tax collections. The State passed legislation in June of 2021 to allow for refunds of 2021 municipal income tax paid on behalf of remote workers to the municipality where the business was located rather than where the employee was physically working. These refunds will be requested in 2022 with the filing of the 2021 tax returns. As of January 1, 2022, the rules for taxing remote work returns back to withholding taxes where an employee is physically doing the work. The City is anticipating large impacts to income tax collections in the next fiscal year(s) given the quantity and frequency of remote work. Predicting and tracking the long-term effect of remote work and withholdings will be difficult. Not all employers have the functionality in place to track remote work and withhold correctly. The City anticipates substantial revenue losses due to remote work in 2023 and beyond.

On April 10, 2023, City Council passed ordinance 93-2023 amending ordinance 302-2018 authorizing the issuance of bonds in the maximum principal amount of \$14,000,0000 relating to the Water Pollution Control Loan Fund (WPCLF) to finance costs of improvements to the City's wastewater system for the Uhler Conveyance (CSO Rack 27 and 29) Project.

On May 15, 2023, City Council passed ordinance 128-2023 authorizing the issuance of bonds in the maximum principal amount of \$295,000,000 relating to the Water Pollution Control Loan Fund (WPCLF) to finance costs of the Northside Interceptor Tunnel Project.

On July 24, 2023, City Council passed ordinance 203-2023 authorizing the issuance of bonds in the maximum principal amount of \$5,000,000 to finance costs for the renovation of the Oliver Ocasek Building for the use as office facilities for the City and State and for use as the new Akron Municipal Court administrative facilities.

On July 24, 2023, City Council passed ordinance 204-2023 authorizing the issuance of bonds in the maximum principal amount of \$12,000,000 relating to the Water Pollution Control Loan Fund (WPCLF) to finance costs of the Sanitary Sewer Reconstruction 2023 Lining Project.

On July 24, 2023, City Council passed ordinance 205-2023 authorizing the issuance of bonds in the maximum principal amount of \$3,500,000 relating to the Water Pollution Control Loan Fund (WPCLF) to finance costs of the Springfield Lake Trunk Sewer Lining Project.

On September 20, 2023, City Council passed ordinance 258-2023 authorizing the issuance of notes in the maximum principal amount of \$5,200,000 to retire the City's \$5,013,712 Taxable Economic Development Revenue Note, Series 2022, to finance costs of the Akron Energy System (AES) Improvements.

On August 1, 2023, the Development Finance Authority of Summit County (DFA) acquired the title to 1 Cascade Plaza and assumed the ground lease as lessee. The City has recorded a ground lease as lessor for the Cascade Plaza parking deck in the amount of \$2,148,143 with Akron Redevelopment Corporation which is reflected in the Off-Street Parking Fund as of December 31, 2022. The DFA intends to sell the building and transfer the lease and the City has agreed to defer the payments of the lease and it is expected that the future operator and owner will resume payments in the full amount of the existing lease and lease terms.

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City of Akron, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 122,911,893	\$ 123,095,891	\$ 129,176,334
Intergovernmental Revenues	10,527,264	11,601,043	12,796,238
Charges for Services	34,293,786	35,364,860	30,924,406
License and Fees	2,968,570	3,061,276	6,261,726
Miscellaneous Revenues	6,463,630	6,665,500	3,074,363
Total revenues	<u>177,165,143</u>	<u>179,788,570</u>	<u>182,233,067</u>
Other sources:			
Other transfer in	-	-	198,405
Previous year's encumbrances	2,442,681	2,442,681	2,442,681
Total other sources	<u>2,442,681</u>	<u>2,442,681</u>	<u>2,641,086</u>
Total revenues and other sources	179,607,824	182,231,251	184,874,153
Expenditures and other uses			
Expenditures:			
Civil Service:			
Wages/benefits	1,225,686	1,335,686	1,230,498
Other	193,465	292,488	282,192
	<u>1,419,151</u>	<u>1,628,174</u>	<u>1,512,690</u>
Finance:			
Wages/benefits	2,754,880	3,054,880	2,869,519
Other	5,323,529	7,041,644	6,996,947
	<u>8,078,409</u>	<u>10,096,524</u>	<u>9,866,466</u>
Law:			
Wages/benefits	3,317,538	3,317,538	3,189,079
Other	1,602,160	2,210,379	2,092,910
	<u>4,919,698</u>	<u>5,527,917</u>	<u>5,281,989</u>
Legislative:			
Wages/benefits	1,300,982	1,300,982	1,234,846
Other	275,410	331,914	248,958
	<u>1,576,392</u>	<u>1,632,896</u>	<u>1,483,804</u>
Municipal Court - Clerk:			
Wages/benefits	3,898,121	3,898,121	3,791,380
Other	392,325	414,994	329,243
	<u>4,290,446</u>	<u>4,313,115</u>	<u>4,120,623</u>

City of Akron, Ohio

Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022
 (continued)

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Municipal Court - Judges:			
Wages/benefits	\$ 5,277,020	\$ 5,207,020	\$ 5,086,209
Other	443,064	622,375	616,570
	<hr/> 5,720,084	<hr/> 5,829,395	<hr/> 5,702,779
Office of the Mayor:			
Wages/benefits	2,018,071	2,118,071	2,072,713
Other	224,270	260,657	236,280
	<hr/> 2,242,341	<hr/> 2,378,728	<hr/> 2,308,993
Planning:			
Wages/benefits	42,422	67,422	56,383
Other	2,035	17,035	11,783
	<hr/> 44,457	<hr/> 84,457	<hr/> 68,166
Public Health:			
Wages/benefits	-	110,000	89,124
Other	4,141,942	4,289,934	4,248,165
	<hr/> 4,141,942	<hr/> 4,399,934	<hr/> 4,337,289
Public Safety:			
Wages/benefits	7,787,601	7,787,601	7,512,313
Other	6,986,163	7,813,432	7,764,834
	<hr/> 14,773,764	<hr/> 15,601,033	<hr/> 15,277,147
Public Service:			
Wages/benefits	11,918,473	11,918,473	11,445,442
Other	12,287,931	15,180,984	15,175,898
	<hr/> 24,206,404	<hr/> 27,099,457	<hr/> 26,621,340
Fire:			
Wages/benefits	28,816,738	32,566,738	28,699,212
Other	14,418,850	15,843,005	11,937,373
	<hr/> 43,235,588	<hr/> 48,409,743	<hr/> 40,636,585
Police:			
Wages/benefits	58,070,664	60,070,662	54,245,476
Other	4,685,440	5,016,180	4,643,511
	<hr/> 62,756,104	<hr/> 65,086,842	<hr/> 58,888,987

City of Akron, Ohio

Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022
 (continued)

	<u>Budgeted Amount (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Neighborhood Assistance:			
Wages/benefits	\$ 2,855,061	\$ 2,705,061	\$ 2,548,787
Other	688,581	755,231	603,889
	<u>3,543,642</u>	<u>3,460,292</u>	<u>3,152,676</u>
Integrated Development			
Wages	6,154,877	5,674,877	5,459,493
Other	1,582,539	2,258,035	2,220,951
	<u>7,737,416</u>	<u>7,932,912</u>	<u>7,680,444</u>
Total expenditures	188,685,838	203,481,419	186,939,978
Excess (deficiency) of revenues and other sources over expenditures	(9,078,014)	(21,250,168)	(2,065,825)
Fund balance, January 1, 2022	<u>25,613,918</u>	<u>25,613,918</u>	<u>25,613,918</u>
Fund balance, December 31, 2022	<u>\$ 16,535,904</u>	<u>\$ 4,363,750</u>	<u>\$ 23,548,093</u>

Note: Included in Other expenditures above are transfers out and advances of the following:

Finance	\$ 300,000
Fire	\$ 9,035,421
Police	\$ 40,000
Integrated Development	\$ 830,000
Public Service	\$ 1,600,000

City of Akron, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Learning Centers Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Taxes, Assessments and JEDD	\$ 17,029,655	\$ 17,029,655	\$ 18,988,806
Intergovernmental Revenues	-	-	318,944
Intra Fund Transfers	3,605,000	3,605,000	-
Miscellaneous Revenues	854,010	854,010	2,586,112
Total revenues	<u>21,488,665</u>	<u>21,488,665</u>	<u>21,893,862</u>
Expenditures			
Department Wide:			
Other	<u>20,700,040</u>	<u>21,183,640</u>	<u>21,155,297</u>
Total expenditures	20,700,040	21,183,640	21,155,297
Excess (deficiency) of revenues over expenditures	788,625	305,025	738,565
Fund balance, January 1, 2022	<u>15,673,241</u>	<u>15,673,241</u>	<u>15,673,241</u>
Fund balance, December 31, 2022	<u>\$ 16,461,866</u>	<u>\$ 15,978,266</u>	<u>\$ 16,411,806</u>

City of Akron, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Income Tax Capital Improvement Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 40,504,430	\$ 40,504,430	\$ 41,501,708
Intergovernmental Revenues	6	-	-
Miscellaneous revenues	1,329,090	1,329,090	3,590,021
Total revenues	<u>41,833,526</u>	<u>41,833,520</u>	<u>45,091,729</u>
Other sources:			
Note/bond proceeds	2,703,750	2,703,750	-
Previous year's encumbrances	731,610	731,610	731,610
Total other sources	<u>3,435,360</u>	<u>3,435,360</u>	<u>731,610</u>
Total revenues and other sources	45,268,886	45,268,880	45,823,339
Expenditures			
Department Wide:			
Wages/benefits	572,878	672,878	601,493
Other	42,747,384	43,478,994	42,517,229
Total expenditures	<u>43,320,262</u>	<u>44,151,872</u>	<u>43,118,722</u>
Excess of revenues and other sources over expenditures	1,948,624	1,117,008	2,704,617
Fund balance, January 1, 2022	<u>184,840</u>	<u>184,840</u>	<u>184,840</u>
Fund balance, December 31, 2022	<u>\$ 2,133,464</u>	<u>\$ 1,301,848</u>	<u>\$ 2,889,457</u>

Note: Included in Other expenditures above are advances from of \$1,785,000.

City of Akron, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Special Assessment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Special assessments	\$ 17,138,360	\$ 17,138,360	\$ 17,677,459
Service revenues	61,550	61,550	48,724
Miscellaneous revenues	309,670	309,670	33,782
Total revenues	<u>17,509,580</u>	<u>17,509,580</u>	<u>17,759,965</u>
Other sources:			
Note/Bond proceeds	13,390,000	13,390,000	13,000,000
Previous year's encumbrances	1,573,841	1,573,841	1,573,841
Total other sources	<u>14,963,841</u>	<u>14,963,841</u>	<u>14,573,841</u>
Total revenues and other sources	32,473,421	32,473,421	32,333,806
Expenditures			
Finance:			
Wages/benefits	273,766	273,766	210,909
Other	3,369,105	3,370,995	3,266,646
	<u>3,642,871</u>	<u>3,644,761</u>	<u>3,477,555</u>
Public Service:			
Wages/benefits	5,030,053	6,312,653	6,145,425
Other	22,843,996	24,218,160	23,339,006
	<u>27,874,049</u>	<u>30,530,813</u>	<u>29,484,431</u>
Neighborhood Assistance:			
Wages/benefits	298,908	313,908	278,467
Other	1,712,746	1,910,533	1,216,609
	<u>2,011,654</u>	<u>2,224,441</u>	<u>1,495,076</u>
Total expenditures	33,528,574	36,400,015	34,457,062
Excess (deficiency) of revenues and other sources over expenditures	(1,055,153)	(3,926,594)	(2,123,256)
Fund balance, January 1, 2022	<u>4,797,635</u>	<u>4,797,635</u>	<u>4,797,635</u>
Fund balance, December 31, 2022	<u>\$ 3,742,482</u>	<u>\$ 871,041</u>	<u>\$ 2,674,379</u>

City of Akron, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Various Purpose Funding Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Intergovernmental Revenues	\$ 10,424,690	\$ 10,450,620	\$ 72,692,811
Service Revenues	60,510,340	60,660,890	646,520
Miscellaneous revenues	9,451,640	9,475,160	1,721,432
Total revenues	<u>80,386,670</u>	<u>80,586,670</u>	<u>75,060,763</u>
Other sources:			
Previous year's encumbrances	124,557	124,557	124,557
Total other sources	<u>124,557</u>	<u>124,557</u>	<u>124,557</u>
Total revenues and other sources	80,511,227	80,711,227	75,185,320
Expenditures			
Department Wide:			
Wages/benefits	5,470,000	20,470,000	14,788,657
Other	74,933,478	60,283,035	26,709,521
Total expenditures	<u>80,403,478</u>	<u>80,753,035</u>	<u>41,498,178</u>
Excess (deficiency) of revenues and other sources over expenditures	107,749	(41,808)	33,687,142
Fund balance, January 1, 2022	<u>86,631,911</u>	<u>86,631,911</u>	<u>86,631,911</u>
Fund balance, December 31, 2022	<u>\$ 86,739,660</u>	<u>\$ 86,590,103</u>	<u>\$ 120,319,053</u>

Note: Included in Other expenditures above are transfers of \$966,127 and advances in miscellaneous revenues of \$60,000.

City of Akron, Ohio

Required Supplementary Information
Schedule of Net Pension Liability and Related Ratios under OPERS

For the Year Ended December 31, 2022

Traditional Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2021	0.43817	% \$ 38,122,390	\$ 63,582,913	60.0 %	92.3 %
12/31/2020	0.42634	63,131,523	62,792,506	100.5	86.9
12/31/2019	0.43836	85,358,175	60,759,457	140.5	82.2
12/31/2018	0.43836	120,056,821	59,205,414	202.8	74.7
12/31/2017	0.43977	68,990,774	58,131,654	118.7	84.7
12/31/2016	0.44509	101,073,278	57,520,375	175.7	77.3
12/31/2015	0.43764	75,805,111	54,382,817	139.4	81.1
12/31/2014	0.44358	53,500,585	52,357,017	102.2	86.5
12/31/2013	0.44358	52,292,185	53,972,510	96.9	86.4

OPERS Combined Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2021	0.37497	% \$ (1,477,405)	\$ 1,709,471	86.4 %	169.9 %
12/31/2020	0.34861	(1,006,318)	1,536,636	65.5	157.7
12/31/2019	0.43185	(710,799)	1,517,579	46.8	145.3
12/31/2018	0.31576	(353,085)	1,349,550	26.2	126.6
12/31/2017	0.32691	(444,922)	1,329,738	33.5	137.3
12/31/2016	0.33706	(187,599)	1,312,142	14.3	116.6
12/31/2015	0.31566	(153,607)	1,117,900	13.7	116.9
12/31/2014	0.30583	(117,750)	1,123,475	10.5	114.8
12/31/2013	0.30586	(32,090)	1,123,400	2.9	114.8

OPERS Member Directed Plan

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2021	0.21961	% \$ (39,874)	\$ 1,384,650	2.88 %	171.9 %
12/31/2020	0.20177	(36,782)	1,222,221	3.01	188.2
12/31/2019	0.19367	(7,359)	1,151,207	0.64	118.1
12/31/2018	0.19508	(4,445)	1,349,550	0.33	113.4
12/31/2017	0.19522	(11,441)	1,066,892	1.07	124.5
12/31/2016	0.16885	(703)	890,550	0.08	103.4
12/31/2015	0.18979	(725)	905,960	0.08	103.9

** Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Contributions Under OPERS to State Pension and OPEB

For the Year Ended December 31, 2022

Traditional Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2022	12/31/2021	\$ 9,522,246	\$ 9,522,246	\$ -	\$ 68,016,042	14.00 %	0.00 %	14.00 %
12/31/2021	12/31/2020	8,901,608	8,901,608	-	63,582,913	14.00	0.00	14.00
12/31/2020	12/31/2019	8,790,951	8,790,951	-	62,792,506	14.00	0.00	14.00
12/31/2019	12/31/2018	8,506,324	8,506,324	-	60,759,457	14.00	0.00	14.00
12/31/2018	12/31/2017	8,288,758	8,288,758	-	59,205,414	14.00	0.00	14.00
12/31/2017	12/31/2016	8,138,432	8,138,432	-	58,131,654	13.00	1.00	14.00
12/31/2016	12/31/2015	8,052,852	8,052,852	-	57,520,375	12.00	2.00	14.00
12/31/2015	12/31/2014	6,525,938	6,525,938	-	54,382,817	12.00	0.00	12.00
12/31/2014	12/31/2013	7,329,982	7,329,982	-	52,357,017	12.00	2.00	14.00
12/31/2013	N/A	7,556,151	7,556,151	-	53,972,510	10.00	4.00	14.00

Combined Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2022	12/31/2021	\$ 263,755	\$ 263,755	-	\$ 1,883,964	14.00 %	0.00 %	14.00 %
12/31/2021	12/31/2020	239,326	239,326	-	1,709,471	14.00	0.00	14.00
12/31/2020	12/31/2019	215,087	215,087	-	1,536,336	14.00	0.00	14.00
12/31/2019	12/31/2018	212,461	212,461	-	1,517,579	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	186,163	186,163	-	1,329,738	13.00	1.00	14.00
12/31/2016	12/31/2015	183,700	183,700	-	1,312,142	12.00	2.00	14.00
12/31/2015	12/31/2014	156,506	156,506	-	1,117,900	12.00	2.00	14.00
12/31/2014	12/31/2013	157,285	157,285	-	1,123,475	12.00	2.00	14.00

Member Directed Plan

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contribution	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll*	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2022	12/31/2021	\$ 221,643	\$ 221,643	-	\$ 1,583,164	14.00 %	0.00 %	14.00 %
12/31/2021	12/31/2020	193,851	193,851	-	1,384,650	14.00	0.00	14.00
12/31/2020	12/31/2019	171,111	171,111	-	1,222,221	14.00	0.00	14.00
12/31/2019	12/31/2018	169,169	169,169	-	1,151,207	14.00	0.00	14.00
12/31/2018	12/31/2017	188,937	188,937	-	1,349,550	14.00	0.00	14.00
12/31/2017	12/31/2016	149,365	149,365	-	1,066,892	13.00	1.00	14.00
12/31/2016	12/31/2015	124,677	124,677	-	890,550	12.00	2.00	14.00

*Covered payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Net Pension Liability and Related Ratios under OP&F

For the Year Ended December 31, 2022

Fire

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2021	1.4031386	% \$ 87,659,983	\$ 29,796,658	294.2 %	75.0 %
12/31/2020	1.3730553	93,602,412	30,337,250	308.5	70.7
12/31/2019	1.3122261	88,398,559	28,140,217	314.1	69.9
12/31/2018	1.3535830	110,488,140	27,458,083	402.4	63.1
12/31/2017	1.3615340	80,801,637	25,926,353	311.7	70.9
12/31/2016	1.3274720	84,080,723	25,713,251	327.0	68.4
12/31/2015	1.3199200	84,911,384	23,457,047	362.0	66.8
12/31/2014	1.3172024	68,236,576	20,458,336	333.5	72.2
12/31/2013	1.3172024	64,151,888	18,706,713	342.9	72.2

Police

Measurement Date	Proportion of Collective Net Pension Liability/(Asset)	Proportionate Share of Collective Net Pension Liability/(Asset)	Covered Payroll**	Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
12/31/2021	1.3080000	% \$ 81,716,674	\$ 36,725,846	222.5 %	75.0 %
12/31/2020	1.2929027	88,138,339	35,177,569	250.6	70.7
12/31/2019	1.2757506	85,941,375	33,447,297	256.9	69.9
12/31/2018	1.3062930	106,628,025	32,520,558	327.9	63.1
12/31/2017	1.3006560	79,827,131	31,566,974	252.9	70.9
12/31/2016	1.3613200	86,224,625	32,224,089	267.6	68.4
12/31/2015	1.3057420	83,998,130	29,950,321	280.5	66.8
12/31/2014	1.3597730	70,441,912	34,172,517	206.1	72.2
12/31/2013	1.3597730	66,225,111	35,596,596	186.0	72.2

** Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
Schedule of Contributions Under OP&F to State Pension and OPEB

For the Year Ended December 31, 2022

Fire

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll**	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2022	12/31/2021	\$ 8,763,507	\$ 8,763,507	\$ -	\$ 36,514,613	23.50 %	0.50 %	24.00 %
12/31/2021	12/31/2020	7,151,198	7,151,198	-	29,796,658	23.50	0.50	24.00
12/31/2020	12/31/2019	7,280,940	7,280,940	-	30,337,250	23.50	0.50	24.00
12/31/2019	12/31/2018	6,753,652	6,753,652	-	28,140,217	23.50	0.50	24.00
12/31/2018	12/31/2017	6,589,940	6,589,940	-	25,926,353	23.50	0.50	24.00
12/31/2017	12/31/2016	6,092,693	6,092,693	-	25,926,353	23.50	0.50	24.00
12/31/2016	12/31/2015	6,042,614	6,042,614	-	25,713,251	23.50	0.50	24.00
12/31/2015	12/31/2014	5,512,406	5,512,406	-	23,457,047	23.50	0.50	24.00
12/31/2014	12/31/2013	4,807,709	4,807,709	-	20,458,336	23.50	0.50	24.00
12/31/2013	N/A	3,784,368	3,784,368	-	18,706,713	20.38	3.62	24.00

Police

Fiscal Year Ending	Measurement Year Ending	Statutorily Required Employer Contributions	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll**	Contractually Required Contribution Rates:		
						Pension	OPEB	Total
12/31/2022	12/31/2020	\$ 7,754,974	\$ 7,754,974	\$ -	\$ 39,769,097	19.00 %	0.50 %	19.50 %
12/31/2021	12/31/2020	7,161,540	7,161,540	-	36,725,846	19.00	0.50	19.50
12/31/2020	12/31/2019	6,859,626	6,859,626	-	35,177,569	19.00	0.50	19.50
12/31/2019	12/31/2018	6,522,223	6,522,223	-	33,447,297	19.00	0.50	19.50
12/31/2018	12/31/2017	6,341,509	6,341,509	-	32,520,558	19.00	0.50	19.50
12/31/2017	12/31/2016	6,155,560	6,155,560	-	31,566,974	19.00	0.50	19.50
12/31/2016	12/31/2015	6,283,697	6,283,697	-	32,224,089	19.00	0.50	19.50
12/31/2015	12/31/2014	5,840,313	5,840,313	-	29,950,321	19.00	0.50	19.50
12/31/2014	12/31/2013	6,663,641	6,663,641	-	34,172,517	15.73	3.77	19.50
12/31/2013	N/A	6,941,336	6,941,336	-	35,596,596	12.75	6.75	19.50

**Covered Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
 Schedule of Changes in the Net OPEB Liability and Related Ratios
 For City's OPEB Plan

For the Year Ended December 31, 2022

City of Akron OPEB Plan

Total OPEB Liability	2021	2020	2019	2018
Total OPEB Liability - Beginning of year	\$ 92,397,710	\$ 87,500,861	\$ 101,158,647	\$ 124,741,033
Total service cost	2,025,073	1,512,775	1,982,204	1,862,320
Interest cost	1,797,571	2,864,522	3,702,807	3,977,909
Experience (gain)/losses	(378,524)	253,372	(962,312)	(6,049,438)
Assumption changes	(18,107,712)	2,574,394	(15,524,189)	(20,325,562)
Plan amendments	-	-	-	-
Benefits payments	(2,581,160)	(2,308,214)	(2,856,296)	(3,047,615)
Total OPEB Liability - End of year	\$ 75,152,958	\$ 92,397,710	\$ 87,500,861	\$ 101,158,647
Plan Fiduciary Net Position	\$ -	\$ -	\$ -	\$ -
Net OPEB Liability	\$ 75,152,958	\$ 92,397,710	\$ 87,500,861	\$ 101,158,647
Covered Payroll	\$ 133,199,538	\$ 128,309,627	\$ 125,015,757	\$ 119,397,841
Employer's Net OPEB Liability as Percentage of Covered Payroll:	56.42%	72.01%	69.99%	84.72%

City of Akron, Ohio

Required Supplementary Information
Schedule of Net OPEB Liability and Related Ratios
For State OPEB Plans

For the Year Ended December 31, 2022

OPERS OPEB Plan

Measurement Date	City's Proportion of Collective	City's Proportionate Share of Collective	City's Covered	City's Net OPEB Liability	Fiduciary Net Position
	Net OPEB Liability / (Asset) %	Net OPEB Liability / (Asset) \$	Employee Payroll \$	as a Percentage of Covered Payroll %	as a Percentage of Total OPEB Liability %
12.31/2021	0.43 %	(13,392,616) \$	66,677,034 \$	0.00 %	94.79 %
12/31/2020	0.42	(7,397,476)	65,551,363	0.00	115.60
12/31/2019	0.42	57,992,341	63,428,243	91.43	47.80
12/31/2018	0.43	55,435,783	61,904,514	89.55	46.30
12/31/2017	0.43	46,401,790	60,528,284	76.66	54.10
12/31/2016	0.43	43,158,581	59,723,067	72.26	62.10

OP&F OPEB Plan

Measurement Date	City's Proportion of Collective	City's Proportionate Share of Collective	City's Covered	City's Net OPEB Liability	Fiduciary Net Position
	Net OPEB Liability / (Asset) %	Net OPEB Liability / (Asset) \$	Employee Payroll \$	as a Percentage of Covered Payroll %	as a Percentage of Total OPEB Liability %
12/31/2021	2.711145 %	26,208,709 \$	66,522,504 \$	39.40 %	46.90 %
12/31/2020	2.665958	28,246,262	65,514,819	43.11	45.40
12/31/2018	2.587977	25,564,678	61,587,514	41.51	47.10
12/31/2018	2.659876	24,222,250	59,978,641	40.38	46.60
12/31/2017	2.61719	148,286,319	57,937,340	255.94	14.10
12/31/2016	2.61719	124,232,123	53,407,368	232.61	16.00

** City's Covered Employee Payroll has been estimated by the City of Akron.

City of Akron, Ohio

Required Supplementary Information
 Schedule of Contributions under the City of Akron's OPEB Plan

For the Year Ended December 31, 2022

Fiscal Year Ending	Measurement Year Ending	Actual Employer Contributions	Covered Payroll*
12/31/2022	12/31/2021	\$ 2,260,494	\$ 133,398,052
12/31/2021	12/31/2020	2,308,214	135,701,400
12/31/2020	12/31/2019	2,856,926	128,309,627
12/31/2019	12/31/2018	2,591,971	125,015,757
12/31/2018	12/31/2017	3,015,640	119,397,841
12/31/2017	N/A	4,462,299	118,465,624
12/31/2016	N/A	4,867,000	113,130,435
12/31/2015	N/A	5,048,000	108,908,085
12/31/2014	N/A	4,908,000	107,105,770
12/31/2013	N/A	4,725,000	108,275,819
12/31/2012	N/A	4,772,000	83,935,000
12/31/2011	N/A	4,335,000	88,115,000
12/31/2010	N/A	9,825,000	114,340,000

*Covered Payroll has been estimated by the City of Akron

City of Akron, Ohio

Notes to the Required Supplementary Information

For the Year Ended December 31, 2022

Budgetary Data

The City’s budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City’s budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, the Income Tax Capital Improvement Fund, the Special Assessment Fund and Various Purpose Funding Fund are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	General	Community Learning Centers	Income Tax Capital Improvement	Special Assessment	Various Purpose
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (2,065,825)	\$ 738,565	\$ 2,704,617	\$ (2,123,256)	\$ 33,687,142
Adjustments:					
To adjust revenues for accruals	(8,060,919)	9,143,468	(2,048,422)	(6,089,446)	(46,542,068)
To adjust expenditures for accruals	4,617,666	(17,288,319)	1,681,924	5,348,471	(1,253,451)
To adjust for encumbrances	1,661,980	-	1,128,938	1,971,226	1,516,345
Net change in fund balance (GAAP basis)	\$ (3,847,098)	\$ (7,406,286)	\$ 3,467,057	\$ (893,005)	\$ (12,592,032)

City of Akron, Ohio

Notes to the Required Supplementary Information

For the Year Ended December 31, 2022

Schedule of City's Proportionate Share of Net Pension Liability

Information regarding the City's proportionate share of the net pension liability (asset) for fiscal years ending 2014 to 2022 has been provided by the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). The net pension liability (asset) presented in the City's financial statement as of December 31, 2021 is based on the measurement date of December 31, 2021. Information presented in this exhibit is not available for years prior to 2013.

Schedule of the City Contributions to State Pension Funds and OPEB

The Board of Trustees for both OPERS and OP&F determine the allocation between pension and OPEB plans annually and this allocation may change for year to year. The city pays all contractually required employer rates for OPERS and OP&F employees.

OPERS maintains three separate pension plans. The employer contribution rate is the same for all three plans. The City does not know which plan each of its employees participates in and; therefore; the information presented in the contribution schedule combines all plans from fiscal year ending December 31, 2007 through fiscal year ending December 31, 2013.

Schedule of the Net OPEB Liability and Related Ratios

Information regarding the City's proportionate share of the net OPEB liability for the fiscal year ending 2022 has been provided by OPERS and OP&F. The net OPEB liability presented in the City's financial statement as of December 31, 2022 is based on the measurement date of December 31, 2021. Information presented in this exhibit is not available prior to 2016.

The City also maintains its own plan that is funded on a "Pay-as-you-go" basis. The net OPEB liability for presented in the City's financial statements as of December 31, 2022 is based on the measurement date of December 31, 2021. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Street and Highway Maintenance	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Deposits
Joint Economic Development Districts	Police, Fire, and Road Activity
Akron Muni. Court Information System	

Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Community Environment Grants	Police Grants
Akron Metro. Area Transportation Study	General Grants

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	JEDD Bond Payment
Debt Service Bond Payment	Income Tax Bond Payment
Special Assessment Bond Payment	Taxable Revenue Bond Payment
Non-Tax Revenue Bond Payment	

Capital Project Funds – are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

To Account for Grant Revenue and Other Funding Sources:

Information Technology and Improvements	Public Parking
Parks and Recreation	Economic Development
Public Facilities and Improvements	Streets

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

Special Revenue Funds

	Income Tax Collection	Emergency Medical Service	Street and Highway Maintenance	Community Development	Community Environment Grants
Assets					
Pooled cash and investments	\$ 4,993,731	\$ 265,704	\$ 2,363,183	\$ 2,358,927	\$ 532,340
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	11,283,550	14,039,833	17,306	-
Loans receivable	-	-	-	5,477,509	241,876
Due from other governments	-	-	-	1,600,860	189,587
Due from other funds	430,498	-	162	218	-
Due from others	254,308	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 5,678,537	\$ 11,549,254	\$ 16,403,178	\$ 9,454,820	\$ 963,803
Liabilities					
Accounts payable	\$ 4,220,768	\$ 22,354	\$ 95,828	\$ 110,689	\$ 9,600
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	1,850,000	-
Due to other funds	1,277	10,518	199,786	315,328	-
Due to others	-	-	-	-	-
Accrued liabilities	13,833	335,823	67,162	22,275	199
Accrued wages	53,516	700,354	214,575	74,102	519
Total liabilities	4,289,394	1,069,049	577,351	2,372,394	10,318
Deferred Inflows of Resources	-	9,989,731	9,753,213	2,868,540	150,000
Fund balances					
Restricted	1,389,143	490,474	6,072,614	4,213,886	803,485
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	1,389,143	490,474	6,072,614	4,213,886	803,485
Total liabilities, deferred inflows and fund balances	\$ 5,678,537	\$ 11,549,254	\$ 16,403,178	\$ 9,454,820	\$ 963,803

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

Special Revenue Funds

	Akron Metro. Area Transportation Study	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans	Joint Economic Development Districts
Assets					
Pooled cash and investments	\$ 147,065	\$ 1,220,517	\$ 10,705,691	\$ 12,018	\$ 2,982,160
Restricted cash and investments	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	18,107,656	-	1,464,635
Loans receivable	-	3,282,933	-	-	2,000,000
Due from other governments	211,443	1,154,793	-	-	-
Due from other funds	114	-	-	-	-
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 358,622	\$ 5,658,243	\$ 28,813,347	\$ 12,018	\$ 6,446,795
Liabilities					
Accounts payable	\$ 1,135	\$ 6,196	\$ 40,549	\$ -	\$ 128,377
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	219	-	-	-	255,249
Due to others	-	-	234,021	-	342,614
Accrued liabilities	14,254	65	-	12	11,893
Accrued wages	44,911	299	-	83	34,232
Total liabilities	60,519	6,560	274,570	95	772,365
Deferred Inflows of Resources	-	2,972,933	18,014,531	4,484	1,874,203
Fund balances					
Restricted	298,103	2,678,750	-	7,439	3,800,227
Committed	-	-	10,524,246	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	298,103	2,678,750	10,524,246	7,439	3,800,227
Total liabilities, deferred inflows and fund balances	\$ 358,622	\$ 5,658,243	\$ 28,813,347	\$ 12,018	\$ 6,446,795

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

Special Revenue Funds					
	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs	Police Grants	Safety Programs
Assets					
Pooled cash and investments	\$ 290,481	\$ -	\$ -	\$ 9,427	\$ 2,037,300
Restricted cash and investments	-	167,590	1,043,950	-	-
Receivables, net of allowances for uncollectibles	15,407	-	-	-	335,322
Loans receivable	-	-	-	-	-
Due from other governments	-	-	-	541,040	2,516,423
Due from other funds	7,354	-	-	-	1,467
Due from others	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	\$ 313,242	\$ 167,590	\$ 1,043,950	\$ 550,467	\$ 4,890,512
Liabilities					
Accounts payable	\$ 78,892	\$ -	\$ -	\$ 99,484	\$ 5,167
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	40,000
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	171,138	-
Due to others	-	-	-	-	-
Accrued liabilities	-	-	-	16,714	4,495
Accrued wages	-	-	-	55,657	12,144
Total liabilities	78,892	-	-	342,993	61,806
Deferred Inflows of Resources	-	-	-	179,740	1,537,277
Fund balances					
Restricted	234,350	167,590	1,043,950	27,734	3,291,429
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	234,350	167,590	1,043,950	27,734	3,291,429
Total liabilities, deferred inflows and fund balances	\$ 313,242	\$ 167,590	\$ 1,043,950	\$ 550,467	\$ 4,890,512

City of Akron, Ohio
 Combining Balance Sheet - Non-Major Governmental Funds
 December 31, 2022

B-1

Special Revenue Funds

	City Facilities Operating	Deposits	Police, Fire, and Road Activity	General Grants
Assets				
Pooled cash and investments	\$ 88,855	\$ 2,396,652	\$ 21,857,475	\$ 2,055
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	20,203,068	3,505,921	3,070,858	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Due from others	-	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 20,291,923	\$ 5,902,573	\$ 24,928,333	\$ 2,055
Liabilities				
Accounts payable	\$ 7,035	\$ -	\$ 58,512	\$ 624
Deposits	-	979,676	-	-
Advances from other funds	-	-	-	55,000
Due to other governments	-	-	-	-
Due to other funds	-	127,750	-	-
Due to others	135,197	1,183,855	-	-
Accrued liabilities	-	-	-	1,674
Accrued wages	-	-	-	4,782
Total liabilities	142,232	2,291,281	58,512	62,080
Deferred Inflows of Resources	20,135,895	-	1,351,180	-
Fund balances				
Restricted	13,796	3,611,292	23,518,641	-
Committed	-	-	-	-
Unassigned	-	-	-	(60,025)
Total fund balances (deficits)	13,796	3,611,292	23,518,641	(60,025)
Total liabilities, deferred inflows and fund balances	\$ 20,291,923	\$ 5,902,573	\$ 24,928,333	\$ 2,055

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

Debt Service Funds			
	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment
Assets			
Pooled cash and investments	\$ 433,306	\$ -	\$ -
Restricted cash and investments	-	368,170	39,473
Receivables, net of allowances for uncollectibles	2,417,231	-	-
Loans receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	40	-	-
Due from others	-	-	-
Assets held for resale	-	-	-
Total assets	\$ 2,850,577	\$ 368,170	\$ 39,473
Liabilities			
Accounts payable	\$ 3,921	\$ -	\$ -
Deposits	-	-	-
Advances from other funds	-	-	-
Due to other governments	-	-	-
Due to other funds	2,411	-	-
Due to others	-	-	2,000
Accrued liabilities	5,326	-	-
Accrued wages	15,366	-	-
Total liabilities	27,024	-	2,000
Deferred Inflows of Resources	2,271,404	-	-
Fund balances			
Restricted	552,149	368,170	37,473
Committed	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	552,149	368,170	37,473
Total liabilities, deferred inflows and fund balances	\$ 2,850,577	\$ 368,170	\$ 39,473

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

	Debt Service Funds				Capital Project Funds	
	Non-Tax Revenue Bond Payment	JEDD Bond Payment	Income Tax Bond Payment	Taxable Revenue Bond Payment	Streets	Information Technology and Improvements
Assets						
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 59,801	\$ 9,939
Restricted cash and investments	274,272	8,295	198,850	36,370	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-	36,616	-
Loans receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from others	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-
Total assets	\$ 274,272	\$ 8,295	\$ 198,850	\$ 36,370	\$ 96,417	\$ 9,939
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,943,084	\$ 504
Deposits	-	-	-	-	-	-
Advances from other funds	-	-	-	-	1,300,000	20,000
Due to other governments	-	-	-	-	1,191,907	-
Due to other funds	-	-	-	-	1,395,947	-
Due to others	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	635,635	-
Accrued wages	-	-	-	-	23,730	-
Total liabilities	-	-	-	-	7,490,303	20,504
Deferred Inflows of Resources	-	-	-	-	-	-
Fund balances						
Restricted	274,272	8,295	198,850	36,370	-	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	(7,393,886)	(10,565)
Total fund balances (deficits)	274,272	8,295	198,850	36,370	(7,393,886)	(10,565)
Total liabilities, deferred inflows and fund balances	\$ 274,272	\$ 8,295	\$ 198,850	\$ 36,370	\$ 96,417	\$ 9,939

City of Akron, Ohio
Combining Balance Sheet - Non-Major Governmental Funds
December 31, 2022

