

**CITY OF MASON
WARREN COUNTY**



SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

OHIO AUDITOR OF STATE
KEITH FABER



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

City Council
City of Mason
6000 Mason-Montgomery Road
Mason, Ohio 45040

We have reviewed the *Independent Auditor's Report* of the City of Mason, Warren County, prepared by Plattenburg & 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 Mason is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 22, 2023

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**CITY OF MASON
WARREN COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2022**

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CITY OF MASON, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	Assistance Listing Number	Total Federal Expenditures
<u>U.S. DEPARTMENT OF JUSTICE</u>			
<i>Pass-Through Ohio Department of Justice:</i>			
Bulletproof Vest Partnership Program	N/A	16.607	\$817
Subtotal - U.S. Department of Justice			<u>817</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Pass-Through Ohio Department of Transportation:</i>			
Highway Planning and Construction Cluster:			
SR741/Parkside Drive Intersection Improvements	PID 100882	20.205	243,008
Butler Warren & Western Row Roundabout	PID 103371	20.205	279,636
SR741 Widening	PID 103753	20.205	4,685,461
Mason Lebanon Bike Path	PID 105175	20.205	26,176
US 42 Roundabouts	PID 107302	20.205	1,271,756
SR741 Improvements	PID 113634	20.205	27,098
Total Highway Planning and Construction Cluster			<u>6,533,135</u>
Subtotal - U.S. Department of Transportation			<u>6,533,135</u>
<u>US DEPARTMENT OF THE TREASURY</u>			
<i>Pass-Through Ohio Office of Budget and Management:</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	5CV4	21.027	1,813,617
<i>Pass-Through Ohio Department of Development:</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	DEV-2021-181929	21.027	260,789
Total Coronavirus State and Local Fiscal Recovery Funds			<u>2,074,406</u>
Subtotal - U.S. Department of the Treasury			<u>2,074,406</u>
Total Expenditures of Federal Awards			<u>\$8,608,358</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented 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). The City did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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

City Council
City of Mason
Warren County
6000 Mason-Montgomery Road
Mason, Ohio 45040

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mason, 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 July 28, 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 the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

July 28, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

City Council
City of Mason
Warren County
6000 Mason-Montgomery Road
Mason, Ohio 45040

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Mason, Ohio's (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 types of 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 generally accepted auditing standards, *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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of 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, the 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 July 28, 2023, which contained unmodified opinions on those financial statements. Our audit was performed 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 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.
Cincinnati, Ohio
July 28, 2023

CITY OF MASON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Coronavirus State and Local Fiscal Recovery Funds - ALN 21.027

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? Yes

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF MASON
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

The City of Mason had no prior audit findings and questioned costs.



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CITY OF **MASON** OHIO
more than you imagine.

CITY OF MASON, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

Prepared by:
Finance Department
Joseph Reigelsperger
Finance Director

Produced by the City of Mason
6000 Mason-Montgomery Rd.
Mason, OH 45040
513-229-8500
www.imaginemason.org

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INTRODUCTORY SECTION

July 28, 2023

Honorable Mayor, Members of Council, and Citizens of Mason:

We are pleased to present the City of Mason’s Annual Comprehensive Financial Report for the fiscal year ending December 31, 2022. While there are no legal requirements for the preparation of this report, it represents a commitment by the City of Mason to conform to nationally recognized standards of excellence in financial reporting.

State law requires that each public office file an annual financial report with the Auditor of State. The financial report must also be in conformity with generally accepted accounting principles (GAAP). The City’s charter requires the City Manager and Finance Director to submit a complete report on the finances of the municipality at the end of each fiscal year to City Council as well as make the report available to the public. The management of the City of Mason, particularly the Finance Director’s Office, assumes full responsibility for both the completeness and reliability of the information contained in this report. The accuracy of the presented data and the completeness and fairness of its presentation is assured through a comprehensive framework of internal control that is established for this purpose. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Plattenburg & Associates, Inc. has issued an unmodified (“clean”) opinion on the City of Mason’s financial statements for the year ending December 31, 2022. Their report is located at the front of the financial section of this report. Management’s Discussion and Analysis (MD&A) immediately follows

the auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

Mason is considered one of the most desirable places in the Cincinnati region and has earned a reputation as a progressive, innovative community. Centrally located in southwest Ohio, the City is a destination for corporations seeking a thriving business environment and for families desiring attractive neighborhoods and nationally ranked schools.



Mason is recognized as a great place to live, work, and play.

Located in the southwest quadrant of Warren County, Mason has a population of 35,520, with opportunity for continued growth. More than 36 miles of interstate highways provide businesses and residents easy access to the metropolitan centers of both Cincinnati and Dayton which fuel the area's



residential growth as well as business expansion. Mason is located between the Cincinnati region's two most vital commerce corridors, Interstates 71 and 75, just north of the I-275 beltway. The City is served by four direct interchanges - two on I-71 and two on I-75.

Several organizations recognize Mason as a great place to live, work, and play. Over the past several years, Mason's ranking continues to grow. In 2022, Fortune ranked Mason 4th Best Place to Live for Families in the United States. WalletHub ranked Mason 4th Best Places to Raise a Family in Ohio and 98th percentile for Best Small Cities to Live in America. Warren County prides itself as "Ohio's Largest Playground" and Mason is the anchor. Mason is home to some of the region's largest attractions including Kings Island amusement park, Great Wolf Lodge, and the annual Western & Southern Open; one of the "super nine" tennis tournaments in the world.

HISTORY AND ORGANIZATION

Originally settled as the village of Palmyra in 1815 by Revolutionary War veteran Major William Mason, the village was renamed in his honor 20 years later. With its population exceeding 5,000 in 1971, Mason became a city, and a charter was created to establish guidelines for its operations. Mason is a home-rule city with a council/manager form of government.

The legislative body of Mason consists of a mayor and six council members who are responsible for the legislative affairs of the City. Council also makes appointments to various statutory and advisory boards and appoints the City Manager, Law Director, and Clerk of Council.

As Chief Executive Officer, the City Manager is responsible for enforcement of all laws and ordinances established by City Council and the efficient delivery of all City services. The City provides many services normally associated with a municipality, including emergency services; street construction and maintenance; full engineering, building, and planning services; recreation space and activities; and business recruitment and retention.

Sanitary sewer, stormwater, solid waste collection and disposal services are provided under an enterprise fund concept, with user charges established by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. The City also operates a community center and golf course through enterprise funds.

The annual budget for the City of Mason serves as the foundation for the City's financial planning and control. As required by the charter, the City Manager prepares and submits the annual budget and capital program to City Council. After a review and final recommendation from Council's Finance Committee, the budget is legally enacted through passage of the annual appropriation ordinance. Department Heads, with approval from the Finance Director, may transfer resources within each department for the General Fund and within other funds up to the level approved by Council. Only Council, using a supplemental appropriation or re-appropriation ordinance, may approve any increase in appropriation or transfers between legal levels identified in the annual appropriation ordinance before the end of the fiscal year.

LOCAL ECONOMY

Mason's reputation as a competitive business environment is confirmed by a track record of corporate decisions to locate and grow business in the City, through new sites, expansions and consolidations with the transfer of jobs and investment to the City. Mason is also known as a top innovation center across the State of Ohio and the announced projects in the City reflect that position.

Mason continues to attract quality companies that are relocating or expanding. In choosing the City, companies cite prime location along the interstates, availability of land for development within established business parks, rising property values, the established core of high-tech businesses, available talent and workforce, and an exceptional level of support and services with a favorable business environment widely promoted in the region. Tax incentives targeting companies in the

bio-health, high-tech, and research and development sectors in Mason continue to be a focus, as well as companies in advanced manufacturing, aerospace, logistics, and automotive sectors. Mason developed an economic emphasis between tourism, Warren County's top industry, and business development. Approximately seventy percent of the County's tourism activity originates in Mason. In 2022, as Kings Island celebrated its Golden Anniversary, Warren County tourism economy hit a new annual economic impact record of \$1.45 billion. Additionally, the City's economic strategy has a strong focus on the growth of early and mid-stage entrepreneurial companies within the target sectors of bio-health, bio-health IT, and digital IT. A collaborative environment between all of these provides added strength to Mason's business environment and sets it apart within the Region and Midwest.

Mason business daytime employment is roughly equivalent to the City's nighttime population. Five of the top ten largest employers in Warren County are located in Mason. The City's ten largest employers provide work for more than 11,000 people and generated more than \$15.8 million in income tax revenue in 2022. Overall, it is estimated that there are more than 800 businesses that operate within Mason's nineteen square miles.

Procter & Gamble Beauty Innovation Center is home to Global Beauty and Global Health. The 241-acre campus is Mason and Warren County's largest employer. It houses the largest population of science and technical workforce across the company. This P&G facility is over two million square feet and makes the R&D laboratories in Mason the largest of the global P&G portfolio. The company's combined employment in Mason is over 3,100.

In the last two decades, Mason has grown its global business base, became home to many domestic and foreign companies, and has one of the region's largest complements of international businesses. As of 2018, the Metropolitan Area ranked twelfth in total exports among U.S. cities. The City of Mason contributes to the Cincinnati region's worldwide impact, being home to a healthy number of the region's approximately 1,000 firms engaged in

international trade. Over 450 companies from Japan, Western Europe, and Canada have established facilities within the region.



German-based VEGA Americas selected Mason, Ohio for their new \$50M North American Corporate HQ and location for the Company's long-term growth strategy on a 50-acre campus in the Mason R&D Park.

The diversified tax base in Mason provides for steady investment across industry sectors from automotive to science and research headquarters. New investment in 2018 through 2022 is reflective of the diversity including new construction, build-to-suit campuses, corporate reinvestment with expansions of existing Mason businesses as well as mergers and acquisitions.

Top investment highlights from years 2018 through 2022 combined demonstrate strength in bio-health and bio related supply chain representing approximately 70% of the total investment and job creation. These statistics continue to be the value proposition that is fueling new corporate and innovation sector announcements and generating interest from advanced manufacturing to R&D.

2022 Corporate Investment Announcements

Notable activity in the last three years in the City includes a mega merger of L3-Harris - combining two major defense and communications companies and setting the stage to position the Mason campus expansion and investment. German-based VEGA Americas opened their new \$50M North American Corporate HQ in Mason. This 50-acre campus in the Mason R&D Park houses the company's business

operations, advanced manufacturing and production facility, as well as a state-of-the-art lab and training center. In addition, C.M. Paula announced a 36,500 sq ft expansion of its Mason global headquarters. This represents a roughly 60% expansion of the company in Mason.

Planning for future high-profile technology and advanced manufacturing is robustly underway both facilitating expansions of existing businesses and attracting new in parks like the Innovation Way Business Park and in Mason Research and Development Park.



The City's 27 business parks and corporate campuses are home to approximately 150 companies in industry sectors of advanced manufacturing, aerospace, IT, biotech, medical devices, and corporate headquarters.

In 2021, the City acquired additional acres expanding the Park's footprint along the east side adjacent to US 42. This target development area consists of both City and privately-owned land in the northeast of the City totaling over 1,000 acres, now 500-owned directly by the City. This area has been set aside over the past decade with a lens of preserving growth space for Mason's key employers. The R&D Park is routinely a go-to asset for the Cincinnati Region and State of Ohio when submitting competitive proposals to site consultants to win top projects. It has been through the SiteOhio Site readiness process, meaning it is enhanced by the rigorous

standards put in place via a multi-year process by staff and City expenditures to demonstrate readiness.



Western Row Development is a 27-acre future office park companion development with Dorothy Lane Market as a catalytic business partner.

The diversity of the economic base provided shelter during the pandemic as manufacturing remained an essential operation within a large majority of the portfolio. This same diversity also allowed the City to thrive, reporting continued investment and the announcement of additional projects in early 2021, such as the Western Row Land Development (WRLD) mixed-use development located on the former Western Row Golf Course. Construction began in 2022 on this development now known as Mosaic. The anchor of Mosaic is Dorothy Lane Market (DLM) which will serve as a catalyst business partner to commercial, 103 single family residential units and future 27-acres of City-owned office park. The \$156 million development helps the City serve the community. The broad business base, including the international clientele, will leverage a regionally distinct centerpiece in DLM that is anticipated to drive interest in the future office park that can accommodate up to 200,000 square feet of office and 800 jobs.

Efforts continue to focus on growth sectors and emerging markets that bring high rates of return to the City and are the targets of the City's economic strategy. Mason continues to see a surge in the interest of land sales and new construction in the industrial, manufacturing, and specialty healthcare sectors. Recognizing that the regional market outlook is seeing continued signs of recovering activity into the next several years, Mason has positioned itself to be at the forefront of positive commercial activity. Mason has put significant effort into partnerships and creativity in economic development resulting in successful attention within the business community and the creation of

investment and jobs. In addition, the combination of Mason’s physical location, municipal facilities, developable terrain, services and utilities, and the progressive attitude and actions of City Council, administration, and citizens are strong assets and support company decisions to build and grow in the City.



Bon Secours Mercy Health is constructing a new \$200 million, 172,500 sf hospital along the I-71 Mason Innovation Corridor. This new hospital, with a focus on acute emergency and orthopedic care, fills a gap in area health care and is projected to open in 2024.

LONG-TERM FINANCIAL PLANNING

As part of the annual budgeting process, City administration prepares a capital improvement plan for the next five years. City Council then reviews and prioritizes projects. In addition to the capital improvement plan, the City of Mason uses a financial forecast of both operating and capital expenditures. Using these tools, Council makes policy decisions and allocates financial resources for long-term financial planning.