B-1

Capital Project Funds					
	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development	Total
Assets					
Pooled cash and investments	\$ 749,493	\$ 1,888,888	\$ 94,576	\$ 1,398,837	\$ 56,898,421
Restricted cash and investments	-	-	-	-	2,136,970
Receivables, net of allowances for uncollectibles	-	-	-	-	74,497,403
Loans receivable	-	-	-	2,543,751	13,546,069
Due from other governments	51,932	365,619	-	-	6,631,697
Due from other funds	-	-	-	-	439,853
Due from others	-	-	-	-	254,308
Assets held for resale	-	-	-	8,464,523	8,464,523
Total assets	\$ 801,425	\$ 2,254,507	\$ 94,576	\$ 12,407,111	\$ 162,869,244
Liabilities					
Accounts payable	\$ 239,504	\$ 323,120	\$ 806	\$ 1,170	\$ 8,397,319
Deposits	-	-	-	-	979,676
Advances from other funds	-	-	-	-	1,415,000
Due to other governments	-	-	-	2,265,000	5,306,907
Due to other funds	190,964	189,842	17,184	58,234	2,935,847
Due to others	-	-	-	192,848	2,090,535
Accrued liabilities	1,556	89,805	19	375	1,221,115
Accrued wages	4,121	788	68	789	1,240,036
Total liabilities	436,145	603,555	18,077	2,518,416	23,586,435
Deferred Inflows of Resources	51,932	365,619	-	2,100,000	73,620,682
Fund balances					
Restricted	-	-	-	-	53,138,482
Committed	313,348	1,285,333	76,499	7,788,695	19,988,121
Unassigned	-	-	-	-	(7,464,476)
Total fund balances (deficits)	313,348	1,285,333	76,499	7,788,695	65,662,127
Total liabilities, deferred inflows and fund balances	\$ 801,425	\$ 2,254,507	\$ 94,576	\$ 12,407,111	\$ 162,869,244

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2022

B-2

Special Revenue Funds					
	Income Tax Collection	Emergency Medical Service	Street and Highway Maintenance	Community Development	Community Environment Grants
Revenues					
Income taxes	\$ 13,897,561	\$ -	\$ -	\$ -	\$ -
Property taxes	-	8,668,338	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	-	33,383	-
Grants and subsidies	-	2,633	-	14,956,933	4,133,196
Investment earnings	7,657	234	10,974	38,790	819
Shared revenues	212,883	-	10,045,370	-	-
Licenses, fees and fines	254,309	-	99,073	3,250	649
Charges for services	145	2,100,738	162	368	-
Miscellaneous	1,085	273,378	632,910	942,814	60,827
	<u>14,373,640</u>	<u>11,045,321</u>	<u>10,788,489</u>	<u>15,975,538</u>	<u>4,195,491</u>
Expenditures					
Current:					
General government	6,245,331	-	32,695	2,856,113	150,000
Public service	-	-	6,829,614	38,188	-
Public safety	-	20,208,193	2,665	529	-
Community environment	-	-	-	5,235,608	2,861,359
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	261	-	-	-
Interest	-	44	-	-	-
Bond issuance expenditures	-	-	-	-	-
	<u>6,245,331</u>	<u>20,208,498</u>	<u>6,864,974</u>	<u>8,130,438</u>	<u>3,011,359</u>
Excess (deficiency) of revenues over (under) expenditures	8,128,309	(9,163,177)	3,923,515	7,845,100	1,184,132
Other financing sources (uses)					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	-	1,541	-
Issuance of leases	-	-	-	-	-
Transfers-in	-	9,035,421	-	-	-
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>9,035,421</u>	<u>-</u>	<u>1,541</u>	<u>-</u>
Net change in fund balances	8,128,309	(127,756)	3,923,515	7,846,641	1,184,132
Fund balances (deficit), January 1, 2022	<u>(6,739,166)</u>	<u>618,230</u>	<u>2,149,099</u>	<u>(3,632,755)</u>	<u>(380,647)</u>
Fund balances (deficit), December 31, 2022	<u>\$ 1,389,143</u>	<u>\$ 490,474</u>	<u>\$ 6,072,614</u>	<u>\$ 4,213,886</u>	<u>\$ 803,485</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2022

B-2

Special Revenue Funds					
	Akron Metro. Area Transportation Study	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans	Joint Economic Development Districts
Revenues					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	42,788	-	-
JEDD revenues	-	-	-	-	9,023,843
Special assessments	-	-	-	-	-
Grants and subsidies	1,422,052	3,868,033	-	-	-
Investment earnings	-	4,777	-	63	44,770
Shared revenues	-	-	16,376,202	-	-
Licenses, fees and fines	10,160	-	-	-	70
Charges for services	114	-	-	-	665,228
Miscellaneous	146,404	12,500	62,464	-	847,310
	<u>1,578,730</u>	<u>3,885,310</u>	<u>16,481,454</u>	<u>63</u>	<u>10,581,221</u>
Expenditures					
Current:					
General government	-	2,500	-	4,484	2,495,584
Public service	-	-	-	-	-
Public safety	109	-	-	-	23,386
Community environment	1,695,619	1,077,395	12,154,542	95	1,358,473
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	3,434,503
Debt service:					
Principal retirement	-	-	299,425	-	2,337,232
Interest	-	-	47,679	-	129,667
Bond issuance expenditures	-	-	-	-	-
	<u>1,695,728</u>	<u>1,079,895</u>	<u>12,501,646</u>	<u>4,579</u>	<u>9,778,845</u>
Excess (deficiency) of revenues over (under) expenditures	(116,998)	2,805,415	3,979,808	(4,516)	802,376
Other financing sources (uses)					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	670	-	1,602,515
Issuance of leases	-	-	-	-	-
Transfers-in	42,253	-	-	-	-
Transfers-out	-	-	-	-	(250,000)
	<u>42,253</u>	<u>-</u>	<u>670</u>	<u>-</u>	<u>1,352,515</u>
Net change in fund balances	(74,745)	2,805,415	3,980,478	(4,516)	2,154,891
Fund balances (deficit), January 1, 2022	<u>372,848</u>	<u>(126,665)</u>	<u>6,543,768</u>	<u>11,955</u>	<u>1,645,336</u>
Fund balances (deficit), December 31, 2022	<u>\$ 298,103</u>	<u>\$ 2,678,750</u>	<u>\$ 10,524,246</u>	<u>\$ 7,439</u>	<u>\$ 3,800,227</u>

City of Akron, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
For the Year Ended December 31, 2022

B-2

Special Revenue Funds					
	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs	Police Grants	Safety Programs
Revenues					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Property taxes	-	-	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	-	-	-
Grants and subsidies	-	-	-	3,171,847	1,275,140
Investment earnings	-	-	17,668	-	22,057
Shared revenues	-	-	-	-	971,813
Licenses, fees and fines	191,806	-	-	-	19,010
Charges for services	-	-	-	-	750,275
Miscellaneous	120,000	22,800	-	64,872	579,658
	<u>311,806</u>	<u>22,800</u>	<u>17,668</u>	<u>3,236,719</u>	<u>3,702,953</u>
Expenditures					
Current:					
General government	693,412	-	6	-	-
Public service	-	-	-	-	-
Public safety	-	-	-	3,193,254	3,715,607
Community environment	-	-	537,448	-	-
Public health	-	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	553	229	-	-
Bond issuance expenditures	-	-	-	-	-
	<u>693,412</u>	<u>553</u>	<u>537,683</u>	<u>3,193,254</u>	<u>3,715,607</u>
Excess (deficiency) of revenues over (under) expenditures	(381,606)	22,247	(520,015)	43,465	(12,654)
Other financing sources (uses)					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	-	-	-	-
Issuance of leases	-	-	-	-	-
Transfers-in	-	-	-	-	-
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(381,606)	22,247	(520,015)	43,465	(12,654)
Fund balances (deficit), January 1, 2022	<u>615,956</u>	<u>145,343</u>	<u>1,563,965</u>	<u>(15,731)</u>	<u>3,304,083</u>
Fund balances (deficit), December 31, 2022	<u>\$ 234,350</u>	<u>\$ 167,590</u>	<u>\$ 1,043,950</u>	<u>\$ 27,734</u>	<u>\$ 3,291,429</u>

City of Akron, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
For the Year Ended December 31, 2022

B-2

Special Revenue Funds				
	City Facilities Operating	Deposits	Police, Fire, and Road Activity	General Grants
Revenues				
Income taxes	\$ -	\$ -	\$ 16,958,714	\$ -
Property taxes	-	-	-	-
JEDD revenues	481,692	-	-	-
Special assessments	-	-	-	-
Grants and subsidies	-	-	-	209,223
Investment earnings	35	1,551,595	-	23
Shared revenues	-	-	-	-
Licenses, fees and fines	557,094	5,401,365	-	-
Charges for services	-	150	-	-
Miscellaneous	755,985	832,353	-	-
	<u>1,794,806</u>	<u>7,785,463</u>	<u>16,958,714</u>	<u>209,246</u>
Expenditures				
Current:				
General government	-	6,740,415	14,170	209,313
Public service	582,466	-	2,895,761	-
Public safety	-	-	9,351,108	-
Community environment	15,946,914	-	-	141,334
Public health	-	-	-	-
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	25,009	-	-	-
Interest	41,213	17	323,776	-
Bond issuance expenditures	-	-	-	-
	<u>16,595,602</u>	<u>6,740,432</u>	<u>12,584,815</u>	<u>350,647</u>
Excess (deficiency) of revenues over (under) expenditures	(14,800,796)	1,045,031	4,373,899	(141,401)
Other financing sources (uses)				
Capital contributions	-	-	-	-
Issuance of bonds	679,294	-	-	-
Issuance of leases	14,869,698	-	-	-
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
	<u>15,548,992</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	748,196	1,045,031	4,373,899	(141,401)
Fund balances (deficit), January 1, 2022	<u>(734,400)</u>	<u>2,566,261</u>	<u>19,144,742</u>	<u>81,376</u>
Fund balances (deficit), December 31, 2022	<u>\$ 13,796</u>	<u>\$ 3,611,292</u>	<u>\$ 23,518,641</u>	<u>\$ (60,025)</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2022

B-2

Debt Service Funds					
	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment	Non-Tax Revenue Bond Payment	JEDD Bond Payment
Revenues					
Income taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	1,918,059	-	-	-	-
JEDD revenues	-	-	-	-	-
Special assessments	-	-	-	-	-
Grants and subsidies	-	-	-	-	-
Investment earnings	-	45	267	184	2,441
Shared revenues	145,827	-	-	-	-
Licenses, fees and fines	-	-	-	-	-
Charges for services	40	-	-	-	-
Miscellaneous	16,190	-	122	-	-
	<u>2,080,116</u>	<u>45</u>	<u>389</u>	<u>184</u>	<u>2,441</u>
Expenditures					
Current:					
General government	656,604	83,089	-	-	-
Public service	-	-	-	-	-
Public safety	-	-	-	-	-
Community environment	-	-	-	-	-
Public health	265	-	-	-	-
Recreation and parks	-	-	-	-	-
Debt service:					
Principal retirement	915,331	27,900,002	-	-	-
Interest	188,238	41,734	-	-	9
Bond issuance expenditures	-	-	-	-	-
	<u>1,760,438</u>	<u>28,024,825</u>	<u>-</u>	<u>-</u>	<u>9</u>
Excess (deficiency) of revenues over (under) expenditures	319,678	(28,024,780)	389	184	2,432
Other financing sources (uses)					
Capital contributions	-	-	-	-	-
Issuance of bonds	-	27,945,000	-	-	-
Issuance of leases	-	-	-	-	-
Transfers-in	-	-	-	-	-
Transfers-out	-	-	-	-	-
	<u>-</u>	<u>27,945,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	319,678	(79,780)	389	184	2,432
Fund balances (deficit), January 1, 2022	<u>232,471</u>	<u>447,950</u>	<u>37,084</u>	<u>274,088</u>	<u>5,863</u>
Fund balances (deficit), December 31, 2022	<u>\$ 552,149</u>	<u>\$ 368,170</u>	<u>\$ 37,473</u>	<u>\$ 274,272</u>	<u>\$ 8,295</u>

City of Akron, Ohio
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
 For the Year Ended December 31, 2022

B-2

	Debt Service Funds		Capital Projects Funds	
	Income Tax Bond Payment	Taxable Revenue Bond Payment	Streets	Information Technology and Improvements
Revenues				
Income taxes	\$ -	\$ -	\$ 436,440	\$ -
Property taxes	-	-	-	-
JEDD revenues	-	-	-	-
Special assessments	-	-	1,762,783	-
Grants and subsidies	-	-	8,648,486	-
Investment earnings	-	36,370	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	1,474,128	-
	-	36,370	12,321,837	-
Expenditures				
Current:				
General government	-	-	1,245,114	96,945
Public service	-	-	27,768,799	-
Public safety	-	-	-	-
Community environment	4,990	-	-	-
Public health	-	-	-	-
Recreation and parks	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	153	-	-
Bond issuance expenditures	-	-	10,000	-
	4,990	153	29,023,913	96,945
Excess (deficiency) of revenues over (under) expenditures	(4,990)	36,217	(16,702,076)	(96,945)
Other financing sources (uses)				
Capital contributions	-	-	-	-
Issuance of bonds	-	-	14,172,248	-
Issuance of leases	-	-	-	-
Transfers-in	-	-	-	-
Transfers-out	-	-	-	-
	-	-	14,172,248	-
Net change in fund balances	(4,990)	36,217	(2,529,828)	(96,945)
Fund balances (deficit), January 1, 2022	203,840	153	(4,864,058)	86,380
Fund balances (deficit), December 31, 2022	\$ 198,850	\$ 36,370	\$ (7,393,886)	\$ (10,565)

City of Akron, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
For the Year Ended December 31, 2022

B-2

Capital Projects Funds					
	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development	Total
Revenues					
Income taxes	\$ -	\$ 30,834	\$ -	\$ -	\$ 31,408,549
Property taxes	-	-	-	-	10,629,185
JEDD revenues	-	-	-	-	9,505,535
Special assessments	-	-	-	376,392	2,172,558
Grants and subsidies	864,431	201,166	-	-	38,753,140
Investment earnings	-	-	-	8,820	1,747,589
Shared revenues	-	-	-	-	27,752,095
Licenses, fees and fines	-	-	-	-	6,536,786
Charges for services	-	-	-	-	3,517,220
Miscellaneous	188	3,649	-	976,979	7,826,616
	<u>864,619</u>	<u>235,649</u>	<u>-</u>	<u>1,362,191</u>	<u>139,849,273</u>
Expenditures					
Current:					
General government	85,320	46,674	-	-	21,657,769
Public service	104,137	5,787,341	108,891	441	44,115,638
Public safety	-	-	-	-	36,494,851
Community environment	-	-	-	44,016	41,057,793
Public health	-	-	-	-	265
Recreation and parks	4,528,049	57,777	-	-	8,020,329
Debt service:					
Principal retirement	-	5,000,000	-	2,623	36,479,883
Interest	-	13,712	-	44,779	831,803
Bond issuance expenditures	-	10,000	-	-	20,000
	<u>4,717,506</u>	<u>10,915,504</u>	<u>108,891</u>	<u>91,859</u>	<u>188,678,331</u>
Excess (deficiency) of revenues over (under) expenditures	(3,852,887)	(10,679,855)	(108,891)	1,270,332	(48,829,058)
Other financing sources (uses)					
Capital contributions	-	-	-	545,100	545,100
Issuance of bonds	5,999,083	6,403,712	1,110,000	-	57,914,063
Issuance of leases	-	-	-	-	14,869,698
Transfers-in	-	-	-	-	9,077,674
Transfers-out	-	-	-	-	(250,000)
	<u>5,999,083</u>	<u>6,403,712</u>	<u>1,110,000</u>	<u>545,100</u>	<u>82,156,535</u>
Net change in fund balances	2,146,196	(4,276,143)	1,001,109	1,815,432	33,327,477
Fund balances (deficit), January 1, 2022	(1,832,848)	5,561,476	(924,610)	5,973,263	32,334,650
Fund balances (deficit), December 31, 2022	<u>\$ 313,348</u>	<u>\$ 1,285,333</u>	<u>\$ 76,499</u>	<u>\$ 7,788,695</u>	<u>\$ 65,662,127</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Income Tax Collection Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 5,397,253	\$ 11,076,543	\$ 10,708,571
Miscellaneous revenues	304,790	625,500	641,232
Total revenues	<u>5,702,043</u>	<u>11,702,043</u>	<u>11,349,803</u>
Other sources:			
Previous year's encumbrances	91,074	91,074	91,074
Total other sources	<u>91,074</u>	<u>91,074</u>	<u>91,074</u>
Total revenues and other sources	5,793,117	11,793,117	11,440,877
Expenditures			
Finance:			
Wages/benefits	1,815,004	1,815,004	1,614,641
Other	6,079,762	15,516,836	10,794,598
Total expenditures	7,894,766	17,331,840	12,409,239
Excess (deficiency) of revenues and other sources over expenditures	(2,101,649)	(5,538,723)	(968,362)
Fund balance, January 1, 2022	<u>5,827,231</u>	<u>5,827,231</u>	<u>5,827,231</u>
Fund balance, December 31, 2022	<u>\$ 3,725,582</u>	<u>\$ 288,508</u>	<u>\$ 4,858,869</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Emergency Medical Services Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Property taxes	\$ 8,640,383	\$ 8,664,018	\$ 8,675,742
Transport billing	3,392,120	4,264,530	1,951,154
Other revenue	884,890	1,112,480	266,436
Total revenues	<u>12,917,393</u>	<u>14,041,028</u>	<u>10,893,332</u>
Other sources:			
General fund subsidy	9,410,467	9,410,467	9,035,421
Previous year's encumbrances	96,705	96,705	96,705
Total other sources	<u>9,507,172</u>	<u>9,507,172</u>	<u>9,132,126</u>
Total revenues and other sources	22,424,565	23,548,200	20,025,458
Expenditures			
Fire:			
Wages/benefits	20,728,201	21,709,801	18,429,826
Other	1,428,600	1,840,305	1,558,540
Total expenditures	<u>22,156,801</u>	<u>23,550,106</u>	<u>19,988,366</u>
Excess (deficiency) of revenues and other sources over expenditures	267,764	(1,906)	37,092
Fund balance, January 1, 2022	<u>33,289</u>	<u>33,289</u>	<u>33,289</u>
Fund balance, December 31, 2022	<u>\$ 301,053</u>	<u>\$ 31,383</u>	<u>\$ 70,381</u>

Note: Included in the General fund subsidy above is transfers in of \$8,785,421.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Police Pension Employer's Liability Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Property taxes	\$ 925,756	\$ 928,288	\$ 928,272
Total revenues	925,756	928,288	928,272
Expenditures			
Police:			
Wages/benefits	520,000	820,000	820,000
Other	368,566	128,566	119,206
Total expenditures	888,566	948,566	939,206
Excess (deficiency) of revenues over expenditures	37,190	(20,278)	(10,934)
Fund balance, January 1, 2022	20,114	20,114	20,114
Fund balance (deficit), December 31, 2022	\$ 57,304	\$ (164)	\$ 9,180

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues			
Property taxes	\$ 925,756	\$ 928,288	\$ 928,272
Total revenues	925,756	928,288	928,272
Expenditures			
Fire:			
Wages/benefits	520,000	820,000	820,000
Other	368,566	128,566	119,206
Total expenditures	888,566	948,566	939,206
Excess (deficiency) of revenues over expenditures	37,190	(20,278)	(10,934)
Fund balance, January 1, 2022	20,114	20,114	20,114
Fund balance (deficit), December 31, 2022	\$ 57,304	\$ (164)	\$ 9,180