RELEVANT FINANCIAL POLICIES

In 2012, Mason voters approved a unique funding mechanism for the City’s emergency services. Beginning in 2013, fire and EMS services are supported by a combination of property and income taxes. Rates for each can be adjusted annually as the need rises and falls but cannot exceed the approved maximum amount of five mills for the property tax and .15% for the income tax. The new method of funding replaced an expiring property tax levy and distributes the cost of the services to both the property owners and business employees served by Mason’s emergency responders.

The City of Mason continues its policy of using only reliable financial resources when budgeting for operating costs. One-time resources and resources at risk of being eliminated are used for one-time expenditures, capital improvements, or debt reduction. In consideration, the City of Mason continues to decrease its reliance upon decreasing revenue sources for operating expenses. This has minimized the operational impact of the state’s further reduction of support to local governments including the elimination of the estate tax.

MAJOR INITIATIVES

Mason’s citizens are the City’s greatest asset. Therefore, in preparing each year’s budget, our residents’ needs for services and the safeguarding of their environment in conformity with applicable federal and state standards are the government’s greatest priority. Mason’s success has been its ability to equitably balance the needs of residents and businesses.

Major projects that occurred in 2022 that position the City for future economic growth and improvement include:

Mason Municipal Aquatic Center

Mason Municipal Aquatic Center is a \$25 million project featuring a new heated leisure pool as well as an enclosed 50-meter pool. The outdoor leisure pool and spray park was finished at the beginning of the 2021 summer pool season and the indoor 50-meter pool was completed in 2022.

State Route 741 Road Improvement

State Route 741 is a major corridor for the City of Mason that includes interchange access to I-71, access to Kings Island Drive leading to Kings Island Amusement Park, the entrance to the Linder Family Tennis Center and connects to I-75 north of the City via State Route 63. The northeast portion of the City along State Route 741 includes the Mason Research & Development Park. This is a 500-acre planned development currently home to Masters Drug Company (a McKesson Company) VEGA Americas and soon to be home to Rhinestahl Corporation, SPS Technologies and Precision Castparts Corporation

(PCC). This prime location is a short distance to I-71 and I-75 making the Mason R&D Park a key part of future economic development activity for targeted hi-tech, research, aerospace, and other advanced manufacturing companies to be connected in a master planned environment. This multi-phased multi-year improvement project continues on track with completion of the new round-a-bout at Mason Research Parkway and improvements between Avalon Drive and US 42. 2023 will see improvements on S.R. 741 between US 42 and Cox-Smith Road.



The new S.R. 741 Round-a-bout at Mason Research Parkway opens development opportunities in the northeast section of Mason. Vega Americas building (background) opened in summer of 2022.

Looking Ahead to the Future

The City continues to see stable income tax revenue with increases impacted by economic development activity. The City of Mason seeks the opportunity to maintain its level of services while cautiously evaluating where additional service is needed. A core principle of the City's financial policies is reinvesting into capital assets while maintaining balances to stabilize future economic downturns. This policy continues even as the economic impact of the pandemic is realized through supply chain issues and rising inflation. The City of Mason is prepared for national economic uncertainty and changes in state policy that may place pressure on the City budget in

Sincerely,

Eric Hansen
City Manager

2023 and subsequent years. Investment in long-term economic development activity will continue to be a priority.

Accomplishments to look forward to in 2023 include:

- Continuing the \$29 million State Route 741 multiphase improvements.
- U.S. 42 roundabouts and sewer improvements.
- Park improvements including Adaptive Ballfields at Makino Park.
- Golf course long-term planning/reinvestment.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mason for its comprehensive annual financial report for the fiscal year ended December 31, 2021. Mason has been awarded the Certificate of Achievement each year beginning in 1997. To be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement Program requirements. It is being submitted to GFOA to determine its eligibility for an award for another certificate.

Our most sincere appreciation is extended to all members of the staff whose efforts have made this report possible, to Assistant Finance Director Mary Mueller, and to the staff of Plattenburg & Associates, Inc., for their dedicated service in the preparation of this comprehensive annual financial report.

Joseph J. Reigelsperger
Finance Director

THE CITY OF MASON, OHIO

LIST OF PRINCIPAL OFFICIALS

December 31, 2022

COUNCIL MEMBERS

Mayor	Barbara Spaeth
Vice Mayor	Diana K. Nelson
Council Member	Tony Bradburn
Council Member	Ashley Chance
Council Member	Mark Haake
Council Member	Kathy Grossmann
Council Member	Josh Styrcula

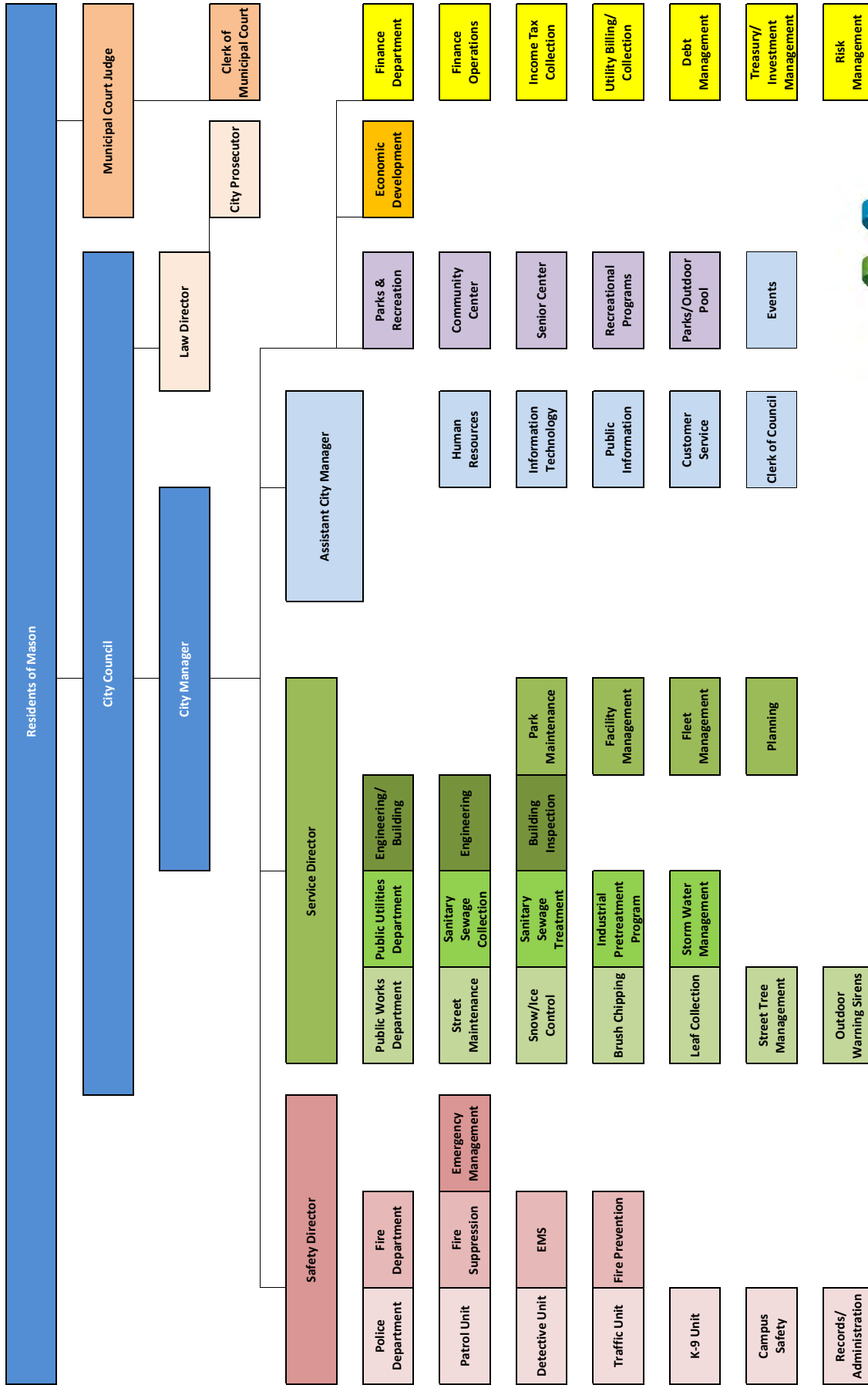
COUNCIL APPOINTED OFFICIALS

City Manager	Eric Hansen
Law Director	Jeff Forbes
Clerk of Council	Lisa Ahr

DEPARTMENT HEADS

Parks & Recreation Director	Chrissy Avery
Economic Development Director	Michele Blair
Fire Chief	Bryan Brumagen
Chief of Police	J. Levi Wells
Assistant City Manager	Jennifer Heft
Public Utilities Director	D. Shawn Hollan
Finance Director	Joe Reigelsperger
City Engineer	Kurt Seiler
Public Works Director	Ryan Tyree

City of Mason Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mason
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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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

City Council
City of Mason
Warren County
6000 Mason-Montgomery Road
Mason, Ohio 45040

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mason, 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 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 financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section 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 July 28, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.

Cincinnati, Ohio

July 28, 2023

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

As management of the City of Mason, we offer readers of the City of Mason's financial statement this narrative overview and analysis of the financial activities of the City of Mason for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

The assets and deferred outflows of the City of Mason exceeded its liabilities and deferred inflows at the close of 2022 by \$478,672,098 (net position). Of this amount, \$102,143,181 is considered unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted balance is 145.5 percent of the 2022 expenses of \$70,213,636.

- The city's total net position increased by \$36,779,248.
- Net position of the governmental activities (defined below) increased \$30,403,288. Net position of the business-type activities (also defined below) increased \$6,375,690.
- Net depreciable capital assets increased by \$27,014,341 due to the completion of the aquatic center as well as a major road project.
- Net pension liability was \$28,005,745 for 2022 which is a decrease of \$5,260,440 from 2021.
- The total cost of the City's programs increased \$7,180,522 which is a 11.4 percent increase from 2021. The cost of governmental activities increased \$6,013,005 or 13.5 percent, while the cost of business-type activities increased \$1,167,517 or 6.3 percent.
- The charges for services also increased \$1,341,524 or 4.9%. This was mainly due to an increase in Community Center revenue and a return of pre-pandemic activities.
- As of the close of the 2022 fiscal year, the city's governmental funds reported combined ending fund balances of \$154,066,102, an increase of \$15,556,832 in comparison with the prior year.

Overview of the Financial Statements

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

1) Government-wide financial statements.

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

The *statement of net position* presents information on all of the city's assets, and deferred outflows and liabilities, and deferred inflows with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

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 the cash flows. Thus, revenue and expenses reported in this statement for some items may 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 governmental activities from business-type activities. **Governmental activities** are principally supported by taxes and intergovernmental revenues. These include general government, public safety, leisure time activities, community development, and transportation/street repair. **Business-type activities** are intended to recover all or a significant portion of their costs through user fees or charges. The city includes five enterprise activities under business-type activities: a sanitary sewer system, a storm water system, waste collection system, golf course, and the community center activities.

2) Fund financial statements.

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

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 the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

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

The city maintains 27 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 three major funds: the general fund, street construction maintenance and repair fund, and the safety fund. Data for the other 24 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.

Proprietary funds. The city maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

financial statements. The city uses enterprise funds to account for its sanitary sewer, stormwater, waste collection, golf course, and community center operations.

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 sanitary sewer, waste collection, stormwater, community center, and golf course funds. Statements for these funds are provided elsewhere in this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as fines collected by Mason Municipal Court. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the city's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

3) 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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the city's general fund budget, street construction maintenance and repair fund budget, and the safety fund budget. The city adopts an annual appropriation budget for each fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The city's assets and deferred outflows exceeded liabilities and deferred inflows by \$478,672,098 at the close of the most recent fiscal year.

The largest portion of the city's net position (68.5 percent) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure) less any related outstanding debt used to acquire those assets. The city used these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the city's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the city's net position (10.1 percent) represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position \$102,143,181 may be used to meet the city's on-going obligations to citizens and creditors. It is

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

important to note that the unrestricted net position of the city's business-type activities \$29,776,785 may not be used to fund governmental activities.

At the end of the current fiscal year, the city was able to report positive balances in all three categories of net position: for the government as a whole and for its separate governmental and business-type activities.

Overall net position of the city increased \$36,779,248 in 2022. Net position for governmental activities increased \$30,403,288, while net position for business-type activities increased \$6,375,960. The increase in net position for 2022 was \$2,508,811 (7.3 percent) greater than the increase in net position for 2021 of \$34,270,437.