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Street and Highway Maintenance Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Gasoline tax	\$ 8,570,620	\$ 8,570,620	\$ 7,182,966
Motor vehicle license tax	2,603,610	2,603,610	2,318,490
Service revenues	1,752,870	1,752,870	1,214,455
Miscellaneous revenues	659,900	659,900	667,894
Total revenues	<u>13,587,000</u>	<u>13,587,000</u>	<u>11,383,805</u>
Other sources:			
Previous year's encumbrances	361,826	361,826	361,826
Total other sources	<u>361,826</u>	<u>361,826</u>	<u>361,826</u>
Total revenues and other sources	13,948,826	13,948,826	11,745,631
Expenditures			
Public Service:			
Wages/benefits	7,717,212	7,717,212	6,163,744
Other	5,243,021	5,654,847	5,138,823
Total expenditures	<u>12,960,233</u>	<u>13,372,059</u>	<u>11,302,567</u>
Excess of revenues and other sources over expenditures	988,593	576,767	443,064
Fund balance, January 1, 2022	<u>1,462,609</u>	<u>1,462,609</u>	<u>1,462,609</u>
Fund balance, December 31, 2022	<u>\$ 2,451,203</u>	<u>\$ 2,039,377</u>	<u>\$ 1,905,673</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Community Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 13,944,380	\$ 21,680,660	\$ 14,325,270
Service revenues	29,740	46,250	28,158
Miscellaneous revenues	445,610	692,830	196,628
Total revenues	<u>14,419,730</u>	<u>22,419,740</u>	<u>14,550,056</u>
Other sources:			
Previous year's encumbrances	297,270	297,270	297,270
Total other sources	<u>297,270</u>	<u>297,270</u>	<u>297,270</u>
Total revenues and other sources	14,717,000	22,717,010	14,847,326
Expenditures			
Department Wide:			
Wages/benefits	2,218,060	2,518,060	2,326,063
Other	9,458,291	15,455,561	9,896,436
Total expenditures	<u>11,676,351</u>	<u>17,973,621</u>	<u>12,222,499</u>
Excess (deficiency) of revenues and other sources over expenditures	3,040,649	4,743,389	2,624,827
Fund balance, January 1, 2022	<u>(2,020,519)</u>	<u>(2,020,519)</u>	<u>(2,020,519)</u>
Fund balance, December 31, 2022	<u>\$ 1,020,130</u>	<u>\$ 2,722,870</u>	<u>\$ 604,308</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Community Environment Grants Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Governmental revenues	\$ 4,445,737	\$ 5,081,427	\$ 3,943,608
Miscellaneous revenues	23,200	26,510	62,295
Total revenues	<u>4,468,937</u>	<u>5,107,937</u>	<u>4,005,903</u>
Other sources:			
Previous year's encumbrances	391,179	391,179	391,179
Total other sources	<u>391,179</u>	<u>391,179</u>	<u>391,179</u>
Total revenues and other sources	4,860,116	5,499,116	4,397,082
Expenditures			
Department Wide:			
Wages/benefits	40,000	40,000	27,534
Other	3,280,250	4,486,429	3,566,968
Total expenditures	<u>3,320,250</u>	<u>4,526,429</u>	<u>3,594,502</u>
Excess (deficiency) of revenues and other sources over expenditures	1,539,866	972,687	802,580
Fund balance, January 1, 2022	<u>(672,706)</u>	<u>(672,706)</u>	<u>(672,706)</u>
Fund balance, December 31, 2022	<u>\$ 867,160</u>	<u>\$ 299,981</u>	<u>\$ 129,874</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Federal/State grants	\$ 1,917,090	\$ 2,016,165	\$ 1,624,622
Service revenues	530	560	-
Miscellaneous revenues	17,320	17,320	36,125
Total revenues	<u>1,934,940</u>	<u>2,034,045</u>	<u>1,660,747</u>
Other sources:			
Previous year's encumbrances	4,888	4,888	4,888
Total other sources	<u>4,888</u>	<u>4,888</u>	<u>4,888</u>
Total revenues and other sources	1,939,828	2,038,933	1,665,635
Expenditures			
Planning:			
Wages/benefits	1,442,512	1,517,512	1,366,612
Other	668,140	673,028	352,952
Total expenditures	<u>2,110,652</u>	<u>2,190,540</u>	<u>1,719,564</u>
Excess (deficiency) of revenues and other sources over expenditures	(170,824)	(151,607)	(53,929)
Fund balance, January 1, 2022	<u>181,738</u>	<u>181,738</u>	<u>181,738</u>
Fund balance, December 31, 2022	<u>\$ 10,914</u>	<u>\$ 30,131</u>	<u>\$ 127,809</u>

Note: Included in Miscellaneous revenues above is transfer in of \$42,253.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
H.O.M.E. Program Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Governmental revenues	\$ 2,659,372	\$ 2,659,372	\$ 2,043,549
Miscellaneous revenues	151,350	151,350	686,967
Total revenues	<u>2,810,722</u>	<u>2,810,722</u>	<u>2,730,516</u>
Other sources:			
Previous year's encumbrances	183,235	183,235	183,235
Total Other sources	<u>183,235</u>	<u>183,235</u>	<u>183,235</u>
Total revenues and other sources	2,993,957	2,993,957	2,913,751
Expenditures			
Department Wide:			
Wages/Benefits	26,550	26,550	10,954
Other	2,987,000	3,170,235	2,464,918
Total expenditures	<u>3,013,550</u>	<u>3,196,785</u>	<u>2,475,872</u>
Excess (deficiency) of revenues and other sources over expenditures	(19,593)	(202,828)	437,879
Fund balance, January 1, 2022	<u>360,292</u>	<u>360,292</u>	<u>360,292</u>
Fund balance, December 31, 2022	<u>\$ 340,699</u>	<u>\$ 157,464</u>	<u>\$ 798,171</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Tax Equivalency Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Taxes and assessments	\$ 18,147,235	\$ 18,147,235	\$ 16,418,496
Miscellaneous revenues	19,520	19,520	13,293
	<hr/>		
Total revenues	18,166,755	18,166,755	16,431,789
Expenditures			
Department Wide:			
Other	15,798,113	15,798,113	15,747,718
	<hr/>		
Total expenditures	15,798,113	15,798,113	15,747,718
Excess (deficiency) of revenues and other sources over expenditures	2,368,642	2,368,642	684,071
Fund balance, January 1, 2022	8,455,019	8,455,019	8,455,019
	<hr/>		
Fund balance, December 31, 2022	\$ 10,823,661	\$ 10,823,661	\$ 9,139,090
	<hr/> <hr/>		

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Special Revenue Loans Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Miscellaneous revenues	\$ 6,560	\$ 6,560	\$ 63
Total revenues	<u>6,560</u>	<u>6,560</u>	<u>63</u>
Expenditures			
Office of the Mayor:			
Other	<u>10,008</u>	<u>10,008</u>	<u>-</u>
Total expenditures	10,008	10,008	-
Excess (deficiency) of revenues over expenditures	(3,448)	(3,448)	63
Fund balance, January 1, 2022	<u>11,956</u>	<u>11,956</u>	<u>11,956</u>
Fund balance, December 31, 2022	<u>\$ 8,508</u>	<u>\$ 8,508</u>	<u>\$ 12,019</u>

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Joint Economic Development Districts Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
JEDD revenues	\$ 16,198,490	18,661,890	16,771,062
Service revenues	182,580	210,340	1,692,241
Miscellaneous revenues	1,083,910	1,248,750	849,971
Total revenues	<u>17,464,980</u>	<u>20,120,980</u>	<u>19,313,274</u>
Other sources:			
Previous year's encumbrances	<u>722,325</u>	<u>722,325</u>	<u>722,325</u>
Total other sources	<u>722,325</u>	<u>722,325</u>	<u>722,325</u>
Total revenues and other sources	18,187,305	20,843,305	20,035,599
Expenditures			
Department Wide:			
Wages/benefits	741,678	791,678	764,205
Other	<u>18,241,541</u>	<u>21,408,866</u>	<u>19,391,824</u>
Total expenditures	18,983,219	22,200,544	20,156,029
Excess of revenues and other sources over expenditures	(795,914)	(1,357,239)	(120,430)
Fund balance, January 1, 2022	<u>2,356,393</u>	<u>2,356,393</u>	<u>2,356,393</u>
Fund balance, December 31, 2022	<u>\$ 1,560,479</u>	<u>\$ 999,154</u>	<u>\$ 2,235,963</u>

Note: Included in Other expenditures above is transfers of \$250,000.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Akron Municipal Court Information System Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Service revenues	\$ 663,840	\$ 663,840	\$ 301,018
Total revenues	663,840	663,840	301,018
Other sources:			
Previous year's encumbrances	307,716	307,716	307,716
Total other sources	307,716	307,716	307,716
Total revenues and other sources	971,556	971,556	608,734
Expenditures			
Court Clerk:			
Wages and Benefits	71,984	71,984	52,547
Other	300,595	435,358	375,471
	372,579	507,342	428,018
Judges:			
Wages and Benefits	71,984	71,984	52,546
Other	328,295	501,248	429,215
	400,279	573,232	481,761
Total expenditures	772,858	1,080,574	909,779
Excess of revenues and other sources over expenditures	198,698	(109,018)	(301,045)
Fund balance, January 1, 2022	551,716	551,716	551,716
Fund balance, December 31, 2022	\$ 750,414	\$ 442,698	\$ 250,671

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Police Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 3,984,970	\$ 4,284,230	\$ 3,190,090
Service revenues	-	-	128,917
Miscellaneous revenues	9,940	10,690	-
Total revenues	<u>3,994,910</u>	<u>4,294,920</u>	<u>3,319,007</u>
Other sources:			
Previous year's encumbrances	333,953	333,953	333,953
Total other sources	<u>333,953</u>	<u>333,953</u>	<u>333,953</u>
Total revenues and other sources	4,328,863	4,628,873	3,652,960
Expenditures			
Police:			
Wages/benefits	1,780,052	1,780,052	1,757,139
Other	1,707,215	2,341,168	1,791,184
Total expenditures	<u>3,487,267</u>	<u>4,121,220</u>	<u>3,548,323</u>
Excess (deficiency) of revenues and other sources over expenditures	841,596	507,653	104,637
Fund (deficit), January 1, 2022	<u>(362,161)</u>	<u>(362,161)</u>	<u>(362,161)</u>
Fund balance (deficit), December 31, 2022	<u>\$ 479,435</u>	<u>\$ 145,492</u>	<u>\$ (257,524)</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Safety Programs Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 1,986,345	\$ 2,030,465	\$ 1,572,469
Income Taxes	5,093,410	5,206,550	85,000
Service revenues	1,711,400	1,749,410	563,329
Miscellaneous revenues	213,190	217,930	82,422
Total revenues	<u>9,004,345</u>	<u>9,204,355</u>	<u>2,303,220</u>
Other sources:			
Previous year's encumbrances	244,388	244,388	244,388
Total other sources	<u>244,388</u>	<u>244,388</u>	<u>244,388</u>
Total revenues and other sources	9,248,733	9,448,743	2,547,608
Expenditures			
Public Safety:			
Wages/benefits	468,448	468,448	320,000
Other	384,804	410,804	390,388
	<u>853,252</u>	<u>879,252</u>	<u>710,388</u>
Fire			
Wages/Benefits	2,555,403	2,555,404	1,707,946
Other	817,680	1,275,494	605,676
	<u>3,373,083</u>	<u>3,830,898</u>	<u>2,313,622</u>
Police:			
Wages/benefits	1,130,678	1,130,678	515,901
Other	1,553,941	1,565,514	1,133,526
	<u>2,684,619</u>	<u>2,696,192</u>	<u>1,649,427</u>
Total expenditures	6,910,954	7,406,342	4,673,437
Excess (deficiency) of revenues and other sources over expenditures	2,337,779	2,042,401	(2,125,829)
Fund balance, January 1, 2022	<u>3,734,807</u>	<u>3,734,807</u>	<u>3,734,807</u>
Fund balance, December 31, 2022	<u>\$ 6,072,586</u>	<u>\$ 5,777,208</u>	<u>\$ 1,608,978</u>

Note: Included in Miscellaneous revenues above is advances of \$40,000.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 City Facilities Operating Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Service revenues	\$ 561,840	\$ 683,930	\$ 582,256
Miscellaneous revenues	2,567,480	3,125,390	1,824,677
Total revenues	<u>3,129,320</u>	<u>3,809,320</u>	<u>2,406,933</u>
Other Sources			
Previous year's encumbrances	27,254	27,254	27,254
Total other sources	<u>27,254</u>	<u>27,254</u>	<u>27,254</u>
Total revenues and other sources	3,156,574	3,836,574	2,434,187
Expenditures			
Department Wide:			
Other	2,569,962	3,219,216	2,318,353
Total expenditures	2,569,962	3,219,216	2,318,353
Excess (deficiency) of revenues and other sources over expenditures	586,612	617,358	115,834
Fund deficit, January 1, 2022	<u>(26,980)</u>	<u>(26,980)</u>	<u>(26,980)</u>
Fund balance, December 31, 2022	<u>\$ 559,632</u>	<u>\$ 590,378</u>	<u>\$ 88,854</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Deposits Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues			
Miscellaneous revenues	\$ 418,580	\$ 418,580	\$ 874,992
Total revenues	418,580	418,580	874,992
Expenditures			
Finance:			
Other	1,649,040	1,649,040	(160,271)
Total expenditures	1,649,040	1,649,040	(160,271)
Excess (deficiency) of revenues over expenditures	(1,230,460)	(1,230,460)	1,035,263
Fund balance, January 1, 2022	2,301,780	2,301,780	2,301,780
Fund balance, December 31, 2022	\$ 1,071,320	\$ 1,071,320	\$ 3,337,043

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Police, Fire, and Road Activity Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income Taxes	\$ 17,129,415	\$ 17,129,415	\$ 17,986,127
Total revenues	17,129,415	17,129,415	17,986,127
Other Sources			
Previous year's encumbrances	2,984,055	2,984,055	2,984,055
Total other sources	2,984,055	2,984,055	2,984,055
Total revenues and other sources	20,113,470	20,113,470	20,970,182
Expenditures			
Department Wide:			
Wages/benefits	-	-	522
Other	27,495,000	30,479,055	13,785,610
Total expenditures	27,495,000	30,479,055	13,786,132
Excess of revenues and other sources over expenditures	(7,381,530)	(10,365,585)	7,184,050
Fund balance, January 1, 2022	13,584,991	13,584,991	13,584,991
Fund balance December 31, 2022	<u>\$ 6,203,461</u>	<u>\$ 3,219,406</u>	<u>\$ 20,769,041</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
General Grants Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Miscellaneous	\$ 1,287,500	\$ 1,287,500	\$ 264,255
Total revenues	1,287,500	1,287,500	264,255
Other Sources			
Previous year's encumbrances	21,178	21,178	21,178
Total other sources	21,178	21,178	21,178
Total revenues and other Sources	1,308,678	1,308,678	285,433
Expenditures			
Department Wide:			
Wages	-	150,000	140,214
Other	230,327	251,505	209,269
Total expenditures	230,327	401,505	349,483
Excess of revenues over expenditures	1,078,351	907,173	(64,050)
Fund balance, January 1, 2022	65,101	65,101	65,101
Fund balance December 31, 2022	\$ 1,143,452	\$ 972,274	\$ 1,051

Note: Included in Miscellaneous revenues above is advances of \$55,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
General Bond Payment Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Property taxes	\$ 1,913,228	\$ 1,915,410	\$ 1,934,249
Miscellaneous revenues	6,690	6,690	-
Total revenues	1,919,918	1,922,100	1,934,249
Other sources:			
Previous year's encumbrances	2,110	2,110	2,110
Total other sources	2,110	2,110	2,110
Total revenues and other sources	1,922,028	1,924,210	1,936,359
Expenditures			
Finance:			
Wages/benefits	450,211	576,211	541,307
Other	1,481,650	1,483,760	1,211,800
Total expenditures	1,931,861	2,059,971	1,753,107
Excess (deficiency) of revenues and other sources over expenditures	(9,833)	(135,761)	183,252
Fund balance, January 1, 2022	246,810	246,810	246,810
Fund balance, December 31, 2022	\$ 236,977	\$ 111,049	\$ 430,062

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Streets Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Taxes, Assessments and JEDD	\$ 2,019,175	\$ 2,901,155	\$ 2,199,223
Intergovernmental revenues	8,383,990	12,046,130	609,878
Service revenues	-	-	190,408
Miscellaneous revenues	5,407,290	7,769,190	2,920,281
Total revenues	15,810,455	22,716,475	5,919,790
Other sources:			
Note/Bond proceeds	7,083,300	10,177,290	14,172,247
Previous year's encumbrances	2,886,925	2,886,925	2,886,925
Total other sources	9,970,225	13,064,215	17,059,172
Total revenues and other sources	25,780,680	35,780,690	22,978,962
Expenditures			
Department Wide:			
Wages/benefits	779,993	1,147,493	1,033,989
Other	18,786,757	29,363,682	20,094,220
	19,566,750	30,511,175	21,128,209
Total expenditures	19,566,750	30,511,175	21,128,209
Excess (deficiency) of revenues and other sources over expenditures	6,213,930	5,269,515	1,850,753
Fund deficit, January 1, 2022	(3,268,674)	(3,268,674)	(3,268,674)
Fund balance (deficit), December 31, 2022	\$ 2,945,256	\$ 2,000,841	\$ (1,417,921)

Note: Included in Miscellaneous revenues above is advances of \$1,300,000.