City of Mason
Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2022</u>	2021 <u>Restated</u>	<u>2022</u>	2021 <u>Restated</u>	<u>2022</u>	2021 <u>Restated</u>
Assets						
Current and other assets	\$174,687	\$163,547	\$53,887	\$53,084	\$228,574	\$216,631
Capital assets	<u>256,107</u>	<u>246,134</u>	<u>124,262</u>	<u>120,844</u>	<u>380,369</u>	<u>366,978</u>
Total assets	<u>430,794</u>	<u>409,681</u>	<u>178,149</u>	<u>173,928</u>	<u>608,943</u>	<u>583,609</u>
Total deferred outflows of resources	<u>12,368</u>	<u>8,901</u>	<u>834</u>	<u>467</u>	<u>13,202</u>	<u>9,368</u>
Liabilities						
Long-term liabilities outstanding	50,192	53,211	9,721	11,262	59,913	64,473
Net Pension liability	26,538	31,043	1,468	2,223	28,006	33,266
Net OPEB liability	3,981	3,877	0	0	3,981	3,877
Other liabilities	<u>6,621</u>	<u>6,532</u>	<u>1,606</u>	<u>608</u>	<u>8,227</u>	<u>7,140</u>
Total liabilities	<u>87,332</u>	<u>94,663</u>	<u>12,795</u>	<u>14,093</u>	<u>100,127</u>	<u>108,756</u>
Total deferred inflows of resources	<u>22,225</u>	<u>20,717</u>	<u>21,121</u>	<u>21,611</u>	<u>43,346</u>	<u>42,328</u>
Net Position						
Net investment in capital assets	213,289	205,583	114,750	109,957	328,039	315,540
Restricted	47,950	36,590	540	0	48,490	36,590
Unrestricted	<u>72,366</u>	<u>61,029</u>	<u>29,777</u>	<u>28,734</u>	<u>102,143</u>	<u>89,763</u>
Total Net Position	<u>\$333,605</u>	<u>\$303,202</u>	<u>\$145,067</u>	<u>\$138,691</u>	<u>\$478,672</u>	<u>\$441,893</u>

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

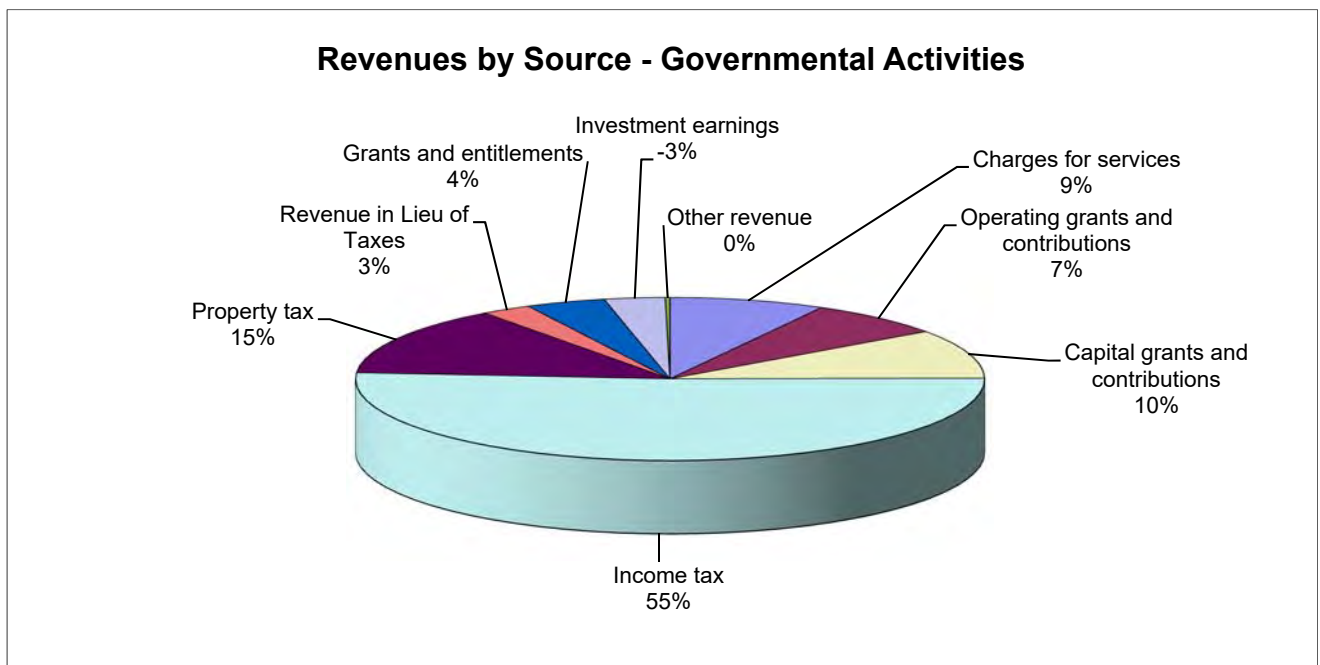
City of Mason
Changes in Net Position
(amounts expressed in thousands)

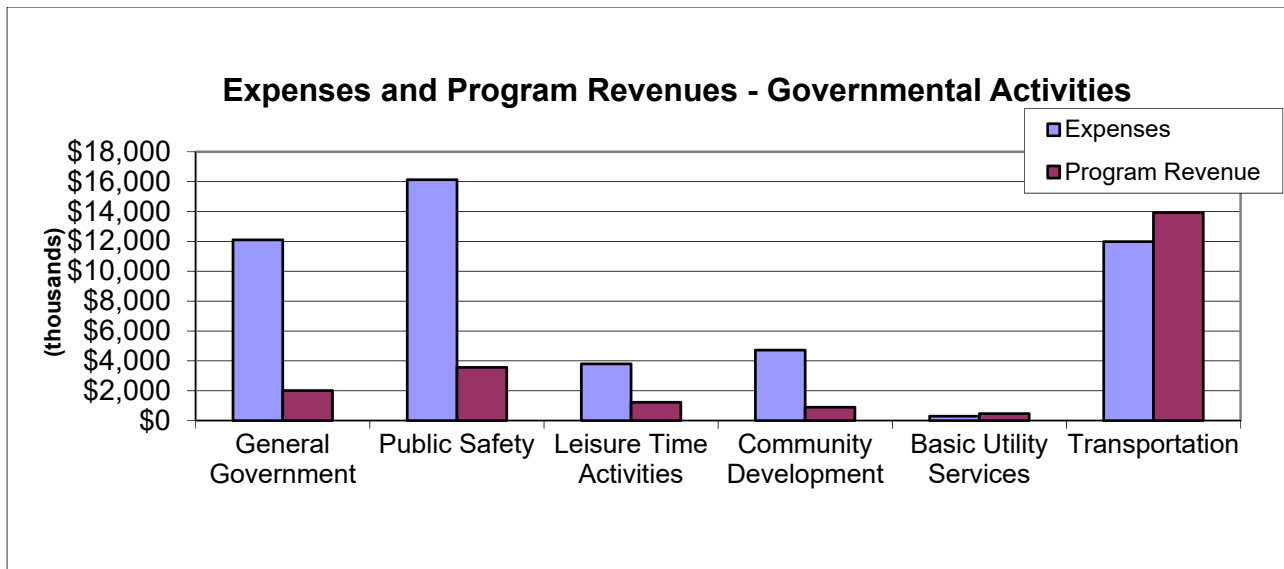
	Governmental Activities		Business-type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program revenues:						
Charges for services	\$7,122	\$6,952	\$21,567	\$20,396	\$28,689	\$27,348
Operating grants and contributions	6,326	3,257	0	0	6,326	3,257
Capital grants and contributions	8,633	7,332	2,369	2,132	11,002	9,464
General revenues:						
Income tax	45,543	45,435	0	0	45,543	45,435
Property tax	12,219	7,363	0	0	12,219	7,363
Revenue in Lieu of Taxes	2,284	2,175	0	0	2,284	2,175
Grants and entitlements	3,640	2,632	0	0	3,640	2,632
Investment earnings	(2,773)	(441)	(239)	(187)	(3,012)	(628)
Other revenue	213	224	89	34	302	258
Total Revenues	<u>83,207</u>	<u>74,929</u>	<u>23,786</u>	<u>22,375</u>	<u>106,993</u>	<u>97,304</u>
Expenses:						
General Government	12,104	10,019	0	0	12,104	10,019
Public Safety	16,127	14,287	0	0	16,127	14,287
Leisure Time Activities	3,803	2,845	0	0	3,803	2,845
Community Development	4,722	3,818	0	0	4,722	3,818
Basic Utility Services	293	292	0	0	293	292
Transportation	11,983	11,707	0	0	11,983	11,707
Interest and fiscal charges	1,399	1,450	0	0	1,399	1,450
Sewer utility	0	0	6,450	5,405	6,450	5,405
Waste Collection	0	0	2,095	1,936	2,095	1,936
Stormwater utility	0	0	1,498	1,328	1,498	1,328
Community Center	0	0	6,232	6,835	6,232	6,835
Golf Course	0	0	3,508	3,111	3,508	3,111
Total Expenses	<u>50,431</u>	<u>44,418</u>	<u>19,783</u>	<u>18,615</u>	<u>70,214</u>	<u>63,033</u>
Increase (decrease) in net position before transfers	32,776	30,511	4,003	3,760	36,779	34,271
Transfers - internal activities	(2,373)	(2,785)	2,373	2,785	0	0
Increase (decrease) in Net Position	<u>30,403</u>	<u>27,726</u>	<u>6,376</u>	<u>6,545</u>	<u>36,779</u>	<u>34,271</u>
Net Position beginning of year	<u>303,202</u>	<u>275,476</u>	<u>138,691</u>	<u>132,146</u>	<u>441,893</u>	<u>407,622</u>
Net Position end of year	<u>\$333,605</u>	<u>\$303,202</u>	<u>\$145,067</u>	<u>\$138,691</u>	<u>\$478,672</u>	<u>\$441,893</u>

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

Governmental activities. Governmental activities increased the city's net position by \$30,403,288. Key elements of the changes in net position are as follows:

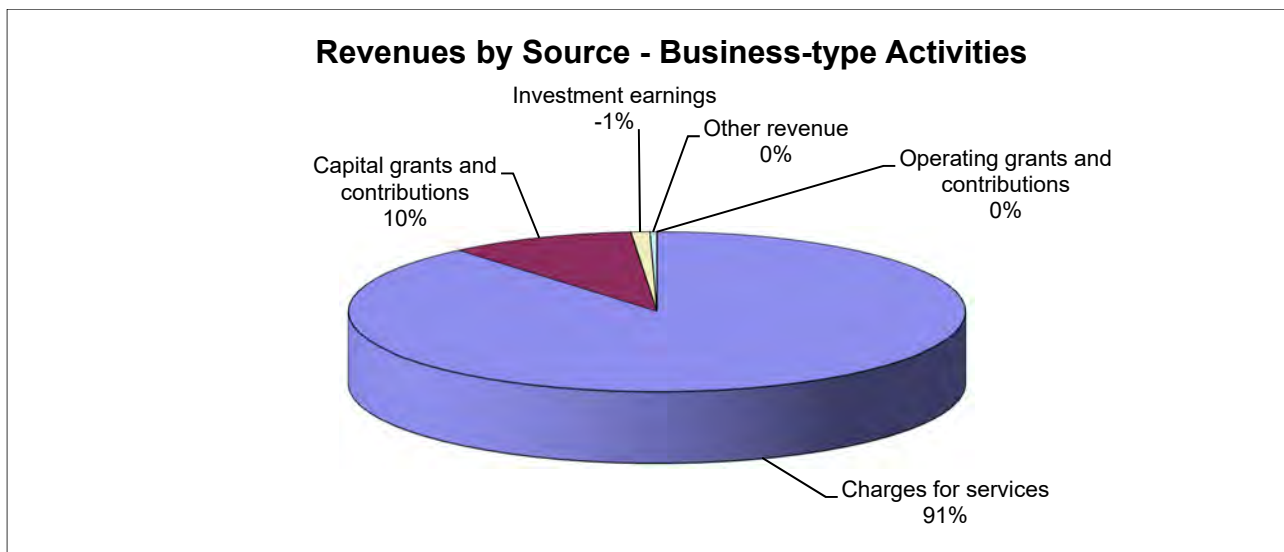
- Property tax advances were significantly higher than last year.
- Charges for services increased \$170,367 (2.5 percent) due to an increase in recreation program revenue.
- Operating grants increased \$3,069,124 (94.2 percent) due to American Rescue Plan Act grant.
- Income tax collection remained steady.
- Expenses increased by \$6,013,005 (13.5 percent). Increased expense was from a significant increase pension liability.



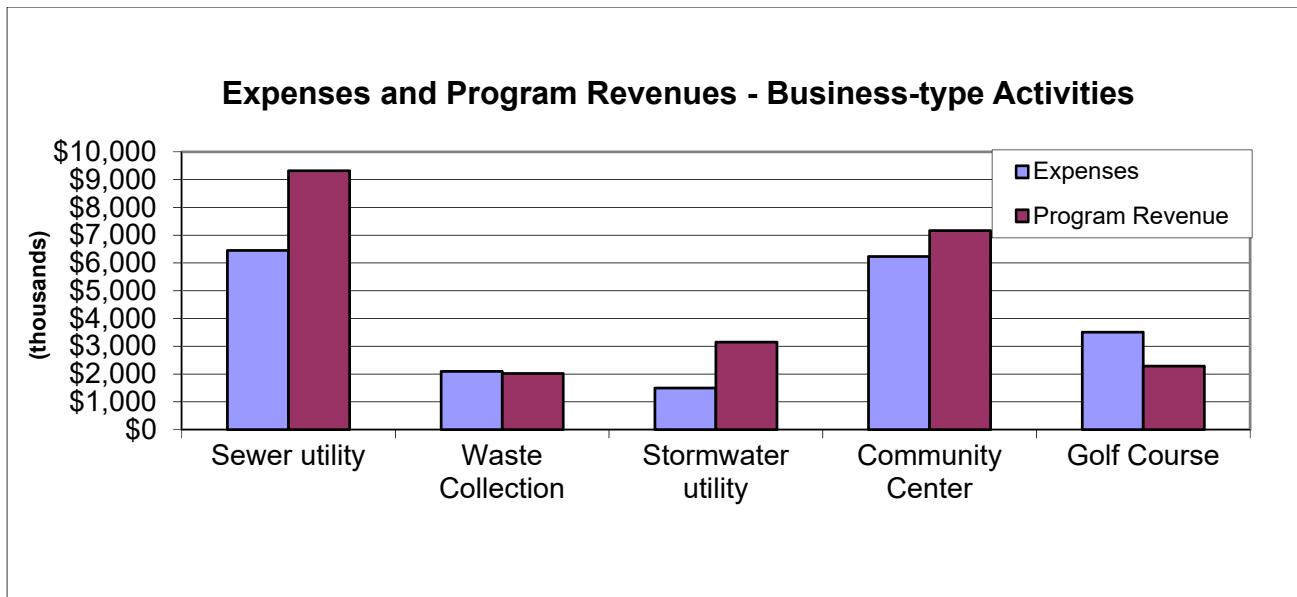


Business-type activities. Business-type activities increased the city's net position by \$6,375,960. Key elements of the changes in net position are as follows:

- Charges for services increased \$1,171,157 (5.7 percent). Most of the increase was from increased Community Center revenue.
- Expenses for business-type activities increased \$1,167,517 (6.3 percent). This was generally from operating cost increase of \$1,044,559 (19.3 percent) at the sewer plant as the cost of operating the facility increased.



City of Mason, Ohio
Management’s Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022



Financial Analysis of the Government’s Funds

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

Governmental funds. The focus of the City of Mason’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 Mason’s financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government’s net resources that are available for spending at the end of the fiscal year. As of the end of the fiscal year, the City of Mason’s governmental funds reported combined ending fund balances of \$154,066,102 an increase of \$15,556,832 in comparison with the prior year.

The general fund is the chief operating fund of the city. On December 31, 2022, the unassigned fund balance of the general fund was \$31,561,926, while the total fund balance was \$106,136,175. The city’s general fund balance increased by \$11,103,666 during the current fiscal year. Revenues increased by \$1,115,506 (2.1 percent) from increases in property tax advances. Current expenditures decreased \$10,328,483 (22.7 percent) due to decreased capital outlay.

Street construction, maintenance and repair fund provides for improvement and significant maintenance activity on the street and transportation infrastructure. Capital outlay and related grants increased in 2022 for roundabout construction and improvement to State Route 741.

The safety fund provides public safety services to the City of Mason using revenue from a charter amendment. In November 2012, a charter amendment was approved by the voters authorizing up to five-mill property tax levy and up to an additional 0.15% income tax to provide funding for safety, fire, and emergency medical services. Council continued the 4.4 mills for 2018 and the total income tax rate of 1.12% including 0.12% that would be transferred for safety services. The fund balance

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

increased by \$3,820,233. Revenue increased by \$3,069,948 (50.78 percent) due to property taxes. Expenditures increased \$427,546 (5.0% percent) due to operational cost increases. \$3,696,780 was transferred from the General Fund for the additional 0.12% income tax percent.

Proprietary funds. The proprietary fund financial statements provide the same information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the sewer fund at the end of the year amounted to \$23,272,821 with a total increase in net position of \$2,314,362. Unrestricted net position for the storm water utility fund at the end of the year amounted to \$5,221,369, with a growth in net position of \$1,535,847. Unrestricted net position for the community center fund at the end of the year amounted to a negative \$715,189, but with a total change in net position of \$1,471,849. Unrestricted net position for the golf course fund at the end of the year amounted to \$992,173 with a change in net position of \$1,149,099. Other factors concerning the finances of these funds have already been addressed in the discussion of the city's business-type activities.

Budgetary Highlights

The schedule comparing the City's original and final budgets and actual results are included in the required supplementary information. The original revenue budgets are very conservative estimates and are adjusted if needed for additional appropriation near the end of the year based on actual revenue. During the year, City Council will re-appropriate funds or provide supplemental appropriations based on the changes that occurred since the adoption of the original budget. Significant differences between the original and final budgets are as follows:

General fund. During the year 2022, there was a \$39,266,936 increase in appropriations between the original and the final amended budget. The total original appropriations, including those for transfers out, were \$9,250,000 while the final appropriations were \$29,250,000. An additional \$20,000,000 was transferred to the General Capital Improvement Fund for future capital projects. The increase in appropriations was possible because of additional revenues collected which exceeded the conservative estimated revenues. The original estimated revenue was \$40,740,500. The actual revenue received was \$56,189,853. This increase was mainly due to increased income and motel tax collections.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounted to \$380,368,050 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, system improvements, machinery and equipment, park facilities, roads, streets, and traffic signals. The increase in the city's investment in capital assets for 2022 over 2021 was 3.6 percent.

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

City of Mason
Capital Assets
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$78,965	\$78,608	\$10,753	\$10,753	\$89,718	\$89,361
Construction in Progress	20,617	38,472	4,193	319	24,810	38,791
Buildings and Improvements	81,665	57,972	55,189	54,643	136,854	112,615
Machinery and Equipment	27,406	26,441	14,134	13,453	41,540	39,894
Infrastructure	120,304	113,847	109,548	107,658	229,852	221,505
Accumulated Depreciation	<u>(72,850)</u>	<u>(69,206)</u>	<u>(69,556)</u>	<u>(65,983)</u>	<u>(142,406)</u>	<u>(135,189)</u>
Total	<u>\$256,107</u>	<u>\$246,134</u>	<u>\$124,261</u>	<u>\$120,843</u>	<u>\$380,368</u>	<u>\$366,977</u>

Major capital events during the current fiscal year included the following:

- Mason Municipal Aquatic Center construction completion.
- 741/Parkside construction was completed.
- Golf course improvements are in progress.

Additional information on the city's capital assets can be found in note 7 of the notes to the basic financial statements.

Long-term debt. On December 31, 2022, the city had \$53,805,000 of long-term debt outstanding (bonds and certificates of participation). Of this amount, \$43,725,000 comprises debt backed by the full faith and credit of the government. Certificates of participation outstanding of \$5,290,000 on December 31, 2022, are for the Community Center. Revenue bonds in the governmental activity of \$745,000 are funded through tax increment financing. All figures above and the table below do not include premiums and discounts.

No new long-term debt was issued in 2022.

The city continues to maintain the highest rating, "Aaa" from Moody's Investors Service for its general obligation bonds. This rating was reviewed in 2022.

City of Mason's Outstanding Debt
General Obligation and Revenue Bonds Outstanding
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$43,725	\$46,370	\$4,045	\$4,710	\$47,770	\$51,080
Certificates of Participation	0	0	5,290	5,975	5,290	5,975
Revenue Bonds	<u>745</u>	<u>960</u>	<u>0</u>	<u>0</u>	<u>745</u>	<u>960</u>
Total	<u>\$44,470</u>	<u>\$47,330</u>	<u>\$9,335</u>	<u>\$10,685</u>	<u>\$53,805</u>	<u>\$58,015</u>

The city is within all its legal debt limitations. The Ohio Revised code provides that the net debt (as defined in the Ohio Revised code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total 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

City of Mason, Ohio
Management's Discussion and Analysis
(Unaudited)
For the Year Ended December 31, 2022

ratio of debt to tax valuation and expressed in terms of a percentage. On December 31, 2022, the city's total net debt of 3.07% of the total assessed value of all property within the city is within the 10.5% and 5.5% debt limitation for voted and unvoted debt, respectively. The aggregate amount of the city's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions of ten mills. This millage is measured against the property values in each overlapping district. On December 31, 2022, the millage amount was 6.98 mills, of which 4.49 mills were restricted by the City of Mason for unvoted debt.

Additional information regarding the city's long-term debt can be found in notes 9-10 of the notes to the basic financial statements.

Economic Factors and Next Year's Budgets

The City of Mason is located in Warren County, which currently has an unemployment rate of 2.9 percent. As of December 31, 2022, the rate was 2.9 percent. The City's current unemployment rate is 2.8 percent. As of December 31, 2022, this rate was 3.1 percent which is lower than the current Ohio rate of 3.6 percent and lower than the national rate of 3.3 percent (not seasonally adjusted). By promoting economic growth in Mason, the city continues to attract desirable commercial enterprises. Intense competition continues to force the city to be aggressive in its economic development objectives of increasing investment, creating employment opportunities, and retaining businesses that have already been established in Mason.

The 2023 budget was prepared in a manner similar to prior years by conservatively estimating revenue while seeking opportunities for cost savings. Based on continued concerns about the loss of state support, every effort is made to reduce expenditures with minimal impact to the current level of services and maintaining capital assets. As part of the budget process, a capital improvement plan was completed and evaluated for 2023 and future years. 2023 continues to be a year where substantial effort and planning occurs for long-term capital improvements especially for roadways while parks and recreational facility improvements continue. The total appropriations budgeted for 2023 including transfers and capital outlay (\$134,378,979) is sixteen percent higher than the 2022 original appropriations (\$116,092,428) due to capital projects and rising inflationary cost of operations. Stable capital improvements and conservative revenue estimates were also important elements to the budget.

Request for Information

This financial report is designed to provide a general overview of the City of Mason's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joe Reigelsperger, Finance Director, City of Mason, 6000 Mason-Montgomery Road, Mason, Ohio 45040, or by e-mail to finance@masonoh.org.

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

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$146,003,267	\$38,047,510	\$184,050,777
Receivables (Net):			
Taxes	13,471,037	0	13,471,037
Accounts	175,938	1,274,170	1,450,108
Interest	458,145	107,004	565,149
Intergovernmental	5,146,852	0	5,146,852
Leases	783,828	18,894,135	19,677,963
Special Assessments	1,619,729	0	1,619,729
Internal Balances	5,250,000	(5,250,000)	0
Inventory	364,527	265,277	629,804
Prepaid Items	0	10,026	10,026
Net OPEB Asset	1,413,755	539,894	1,953,649
Nondepreciable Capital Assets	99,581,999	14,945,771	114,527,770
Depreciable Capital Assets, Net	156,524,709	109,315,571	265,840,280
Total Assets	430,793,786	178,149,358	608,943,144
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pension	648,679	0	648,679
Other Postemployment Benefits	9,267,120	813,633	10,080,753
	2,452,124	20,430	2,472,554
Total Deferred Outflows of Resources	12,367,923	834,063	13,201,986
Liabilities:			
Accounts Payable	557,414	211,022	768,436
Accrued Wages and Benefits	1,020,999	183,998	1,204,997
Contracts Payable	1,947,697	716,986	2,664,683
Retainage Payable	350,877	270,428	621,305
Accrued Interest Payable	115,575	17,811	133,386
Unearned Revenue	1,572,783	0	1,572,783
Claims Payable	629,335	0	629,335
Intergovernmental Payable	425,880	0	425,880
Long-Term Liabilities:			
Due Within One Year	4,088,986	1,594,655	5,683,641
Due In More Than One Year			
Bonds	46,103,028	3,600,111	49,703,139
Certificate of Participation	0	4,526,083	4,526,083
Net Pension Liability	26,537,637	1,468,108	28,005,745
Net Other Postemployment Benefits Liability	3,981,448	0	3,981,448
Compensated Absences	0	206,680	206,680
Total Liabilities	87,331,659	12,795,882	100,127,541
Deferred Inflows of Resources:			
Property Taxes	4,809,419	0	4,809,419
Grants and Other Taxes	1,142,950	0	1,142,950
Leases	760,362	18,681,031	19,441,393
Pension	12,488,731	1,837,433	14,326,164
Other Postemployment Benefits	3,023,317	602,248	3,625,565
Total Deferred Inflows of Resources	22,224,779	21,120,712	43,345,491
Net Position:			
Net Investment in Capital Assets	213,288,764	114,750,148	328,038,912
Restricted for:			
Debt Service	5,000,601	0	5,000,601
Street Improvements	13,077,912	0	13,077,912
Public Safety	20,415,582	0	20,415,582
Parks and Recreation	808,820	0	808,820
Tax increment Financing Projects	7,220,386	0	7,220,386
Net OPEB Asset	1,413,755	539,894	1,953,649
Other Purposes	13,055	0	13,055
Unrestricted	72,366,396	29,776,785	102,143,181
Total Net Position	\$333,605,271	\$145,066,827	\$478,672,098

See accompanying notes to the basic financial statements.