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Information Technology and Improvements Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Miscellaneous Revenues	\$ -	\$ -	\$ 20,000
Total revenues	-	-	20,000
Other Sources:			
Note Bond Proceeds	2,272,500	2,272,500	-
Previous year's encumbrances	57,523	57,523	57,523
Total other sources	2,330,023	2,330,023	57,523
Total revenues and other sources	2,330,023	2,330,023	77,523
Expenditures			
Department Wide:			
Other	500,000	657,523	165,953
Total expenditures	500,000	657,523	165,953
Excess (deficiency) of revenues and other sources over expenditures	1,830,023	1,672,500	(88,430)
Fund balance, January 1, 2022	98,369	98,369	98,369
Fund balance, December 31, 2022	\$ 1,928,392	\$ 1,770,869	\$ 9,939

Note: Included in Miscellaneous revenues above is advances of \$20,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Parks and Recreation Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	<u>Budgeted Amounts (Unaudited)</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Miscellaneous revenues	\$ 4,273,290	\$ 5,374,410	\$ 951,554
Total revenues	4,273,290	5,374,410	951,554
Other sources:			
Note/Bond proceeds	3,488,400	4,387,280	5,999,083
Previous years encumbrances	147,827	147,827	147,827
Total other sources	3,636,227	4,535,107	6,146,910
Total revenues and other sources	7,909,517	9,909,517	7,098,464
Expenditures			
Department Wide:			
Wages/Benefits	284	100,284	76,495
Other	1,989,032	8,693,859	6,579,646
Total expenditures	1,989,316	8,794,143	6,656,141
Excess (deficiency) of revenues and other sources over expenditures	5,920,201	1,115,374	442,323
Fund (deficit), January 1, 2022	(287,320)	(287,320)	(287,320)
Fund balance, December 31, 2022	\$ 5,632,881	\$ 828,054	\$ 155,003

City of Akron, Ohio
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual -
 Public Facilities and Improvements Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Taxes, Assessments, and JEDD	\$ -	\$ -	30,835
Intergov. revenues	7,794,205	7,794,205	205,575
Total revenues	7,794,205	7,794,205	236,410
Other sources:			
Note/Bond Proceeds	-	-	6,403,712
Previous year's encumbrances	262,260	262,260	262,260
Total other sources	262,260	262,260	6,665,972
Total revenues and other sources	8,056,465	8,056,465	6,902,382
Expenditures			
Department Wide:			
Wages	-	114,000	89,103
Other	3,121,701	11,023,961	11,005,054
Total expenditures	3,121,701	11,137,961	11,094,157
Excess (deficiency) of revenues and other sources over expenditures	4,934,764	(3,081,496)	(4,191,775)
Fund balance, January 1, 2022	5,277,949	5,277,949	5,277,949
Fund balance, December 31, 2022	\$ 10,212,713	\$ 2,196,453	\$ 1,086,174

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Public Parking Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Miscellaneous revenues	\$ 3,235,550	\$ 3,235,550	\$ 1,110,000
Total revenues	3,235,550	3,235,550	1,110,000
Other sources:			
Previous year's encumbrances	72,274	72,274	72,274
Total other sources	72,274	72,274	72,274
Total revenues and other sources	3,307,824	3,307,824	1,182,274
Expenditures			
Department Wide:			
Wages/benefits	356	50,356	8,469
Other	1,463,096	1,535,370	287,455
Total expenditures	1,463,452	1,585,726	295,924
Deficiency of revenues and other sources over expenditures	1,844,372	1,722,098	886,350
Fund (deficit), January 1, 2022	(810,589)	(810,589)	(810,589)
Fund balance, December 31, 2022	\$ 1,033,783	\$ 911,509	\$ 75,761

Note: Included in Miscellaneous revenues above is transfers of \$1,850,000.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual -
Economic Development Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2022

	Budgeted Amounts (Unaudited)		
	Original	Final	Actual Amounts
Revenues and other sources			
Revenues:			
Taxes and Assessments			
Intergovernmental Revenues	\$ 641,955	\$ 1,007,205	\$ 585,785
Miscellaneous revenues	70,000	109,830	845,225
Total revenues	711,955	1,117,035	1,431,010
Other sources:			
Note/Bond proceeds	1,045,610	1,640,540	-
Previous year's encumbrances	49,703	49,703	49,703
Total other sources	1,095,313	1,690,243	49,703
Total revenues and other sources	1,807,268	2,807,278	1,480,713
Expenditures			
Department Wide:			
Wages/benefits	-	50,000	10,812
Other	1,118,541	2,768,244	332,712
Total expenditures	1,118,541	2,818,244	343,524
Deficiency of revenues and other sources over expenditures	688,727	(10,966)	1,137,189
Fund balance, January 1, 2022	257,967	257,967	257,967
Fund balance, December 31, 2022	\$ 946,694	\$ 247,001	\$ 1,395,156

NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds – are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

Oil and Gas
Golf Course
Airport

City of Akron, Ohio
Combining Statement of Net Position - Non-Major Enterprise Funds
December 31, 2022

C-1

	Oil and Gas	Golf Course	Airport	Total
Assets				
Current assets:				
Pooled cash and investments	\$ 389,545	\$ 19,854	\$ 2,594	\$ 411,993
Receivables, net of allowances for uncollectibles	4,810	-	2,184,199	2,189,009
Due from other governments	-	-	663,415	663,415
Due from other funds	-	168	-	168
Inventories, at cost	-	40,800	-	40,800
Total current assets	394,355	60,822	2,850,208	3,305,385
Noncurrent assets:				
Net pension asset	-	13,500	-	13,500
Net OPEB asset	-	119,650	-	119,650
Total noncurrent assets	-	133,150	-	133,150
Property, plant and equipment, net of accumulated depreciation	395,487	1,049,921	10,533,698	11,979,106
Total assets	789,842	1,243,893	13,383,906	15,417,641
Deferred Outflows of Resources	-	162,876	-	162,876
Total assets and deferred outflows	789,842	1,406,769	13,383,906	15,580,517
Liabilities				
Current liabilities:				
Accounts payable	12,000	3,125	125,505	140,630
Advances from other funds	-	530,000	380,000	910,000
Due to other funds	426	7,310	3,391	11,127
Accrued interest payable	-	4,069	-	4,069
Accrued liabilities	62,570	4,334	7,698	74,602
Accrued wages	-	11,557	102	11,659
Accrued vacation and leave	-	26,062	-	26,062
Obligation under leases	-	27,849	-	27,849
Total current liabilities	74,996	614,306	516,696	1,205,998
Noncurrent liabilities:				
Obligations under leases	-	59,645	-	59,645
Due in more than one year	312,850	72,629	-	385,479
Net pension liability	-	339,654	-	339,654
Total noncurrent liabilities	312,850	471,928	-	784,778
Total liabilities	387,846	1,086,234	516,696	1,990,776
Deferred Inflows of Resources	-	542,683	2,197,623	2,740,306
Total liabilities and deferred inflows	387,846	1,628,917	2,714,319	4,731,082
Net Position				
Net investment in capital assets	395,487	962,427	10,397,776	11,755,690
Unrestricted (deficit)	6,509	(1,184,575)	271,811	(906,255)
Total net position	\$ 401,996	\$ (222,148)	\$ 10,669,587	\$ 10,849,435

City of Akron, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds
For the Year Ended December 31, 2022

C-2

	Oil and Gas	Golf Course	Airport	Total
Operating revenues				
Charges for services	\$ 4,810	\$ 1,087,514	\$ 84,315	\$ 1,176,639
Other	140,250	260,133	323,420	723,803
	<u>145,060</u>	<u>1,347,647</u>	<u>407,735</u>	<u>1,900,442</u>
Operating expenses				
Personal services	-	680,542	1,810	682,352
Direct expenses	25,654	946,823	263,903	1,236,380
Claims	-	658	-	658
Rentals and lease	-	42,334	-	42,334
Utilities	531	62,932	15,545	79,008
Insurance	16,756	7,864	8,476	33,096
Depreciation, depletion and amortization	-	80,718	269,007	349,725
Other	9	28,807	-	28,816
	<u>42,950</u>	<u>1,850,678</u>	<u>558,741</u>	<u>2,452,369</u>
Operating income (loss)	<u>102,110</u>	<u>(503,031)</u>	<u>(151,006)</u>	<u>(551,927)</u>
Interest income	-	-	4,560	4,560
Interest expense	-	(4,069)	-	(4,069)
Other revenues (expenses)	-	-	59,000	59,000
	<u>-</u>	<u>(4,069)</u>	<u>63,560</u>	<u>59,491</u>
Income (loss) before transfers	102,110	(507,100)	(87,446)	(492,436)
Capital contributions	-	-	1,009,091	1,009,091
	<u>-</u>	<u>-</u>	<u>1,009,091</u>	<u>1,009,091</u>
Change in net position	102,110	(507,100)	921,645	516,655
Net position, January 1, 2022, as restated	299,886	284,952	9,747,942	10,332,780
Net position, December 31, 2022	<u>\$ 401,996</u>	<u>\$ (222,148)</u>	<u>\$ 10,669,587</u>	<u>\$ 10,849,435</u>

City of Akron, Ohio
Combining Statement of Cash Flows - Non-Major Enterprise Funds
For the Year Ended December 31, 2022

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating activities				
Cash received from customers	\$ 860	\$ 1,087,346	\$ 495,201	\$ 1,583,407
Cash payments to suppliers for goods and services	(30,650)	(1,087,393)	(804,796)	(1,922,839)
Cash paid for salaries and employee benefits	-	(813,364)	(1,694)	(815,058)
Other revenues	140,250	260,133	323,420	723,803
Other expenses	(9)	(28,807)	-	(28,816)
Net cash provided by (used for) operating activities	110,451	(582,085)	12,131	(459,503)
Non-capital financing activities				
Transfers from other funds	-	-	-	-
Transfers/advances in for negative cash balances	-	530,000	15,000	545,000
Net cash provided by non-capital financing activities	-	530,000	15,000	545,000
Capital and related financing activities				
Interest paid on bonds and loans	-	-	-	-
Acquisition and construction of capital assets	-	(31,918)	(1,109,152)	(1,141,070)
Capital Contributions	-	-	1,009,091	1,009,091
Net cash provided by (used for) capital and related financing activities	-	(31,918)	(100,061)	(131,979)
Investment activities				
Purchase of investments securities	-	-	-	-
Interest on investments	-	-	4,560	4,560
Net cash provided by (used for) investing activities	-	-	4,560	4,560
Net increase (decrease) in cash and cash equivalents	110,451	(84,003)	(68,370)	(41,922)
Cash and cash equivalents, January 1, 2022	279,094	103,857	70,964	453,915
Cash and cash equivalents, December 31, 2022	\$ 389,545	\$ 19,854	\$ 2,594	\$ 411,993

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating income (loss)	\$ 102,110	\$ (503,031)	\$ (151,006)	\$ (551,927)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	80,718	269,007	349,725
(Increase) decrease in operating assets:				
Receivables	(3,950)	-	343,668	339,718
Due from other funds	-	(168)	67,218	67,050
Inventories	-	48,229	-	48,229
Increase (decrease) in operating liabilities:				
Accounts payable	12,000	(82,689)	(519,436)	(590,125)
Due to other funds	300	7,020	2,564	9,884
Due to other governments	(9)	-	-	(9)
Accrued liabilities	-	(137,024)	14	(137,010)
Accrued wages	-	3,427	102	3,529
Accrued vacation and leave	-	1,433	-	1,433
Net cash provided by (used for) operating activities	<u>\$ 110,451</u>	<u>\$ (582,085)</u>	<u>\$ 12,131</u>	<u>\$ (459,503)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Telephone System
- Engineering Bureau
- Information Technology

City of Akron, Ohio
Combining Statement of Net Position - Internal Service Funds
December 31, 2022

D-1

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Assets			
Current assets:			
Pooled cash and investments	\$ 23,378	\$ 4,256,775	\$ 3,204,070
Receivables, net of allowances from uncollectibles	97,368	898,630	-
Due from other funds	833,178	-	-
Inventories, at cost	871,463	-	-
Total current assets	1,825,387	5,155,405	3,204,070
Noncurrent assets:			
Net pension asset	38,333	7,922	-
Net OPEB asset	337,505	69,388	-
Property, plant and equipment, net of accumulated depreciation	1,244,944	-	-
Total noncurrent assets	1,620,782	77,310	-
Total assets	3,446,169	5,232,715	3,204,070
Deferred Outflows of Resources	503,003	97,298	-
Total assets and deferred outflows	3,949,172	5,330,013	3,204,070
Liabilities			
Current liabilities:			
Accounts payable	275,357	138	484,651
Advances from other funds	570,000	-	-
Due to other funds	27,099	15,732	46
Accrued liabilities	25,373	6,346	1,958,835
Accrued wages	71,438	18,115	-
Accrued vacation and leave	134,472	23,570	-
Liability for unpaid claims	-	5,116,357	165,658
Debt:			
Total current liabilities	1,103,739	5,180,258	2,609,190
Noncurrent liabilities:			
Due in more than one year	624,277	37,042	255,144
Net pension liability	964,233	197,903	-
Net OPEB liability	820,991	10,908	-
Total noncurrent liabilities	2,409,501	245,853	255,144
Total liabilities	3,513,240	5,426,111	2,864,334
Deferred Inflows of Resources	1,910,539	330,756	-
Total liabilities and deferred inflows	5,423,779	5,756,867	2,864,334
Net Position			
Net investment in capital assets	1,244,944	-	-
Unrestricted (deficit)	(2,719,551)	(426,854)	339,736
Total net position	\$ (1,474,607)	\$ (426,854)	\$ 339,736

Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
\$ 17,942	\$ 593,233	\$ 13,698	\$ 13,721	\$ 8,122,817
-	6,240	-	-	1,002,238
-	85,826	2,894,579	141	3,813,724
-	-	-	-	871,463
17,942	685,299	2,908,277	13,862	13,810,242
-	-	34,614	24,708	105,577
-	-	293,562	221,596	922,051
-	135,695	68,890	62,921	1,512,450
-	135,695	397,066	309,225	2,540,078
17,942	820,994	3,305,343	323,087	16,350,320
-	-	515,167	338,053	1,453,521
17,942	820,994	3,820,510	661,140	17,803,841
-	2,213	2,451	143,498	908,308
-	-	-	-	570,000
-	14,350	2,889,544	23,870	2,970,641
-	466	24,012	16,198	2,031,230
-	1,404	84,988	46,470	222,415
-	-	333,440	123,039	614,521
527,078	-	-	-	5,809,093
527,078	18,433	3,334,435	353,075	13,126,208
-	-	2,217,070	622,470	3,756,003
-	-	890,715	611,677	2,664,528
-	-	1,260,432	804,144	2,896,475
-	-	4,368,217	2,038,291	9,317,006
527,078	18,433	7,702,652	2,391,366	22,443,214
-	9,000	1,982,946	1,289,343	5,522,584
527,078	27,433	9,685,598	3,680,709	27,965,798
-	135,695	68,890	62,921	1,512,450
(509,136)	657,866	(5,933,978)	(3,082,490)	(11,674,407)
\$ (509,136)	\$ 793,561	\$ (5,865,088)	\$ (3,019,569)	\$ (10,161,957)

City of Akron, Ohio

D-2

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds
For the Year Ended December 31, 2022

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Operating revenues			
Charges for services	\$ 9,977,469	\$ 35,701,645	\$ 1,404,460
Other	139,456	7,173,161	233,644
	<u>10,116,925</u>	<u>42,874,806</u>	<u>1,638,104</u>
Operating expenses			
Personal services	1,834,480	374,378	-
Direct expenses	7,312,948	3,279,781	2,144,542
Claims	-	38,117,758	420,802
Rentals and lease	-	30,476	-
Utilities	89,277	2,404	-
Insurance	15,471	-	-
Depreciation, depletion and amortization	52,261	-	-
Other	5,554	-	-
	<u>9,309,991</u>	<u>41,804,797</u>	<u>2,565,344</u>
Operating income (loss)	<u>806,934</u>	<u>1,070,009</u>	<u>(927,240)</u>
Nonoperating revenues (expenses)			
Interest income	-	-	61
Interest expense	(3,961)	-	-
	<u>(3,961)</u>	<u>-</u>	<u>61</u>
Changes in net position	802,973	1,070,009	(927,179)
Net position (deficit), January 1, 2022	<u>(2,277,580)</u>	<u>(1,496,863)</u>	<u>1,266,915</u>
Net position (deficit), December 31, 2022	<u>\$ (1,474,607)</u>	<u>\$ (426,854)</u>	<u>\$ 339,736</u>

Self- Insurance Settlement	Telephone System	Engineering Bureau	Information Technology	Total Internal Service Funds
\$ -	\$ 722,185	\$ 2,894,581	\$ 4,183,841	\$ 54,884,181
130,545	5,750	3,412	550	7,686,518
130,545	727,935	2,897,993	4,184,391	62,570,699
-	131,101	1,378,957	1,175,453	4,894,369
-	332,418	399,760	2,935,055	16,404,504
-	-	-	-	38,538,560
-	-	239,599	94,628	364,703
-	78,580	20,976	4,803	196,040
-	9,373	15,862	1,442	42,148
-	17,883	4,964	126,932	202,040
-	425	-	-	5,979
-	569,780	2,060,118	4,338,313	60,648,343
130,545	158,155	837,875	(153,922)	1,922,356
-	-	-	-	61
-	-	-	-	(3,961)
-	-	-	-	(3,900)
130,545	158,155	837,875	(153,922)	1,918,456
(639,681)	635,406	(6,702,963)	(2,865,647)	(12,080,413)
\$ (509,136)	\$ 793,561	\$ (5,865,088)	\$ (3,019,569)	\$ (10,161,957)

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2022

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating activities				
Cash received from customers	9,889,709	34,842,147	1,404,460	-
Cash payments to suppliers for goods and services	(7,845,704)	(3,509,006)	(187,923)	-
Cash paid for salaries and employee benefits	(2,686,750)	(38,736,601)	(2,016,176)	(130,545)
Other revenues	139,456	7,173,161	233,644	130,545
Other expense	(5,554)	-	-	-
Net cash provided by (used for) operating activities	(508,843)	(230,299)	(565,995)	-
Non-capital financing activities				
Transfers from other funds	-	-	-	-
Transfers/advances in for negative cash balances	520,000	-	-	-
Principal paid on bonds, loans and notes	-	-	-	-
Interest paid on bonds, loans and notes	-	-	-	-
Net cash provided by (used for) non-capital financing activities	520,000	-	-	-
Capital and related financing activities				
Interest paid on bonds and loans	(3,961)	-	-	-
Acquisition and construction of capital assets	-	-	-	-
Net cash used for capital financing activities	(3,961)	-	-	-
Investing activities				
Interest on investments	-	-	61	-
Net cash provided by investing activities	-	-	61	-
Net increase (decrease) in cash and cash equivalents	7,196	(230,299)	(565,934)	-
Cash and cash equivalents, January 1, 2022	16,182	4,487,074	3,770,004	17,942
Cash and cash equivalents, December 31, 2022	23,378	4,256,775	3,204,070	17,942

Telephone System	Engineering Bureau	Information Technology	Total
736,773	2,553,752	4,183,700	53,610,541
(435,003)	(656,620)	(3,038,479)	(15,672,735)
(130,116)	(2,990,711)	(1,644,376)	(48,335,275)
5,750	3,412	550	7,686,518
(425)	-	-	(5,979)
176,979	(1,090,167)	(498,605)	(2,716,930)
-	-	-	-
-	1,089,623	-	1,609,623
-	-	-	-
-	-	-	-
-	1,089,623	-	1,609,623
-	-	-	(3,961)
-	-	-	-
-	-	-	(3,961)
-	-	-	61
-	-	-	61
176,979	(544)	(498,605)	(1,111,207)
416,254	14,242	512,326	9,234,024
593,233	13,698	13,721	8,122,817

City of Akron, Ohio
Combining Statement of Cash Flows - Internal Service Funds
For the Year Ended December 31, 2022
(continued)

	Motor Equipment	Medical Self - Insurance	Workers' Compensation	Self - Insurance Settlement
Operating income (loss)	806,934	1,070,009	(927,240)	130,545
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	52,261	-	-	-
(Increase) decrease in operating assets:				
Receivables	(24,421)	(859,498)	-	-
Due from other funds	(63,339)	-	-	-
Inventories	(232,771)	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(127,933)	(1,416,888)	174,593	-
Due to other funds	(67,304)	9,817	14	-
Due to other governments	-	-	-	-
Accrued liabilities	(853,436)	(255,804)	-	-
Accrued wages	5,875	10,417	-	-
Accrued vacation and leave	(4,709)	922	-	-
Estimated liability for unpaid claims	-	1,210,726	186,638	(130,545)
Net cash provided by (used for) operating activities	<u>(508,843)</u>	<u>(230,299)</u>	<u>(565,995)</u>	<u>-</u>

Telephone System	Engineering Bureau	Information Technology	Total
158,155	837,875	(153,922)	1,922,356
17,883	4,964	126,932	202,040
2,760	-	-	(881,159)
11,828	(340,829)	(141)	(392,481)
-	-	-	(232,771)
(23,996)	(29,200)	(26,086)	(1,449,510)
9,364	48,777	23,535	24,203
-	-	-	-
261	(1,952,078)	(481,963)	(3,543,020)
724	11,316	6,584	34,916
-	329,008	6,456	331,677
-	-	-	1,266,819
176,979	(1,090,167)	(498,605)	(2,716,930)

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FIDUCIARY FUNDS

Custodial Funds – are used to account for assets held by the City for individuals, private organizations, or other governments. The City reports on the following eight custodial funds:

Claire Merrix Fund – is used to account for assets held by the City for tennis related expenditures to individuals, private organizations, and other governments.

Unclaimed Monies Fund - is used to account for assets held by the City for unclaimed funds related expenditures to individuals, private organizations, and other governments.

Police/Fire Beneficiary Fund - is used to account for assets held by the City to provide scholarships to beneficiaries of deceased Police and Fire uniformed staff.

Police Property Monetary Evidence Fund – is used to account for funds held by the Police Department that will be returned to the other agencies.

Copley-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Coventry-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Springfield-Akron JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

Bath-Akron-Fairlawn JEDD Fund – is used to account for JEDD income taxes levied by the JEDD Board and disbursements pursuant to the contract.

City of Akron, Ohio
 Combining Statement of Fiduciary Net Position - Custodial Funds
 December 31, 2022

	Claire Merrix	Police/Fire Beneficiary	Police Property Monetary Evidence
Assets			
Cash	\$ 1,060	\$ 8,365	\$ 1,832,467
Receivables	-	-	-
Total assets	<u>1,060</u>	<u>8,365</u>	<u>1,832,467</u>
Liabilities			
Due to other governments	-	-	-
Due to others	-	-	85,993
Total liabilities	<u>-</u>	<u>-</u>	<u>85,993</u>
Deferred Inflows of Resources			
Restricted for individuals, organizations, and governments	1,060	8,365	1,746,474
Net Position	<u>\$ 1,060</u>	<u>\$ 8,365</u>	<u>\$ 1,746,474</u>

	Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$	- \$	- \$	- \$	- \$	1,841,892
	1,440,742	1,653,201	820,817	1,018,802	4,933,562
	1,440,742	1,653,201	820,817	1,018,802	6,775,454
	188,161	102,354	129,132	235,851	655,498
	-	-	-	-	85,993
	188,161	102,354	129,132	235,851	741,491
	889,500	975,121	433,144	424,696	2,722,461
	363,081	575,726	258,541	358,255	3,311,502
\$	363,081 \$	575,726 \$	258,541 \$	358,255 \$	3,311,502

City of Akron, Ohio
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended December 31, 2022

	Claire Merrix	Police/Fire Beneficiary	Police Property Monetary Evidence
Additions			
Contributions	\$ -	\$ 200	\$ -
Confiscated evidence	-	-	427,252
JEDD income tax	-	-	-
Miscellaneous	-	-	11,577
	-	200	438,829
Deductions			
Distribution to participants	-	-	515,443
Education and awareness	-	-	8,274
JEDD district expenses	-	-	-
Refunds	-	-	-
	-	-	523,717
Net Increase (Decrease) in Fiduciary Net Position	-	200	(84,888)
Net position, January 1, 2022	1,060	8,165	1,831,362
Net position, December 31, 2022	\$ 1,060	\$ 8,365	\$ 1,746,474

	Copley - Akron JEDD	Coventry - Akron JEDD	Springfield - Akron JEDD	Bath - Akron - Fairlawn JEDD	Total
\$	-	\$ -	\$ -	\$ -	200
	-	-	-	-	427,252
	810,019	506,392	261,152	5,663,264	7,240,827
	-	-	-	-	11,577
	810,019	506,392	261,152	5,663,264	7,679,856
	-	-	-	-	515,443
	-	-	-	-	8,274
	711,077	417,398	152,906	3,729,708	5,011,089
	121,035	31,252	14,300	345,051	511,638
	832,112	448,650	167,206	4,074,759	6,046,444
	(22,093)	57,742	93,946	1,588,505	1,633,412
	385,174	517,984	164,595	(1,230,250)	1,678,090
\$	363,081	\$ 575,726	\$ 258,541	\$ 358,255	\$ 3,311,502

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Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	220
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	227
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	232
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	240
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	242

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

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City of Akron, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 1

	2013	2014	2015 *	2016 *	2017 *
Governmental Activities					
Net Investment in Capital Assets	\$ 353,686,041	\$ 352,411,914	\$ 373,605,736	\$ 361,614,290	\$ 371,386,210
Restricted	46,822,028	43,314,132	36,462,300	26,685,480	128,290,211
Unrestricted	(39,096,078)	(39,096,078)	(39,096,078)	(169,438,185)	(316,858,123)
Total Governmental Activities Net Position	361,411,991	356,629,968	370,971,958	218,861,585	182,818,298
Business-Type Activities					
Net Investment in Capital Assets	385,492,533	400,523,178	396,984,561	389,215,183	374,890,468
Restricted	9,789,966	9,854,895	9,498,992	9,389,310	5,849,447
Unrestricted	19,221,970	16,815,329	29,988,650	47,446,909	81,463,305
Total Business-Type Activities Net Position	414,504,469	427,193,402	436,472,203	446,051,402	462,203,220
Primary Government					
Net Investment in Capital Assets	739,178,574	752,935,092	770,590,297	750,829,473	746,276,678
Restricted	56,611,994	53,169,027	45,961,292	36,074,790	134,139,658
Unrestricted	(19,874,108)	(22,280,749)	(9,107,428)	(121,991,276)	(235,394,818)
Total Primary Government Net Position	\$ 775,916,460	\$ 783,823,370	\$ 807,444,161	\$ 664,912,987	\$ 645,021,518
	2018 *	2019*	2020*	2021	2022
Governmental Activities					
Net Investment in Capital Assets	\$ 380,255,982	\$ 402,657,024	\$ 1,050,184,244	\$ 581,070,389	\$ 601,393,040
Restricted	141,116,295	96,912,454	167,289,538	82,475,248	86,841,603
Unrestricted	(525,895,655)	(388,771,009)	(848,988,859)	(436,255,747)	(420,040,518)
Total Governmental Activities Net Position	(4,523,378)	110,798,469	368,484,923	227,289,890	268,194,125
Business-Type Activities					
Net Investment in Capital Assets	390,472,592	368,625,151	931,190,360	473,064,230	468,805,249
Restricted	3,488,611	3,518,634	7,072,010	3,171,585	6,526,140
Unrestricted	56,572,126	53,082,959	104,817,819	47,979,543	65,814,705
Total Business-Type Activities Net Position	450,533,329	425,226,744	1,043,080,189	524,215,358	541,146,094
Primary Government					
Net Investment in Capital Assets	770,728,574	771,282,175	1,981,374,604	1,054,134,619	1,070,198,289
Restricted	144,604,906	100,431,088	174,361,548	85,646,833	93,367,743
Unrestricted	(469,323,529)	(335,688,050)	(744,171,040)	(388,276,204)	(354,225,813)
Total Primary Government Net Position	\$ 446,009,951	\$ 536,025,213	\$ 1,411,565,112	\$ 751,505,248	\$ 809,340,219

City of Akron, Ohio
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	\$ 14,473,321	\$ 9,553,457	\$ 7,505,352	\$ 15,271,721	\$ 21,698,159	\$ 20,571,001	\$ 27,549,825	\$ 14,949,935	\$ 17,793,124	\$ 19,515,823
Public Service	16,524,746	18,489,527	19,949,672	18,353,558	18,382,609	16,188,076	18,393,670	19,329,986	18,069,414	18,417,119
Public Safety	862,405	4,717,778	4,349,617	4,176,521	4,181,992	4,103,197	3,898,022	2,794,954	3,913,251	970,509
Community Environment	164,000	2,230,381	228,261	3,467,416	5,371,735	4,225,621	10,125,087	1,162,149	565,085	52,083
Public Health	2,257	-	-	-	-	-	-	-	436,549	821,250
Recreation and Parks	230,420	730,079	721,422	1,053,610	701,426	631,324	642,457	320,905	811,210	969,328
Operating Grants and Contributions	20,409,809	19,326,836	12,724,856	13,345,362	10,412,337	12,012,934	15,542,987	34,624,705	19,068,622	50,417,634
Capital Grants and Contributions	46,774,660	41,095,526	44,349,143	46,353,664	34,742,428	37,671,943	40,581,958	33,942,817	30,554,804	37,158,495
Total Governmental Activities Program Revenues	99,441,618	96,143,584	89,828,323	102,021,852	95,490,686	95,404,096	116,734,006	107,125,451	91,212,059	128,322,241
Business-Type Activities										
Charges for Services:										
Water	34,969,933	33,986,195	35,391,626	34,910,383	33,677,422	31,044,651	32,787,975	36,041,511	34,963,360	34,360,695
Sewer	63,097,046	70,951,430	89,170,077	89,740,016	93,781,115	85,405,280	88,194,394	82,903,797	86,778,048	89,569,914
Oil & Gas	300,119	241,905	130,030	61	112,969	96,571	-	7,988	-	4,810
Parking Facilities	4,773,882	4,570,975	4,275,513	4,507,555	2,268,832	3,347,593	4,170,306	2,227,090	2,508,596	762,193
Golf Course	893,815	826,503	917,712	931,126	912,616	860,100	952,419	1,028,762	1,183,016	1,087,514
Airport	154,692	156,983	182,663	169,577	163,568	472,756	150,826	172,607	150,836	84,315
Operating Grants and Contributions	-	-	-	-	-	-	191,814	636,436	45,044	95,967
Capital Grants and Contributions	4,045,528	4,871,914	4,916,124	5,481,149	4,741,494	1,502,429	7,531,338	8,107,380	30,857,643	6,576,114
Total Business-Type Activities Program Revenues	108,235,015	115,605,905	134,983,745	135,739,867	135,658,016	122,729,380	133,979,072	131,125,571	156,486,543	132,541,522
Total Primary Government Program Revenues	\$ 207,676,633	\$ 211,749,489	\$ 224,812,068	\$ 237,761,719	\$ 231,148,702	\$ 218,133,476	\$ 250,713,078	\$ 238,251,022	\$ 247,698,602	\$ 260,863,763
Expenses										
Governmental Activities										
General Government	\$ 35,134,302	\$ 38,547,406	\$ 31,954,663	\$ 42,940,494	\$ 40,785,375	\$ 36,394,068	\$ 55,913,497	\$ 75,185,888	\$ 34,596,136	\$ 58,961,573
Public Service	65,740,981	67,516,145	74,133,731	71,811,167	72,033,027	74,255,760	69,325,498	54,341,168	57,385,904	77,118,211
Public Safety	112,374,172	120,176,274	124,943,875	140,165,348	129,124,366	115,754,910	49,458,260	114,497,815	139,428,813	131,875,742
Community Environment	88,673,453	42,970,628	44,393,603	98,362,358	60,901,084	25,299,743	47,822,419	79,810,910	62,392,356	66,345,703
Public Health	3,921,672	4,832,375	4,452,937	4,354,820	4,424,817	4,491,876	4,450,531	5,807,771	3,868,615	4,557,880
Recreation and Parks	7,690,836	6,811,470	5,567,353	5,717,798	4,449,281	4,129,340	5,720,103	5,331,824	7,348,914	13,043,898
Interest	26,324,712	27,940,204	30,189,381	23,923,218	24,834,592	21,389,588	23,887,099	19,813,627	16,916,709	24,852,120
Unallocated Depreciation	15,468,193	16,091,850	17,065,802	18,830,770	17,913,455	18,312,112	18,000,420	17,527,935	18,598,761	18,935,385
Total Governmental Activities Expenses	355,328,321	324,886,352	332,701,345	406,105,973	354,465,997	300,027,397	274,577,827	372,316,938	340,536,208	395,690,512
Business-Type Activities										
Water	31,075,633	32,522,741	37,964,538	34,913,805	33,952,382	38,510,047	46,575,277	29,519,413	35,104,122	45,947,108
Sewer	54,959,359	71,709,972	70,908,326	83,933,150	83,743,770	63,822,180	103,946,790	86,925,639	102,089,333	70,835,872
Oil & Gas	202,341	350,060	321,767	49,571	39,589	42,528	371,965	137,109	18,505	42,651
Parking Facilities	6,929,930	7,189,194	7,063,162	7,269,596	5,375,745	6,502,595	7,277,980	6,940,659	7,565,409	5,402,767
Golf Course	1,243,395	1,106,275	1,275,762	1,408,269	1,283,427	1,689,944	2,057,143	1,323,277	1,293,622	1,851,442
Airport	683,251	720,934	920,765	741,052	760,807	1,353,358	1,449,933	1,004,480	1,589,723	558,471
Total Business-Type Activities Expenses	95,093,909	113,599,176	118,454,320	128,315,443	125,155,720	111,920,652	161,679,088	125,850,577	147,660,714	124,638,311
Total Primary Government Expenses	\$ 450,422,230	\$ 438,485,528	\$ 451,155,665	\$ 534,421,416	\$ 479,621,717	\$ 411,948,049	\$ 436,256,915	\$ 498,167,515	\$ 488,196,922	\$ 520,328,823

City of Akron, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

Schedule 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental Activities	\$ (255,886,703)	\$ (228,742,768)	\$ (242,873,022)	\$ (304,084,121)	\$ (258,975,311)	\$ (204,623,301)	\$ (157,843,821)	\$ (265,191,487)	\$ (249,324,149)	\$ (267,368,271)
Business-Type Activities	13,141,106	2,006,729	165,294,25	7,424,425	9,274,126	10,808,728	(27,700,016)	5,274,994	8,825,829	7,903,211
Total Primary Government Net Expense	\$ (242,745,597)	\$ (226,736,039)	\$ (226,343,597)	\$ (296,659,696)	\$ (249,701,185)	\$ (193,814,573)	\$ (185,543,837)	\$ (259,916,493)	\$ (240,498,320)	\$ (259,465,060)
General Revenue and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 141,289,710	\$ 141,389,904	\$ 143,231,380	\$ 152,856,443	\$ 139,183,876	\$ 171,426,317	\$ 170,036,813	\$ 165,377,490	\$ 189,794,686	\$ 186,718,101
Property Taxes	19,627,342	23,342,160	23,681,267	23,341,356	24,831,344	26,166,396	24,048,160	29,148,725	30,876,448	30,560,442
JEDD Revenues	18,485,942	17,758,520	19,271,731	12,341,811	14,800,350	14,905,073	16,083,393	15,785,527	18,712,404	18,323,843
Investment Earnings	553,699	300,784	848,901	1,170,199	1,221,577	3,409,213	5,909,657	2,392,019	969,340	4,080,098
Unrestricted Shared Revenues	92,823,194	46,752,194	46,387,254	98,487,030	42,726,783	40,613,726	45,058,850	74,663,063	56,869,246	53,813,529
Miscellaneous	10,657,380	10,155,196	7,853,357	11,211,091	10,221,319	14,364,534	11,591,233	37,981,073	13,060,214	17,991,220
Gain (loss) on Sale of Capital Assets	31,307	14,239	2,738	33,590	101,878	53,360	12,423	24,764	39,815	42,104
Transfers	(338,360)	(466,000)	(887,300)	(611,000)	(941,000)	(791,000)	(730,000)	(1,700,000)	(2,987,757)	(2,617,722)
Total Governmental Activities	\$ 283,130,214	\$ 239,246,997	\$ 240,389,328	\$ 298,830,520	\$ 232,146,127	\$ 270,147,619	\$ 272,010,529	\$ 323,672,661	\$ 307,334,396	\$ 308,911,615
Business-Type Activities:										
Investment Earnings	\$ 854	\$ 727	\$ 107,676	\$ 107,655	\$ 137,758	\$ 31,820	\$ 35,927	\$ 8,671	\$ 3,553	\$ 122,413
Miscellaneous	1,087,065	3,760,632	2,166,460	1,355,459	4,570,764	1,298,135	2,661,110	1,596,874	6,559,740	6,372,690
Unrestricted shared revenues	-	-	-	-	-	-	321	-	-	-
Transfers	338,360	466,000	887,300	611,000	941,000	791,000	730,000	1,700,000	2,987,757	2,617,722
Total Business-Type Activities	\$ 1,426,279	\$ 4,227,359	\$ 3,161,436	\$ 2,074,114	\$ 5,649,522	\$ 2,120,955	\$ 3,427,358	\$ 3,305,545	\$ 9,551,050	\$ 9,112,825
Total Primary Government	\$ 284,556,493	\$ 243,474,356	\$ 243,550,764	\$ 300,904,634	\$ 237,795,649	\$ 272,268,574	\$ 275,437,887	\$ 326,978,206	\$ 316,885,446	\$ 318,024,440
Change in Net Position										
Governmental Activities	\$ 27,243,511	\$ 10,504,229	\$ (2,483,694)	\$ (5,253,601)	\$ (26,829,184)	\$ 65,524,318	\$ 114,166,708	\$ 58,481,174	\$ 58,010,247	\$ 41,543,344
Business-Type Activities	14,567,385	6,234,088	19,690,861	9,498,539	16,151,818	12,929,683	(24,272,658)	8,580,539	18,376,879	17,016,036
Total Primary Government Change in Net Position	\$ 41,810,896	\$ 16,738,317	\$ 17,207,167	\$ 4,244,938	\$ (10,677,366)	\$ 78,454,001	\$ 89,894,050	\$ 67,061,713	\$ 76,387,126	\$ 58,559,380

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

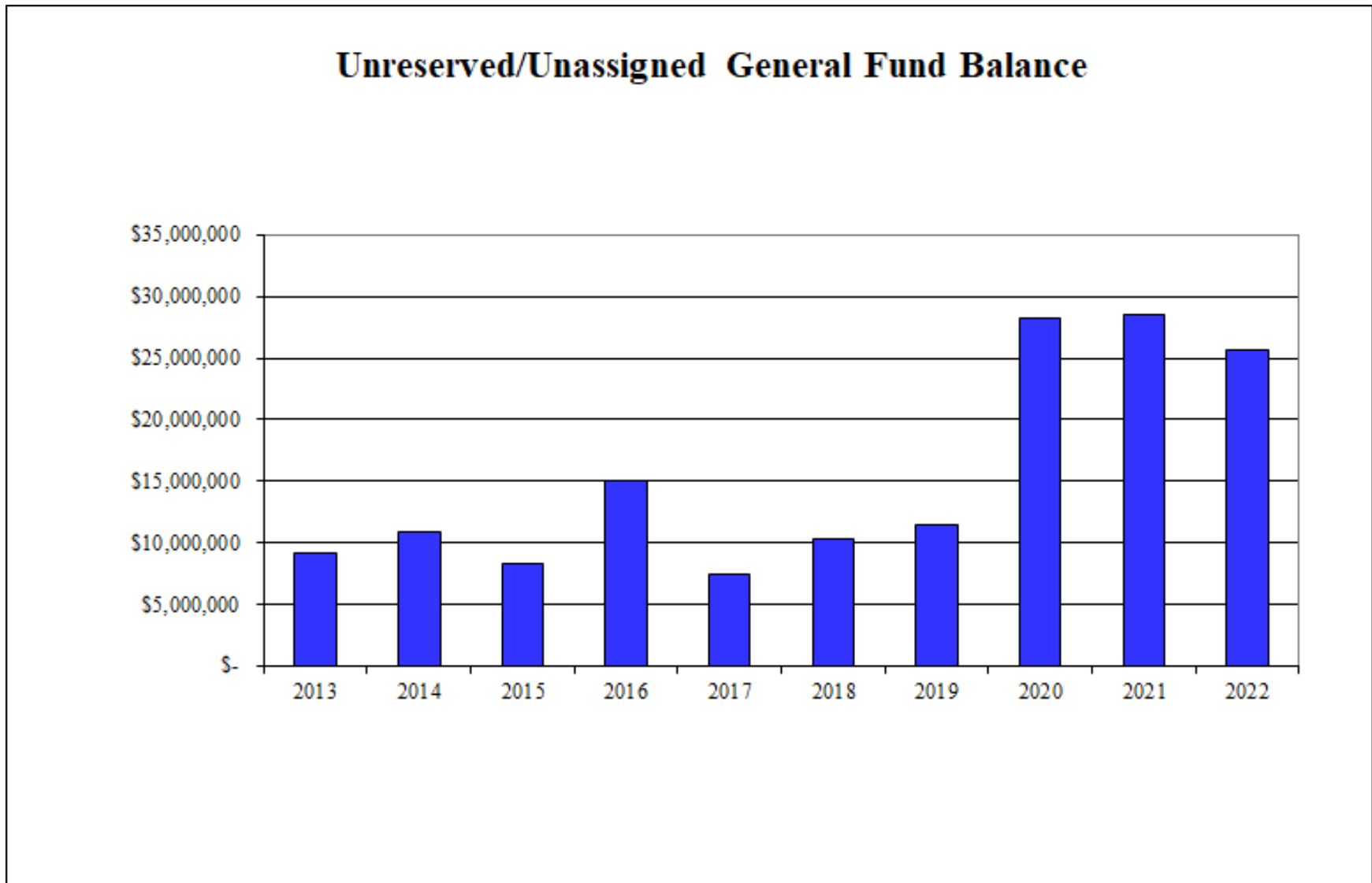
Schedule 3

	2013	2014	2015	2015	2017	2018	2019	2020	2021	2022
General Fund										
Committed	\$ 290,658	\$ 329,961	\$ 377,840	\$ 397,517	\$ 443,599	\$ 471,456	\$ 486,244	\$ 507,535	\$ 521,033	\$ 425,279
Assigned	1,809,776	1,593,954	4,174,015	1,904,060	1,576,347	1,579,205	1,469,146	2,839,740	2,442,681	1,661,980
Unassigned	9,132,562	10,911,360	8,382,029	15,022,169	7,485,924	10,299,737	11,525,081	28,220,027	28,598,763	25,628,120
Total General Fund	11,232,996	12,835,275	12,933,884	17,323,746	9,505,870	12,350,398	13,480,471	31,567,302	31,562,477	27,715,379
All Other Governmental Funds										
Nonspendable	3,325,815	4,786,232	4,786,232	-	-	-	-	-	-	-
Restricted	109,458,792	144,630,245	117,100,123	138,007,616	112,431,220	111,823,898	87,737,364	85,464,213	76,187,891	79,678,910
Committed	7,490,896	13,829,487	10,510,914	14,811,603	8,988,056	8,544,024	9,461,573	12,965,388	18,585,615	20,104,408
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(25,968,790)	(9,415,521)	(12,285,255)	(12,182,727)	(14,682,443)	(17,911,698)	(14,947,576)	(21,024,369)	(27,321,102)	(16,427,703)
Total All Other Governmental Funds	94,306,713	153,830,443	120,112,014	140,636,492	106,736,833	102,456,224	82,251,361	77,405,232	67,452,404	83,355,615
Total Governmental Funds	\$ 105,539,709	\$ 166,665,718	\$ 133,045,898	\$ 157,960,238	\$ 116,242,703	\$ 114,806,622	\$ 95,731,832	\$ 108,972,534	\$ 99,014,881	\$ 111,070,994

Source: City of Akron, Ohio Finance Department

*Schedule 3 has been prepared in conformity of GASB Statement #54, *Fund Balance Reporting and Governmental Fund Type Definitions* beginning with 2011.