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

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$12,104,549	\$2,000,133	\$13,055	\$0	(\$10,091,361)	\$0	(\$10,091,361)
Public Safety	16,126,741	2,875,429	686,337	0	(12,564,975)	0	(12,564,975)
Community Development	4,721,502	892,913	0	0	(3,828,589)	0	(3,828,589)
Leisure Time Activities	3,803,416	820,553	400,000	0	(2,582,863)	0	(2,582,863)
Transportation and Street Repair	11,983,207	68,006	5,226,710	8,633,174	1,944,683	0	1,944,683
Basic Utility Service	292,888	464,997	0	0	172,109	0	172,109
Interest and Other Charges	1,398,528	0	0	0	(1,398,528)	0	(1,398,528)
Total Governmental Activities	50,430,831	7,122,031	6,326,102	8,633,174	(28,349,524)	0	(28,349,524)
Business-Type Activities:							
Sewer	6,449,937	8,511,358	0	807,266	0	2,868,687	2,868,687
Waste Collection	2,094,816	2,020,588	0	0	0	(74,228)	(74,228)
Stormwater Utility	1,497,845	1,587,057	0	1,561,358	0	1,650,570	1,650,570
Community Center	6,231,882	7,163,855	0	0	0	931,973	931,973
Golf Course	3,508,325	2,284,424	0	0	0	(1,223,901)	(1,223,901)
Total Business-Type Activities	19,782,805	21,567,282	0	2,368,624	0	4,153,101	4,153,101
Totals	\$70,213,636	\$28,689,313	\$6,326,102	\$11,001,798	(28,349,524)	4,153,101	(24,196,423)
General Revenues:							
Income Taxes					45,543,215	0	45,543,215
Property Taxes Levied for:							
General Purposes					1,049,844	0	1,049,844
Special Revenue Purposes					7,913,919	0	7,913,919
Debt Service Purposes					3,255,341	0	3,255,341
Grants and Entitlements, Not Restricted					3,640,233	0	3,640,233
Revenue in Lieu of Taxes					2,283,907	0	2,283,907
Investment Earnings					(2,773,121)	(238,795)	(3,011,916)
Other Revenues					212,474	88,654	301,128
Transfers-Internal Activities					(2,373,000)	2,373,000	0
Total General Revenues and Transfers					58,752,812	2,222,859	60,975,671
Change in Net Position					30,403,288	6,375,960	36,779,248
Net Position - Beginning of Year					303,201,983	138,690,867	441,892,850
Net Position - End of Year					\$333,605,271	\$145,066,827	\$478,672,098

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Balance Sheet
Governmental Funds
December 31, 2022

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$97,907,053	\$14,952,879	\$18,031,887	\$15,111,448	\$146,003,267
Receivables (Net):					
Taxes	5,897,716	0	5,438,581	2,134,740	13,471,037
Accounts	139,390	6,089	0	30,459	175,938
Interest	338,172	52,971	66,743	259	458,145
Intergovernmental	1,089,532	2,161,933	362,526	1,532,861	5,146,852
Leases	783,828	0	0	0	783,828
Special Assessments	4,631	0	0	1,615,098	1,619,729
Interfund	5,380,000	0	0	0	5,380,000
Inventory	344,472	0	20,055	0	364,527
Total Assets	111,884,794	17,173,872	23,919,792	20,424,865	173,403,323
Liabilities:					
Accounts Payable	308,749	0	71,097	177,568	557,414
Accrued Wages and Benefits	677,447	0	329,305	14,247	1,020,999
Contracts Payable	1,061,225	849,155	33,369	3,948	1,947,697
Retainage Payable	101,018	249,859	0	0	350,877
Interfund Payable	0	0	0	130,000	130,000
Unearned Revenue	0	0	0	1,572,783	1,572,783
Claims Payable	629,335	0	0	0	629,335
Intergovernmental Payable	147,310	0	278,570	0	425,880
Total Liabilities	2,925,084	1,099,014	712,341	1,898,546	6,634,985
Deferred Inflows of Resources:					
Property Taxes	418,109	0	3,290,581	1,285,740	4,994,430
Income Taxes	1,097,001	0	0	0	1,097,001
Grants and Other Taxes	312,416	1,756,780	362,526	1,502,894	3,934,616
Special Assessments	4,631	0	0	1,615,098	1,619,729
Unavailable Amounts	231,016	32,136	32,819	127	296,098
Leases	760,362	0	0	0	760,362
Total Deferred Inflows of Resources	2,823,535	1,788,916	3,685,926	4,403,859	12,702,236
Fund Balances:					
Nonspendable	471,026	0	20,055	0	491,081
Restricted	0	14,285,942	19,501,470	13,492,880	47,280,292
Committed	0	0	0	686	686
Assigned	74,103,223	0	0	655,762	74,758,985
Unassigned	31,561,926	0	0	(26,868)	31,535,058
Total Fund Balances	106,136,175	14,285,942	19,521,525	14,122,460	154,066,102
Total Liabilities, Deferred Inflows and Fund Balances	\$111,884,794	\$17,173,872	\$23,919,792	\$20,424,865	\$173,403,323

See accompanying notes to the basic financial statements

City of Mason, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2022

Total Governmental Fund Balance \$154,066,102

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

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds.

Capital assets used in the operation of Governmental Funds 256,106,708

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

Income Taxes	1,097,001	
Delinquent Property Taxes	185,011	
Interest	225,280	
Intergovernmental	2,635,189	
Other Receivables	<u>1,847,024</u>	
		5,989,505

In the statement of net position interest payable is accrued when
 incurred; whereas, in the governmental funds interest is
 reported as a liability only when it will require the use of
 current financial resources. (115,575)

Some liabilities reported in the statement of net position do not
 require the use of current financial resources and, therefore,
 are not reported as liabilities in governmental funds.

Compensated Absences (2,468,742)

Deferred outflow of resources associated with long-term liabilities
 are not reported in the funds. 648,679

Deferred outflows and inflows or resources related to pensions
 and OPEB are applicable to future periods and, therefore, are not
 reported in the funds.

Deferred outflows of resources related to pensions	9,267,120	
Deferred inflows of resources related to pensions	(12,488,731)	
Deferred outflows of resources related to OPEB	2,452,124	
Deferred inflows of resources related to OPEB	<u>(3,023,317)</u>	
		(3,792,804)

Long-term liabilities are not due and payable in the current
 period and, therefore, are not reported in the funds.

Net OPEB Asset	1,413,755	
Bonds	(47,723,272)	
Net Pension Liability	(26,537,637)	
Net OPEB Liability	<u>(3,981,448)</u>	
		<u>(76,828,602)</u>

Net Position of Governmental Activities \$333,605,271

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2022

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	\$2,858,377	\$0	\$7,938,945	\$3,127,421	\$13,924,743
Income Taxes	47,301,479	0	0	0	47,301,479
Charges for Services	3,442,698	0	804,127	0	4,246,825
Investment Earnings	(2,130,699)	(315,955)	(421,690)	(22,117)	(2,890,461)
Intergovernmental	1,514,254	10,028,483	708,370	2,861,101	15,112,208
Special Assessments	0	0	0	137,778	137,778
Fines, Licenses & Permits	1,567,443	0	0	768,986	2,336,429
Revenue in Lieu of Taxes	0	0	0	2,468,081	2,468,081
Other Revenues	655,272	0	85,652	27,787	768,711
Total Revenues	55,208,824	9,712,528	9,115,404	9,369,037	83,405,793
Expenditures:					
Current:					
General Government	11,181,748	0	0	556,974	11,738,722
Public Safety	8,886,956	0	8,436,381	14,914	17,338,251
Community Development	3,012,315	0	0	1,798,746	4,811,061
Leisure Time Activities	3,003,730	0	0	0	3,003,730
Transportation and Street Repair	4,222,267	1,373,803	0	1,893,617	7,489,687
Basic Utility Service	292,888	0	0	0	292,888
Capital Outlay	4,262,153	11,516,633	556,218	9,071	16,344,075
Debt Service:					
Principal	0	0	0	2,860,000	2,860,000
Interest and Other Charges	0	0	0	1,530,281	1,530,281
Total Expenditures	34,862,057	12,890,436	8,992,599	8,663,603	65,408,695
Excess of Revenues Over (Under) Expenditures	20,346,767	(3,177,908)	122,805	705,434	17,997,098
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	11,501	0	0	0	11,501
Transfers In	0	0	3,696,780	3,189,589	6,886,369
Transfers (Out)	(9,182,433)	0	0	(76,936)	(9,259,369)
Total Other Financing Sources (Uses)	(9,170,932)	0	3,696,780	3,112,653	(2,361,499)
Net Change in Fund Balance	11,175,835	(3,177,908)	3,819,585	3,818,087	15,635,599
Fund Balance - Beginning of Year	95,032,509	17,463,850	15,701,292	10,311,619	138,509,270
Change in Reserve for Inventory	(72,169)	0	648	(7,246)	(78,767)
Fund Balance - End of Year	\$106,136,175	\$14,285,942	\$19,521,525	\$14,122,460	\$154,066,102

See accompanying notes to the basic financial statements.

City of Mason, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2022

Net Change in Fund Balance - Total Governmental Funds \$15,635,599

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

Governmental funds report capital asset additions as expenditures.
 However, in the statement of activities, the cost of those assets is
 allocated over their estimated useful lives as depreciation
 expense. This is the amount of the difference between capital
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	15,431,998	
Depreciation Expense	<u>(5,459,670)</u>	
		9,972,328

Governmental funds report pension and OPEB contributions as
 expenditures. However in the Statement of Activities, the cost
 of pension and OPEB benefits earned net of employee
 contributions are reported as pension and OPEB expense.

Pension Contributions	3,029,617	
Pension Expense	(910,725)	
OPEB Contributions	47,226	
OPEB Expense	<u>959,227</u>	
		3,125,345

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

Income Taxes	(1,758,264)	
Delinquent Property Taxes	(37,917)	
Interest	117,340	
Intergovernmental	471,756	
Other	<u>67,788</u>	
		(1,139,297)

Repayments of principal are an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net position. 2,860,000

In the statement of activities interest expense is accrued when incurred;
 whereas, in governmental funds an interest expenditure is reported
 when due. 15,393

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

Compensated Absences	(103,673)	
Amortization of Bond Premium	262,377	
Amortization of Deferred Charge on Refunding	(146,017)	
Change in Inventory	<u>(78,767)</u>	
		<u>(66,080)</u>

Change in Net Position of Governmental Activities \$30,403,288

See accompanying notes to the basic financial statements.

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

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	
Current Assets:						
Equity in Pooled Cash and Investments	\$23,959,246	\$1,003,424	\$5,242,914	\$6,302,092	\$1,539,834	\$38,047,510
Receivables (Net):						
Accounts	867,980	207,364	162,045	36,781	0	1,274,170
Interest	84,876	3,555	18,573	0	0	107,004
Leases	0	0	0	590,442	0	590,442
Inventory	45,402	0	0	53,796	166,079	265,277
Prepaid Items	0	0	0	10,026	0	10,026
Total Current Assets	24,957,504	1,214,343	5,423,532	6,993,137	1,705,913	40,294,429
Noncurrent Assets:						
Leases	0	0	0	18,303,693	0	18,303,693
Net OPEB Asset	202,176	3,859	24,898	308,961	0	539,894
Capital Assets:						
Nondepreciable Capital Assets	5,708,258	0	368,569	0	8,868,944	14,945,771
Depreciable Capital Assets, Net	51,873,894	0	39,343,679	14,569,780	3,528,218	109,315,571
Total Noncurrent Assets	57,784,328	3,859	39,737,146	33,182,434	12,397,162	143,104,929
Total Assets	82,741,832	1,218,202	45,160,678	40,175,571	14,103,075	183,399,358
Deferred Outflows of Resources:						
Pension	304,683	5,816	37,522	465,612	0	813,633
Other Postemployment Benefits	7,651	146	942	11,691	0	20,430
Total Deferred Outflows of Resources	312,334	5,962	38,464	477,303	0	834,063
Liabilities:						
Current Liabilities:						
Accounts Payable	129,493	0	6,479	57,466	17,584	211,022
Accrued Wages and Benefits	66,058	986	12,931	104,023	0	183,998
Compensated Absences	134,892	0	18,751	56,012	0	209,655
Contracts Payable	8,481	185,741	5,555	47,735	469,474	716,986
Retainage Payable	51,100	0	0	0	219,328	270,428
Accrued Interest Payable	0	0	0	10,457	7,354	17,811
Interfund Payable	0	0	0	5,250,000	0	5,250,000
Long-Term Liabilities Due Within One Year	0	0	0	705,000	680,000	1,385,000
Total Current Liabilities	390,024	186,727	43,716	6,230,693	1,393,740	8,244,900
Long-Term Liabilities:						
Bonds	0	0	0	0	3,600,111	3,600,111
Certificate of Participation	0	0	0	4,526,083	0	4,526,083
Net Pension Liability	549,767	10,495	67,703	840,143	0	1,468,108
Compensated Absences	143,631	32	16,700	46,317	0	206,680
Total Noncurrent Liabilities	693,398	10,527	84,403	5,412,543	3,600,111	9,800,982
Total Liabilities	1,083,422	197,254	128,119	11,643,236	4,993,851	18,045,882
Deferred Inflows of Resources:						
Leases	0	0	0	18,681,031	0	18,681,031
Pension	688,069	13,135	84,735	1,051,494	0	1,837,433
Other Postemployment Benefits	225,526	4,305	27,773	344,644	0	602,248
Total Deferred Inflows of Resources	913,595	17,440	112,508	20,077,169	0	21,120,712
Net Position:						
Net Investment in Capital Assets	57,582,152	0	39,712,248	9,338,697	8,117,051	114,750,148
Restricted for:						
Net OPEB Asset	202,176	3,859	24,898	308,961	0	539,894
Unrestricted	23,272,821	1,005,611	5,221,369	(715,189)	992,173	29,776,785
Total Net Position	\$81,057,149	\$1,009,470	\$44,958,515	\$8,932,469	\$9,109,224	\$145,066,827

See accompanying notes to the basic financial statements

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

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	
Operating Revenues:						
Charges for Services	\$8,511,358	\$2,020,588	\$1,587,057	\$7,163,855	\$2,284,424	\$21,567,282
Other Revenues	0	0	0	88,654	0	88,654
Total Operating Revenues	8,511,358	2,020,588	1,587,057	7,252,509	2,284,424	21,655,936
Operating Expenses:						
Personal Services	1,450,706	20,669	184,256	1,907,931	0	3,563,562
Contractual Services	1,742,966	2,074,147	255,630	3,040,340	2,144,379	9,257,462
Materials and Supplies	770,088	0	126,404	586,704	956,005	2,439,201
Depreciation	2,472,068	0	931,555	492,729	212,666	4,109,018
Other Expense	14,109	0	0	54,588	128,422	197,119
Total Operating Expenses	6,449,937	2,094,816	1,497,845	6,082,292	3,441,472	19,566,362
Operating Income (Loss)	2,061,421	(74,228)	89,212	1,170,217	(1,157,048)	2,089,574
Non-Operating Revenues (Expenses):						
Interest	(554,325)	(20,969)	(114,723)	451,222	0	(238,795)
Interest (Expense)	0	0	0	(149,590)	(66,853)	(216,443)
Total Non-Operating Revenues (Expenses)	(554,325)	(20,969)	(114,723)	301,632	(66,853)	(455,238)
Income (Loss) Before Contributions and Transfers	1,507,096	(95,197)	(25,511)	1,471,849	(1,223,901)	1,634,336
Capital Grants and Contributions	807,266	0	1,561,358	0	0	2,368,624
Transfers In	0	0	0	0	2,373,000	2,373,000
Change in Net Position	2,314,362	(95,197)	1,535,847	1,471,849	1,149,099	6,375,960
Net Position - Beginning of Year	78,742,787	1,104,667	43,422,668	7,460,620	7,960,125	138,690,867
Net Position - End of Year	\$81,057,149	\$1,009,470	\$44,958,515	\$8,932,469	\$9,109,224	\$145,066,827