City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



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

Schedule 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Income Taxes *	\$ 139,960,898	\$ 140,311,367	\$ 143,288,651	\$ 151,256,789	\$ 143,176,743	\$ 163,595,720	\$ 167,479,460	\$ 168,873,806	\$ 185,608,165	\$ 188,171,386
Property Taxes	20,471,016	23,518,118	23,414,232	23,423,002	24,465,922	24,860,892	24,931,135	27,841,496	28,416,104	32,566,424
JEDD Revenues	18,090,127	17,395,933	18,723,573	14,389,449	14,800,350	14,905,073	16,083,393	15,785,527	18,712,404	18,805,535
Special Assessments	28,524,445	31,952,817	30,670,330	31,179,498	15,421,762	17,492,848	19,320,283	50,636,634	19,651,870	20,305,641
Grants and Subsidies:										
Community Development	-	-	-	-	-	-	-	-	-	-
Other	34,746,020	30,266,381	24,490,969	25,972,981	28,054,783	29,462,796	36,906,384	18,737,104	32,201,192	64,957,598
Investment Earnings	584,383	338,698	850,214	1,199,289	1,211,665	3,450,900	5,944,564	2,416,775	996,265	3,619,047
Shared Revenues	94,579,755	47,351,951	45,807,596	100,326,020	45,555,266	45,895,097	49,582,291	75,522,159	53,482,152	49,057,992
Licenses, Fees and Fines	8,627,454	10,192,771	9,460,174	17,512,114	17,610,982	18,651,618	30,553,448	26,131,914	20,782,091	21,528,712
Charges for Services	24,247,409	23,500,665	20,636,462	20,749,779	23,965,100	25,023,360	18,991,270	19,094,686	20,165,556	18,906,320
Miscellaneous	10,228,894	12,805,149	9,444,997	12,629,211	16,658,409	16,415,882	14,777,822	31,126,403	15,222,778	15,500,288
Total Revenues	\$ 380,060,401	\$ 337,633,850	\$ 326,787,198	\$ 398,638,132	\$ 330,920,982	\$ 359,754,186	\$ 384,570,050	\$ 436,166,504	\$ 395,238,577	\$ 433,418,943
Expenditures										
Current:										
General Government	\$ 33,176,262	\$ 37,323,779	\$ 28,762,899	\$ 39,813,138	\$ 38,586,495	\$ 39,659,633	\$ 48,324,235	\$ 45,085,163	\$ 58,962,479	\$ 74,195,735
Public Service	78,804,139	85,268,655	84,760,878	81,121,929	74,211,608	87,997,887	84,923,153	109,242,179	86,002,085	85,932,627
Public Safety	109,458,512	122,016,445	118,700,986	131,547,744	128,736,104	146,412,046	141,016,489	131,295,531	134,168,660	142,228,517
Community Environment	103,125,618	53,399,049	61,897,061	111,756,653	61,472,588	53,299,612	65,396,130	76,968,702	50,802,103	82,764,618
Public Health	3,900,892	4,600,444	4,186,224	4,253,940	4,239,096	4,337,323	4,242,002	4,401,390	4,122,895	4,308,004
Recreation and Parks	7,792,669	6,747,832	5,320,130	5,411,445	3,942,488	4,751,840	4,731,236	5,636,004	10,568,938	13,117,000
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal Retirement	43,956,837	59,819,902	39,655,124	51,066,536	66,716,806	79,131,809	87,310,632	44,703,194	68,014,973	80,244,002
Interest	30,353,162	28,714,831	29,406,901	27,428,807	27,171,776	26,140,929	26,725,225	24,499,504	22,741,389	21,695,772
Bond Issuance Expenditures	679,072	1,811,645	934,296	1,197,595	763,315	299,669	766,692	422,304	-	374,965
Total Expenditures	\$ 411,247,163	\$ 399,702,582	\$ 373,624,499	\$ 453,597,787	\$ 405,840,276	\$ 442,030,748	\$ 463,435,794	\$ 442,253,971	\$ 435,383,522	\$ 504,861,240
Excess of Revenues Under Expenditures	\$ (31,186,762)	\$ (62,068,732)	\$ (46,837,301)	\$ (54,959,655)	\$ (74,919,294)	\$ (82,276,562)	\$ (78,865,744)	\$ (6,087,467)	\$ (40,144,945)	\$ (71,442,297)

City of Akron, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(continued)

Schedule 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses)										
Issuance of General Obligation Bond	\$ 4,849,484	\$ 88,288,000	\$ 15,500,000	\$ 52,000,000	\$ 33,575,419	\$ 45,709,593	\$ 53,325,611	\$ 19,037,194	\$ 33,925,049	\$ 59,114,262
Capital Contributions	-	-	-	2,933,930	-	-	-	-	-	545,100
Issuance of Loans	1,000,000	3,373,515	9,248	-	-	-	-	-	-	-
Issuance of COP's	2,365,000	-	-	11,965,000	-	24,445,000	-	-	-	-
Issuance of Refunding Obligations	14,910,000	88,085,000	63,945,000	32,545,000	48,960,000	-	20,405,000	28,835,000	-	114,970,000
Proceeds of Refunding Bonds Premium	-	-	-	-	-	-	-	-	-	-
Premium on G.O. Debt	179,540	9,761,734	4,873,665	6,159,498	4,067,813	927,200	7,525,204	1,817,190	-	16,742,874
Proceeds of Refund Obligations	-	-	-	-	-	-	-	-	-	-
Proceeds of collateralized borrowings	-	-	-	-	4,028,194	-	-	-	-	-
Payment for Refunding Obligations	-	-	-	-	-	-	-	-	-	-
Original Bond Issue Discount **	-	(431,029)	(148,132)	(115,961)	(153,408)	(239,461)	-	-	-	(490,648)
Issuance of Capital Lease	1,357,829	159,284	731,754	10,635,000	1,039,985	10,789,149	-	793,785	-	23,039,544
Payment to Refunding Agent	-	(62,680,000)	(70,075,000)	(34,403,902)	(51,846,782)	-	(21,890,000)	(27,605,000)	-	(127,805,000)
Lease - Financed Capital Assets	(1,357,829)	-	(731,754)	-	-	-	-	-	-	-
Transfers-in	8,100,091	2,727,000	8,090,322	3,216,961	12,894,168	11,186,061	10,720,922	7,865,755	12,983,087	9,233,826
Transfers-out	(8,588,451)	(3,193,000)	(8,977,622)	(3,827,961)	(13,835,168)	(11,977,061)	(11,450,922)	(11,415,755)	(16,720,844)	(11,851,548)
Total Other Financing Sources (Uses)	22,815,664	126,090,504	13,217,481	81,107,565	38,730,221	80,840,481	58,635,815	19,328,169	30,187,292	83,498,410
Net Change in Fund Balance	\$ (8,371,098)	\$ 64,021,772	\$ (33,619,820)	\$ 26,147,910	\$ (36,189,073)	\$ (1,436,081)	\$ (20,229,929)	\$ 13,240,702	\$ 9,957,663	\$ 12,056,113
Debt Service as a Percentage of Noncapital Expenditures	20.56%	24.57%	20.64%	19.57%	25.77%	28.60%	28.18%	18.78%	22.73%	22.45%

Source: City of Akron, Ohio Finance Department

* Since 2018, the Income Tax rate was 2.5%.

** Prior to 2014, Original Bond Issue Discount was included in Bond Issuance Expenditures.

City of Akron, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
(in thousands of dollars)

Schedule 5

Tax Collection Year	Real Property		Public Utilities		Total		Total Direct Rate	Percent of Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2014	\$ 2,493,126	\$ 7,123,217	\$ 126,778	\$ 362,223	\$ 2,619,904	\$ 7,485,440	10.30	35.00 %
2015	2,437,486	6,964,246	145,400	415,429	2,582,886	7,379,675	10.30	35.00
2016	2,409,852	6,885,291	165,213	472,037	2,575,065	7,357,328	10.30	35.00
2017	2,427,755	6,936,443	208,226	594,931	2,635,981	7,531,374	10.50	35.00
2018	2,473,755	7,067,871	222,043	634,409	2,695,798	7,702,280	10.50	35.00
2019	2,498,129	7,137,511	210,667	634,409	2,708,796	7,771,920	10.50	35.00
2020	2,627,796	7,507,989	218,864	624,201	2,846,660	8,132,190	10.50	35.00
2021	2,944,327	8,412,363	224,563	255,184	3,168,890	8,667,547	10.50	35.00
2022	2,898,181	8,280,517	233,002	264,776	3,131,183	8,946,237	10.50	35.00
2023	2,889,998	8,257,137	239,991	272,716	3,129,989	8,529,853	10.50	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%.

City of Akron, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Schedule 6

Tax Collection Year	City Direct Rates					Overlapping Rates		
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks
2014	9.28	0.30	0.30	0.42	10.30	79.56	14.81	1.46
2015	9.28	0.30	0.30	0.42	10.30	79.56	14.80	1.46
2016	9.28	0.30	0.30	0.42	10.30	79.56	15.32	1.46
2017	9.28	0.30	0.30	0.62	10.50	79.56	15.30	1.46
2018	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2019	9.28	0.30	0.30	0.62	10.50	79.56	15.26	1.46
2020	9.28	0.30	0.30	0.62	10.50	79.56	16.22	1.46
2021	9.28	0.30	0.30	0.62	10.50	79.56	15.60	1.46
2022	9.28	0.30	0.30	0.62	10.50	79.56	16.00	2.00
2023	9.28	0.30	0.30	0.62	10.50	79.56	16.00	2.00

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Principal Property Tax Payers
12/31/2022 and 12/31/2013
(in thousands of dollars)

Schedule 7

Taxpayer	12/31/2022		Taxpayer	12/31/2013	
	Taxable Assessed Value	Percentage of Taxable Assessed Value		Taxable Assessed Value	Percentage of Taxable Assessed Value
American Transmission	\$ 98,838	3.22 %	Ohio Edison	\$ 76,101	2.90 %
Ohio Edison	98,564	3.22	American Transmission	23,537	0.90
Akron Romig Road LLC	65,947	2.15	Albrecht Incorporated	12,205	0.47
Childrens Hospital Medical Center	49,791	1.62	East Ohio Gas	11,660	0.45
East Ohio Gas	33,878	1.11	CHM Akron LLC	10,233	0.39
Albrecht Incorporated	17,812	0.58	Ohio Edison Tower Limited Liability	8,154	0.31
Akron General Hospital	14,421	0.47	Bernard B. Busson	7,501	0.29
Timber Top Apartment Holding	13,726	0.45	Hampton Knoll Apartments LLC	7,455	0.28
Chapel Hill Associate, Inc.	11,983	0.39	Plaza Chapel Hill Ltd.	6,592	0.25
Akron Management Corporation	7,356	0.24	Akron Management Corporation	6,328	0.24
	<u>\$ 412,316</u>	<u>13.45 %</u>		<u>\$ 169,766</u>	<u>6.48 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 8

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 27,419,596	\$ 25,174,172	91.8 %	\$ 1,828,647	\$ 27,002,819	98.5 %
2014	26,984,750	25,022,030	92.7	1,697,650	26,719,680	99.0
2015	26,604,375	24,737,683	93.0	1,577,892	26,315,575	98.9
2016	26,523,326	24,987,814	94.2	1,535,512	26,470,741	99.8
2017	27,619,239	25,985,068	94.1	1,634,171	28,982,301	104.9
2018	28,305,710	26,421,069	93.3	1,884,641	28,005,409	98.9
2019	28,442,279	26,368,089	92.7	2,074,190	28,035,771	98.6
2020	29,892,321	26,143,074	87.5	3,749,246	27,937,820	93.5
2021	33,273,000	29,177,042	87.7	4,095,958	31,233,070	93.9
2022	32,877,570	30,400,285	92.5	2,477,285	32,534,238	99.0

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)
Fiscal Years 2021 and 2022

Schedule 9

Fiscal Year 2021				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	26,822	76.51 %	\$ 5,157,143	2.81 %
\$1,001 - \$2,500	3,809	10.86	6,019,927	3.28
\$2,501 - \$5,000	1,699	4.85	6,003,351	3.27
\$5,001 - \$10,000	1,071	3.03	7,546,871	4.12
\$10,001 - \$50,000	1,264	3.61	26,700,533	14.56
\$50,001- \$100,000	188	0.54	13,034,607	7.11
\$100,001 - \$250,000	128	0.37	18,501,928	10.09
\$250,001 - \$1,000,000	58	0.17	23,055,531	12.57
Over \$1,000,001	20	0.06	77,361,283	42.19
	<u>35,059</u>	<u>100.00 %</u>	<u>\$ 183,381,174</u>	<u>100.00 %</u>
Fiscal Year 2022				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	26,846	74.80 %	\$ 6,050,918	3.20 %
\$1,001 - \$2,500	4,139	11.53	6,530,113	3.46
\$2,501 - \$5,000	1,959	5.46	6,890,936	3.65
\$5,001 - \$10,000	1,211	3.38	8,580,007	4.54
\$10,001 - \$50,000	1,305	3.64	27,159,807	14.38
\$50,001- \$100,000	220	0.61	15,117,079	8.00
\$100,001 - \$250,000	137	0.38	21,037,441	11.14
\$250,001 - \$1,000,000	53	0.15	23,988,977	12.70
Over \$1,000,001	19	0.05	73,570,879	38.93
	<u>35,889</u>	<u>100.00 %</u>	<u>\$ 188,926,157</u>	<u>100.00 %</u>

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio
Ratios of Outstanding Debt, Leases, and Direct Financing Purchases by Type
Last Ten Fiscal Years

Schedule 10

Governmental Activities											
Fiscal Year	General Obligation	OPWC Loan	Ohio Development		Non-Tax Revenue	Income Tax		Special Revenue	Special Assessment	Leases and Direct Financing Purchases	SIB Loans
			Services Agency Loan	Income Tax Revenue		Revenue Direct Borrowings					
2013	\$ 215,139,753	\$ 9,241,963	\$ 5,482,636	\$ 48,475,000	\$ 244,487,135	-	\$ 27,165,000	\$ 6,220,758	\$ 75,510,213	\$ 1,742,279	
2014	201,378,834	9,084,164	5,378,553	53,565,000	318,681,087	-	25,245,000	4,079,527	67,106,099	313,205	
2015	186,840,707	7,640,794	5,270,229	48,035,000	339,110,565	-	22,030,000	2,860,321	30,735,417	-	
2016	174,601,391	7,006,306	5,156,492	43,745,000	353,714,654	-	18,705,000	1,897,997	47,643,975	-	
2017	156,929,261	6,371,819	4,610,162	39,170,000	339,080,250	-	15,220,000	5,013,087	43,441,695	-	
2018	138,368,631	5,737,340	4,265,000	33,435,000	324,617,059	-	11,555,000	6,722,319	64,162,866	-	
2019	121,000,958	5,140,863	3,955,000	30,410,000	348,945,000	9,684,297	7,720,000	7,271,537	59,312,753	-	
2020	105,085,000	5,842,624	3,635,000	27,305,000	335,125,000	8,974,788	3,680,000	7,598,284	64,106,974	-	
2021	86,610,000	5,238,163	3,305,000	24,115,000	315,325,000	8,249,560	1,870,000	6,978,049	58,506,958	-	
2022	71,240,000	4,666,366	2,970,000	20,830,000	280,780,000	7,618,043	-	8,644,608	119,812,718	-	

Governmental Activities				
Fiscal Year	Internal Service Income Tax Revenue	Special Assessment Notes Payable	Capital Projects Notes Payable	Internal Service General Health Notes Payable
2013	\$ 1,615,000	\$ 13,000,000	\$ 24,730,000	\$ 9,000,000
2014	1,230,000	13,000,000	-	6,500,000
2015	830,000	13,000,000	10,000,000	4,500,000
2016	420,000	13,000,000	20,000,000	3,500,000
2017	-	13,000,000	30,000,000	3,500,000
2018	-	13,000,000	41,300,000	2,500,000
2019	-	13,000,000	-	1,500,000
2020	-	13,000,000	17,400,000	-
2021	-	13,000,000	32,900,000	-
2022	-	13,000,000	55,258,712	-

City of Akron, Ohio
Ratios of Outstanding Debt, Leases, and Direct Financing Purchases by Type
Last Ten Fiscal Years
(continued)