See accompanying notes to the basic financial statements

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

	Business-Type Activities Enterprise Funds					Total Business-Type Activities
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	
Cash Flows from Operating Activities:						
Cash Received from Customers	\$8,569,407	\$2,027,436	\$1,581,606	\$6,447,600	\$2,290,691	\$20,916,740
Cash Payments to Employees	(1,676,672)	(33,943)	(219,327)	(2,629,841)	0	(4,559,783)
Cash Payments to Suppliers	(2,546,968)	(1,898,184)	(395,162)	(3,401,462)	(2,657,793)	(10,899,569)
Net Cash Provided (Used) by Operating Activities	4,345,767	95,309	967,117	416,297	(367,102)	5,457,388
Cash Flows from Noncapital Financing Activities:						
Transfers In from Other Funds	0	0	0	0	2,373,000	2,373,000
Net Cash Provided (Used) by Noncapital Financing Activities	0	0	0	0	2,373,000	2,373,000
Cash Flows from Capital and Related Financing Activities:						
Payments for Capital Acquisitions	(1,296,419)	0	(28,760)	(259,037)	(4,213,755)	(5,797,971)
Debt Principal Payments	0	0	0	(685,000)	(665,000)	(1,350,000)
Debt Interest Payments	0	0	0	(142,527)	(101,550)	(244,077)
Capital Grants Received	639,587	0	0	0	0	639,587
Lease Receivable Payments Received	0	0	0	614,100	0	614,100
Lease Receivable Interest Received	0	0	0	451,222	0	451,222
Net Cash Provided (Used) by Capital and Related Financing Activities	(656,832)	0	(28,760)	(21,242)	(4,980,305)	(5,687,139)
Cash Flows from Investing Activities:						
Earnings on Investments	(591,188)	(22,382)	(123,106)	0	0	(736,676)
Net Cash Provided (Used) by Cash Flows from Investing Activities	(591,188)	(22,382)	(123,106)	0	0	(736,676)
Net Increase (Decrease) in Cash and Cash Equivalents	3,097,747	72,927	815,251	395,055	(2,974,407)	1,406,573
Cash and Cash Equivalents - Beginning of Year	20,861,499	930,497	4,427,663	5,907,037	4,514,241	36,640,937
Cash and Cash Equivalents - End of Year	23,959,246	1,003,424	5,242,914	6,302,092	1,539,834	38,047,510
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	2,061,421	(74,228)	89,212	1,170,217	(1,157,048)	2,089,574
Adjustments:						
Depreciation	2,472,068	0	931,555	492,729	212,666	4,109,018
Leasing Activity	0	0	0	(827,204)	0	(827,204)
Changes in Assets & Liabilities:						
(Increase) Decrease in Receivables	56,729	6,848	(5,451)	10,360	2,641	71,127
(Increase) Decrease in Inventory	(2,990)	0	0	(17,470)	(63,714)	(84,174)
(Increase) Decrease in Prepaid Items	0	0	0	312,638	0	312,638
(Increase) Decrease in Deferred Outflows of Resources	(153,696)	(2,590)	(17,555)	(192,770)	0	(366,611)
(Increase) Decrease in Net OPEB Asset	(108,534)	(1,868)	(12,556)	(141,005)	0	(263,963)
Increase (Decrease) in Contracts Payable	(29,663)	175,963	(13,128)	(1,222)	469,474	601,424
Increase (Decrease) in Retainage Payable	51,100	0	0	0	219,328	270,428
Increase (Decrease) in Payables	(36,932)	0	0	(13,650)	(50,449)	(101,031)
Increase (Decrease) in Accrued Liabilities	41,129	(5,537)	8,344	20,785	0	64,721
Increase (Decrease) in Deferred Inflows of Resources for Net Pension and OPEB Liability	199,793	2,265	18,428	115,872	0	336,358
Increase (Decrease) in Net Pension Liability	(204,658)	(5,544)	(31,732)	(512,983)	0	(754,917)
Net Cash Provided (Used) by Operating Activities	\$4,345,767	\$95,309	\$967,117	\$416,297	(\$367,102)	\$5,457,388
Schedule of Noncash Capital Activities:						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	\$167,679	\$0	\$1,561,358	\$0	\$0	\$1,729,037

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2022

	<u>Custodial Funds</u>
Assets:	
Equity in Pooled Cash and Investments	\$1,248,750
Receivables (Net):	
Accounts	10,000
Due From Others	<u>12,739</u>
Total Assets	<u>1,271,489</u>
Liabilities:	
Accounts Payable	<u>0</u>
Total Liabilities	<u>0</u>
Net Position:	
Individuals, Organizations, and Other Governments	21,783
Economic Development	808,509
Community Improvement	<u>441,197</u>
Total Net Position	<u>\$1,271,489</u>

See accompanying notes to the basic financial statements

City of Mason, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended December 31, 2022

	Custodial Funds
Additions:	
Municipal Court Receipts	\$2,199,573
Mason Port Authority Receipts	249,681
Community Improvement Corporation Receipts	<u>26,361</u>
Total Additions	<u>2,475,615</u>
Deductions:	
Municipal Court Disbursements	2,201,756
Mason Port Authority Disbursements	601,102
Community Improvement Corporation Disbursements:	<u>4,285</u>
Total Deductions	<u>2,807,143</u>
Change in Net Position	(331,528)
Net Position - Beginning of Year	<u>1,603,017</u>
Net Position - End of Year	<u>\$1,271,489</u>

See accompanying notes to the basic financial statements

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 1 – Description of the City and Reporting Entity

The City of Mason, Ohio (the “City”) was incorporated in 1815, adopted its Charter in 1969 and became a city in 1971. The City is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under a Council-Manager form of government.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes; police and fire, parks and recreation, planning, zoning, community development, street maintenance, sewer, stormwater waste collection, community center and golf center. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Fairfield, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. More information on MVRMA is presented in Note 5.

The City participates in a joint venture called the Liberty Township Joint Economic Development District (JEDD). This joint venture is presented in Note 15.

Note 2 – Summary of Significant Accounting Policies

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

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

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

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds using a flow of economic resources measurement focus.

Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, cash and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Street Construction, Maintenance and Repair Fund – This fund accounts for 92.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

Safety Fund – This special revenue fund accounts for expenditures of property tax revenues and other resources authorized by section 10.05 of the City's Charter for safety, fire and emergency medical services.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Proprietary funds are classified as either enterprise or internal service. The City does not have an internal service fund.

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

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

Waste Collection Fund - This fund accounts for the waste collection provided to the residents of the City.

Stormwater Utility Fund - This fund accounts for provision of stormwater systems within the City.

Community Center Fund - This fund accounts for the community center services provided to the residents of the City and the expansion of the Center.

Golf Course Fund - This fund accounts for the golf course provided to residents within and outside of the City.

Additionally, the City reports the following fund types:

The Custodial Fiduciary Funds are used to account for the collection and disbursement of monies by the City on behalf of other individuals, organizations or other governmental entities. The following are the City's custodial fiduciary funds. The Municipal Court Fund to account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes, the Mason Port Authority Fund to enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason, and the Community Improvement Corporation Fund to account for custodial transactions related to community improvement.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

For the City, available means expected to be received within sixty days of year-end.

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represent a consumption of net assets that applies to a future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding, other postemployment benefits, and pension reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 11 and 12.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to a future periods and will not be recognized as an inflow of resources (revenue) until that time. On the government wide statement of net position and governmental funds balance sheet, property taxes and revenue in lieu of taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the items, income taxes, unavailable amounts and special assessments, are reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for accounts receivable and investment earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the proprietary funds statement of net position and the government-wide statement of net position (see Notes 11 and 12).

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

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

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

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code and City Ordinance, the City has specified certain funds to receive an allocation of interest earnings. Interest revenues during 2022 amounted to (\$2,130,699) in the General Fund, (\$315,955) in the Street Construction, Maintenance and Repair Fund, (\$421,690) in the Safety Fund and (\$22,117) in Other Governmental Funds.

Inventory

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

Prepaid Items

Payments made for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

City of Mason, Ohio
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For the Year Ended December 31, 2022

Lease Receivable

Lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The City uses a \$5,000 capitalization threshold.

All reported capital assets are depreciated except for land and construction in progress. The Land classification includes the City's right-of-way easements (intangible assets, per GASB 51). Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15-50 years
Equipment	5-20 years
Infrastructure	25-60 years

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that have

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

matured, for example, as a result of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

Pensions/Other Postemployment Benefits (OPEB)

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

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the City Manager and Finance Director.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

Net Position

Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

The City's Governmental Activities and Community Center fund have restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements. Of the City's \$48,490,005 in restricted net position, none were restricted by enabling legislation.

Operating Revenues and Expenses

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

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

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated through the process of consolidation.

Gain/Loss on Refunding

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

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the financial statements as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. The City's investment policy as approved by Council Ordinance permits interim monies to be invested or deposited in the following securities in the Ohio Revised Code:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio or subdivision in Ohio.
- (6) Bonds and other obligations of any state or subdivision in the top three highest rating classification by at least one nationally recognized rating agency.
- (7) The Ohio State Treasurer's investment pool (STAR Ohio).
- (8) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Chapter 135.
- (9) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2022, \$2,812,613 of the City's bank balance of \$3,254,443 was exposed to custodial credit risk because it was uninsured and collateralized.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by:

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

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Investments

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2022:

Investment Type	Fair Value Measurements Using			Net Asset Value*	Weighted Average Maturity in Years	
	Net Asset Value* / Fair Value	Quoted Prices in Active Markets for Identical Assets				Significant Other Observable Inputs
		Level 1	Level 2			
Commercial Paper	\$36,779,703			\$36,779,703	0.31	
Federal Home Loan Bank	40,219,666			40,219,666	1.91	
STAR Ohio*	28,777,199			\$28,777,199	0.14	
US Treasury Notes/Bonds	26,306,466	\$26,306,466			1.04	
Federal National Mortgage Association	7,922,062		7,922,062		1.93	
Municipal Bonds	16,857,430		16,857,430		3.18	
Negotiable Certificate of Deposit	11,881,994		11,881,994		1.62	
Federal Home Loan Mortgage	6,567,979		6,567,979		1.60	
Federal Farm Credit Bank	8,370,638		8,370,638		2.28	
Money Market Funds	24,477	24,477			0.00	
	<u>\$183,707,614</u>	<u>\$26,330,943</u>	<u>\$128,599,472</u>	<u>\$28,777,199</u>		
Portfolio Weighted Average Maturity					1.29	

The City categorizes its fair value measurements with 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. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2022. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank, Federal Home Loan Mortgage, Federal National Mortgage Association, and Federal Farm Credit Bank were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. Municipal Bonds were rated Aaa, Aa1, Aa2, Aa3, and A2 by Moody's Investors service and AAA, AA+, AA- and A+ by Standard and Poor's and Fitch ratings. The City's investments in Commercial Paper were rated A-1+ and A-1 by Standard & Poor's ratings and P-1 by Moody's Investment Service. Investments in STAR Ohio were rated AAAM by Standard & Poor's. US Treasury Notes/Bonds, Negotiable Certificate of Deposit and Money Market Funds were not rated.

Concentration of Credit Risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 4% of the City's investments in Federal National Mortgage Association, 14% in US Treasury Notes/Bonds, 20% in Commercial Paper, 4% in Federal Home Loan Mortgage, 16% in STAR Ohio, 22% in Federal Home Loan Bank, 5% in Federal Farm Credit Bank, 9% in Municipal Bonds, 6% in Negotiable Certificate of Deposit and less than 1% in Money Market Funds.

City of Mason, Ohio
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For the Year Ended December 31, 2022

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are insured and registered in the name of the City, or at least registered in the name of the City.

Note 4 – Receivables

Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, accrued interest on investments, leases, interfund, and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amounts to \$4,631 in the General Fund and \$1,615,098 in other governmental funds.

Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2022 were levied after October 1, 2021 on assessed values as of January 1, 2021, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	\$1,602,850,670
Public Utility	<u>31,165,070</u>
Total Valuation	<u><u>\$1,634,015,740</u></u>

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

The City receives property taxes from Warren County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2022, and for which there is an enforceable legal claim. In the funds, a portion of the receivable has been offset by deferred inflows since

City of Mason, Ohio
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For the Year Ended December 31, 2022

the current taxes were not levied to finance 2022 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

Income Taxes

In November 2006, Mason voters approved an amendment to the City's charter that changed the City's Tax Ordinance to allow 100% credit for residents employed in another city.