Schedule 10

Fiscal Year	Business-Type Activities						Leases and Direct Financing Purchases	Total Government	Per Capita ^a	Percentage Personal Income ^a
	General Obligation	Mortgage Revenue	Mortgage Revenue Direct Placements	Revenue	OWDA	OPWC				
2013	\$ 631,556	\$ 33,835,000	\$ -	\$ 15,385,000	\$ 73,495,595	\$ 1,542,762	\$ 321,250	\$ 807,020,900	\$ 4,053	20.61 %
2014	616,599	30,360,000	-	11,075,000	95,300,583	1,341,248	240,130	820,743,297	4,122	20.96
2015	544,229	26,970,000	-	6,550,000	161,974,294	1,139,734	157,320	868,188,610	4,360	22.17
2016	468,481	23,100,000	-	1,800,000	293,170,614	938,220	72,820	1,008,940,950	5,067	25.77
2017	389,355	19,040,000	-	-	438,423,233	736,707	-	1,114,925,569	5,600	28.48
2018	306,369	14,785,000	-	-	521,794,733	535,193	35,871,347	1,218,955,857	6,122	31.13
2019	219,042	7,660,000	5,995,000	-	572,807,222	354,989	33,853,224	1,228,829,885	6,172	31.39
2020	-	7,285,000	5,205,000	-	663,817,587	290,491	31,833,275	1,300,184,023	6,826	26.19
2021	-	-	4,395,000	-	738,531,019	206,857	29,811,423	1,329,042,029	6,978	26.77
2022	-	-	3,565,000	-	761,296,738	988,325	28,477,561	1,379,148,071	7,241	27.78

Source: City of Akron, Ohio Finance Department

^aSee Schedule 16 for population and personal income data

City of Akron, Ohio
 Legal Debt Margin Information
 Unvoted Debt Limit (5 1/2%)
 Last Ten Fiscal Years

Schedule 11

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$ 144,094,717	\$ 142,058,748	\$ 141,628,588	\$ 144,978,947	\$ 144,341,287
Total net debt applicable to limit	<u>115,903,682</u>	<u>137,009,121</u>	<u>131,654,324</u>	<u>118,799,745</u>	<u>105,721,985</u>
Legal debt margin	<u>\$ 28,191,035</u>	<u>\$ 5,049,627</u>	<u>\$ 9,974,264</u>	<u>\$ 26,179,202</u>	<u>\$ 38,619,302</u>
Total net debt applicable to limit as a percentage of debt limit	80.44%	96.45%	92.96%	81.94%	73.24%
Total unvoted net debt as a percentage of total assessed value of all property	4.42%	5.30%	5.11%	4.51%	3.92%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt limit	\$ 148,268,842	\$ 141,628,588	\$ 152,641,662	\$ 164,460,227	\$ 169,721,800
Total net debt applicable to limit	<u>93,148,655</u>	<u>105,721,985</u>	<u>81,294,060</u>	<u>58,350,000</u>	<u>95,675,000</u>
Legal debt margin	<u>\$ 55,120,187</u>	<u>\$ 35,906,603</u>	<u>\$ 71,347,602</u>	<u>\$ 106,110,227</u>	<u>\$ 74,046,800</u>
Total net debt applicable to limit as a percentage of debt limit	62.82%	74.65%	53.26%	35.48%	56.37%
Total unvoted net debt as a percentage of total assessed value of all property	3.46%	3.92%	2.57%	1.89%	3.10%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Legal Debt Margin Information
 Total Debt Limit (10 1/2%)
 Last Ten Fiscal Years

Schedule 12

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$ 275,089,915	\$ 271,203,065	\$ 270,381,850	\$ 276,777,990	\$ 275,560,639
Total net debt applicable to limit	<u>115,903,682</u>	<u>137,009,121</u>	<u>131,654,324</u>	<u>118,799,745</u>	<u>105,721,985</u>
Legal debt margin	<u>\$ 159,186,233</u>	<u>\$ 134,193,944</u>	<u>\$ 138,727,526</u>	<u>\$ 157,978,245</u>	<u>\$ 169,838,654</u>
Total net debt applicable to limit as a percentage of debt limit	42.13%	50.52%	48.69%	42.92%	38.37%
Total net debt as a percentage of total assessed value of all property	4.42%	5.30%	5.11%	4.51%	3.92%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt limit	\$ 283,058,699	\$ 270,381,850	\$ 291,406,810	\$ 313,969,524	\$ 324,014,346
Total net debt applicable to limit	<u>93,148,655</u>	<u>105,721,985</u>	<u>81,294,060</u>	<u>58,350,000</u>	<u>95,675,000</u>
Legal debt margin	<u>\$ 189,910,044</u>	<u>\$ 164,659,865</u>	<u>\$ 210,112,750</u>	<u>\$ 255,619,524</u>	<u>\$ 228,339,346</u>
Total net debt applicable to limit as a percentage of debt limit	32.91%	39.10%	27.90%	18.58%	29.53%
Total net debt as a percentage of total assessed value of all property	3.46%	3.92%	2.57%	1.89%	3.10%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Computation of Direct and Overlapping Debt
 As of December 31, 2022

Schedule 13

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Direct			
City of Akron	\$ 511,457,729	100.00 %	\$ 511,457,729
Total direct debt	\$ 511,457,729		\$ 511,457,729
Overlapping			
Summit County	\$ 75,670,000	21.31 %	\$ 16,125,277
Coventry Local School District	26,668,742	9.57	2,552,199
Revere Local School District	57,956,522	2.90	1,680,739
Springfield Local School District	25,245,000	7.69	1,941,341
Woodridge Local School District	29,460,062	28.38	8,360,766
Total overlapping debt	\$ 215,000,326		\$ 30,660,321
Total direct and overlapping debt	\$ 726,458,055		\$ 542,118,050

Sources: Debt outstanding for overlapping governments, taken from Ohio Municipal Advisory Council (OMAC) as of 1/1/2023 and City of Akron, Ohio Finance Department

Note: Percentages determined by dividing the amount of assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivisions.

City of Akron, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)

Schedule 14

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ¹	Per Capita ²
2013	\$ 221,992	\$ 955	\$ 221,037	2.95 %	\$ 1,110
2014	206,075	951	205,124	2.78	1,030
2015	195,245	554	194,691	2.64	978
2016	176,968	852	176,116	2.39	885
2017	175,548	514	175,034	2.39	879
2018	145,397	526	144,871	1.86	728
2019	105,721	504	105,217	1.30	528
2020	81,294	511	80,783	0.93	406
2021	93,588	446	93,142	0.92	489
2022	79,885	367	79,518	0.93	417

Source: City of Akron, Ohio Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

² See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds and OWDA Loans						JEDD Bonds				
	Sewer Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage	JEDD Gross Revenue	Debt Service ²		Coverage	
				Principal	Interest			Principal	Interest		
			\$								
2013	\$ 63,288	\$ 44,947	18,341	\$ 11,352	\$ 2,133	1.36 %	\$ 18,090	\$ -	\$ 1,149	15.74 %	
2014	73,527	61,118	12,409	18,201	2,773	0.59	17,396	1,920	1,149	5.67	
2015	89,800	62,139	27,661	37,080	3,356	0.68	18,724	3,215	1,072	4.37	
2016	89,839	72,182	17,657	12,677	2,849	1.14	14,389	3,325	944	3.37	
2017	94,716	71,787	22,929	16,483	4,359	1.10	14,800	3,485	778	3.47	
2018	85,575	47,231	38,344	14,352	5,210	1.96	14,905	3,665	603	3.49	
2019	88,649	85,088	3,561	17,612	6,190	0.15	16,083	3,835	420	3.78	
2020	83,797	54,858	28,939	26,874	11,609	0.75	15,786	4,040	228	3.70	
2021	87,944	68,073	19,871	27,874	11,402	0.51	18,712	1,810	117	9.71	
2022	89,808	32,545	57,263	26,996	12,563	1.45	18,806	1,870	36	9.87	
Fiscal Year	Water Revenue Bonds and OWDA Loans						Non-Tax Revenue Bonds				
	Water Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service ³		Coverage	Non-Tax Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2013	\$ 35,633	\$ 25,323	\$ 10,310	\$ 4,369	\$ 1,924	1.64 %	\$ 137,684	\$ 1,605	\$ 2,648	32.37 %	
2014	35,076	25,598	9,478	4,491	1,808	1.50	93,851	23,140	1,857	3.75	
2015	36,839	30,720	6,119	13,122	2,009	0.40	85,349	18,780	1,547	4.20	
2016	37,817	28,016	9,801	5,365	1,612	1.40	151,217	4,290	1,473	26.24	
2017	34,579	27,762	6,817	5,729	1,663	0.92	103,790	4,575	1,380	17.43	
2018	32,246	28,608	3,638	5,970	1,473	0.49	105,986	5,735	1,296	15.07	
2019	34,637	36,450	(1,813)	3,028	1,250	(0.42)	113,905	3,025	1,173	27.13	
2020	36,499	29,642	6,857	3,358	1,215	1.50	154,994	3,105	1,098	36.88	
2021	39,238	25,399	13,839	3,059	1,144	3.29	115,695	3,190	1,013	27.53	
2022	39,827	36,209	3,618	2,251	659	1.24	104,993	3,285	915	25.00	

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)
(continued)

Schedule 15

Fiscal Year	CLC Bonds					Income Tax Revenue Bonds				
	CLC Collections	Debt Service		Coverage		Income Tax Collections	Debt Service		Coverage	
		Principal	Interest				Principal	Interest		
2013	\$ 14,880	\$ 5,570	\$ 10,568	0.92	%	\$ 125,081	\$ 1,407	\$ 1,274	46.65	%
2014	12,937	7,455	11,390	0.69		127,375	1,914	1,296	39.68	
2015	17,254	7,545	12,042	0.88		126,035	3,296	2,815	20.62	
2016	15,935	7,870	11,797	0.81		135,322	19,591	3,999	5.74	
2017	15,231	44,980	39,263	0.18		122,418	6,689	3,752	11.72	
2018	16,917	10,130	12,000	0.76		146,679	6,333	3,483	14.94	
2019	16,454	10,650	11,374	0.75		151,025	6,108	3,314	16.03	
2020	15,977	10,940	10,831	0.73		152,897	4,815	2,686	20.38	
2021	17,975	12,995	10,349	0.77		167,633	7,530	5,079	13.29	
2022	17,941	14,465	7,006	0.84		170,230	7,877	5,026	13.19	

Source: City of Akron, Ohio Finance Department

¹ Net of Depreciation

²The 2022 amounts for debt service include the final principal payments totaling \$1,870,000 and interest payments of \$58,437 for JEDD bonds that were retired during the year and not reflected on Note 19.

³The 2022 amounts for debt service include the final principal payment of \$53,901 and interest payment of \$41,776 for OWDA loans that were retired during the year and not reflected on Note 19.

City of Akron, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Schedule 16

Year	Population ¹	Personal Income ¹	Per Capita Personal Income ¹	Median Household Income ¹	Median Age ¹	Education - Bachelor's Degree or Higher ¹	School Enrollment ¹	Unemployment Rate ²
2022	190,469	\$ 4,964,384,016	\$ 26,064	\$ 42,129	39.5	22 %	39,140	4.7 %
2021	190,469	4,964,384,016	26,064	42,129	39.5	22	39,140	6.7
2020	190,469	4,964,384,016	26,064	42,129	39.5	22	39,140	10.1
2019	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	4.9
2018	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.3
2017	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2016	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.8
2015	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	5.7
2014	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	6.6
2013	199,110	3,915,299,040	19,664	34,359	35.5	20	56,760	7.6

Source: ¹ U.S. Census Bureau, due to COVID and timing 2020 data still not available.

² Ohio Department of Job and Family Services

City of Akron, Ohio
Principal Employers
12/31/2022 and 12/31/2013

Schedule 17

12/31/2022				12/31/2013			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Full-Time Employees	Rank	Percentage of Total City Employment
Amazon Fullfillment Center	14,605	1	16.69 %	Summa Health System	11,000	1	11.96 %
Summa Health System	7,841	2	8.96	FirstMerit Corporation	4,894	2	5.32
Akron Children's Hospital	6,489	3	7.42	Akron General Health Systems	3,843	3	4.18
University of Akron	5,257	4	6.01	Akron Children's Hospital	3,220	4	3.50
Akron Public Schools	4,877	5	5.57	Goodyear Tire & Rubber Company	3,000	5	3.26
Akron General/Cleveland Clinic	4,528	6	5.17	County of Summit	2,969	6	3.23
Summit County Government	3,460	7	3.95	Akron Public Schools	2,827	7	3.07
Goodyear Tire	3,124	8	3.57	The University of Akron	2,622	8	2.84
City of Akron	2,559	9	2.92	First Energy Corporation	2,500	9	2.72
FirstEnergy Corp.	2,071	10	2.37	Sterling Jewelers Inc.	2,300	10	2.50
	<u>54,811</u>		<u>62.63 %</u>		<u>39,175</u>		<u>42.58 %</u>

Source: City of Akron, Ohio Finance Department

Employment numbers include all tax filing(s) with the City of Akron.

City of Akron, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

Schedule 18

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
City Council	3	3	3	3	3	3	3	3	2	3
Courts	90	92	89	93	99	96	95	98	85	83
Elected and Appointed Officials	44	45	44	51	53	52	50	53	63	68
Economic Development	4	3	4	5	5	6	6	-	-	-
Finance Department	100	99	98	92	77	76	77	73	72	68
Information Technology	-	-	-	-	6	9	9	20	17	18
Lock 3	-	-	-	-	3	3	3	-	-	-
Civil/Criminal	8	7	8	8	8	7	8	7	5	9
Personnel Department	9	8	10	-	-	-	-	-	-	-
Human Resources Department	-	-	-	14	16	15	17	16	14	17
Office of the Mayor	-	-	-	-	-	-	-	-	-	1
Public Safety:										
Elected and Appointed Officials	1	1	2	1	-	-	1	1	1	1
Communications	16	16	14	15	-	-	-	-	-	-
Information Tech Communications	-	-	-	-	15	13	13	14	-	-
Safety Communications	57	55	59	55	58	63	58	64	81	79
Fire Department	381	368	372	350	374	375	380	371	366	388
Police Department	453	493	485	489	470	473	500	483	483	479
Traffic Engineering	21	19	-	-	-	-	-	-	-	-

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years
 (continued)

Schedule 18

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Service:										
Elected and Appointed Officials	4	3	4	3	3	3	3	2	3	2
Public Service Administration	3	5	4	4	1	2	2	2	1	-
Customer Service	12	11	11	12	-	-	-	-	-	-
Housing	12	12	11	11	-	-	-	-	-	-
Information Technology	-	-	-	-	7	5	5	-	-	-
Plans and Permits Center	2	2	2	2	3	2	2	2	5	5
Customer Service Response	8	8	8	8	-	-	-	-	-	-
Engineering Bureau	55	39	44	49	47	44	44	41	37	38
Building Maintenance	26	25	24	27	27	25	27	27	27	22
Motor Equipment	28	29	29	30	31	30	28	28	30	29
Golf Course	3	4	4	4	5	5	5	5	3	4
Sewer Bureau	61	59	56	52	51	50	50	47	95	92
Water Bureau	154	167	162	156	164	163	160	169	126	134
Public Works Administration	7	7	7	5	6	7	6	7	7	5
Highway Maintenance	56	60	59	61	61	57	58	61	54	56
Sanitation Services	42	41	41	38	40	40	37	43	49	55
Street Cleaning	37	41	41	37	41	41	39	40	38	41
Parks Maintenance	33	32	32	31	32	31	31	27	35	32
Traffic Engineering	-	-	19	18	19	19	22	20	20	17
Community Environment:										
Elected and Appointed Officials	1	2	2	2	2	2	5	5	7	7
Neighborhood Assistance Administration	-	-	-	-	-	-	-	-	-	1
3-1-1 Call Center	-	-	-	-	7	8	8	8	6	8
Housing Compliance	-	-	-	-	11	12	12	11	12	13
Housing & Community Services	-	-	-	-	9	9	9	9	7	12
Nuisance Compliance	-	-	-	-	12	12	12	12	11	12
Planning Department	52	49	48	44	34	32	32	15	13	13
Office of Integrated Development (OID)	-	-	-	-	-	-	-	26	30	24
Recreation & Downtown Operations	-	-	-	-	-	-	-	22	20	24
Recreation Bureau	19	19	22	21	21	21	19	-	-	-
Totals:	1,802	1,824	1,818	1,791	1,821	1,811	1,836	1,832	1,825	1,860

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule 19

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Total Number of Permits Issued	1,156	1,237	1,294	1,447	1,171	1,183	1,458	1,388	1,199	1,149
City Council Ordinances Passed	385	382	418	415	342	388	321	307	251	301
Fire										
Emergency Responses	34,059	35,789	37,806	40,013	40,387	41,597	43,549	42,298	44,214	45,216
Fire/Rescue	7,236	7,833	8,428	9,546	9,786	9,088	9,809	9,795	11,163	12,151
Police										
Calls for Service*	201,475	205,276	213,020	220,479	210,278	199,961	182,260	149,805	148,644	140,902
Civil Division Cases Filed	10,229	10,145	9,372	9,698	10,347	10,775	11,081	6,640	7,847	8,138
Criminal/Traffic Division Cases Filed	33,417	34,823	35,103	33,187	33,614	33,913	32,145	24,797	24,966	22,549
Parking Division Cases Filed	24,199	24,140	25,087	25,231	21,009	21,873	20,385	11,347	8,933	11,704
Parks and Recreation										
Good Park Golf Course Attendance	37,324	31,231	37,511	38,912	37,244	32,515	30,685	32,081	39,228	35,817
Mud Run Golf Course Attendance	12,884	10,660	15,262	14,986	13,726	14,297	18,292	18,692	19,528	19,079
Business Services										
Curb Service Accounts	61,039	60,931	61,099	61,498	62,024	62,267	62,294	62,543	62,841	62,989
Sewer										
Sewer Accounts	77,012	76,706	76,570	75,507	75,557	75,690	75,634	75,966	75,600	76,300
Sewer Amounts Billed (in thousands)	\$ 55,538	\$ 75,485	\$ 91,575	\$ 92,116	\$ 75,830	\$ 75,287	\$ 73,290	\$ 70,648	\$ 70,312	\$ 71,361
Water										
Water Accounts	83,643	82,621	80,684	80,806	80,834	80,926	81,055	83,482	83,500	83,800
Water Amounts Billed (in thousands)	\$ 31,951	\$ 31,312	\$ 30,056	\$ 29,615	\$ 30,485	\$ 30,362	\$ 29,677	\$ 29,564	\$ 29,998	\$ 29,849

*Prior to 2020 the Police Calls for Service represents all calls less station calls, meal breaks and out of service calls. The new CAD system does not include some calls that were previously reported.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Schedule 20

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Number of Uniformed Police Officers	412	450	445	453	435	441	468	453	452	449
Number of Districts	12	12	12	12	12	12	12	12	12	12
Fire										
Number of Firefighters and Officers	360	349	349	328	353	352	357	349	343	366
Number of Stations	13	13	13	13	13	13 *	13	13	13	13
Parks and Recreation										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	2	2	2	2	2	2	2	2	2	2
Water										
Miles of Pipe	1,226	1,226	1,228	1,230	1,231	1,237	1,230	1,239	1,182	1,182
Average Daily Pumpage (in millions of gallons)	34	34	34	34	34	34	33	31	30	30
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	14	14	14
Sewer										
Sanitary Sewers (miles)	685	672	678	678	686	683	682	683	683	683
Storm Sewers (miles)	382	374	361	361	369	365	364	370	370	370
Storm and Combined Sewer Inlets (miles)	309	303	309	309	298	295	294	293	293	294
Pump Stations	33	33	33	33	37	37	37	36	36	36
Other Public Works										
Oil Wells	13	13	13	13	13	13	12	12	12	12
Parking Decks	10	10	10	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

*During 2018, one fire station was razed and new construction began. The count includes this station.

OHIO AUDITOR OF STATE KEITH FABER



CITY OF AKRON

SUMMIT 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 12/28/2023

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

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