In November 2012, Mason voters approved an amendment to the City's charter to provide funding of safety services, including fire and emergency services, through a combination of income and property taxes. The amendment allows for an increase of the income tax of up to 0.15%, with an initial rate for 2013 of 0.12%, and up to 5 mills of property tax. The amendment also allows for a credit of the additional income tax for residents who pay property tax.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly based on an annual declaration and file an annual tax return.

Economic Development Agreements

Economic development efforts include occasional incentive agreements and forgivable loans that are based upon the expansion/retention of existing businesses and attracting new/relocating businesses. These agreements include agreements to provide services that further the City's economic development efforts. Repayment of these agreements may be required if a business fails to meet performance requirements or relocated to another location outside the City. Despite the possible receivable, it is generally believed nothing will be owed or repaid and nothing is recognized as a receivable.

Note 5 - Risk Management

The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. The pool has been operational since December 1, 1988, and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits with increased emphasis on safety and loss prevention.

MVRMA is a corporation governed by a twenty member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budget and financing of MVRMA is subject to the approval of the board.

Excess insurance coverage will cover additional claims up to the limits listed below:

Liability:

- Personal Injury Liability
- Property Damage Liability

City of Mason, Ohio
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Public Officials Errors and Omissions

Employment Practices Liability

Employee Benefits Liability

Employer Stop Gap Liability

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

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

Property:

\$1,000,000,000/occurrence

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

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

Flood Damage:

Limits: \$25 million/occurrence and annual aggregate

Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate

MVRMA Self-Insured Retention: \$250,000/occurrence – all flood zones

Earthquake Shock:

Limits: \$25 million/occurrence and annual aggregate

MVRMA Self-Insured Retention: \$250,000/occurrence

Boiler & Machinery:

Limits: \$100,000,000/occurrence

MVRMA Self-Insured Retention: \$25,000-\$500,000/occurrence

Cyber Liability:

Coverage provided by Lloyds of London – Beazley Syndicate. List of carriers underwriting the coverage provided upon request. Excess limits provided by Indian Harbor Insurance Company.

Aggregate Limit: \$3 million, subject to \$4 million MVRMA pool-wide aggregate

First Party Loss (Limits per Occurrence):

\$1,500,000 Business Interruption Resulting from Security Breach

\$1,000,000 Business Interruption Resulting from System Failure

\$1,500,000 Dependent Business Interruption Resulting from Security Breach

\$200,000 Dependent Business Interruption Resulting from System Failure

\$1,500,000 Cyber Extortion Loss

\$1,500,000 Data Recovery Costs

Liability:

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

E-Crime:

\$150,000 each for Fraudulent Instructions; Funds Transfer Fraud; Telephone Fraud

City of Mason, Ohio
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For the Year Ended December 31, 2022

Breach Response Costs:

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

Pollution Liability – (claims made and reported policy):

Coverage excess of MVRMA self-insured retention provided by Ironshore Specialty Insurance Company

Limits:

\$25,000,000 Policy Aggregate for all insureds combined

\$2,000,000 Per Pollution Incident

\$2,000,000 Per Named Insured

\$2,000,000 MVRMA Pool-wide Aggregate

Retroactive Date: Policy inception

MVRMA Self-Insured Retention (SIR): \$250,000/pollution condition; \$250,000 Mold;

\$500,000 Sewage Backups; \$750,000-\$1,000,000 underground storage tanks

Crime Coverage:

Coverage excess of MVRMA self-insured retention provided by National Union Fire Insurance Co. of Pittsburgh, PA.

Limits per Occurrence:

\$2,000,000 Employee Theft Per Loss; Forgery or Alteration

\$100,000 Inside & Outside Premises–Theft of Money & Securities, Robbery, Safe Burglary

\$2,000,000 Computer Fraud

\$2,000,000 Funds Transfer Fraud

\$5,000 Money Orders and Counterfeit Paper Currency

MRVA self-insured retention: up to \$50,000 per loss

Member Deductible per occurrence - \$2,500

The Audit of MVRMA’s 2022 financial statements has not been completed yet. Data from the December 31, 2022 financial statements are as follows:

Current Assets	\$6,143,365
Non-current Assets	<u>13,120,940</u>
Total Assets	<u>19,264,305</u>
Deferred Outflows of Resources	81,334
Current Liabilities	7,360,777
Non-current Liabilities	<u>4,107,585</u>
Total Liabilities	<u>11,468,362</u>
Deferred Inflows of Resources	273,588
Net Position	<u>\$7,603,689</u>

The City has a group health insurance program for employees and their eligible dependents. Premiums are paid into the General Fund by all funds having compensated employees based on an analysis of historical claims experience, the desired fund balances and the number of active participating employees. The monies paid into the General Fund are available to pay claims and administrative costs. The plan is administered by a third party administrator, Custom Design Benefits, which monitors all claim payments.

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The claims liability of \$629,335 reported in the General Fund at year end is based on the requirements of GASB Statement No. 10, which requires 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. Changes in the claims liability amounts were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Fiscal Year Liability</u>
2022	\$581,071	\$4,257,014	(\$4,208,750)	\$629,335
2021	521,902	5,393,457	(5,334,288)	581,071

The City estimates all claims outstanding at the end of the year will be paid off within one year.

Note 6 – Contingent Liabilities

Litigation

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

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2022, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

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City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 7 – Capital Assets

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$78,607,925	\$357,220	\$0	\$78,965,145
Construction in Progress	38,472,117	14,521,775	32,377,038	20,616,854
Total Capital Assets, not being depreciated	117,080,042	14,878,995	32,377,038	99,581,999
Capital Assets, being depreciated:				
Buildings and Improvements	57,972,481	23,773,767	80,750	81,665,498
Equipment	26,441,239	2,699,551	1,735,124	27,405,666
Infrastructure	113,846,829	6,456,724	0	120,303,553
Total Capital Assets, being depreciated	198,260,549	32,930,042	1,815,874	229,374,717
Totals at Historical Cost	315,340,591	47,809,037	34,192,912	328,956,716
Less Accumulated Depreciation:				
Buildings and Improvements	21,517,311	1,757,707	80,750	23,194,268
Equipment	18,799,224	1,696,902	1,735,124	18,761,002
Infrastructure	28,889,677	2,005,061	0	30,894,738
Total Accumulated Depreciation	\$69,206,212	\$5,459,670	\$1,815,874	\$72,850,008
Governmental Activities Capital Assets, Net	\$246,134,379	\$42,349,367	\$32,377,038	\$256,106,708

Depreciation expense was charged to governmental functions as follows:

	Depreciation Expense
General Government	\$714,863
Public Safety	737,423
Leisure Time Activities	1,031,151
Transportation and Street Repair	2,963,517
Community Development	12,716
Total Depreciation Expense	\$5,459,670

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City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	\$10,752,550	\$0	\$0	\$10,752,550
Construction in Progress	319,200	4,665,423	791,402	4,193,221
Total Capital Assets, not being depreciated	11,071,750	4,665,423	791,402	14,945,771
Capital Assets, being depreciated:				
Buildings and Improvements	54,642,839	545,714	0	55,188,553
Equipment	13,453,524	1,217,445	537,241	14,133,728
Infrastructure	107,658,401	1,889,828	0	109,548,229
Total Capital Assets, being depreciated	175,754,764	3,652,987	537,241	178,870,510
Totals at Historical Cost	186,826,514	8,318,410	1,328,643	193,816,281
Less Accumulated Depreciation:				
Buildings and Improvements	22,199,368	1,574,493	0	23,773,861
Equipment	10,656,936	736,271	537,241	10,855,966
Infrastructure	33,126,858	1,798,254	0	34,925,112
Total Accumulated Depreciation	\$65,983,162	\$4,109,018	\$537,241	\$69,554,939
Business-Type Activities Capital Assets, Net	\$120,843,352	\$4,209,392	\$791,402	\$124,261,342

Note 8 – Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service, subject to certain maximum accruals. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

Accumulated Unpaid Sick Leave

The City of Mason does not permit advancement of moneys on sick leave accrued.

Sick Leave Conversion at Retirement

- a. Upon retirement, a full-time, regular employee who meets the age and length of service requirements of the Public Employees Retirement System or the Police and Fireman's Disability and Pension Fund, whichever is applicable, and who was also in the service of the City of Mason for a period of ten (10) continuous years prior to retirement from the service of the City of Mason may redeem his or her accumulated sick leave providing all other criteria are met in order to receive the benefits (i.e. age for retirement).
- b. Redemption shall be at a rate of three (3) accumulated sick days exchanged for (1) day of pay for the first two hundred (200) sick days. For the next twenty five sick days the redemption shall be two (2) accumulated sick days exchanged for one (1) day of pay. All remaining sick days the redemption shall be one (1) accumulated sick days exchanged for (1) day of pay. The maximum redemption is limited to two hundred eighty-seven and a half (287 1/2) sick days converted to one-hundred and forty-one and two-thirds (141 2/3) days paid.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

- c. Redemption for union fire employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to two-hundred and ten (210) days converted to seventy (70) days paid.
- d. Redemption for teamster employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to one-hundred and twenty (120) days converted to forty (40) days paid.
- e. Payment will be based on the employee's base rate of pay at the time of retirement.
- f. The conversion of sick leave to cash will be made as a lump sum payment and will eliminate all sick leave credit accrued by the employee.

Note 9 – Long-Term Debt

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
<u>General Obligation Bonds</u>					
2020A Recreational Facilities Improvement Bonds	\$13,765,000	\$0	(\$580,000)	\$13,185,000	\$595,000
Premium on 2020A Bonds	1,131,371	0	(62,854)	1,068,517	0
2020C Recreational Facilities Improvement Bonds	7,725,000	0	(300,000)	7,425,000	315,000
Premium on 2020C Bonds	450,382	0	(23,704)	426,678	0
2016 Various Purpose - Refunding	6,390,000	0	(975,000)	5,415,000	1,010,000
2017 Special Assessment Bonds	1,695,000	0	(85,000)	1,610,000	85,000
2015 Combined Financing	6,795,000	0	(390,000)	6,405,000	405,000
Premium on Bonds	995,862	0	(128,917)	866,945	0
2021 Road Improvement Bonds	10,000,000	0	(315,000)	9,685,000	345,000
Premium on 2021 Road Improvement Bonds	938,034	0	(46,902)	891,132	0
Total General Obligation Bonds	<u>49,885,649</u>	<u>0</u>	<u>(2,907,377)</u>	<u>46,978,272</u>	<u>2,755,000</u>
<u>Revenue Bonds</u>					
2012 Enterprise Parke TIF Refunding	55,000	0	(55,000)	0	0
Everybody's Farm TIF	905,000	0	(160,000)	745,000	170,000
Total Revenue Bonds	<u>960,000</u>	<u>0</u>	<u>(215,000)</u>	<u>745,000</u>	<u>170,000</u>
Total Long-Term Liabilities Bonds	50,845,649	0	(3,122,377)	47,723,272	2,925,000
Net Pension Liability	31,043,160	0	(4,505,523)	26,537,637	0
Net OPEB Liability	3,876,841	104,607	0	3,981,448	0
Compensated Absences	2,365,069	1,235,941	(1,132,268)	2,468,742	1,163,986
Total Governmental Activities	<u>\$88,130,719</u>	<u>\$1,340,548</u>	<u>(\$8,760,168)</u>	<u>\$80,711,099</u>	<u>\$4,088,986</u>

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business-Type Activities					
<u>General Obligation Bonds</u>					
2020 Recreational Facilities	\$4,710,000	\$0	(\$665,000)	\$4,045,000	\$680,000
Premium on Recreational Facilities	268,699	0	(33,588)	235,111	0
Total General Obligation Bonds	4,978,699	0	(698,588)	4,280,111	680,000
<u>Certificate of Participation Bonds</u>					
2019 Certificate of Participation Refunding	5,975,000	0	(685,000)	5,290,000	705,000
Discount on Certificate of Participation	(67,334)	8,417	0	(58,917)	0
Total Certificate of Participation Bonds	5,907,666	8,417	(685,000)	5,231,083	705,000
Net Pension Liability	2,223,025	0	(754,917)	1,468,108	0
Compensated Absences - Enterprise	375,033	196,552	(155,250)	416,335	209,655
Total Business-Type Activities	\$13,484,423	\$204,969	(\$2,293,755)	\$11,395,637	\$1,594,655

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund, a Special Revenue Fund or an Enterprise Fund. General obligation bonds will be paid from the General Obligation Bond Retirement Fund, the Special Assessment Bond Retirement Fund, Mason Enterprise Parke TIF Fund, Sewer Fund, Stormwater Utility Fund, Community Center Fund and the Golf Course Fund. The Special Assessment Bonds are backed by the full faith and credit of the City and are repaid from the resources of the Special Assessment Bond Retirement Fund. The City levies an assessment against the effected property owners. There are no repayment schedules for the net pension and net other postemployment benefits (OPEB) liabilities; however, employer pension and OPEB contributions are made from the fund benefitting from their service (this is usually a the General Fund or an Enterprise Fund).

Principal and interest requirements to retire the City's long-term obligations outstanding at year end are as follows:

Year	General Obligation Bonds		Revenue Bonds		Certificate of Participation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$3,435,000	\$1,432,313	\$170,000	\$42,838	\$705,000	\$125,479
2024	3,550,000	1,325,843	55,000	33,062	720,000	108,756
2025	3,655,000	1,105,163	60,000	29,900	735,000	91,678
2026	3,785,000	1,080,632	65,000	26,450	755,000	74,244
2027	3,920,000	944,893	70,000	22,712	775,000	56,335
2028-2032	11,830,000	3,113,491	325,000	48,012	1,600,000	57,165
2033-2037	11,775,000	1,382,097	0	0	0	0
2038-2041	5,820,000	251,903	0	0	0	0
	<u>\$47,770,000</u>	<u>\$10,636,335</u>	<u>\$745,000</u>	<u>\$202,974</u>	<u>\$5,290,000</u>	<u>\$513,657</u>

Recreational Facilities Improvement Bonds

On March 12, 2020 the City issued \$15,000,000 in Recreational Facilities Improvement Bonds, Series 2020A, with an interest rate between 2.00% and 4.00%. The bond was issued for the purpose of constructing a municipal aquatic center. The bond will be paid from the general bond retirement fund and will mature December 1, 2039.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

On March 12, 2020 the City issued \$6,000,000 in Recreational Facilities Improvement Bonds, Series 2020B, with an interest rate between 1.50% and 3.00%. The bond was issued for the purpose of constructing improvements to the municipal golf course. The bond will be paid from the golf course fund and will mature December 1, 2029.

On October 29, 2020 the City issued \$8,000,000 in Recreational Facilities Improvement Limited Tax General Obligation Bonds, Series 2020C, with an interest rate between 1.650% and 4.000%. The bond was issued for the purpose of paying the cost of constructing a competition pool for the municipal aquatic center and to pay certain costs related to the issuance of the bonds. The bond will be paid from the general bond retirement fund and will mature December 1, 2040.

Long Term Special Assessment Bonds

On September 7, 2017 the City issued \$2,000,000 in Special Assessment Bonds with an interest rate of 3.2%. The road and utility improvement special assessment bonds were issued for the purpose of paying the cost of the property owners' share of the construction of road and utility improvements in the Ambleside subdivision. The Bonds will be retired from the Special Assessment Bond Retirement.

Road Improvement Bonds

On October 21, 2021 the City issued \$10,000,000 in Road Improvement Bonds, with an interest rate between 2.00% and 5.00%. The bonds were issued for the purpose of making road improvements to State Route 741. The bond will be paid from the general bond retirement fund and will mature December 1, 2041.

Certificate of Participation Bonds

On December 1, 2019, the City issued \$7,300,000 in Certificate of Participation Bonds, with an interest rate of 2.372%. The bonds were issued for the purpose of an addition to the City's community center. The bonds will be paid from the community center fund and will mature December 1, 2029.

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City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 10 – Lease – Lessor Disclosure

The City collectively (the “lessor”) entered into an agreement to lease building space and an agreement for cell tower space/land. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the lease term at various discounted rates.

Details of each lease are presented below:

The lease for Myriad Neuroscience/AssureRx Health (building/office space) was as follows:

<u>Lease Year</u>	<u>Annual Rent</u>
2023	\$146,602
2024	180,764
2025	185,457
2026	190,273
2027	80,732
	<u>\$783,828</u>

The lease for TriHealth/Bethesda Hospital (building/office space) was as follows:

<u>Lease Year</u>	<u>Annual Rent</u>
2023	\$590,442
2024	608,944
2025	627,989
2026	647,590
2027	667,774
2028-2032	3,662,833
2033-2037	4,263,432
2038-2042	4,956,564
2043-2045	2,868,567
	<u>\$18,894,135</u>

The City recognized \$691,059 in lease revenues and \$461,763 interest revenues from lease activity for 2022.

Note 11 – Defined Benefit Pension Plans

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

Net Pension Liability/Net OPEB Liability (Asset)

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

The net pension liability and the net OPEB liability (asset) represent the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in accrued wages and benefits on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan. While employees may elect the member-directed plan or the combined plan, substantially all employees are in the traditional plan; therefore, the following disclosure focuses on the traditional plan.

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

<u>Group A</u> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<u>Group B</u> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<u>Group C</u> Members not in other Groups and members hired on or after January 7, 2013
<u>State and Local</u>	<u>State and Local</u>	<u>State and Local</u>
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<u>Public Safety</u>	<u>Public Safety</u>	<u>Public Safety</u>
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
<u>Law Enforcement</u>	<u>Law Enforcement</u>	<u>Law Enforcement</u>
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
<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>	<u>Public Safety and Law Enforcement</u>
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

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

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

Funding Policy

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

	State and Local	Public Safety	Law Enforcement
2022 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
2022 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- *** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- **** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

City of Mason, Ohio
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For the Year Ended December 31, 2022

For 2022, the City's contractually required contribution was \$1,407,673, of this amount \$186,354 is reported in accrued wages and benefits.

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.

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

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

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

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

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

City of Mason, Ohio
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For the Year Ended December 31, 2022

of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

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

Funding Policy

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

	<u>Police</u>	<u>Firefighters</u>
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>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$2,010,956 for 2022, of this amount \$222,921 is reported as accrued wages and benefits.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 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 (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City's defined benefit pension plans:

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

	OPERS		
	<u>Traditional Plan</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the:			
Net Pension Liability	\$5,312,467	\$22,693,278	\$28,005,745
Proportion of the Net Pension Liability:			
Current Measurement Date	0.06106000%	0.36324230%	
Prior Measurement Date	<u>0.05620000%</u>	<u>0.36590670%</u>	
Change in Proportionate Share	<u>0.00486000%</u>	<u>-0.00266440%</u>	
Pension Expense	(\$928,673)	\$1,687,494	\$758,821

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

	OPERS		
	<u>Traditional Plan</u>	<u>OPF</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$270,822	\$654,341	\$925,163
Changes in assumptions	664,318	4,147,357	4,811,675
Changes in employer proportionate share of net pension liability	601,382	323,904	925,286
Contributions subsequent to the measurement date	<u>1,407,673</u>	<u>2,010,956</u>	<u>3,418,629</u>
Total Deferred Outflows of Resources	<u>\$2,944,195</u>	<u>\$7,136,558</u>	<u>\$10,080,753</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$116,516	\$1,179,739	\$1,296,255
Net difference between projected and actual earnings on pension plan investments	6,318,986	5,949,826	12,268,812
Changes in employer proportionate share of net pension liability	<u>213,398</u>	<u>547,699</u>	<u>761,097</u>
Total Deferred Inflows of Resources	<u>\$6,648,900</u>	<u>\$7,677,264</u>	<u>\$14,326,164</u>

\$3,418,629 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Year Ending December 31:	OPERS		
	Traditional Plan	OPF	Total
2023	(\$620,276)	\$47,692	(\$572,584)
2024	(2,001,049)	(1,680,206)	(3,681,255)
2025	(1,485,849)	(779,219)	(2,265,068)
2026	(1,005,204)	(571,526)	(1,576,730)
2027	0	431,597	431,597
Total	<u>(\$5,112,378)</u>	<u>(\$2,551,662)</u>	<u>(\$7,664,040)</u>

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2 percent down to 6.9 percent, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, prepared as of December 31, 2021, reflecting experience study results, are presented below:

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City of Mason, Ohio
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For the Year Ended December 31, 2022

	<u>OPERS Traditional Plan</u>
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	3.0 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Key actuarial assumptions and methods used in the prior actuarial valuation, prepared as of December 31, 2020, are presented below:

	<u>OPERS Traditional Plan</u>
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return	7.20 percent
Actuarial Cost Method	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized below:

Asset Class	Target Allocation	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 for the current year was 6.9 percent for the traditional plan. The discount rate for the prior year was 7.2 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

City of Mason, Ohio
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For the Year Ended December 31, 2022

Sensitivity of the 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 (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$14,006,553	\$5,312,467	(\$1,922,169)

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 the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, 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
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

City of Mason, Ohio
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For the Year Ended December 31, 2022

Age	Police	Fire
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.

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

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

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

Note: Assumptions are geometric.

* levered 2x

City of Mason, Ohio
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For the Year Ended December 31, 2022

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

Discount Rate

For 2021, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$33,653,815	\$22,693,278	\$13,565,857

Note 12– Postemployment Benefits

See Note 11 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare

City of Mason, Ohio
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Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

City of Mason, Ohio
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Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2022.

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

Plan Description

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

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

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

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

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

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

Funding Policy

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2022, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$47,226 for 2022.

Net OPEB Liability (Asset)

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

	OPERS		
	<u>Traditional Plan</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the:			
Net OPEB (Asset)	(\$1,953,649)		(\$1,953,649)
Net OPEB Liability		\$3,981,448	\$3,981,448
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.06237400%	0.36324230%	
Prior Measurement Date	<u>0.05798000%</u>	<u>0.36590670%</u>	
Change in Proportionate Share	<u>0.00439400%</u>	<u>-0.00266440%</u>	
OPEB Expense	(\$2,014,310)	\$440,327	(\$1,573,983)

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

	OPERS		
	<u>Traditional Plan</u>	<u>OPF</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$0	\$181,120	\$181,120
Changes in assumptions	0	1,762,311	1,762,311
Changes in employer proportionate share of net OPEB liability (asset)	73,928	407,969	481,897
Contributions subsequent to the measurement date	<u>0</u>	<u>47,226</u>	<u>47,226</u>
Total Deferred Outflows of Resources	<u>\$73,928</u>	<u>\$2,398,626</u>	<u>\$2,472,554</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$296,339	\$526,204	\$822,543
Changes in assumptions	790,815	462,422	1,253,237
Net difference between projected and actual earnings on OPEB plan investments	931,362	359,658	1,291,020
Changes in employer proportionate share of net OPEB liability (asset)	<u>160,768</u>	<u>97,997</u>	<u>258,765</u>
Total Deferred Inflows of Resources	<u>\$2,179,284</u>	<u>\$1,446,281</u>	<u>\$3,625,565</u>

\$47,226 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year Ending December 31:	OPERS		
	Traditional Plan	OPF	Total
2023	(\$1,360,620)	\$278,936	(\$1,081,684)
2024	(407,481)	225,541	(181,940)
2025	(203,498)	222,773	19,275
2026	(133,757)	26,994	(106,763)
2027	0	77,143	77,143
Thereafter	0	73,732	73,732
Total	(\$2,105,356)	\$905,119	(\$1,200,237)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used for 2021 compared to those used for 2020 are as follows:

	December 31, 2021	December 31, 2020
Wage Inflation	2.75 percent	3.25 percent
Projected Salary Increases,	2.75 to 10.75 percent	3.25 to 10.75 percent
	including wage inflation	including wage inflation
Single Discount Rate	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial	8.5 percent, initial
	3.50 percent, ultimate in 2034	3.50 percent, ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2021, pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent 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 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a

City of Mason, Ohio
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For the Year Ended December 31, 2022

particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above-described tables.

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

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 14.3 percent for 2021.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

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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
Real Estate Investment Trust	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%

Discount Rate

A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

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

The following table presents the City's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Proportionate share of the net OPEB (asset)	(\$1,148,929)	(\$1,953,649)	(\$2,621,579)

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

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

City of Mason, Ohio
Notes to the Basic Financial Statements
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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 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
Proportionate share of the net OPEB (asset)	(\$1,974,761)	(\$1,953,649)	(\$1,928,604)

Changes Between Measurement Date and Report Date

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Actuarial Assumptions – OP&F

OP&F’s total OPEB 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 OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

City of Mason, Ohio
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For the Year Ended December 31, 2022

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple per year

In February 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for the 2020 measurement period to 7.5 percent for the 2021 measurement period.

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

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

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

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

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

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

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	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
	125.00 %	
Total		

Note: Assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate

For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.05 percent at December 31, 2021, and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.5 percent for 2021 and 8 percent for 2020, which resulted in a blended discount rate of 2.84 percent for 2021 and 2.96 percent for 2020. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.84 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.84 percent), or one percentage point higher (3.84 percent) than the current rate.

City of Mason, Ohio
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	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
Proportionate share of the net OPEB liability	\$5,004,769	\$3,981,448	\$3,140,276

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 13 – Interfund Transactions

Interfund transactions at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

Fund	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$5,380,000	\$0	\$0	\$9,182,433
Street Construction, Maintenance and Repair Fund	0	0	0	0
Safety Fund	0	0	3,696,780	0
Other Governmental Funds	0	130,000	3,189,589	76,936
Community Center Fund	0	5,250,000	0	0
Golf Course Fund	0	0	2,373,000	0
Total All Funds	<u>\$5,380,000</u>	<u>\$5,380,000</u>	<u>\$9,259,369</u>	<u>\$9,259,369</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

\$5.25 million was previously advanced to the Community Center Fund from the General Fund. The agreement between the City and the Mason City Schools requires the Community Center to be self-sufficient.

The transfer out of the Municipal Court Indigent Driver IDAM Fund (Other Governmental Funds) to the Indigent Driver Fund (Other Governmental Funds) of \$3,825 was for indigent driver programs. The transfer out of the Common Ground Park Construction Fund (Other Governmental Funds) to the Parks and Recreation Fund (Other Governmental Funds) of \$73,111 was for parks and recreation improvements throughout the City.

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City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 14 – Construction and Other Commitments

The City had the following outstanding commitments at year end:

Construction

Projects	Amount
US 42 Roundabouts	\$2,929,685
SR 741 Improvement Spyglass Hill to Welden	1,912,860
Indianwood Drainage Improvements	866,061
SR 741 Improvement Welden to Avalon	864,699
Facility Repairs & Maintenance	831,866
Veterans Memorial Improvements	443,673
Annual Street Maintenance	326,019
July 3rd Event	304,626
Aquatic Center Improvements	279,580
Golf Course Improvements	241,678
Landscaping	213,046
Snider Rd Imp WRR to US42	177,444
US 42 Sewer Exp & Lift	166,745
I-71/Western Row Rd interchange Enhancement	133,791
Finance Software Upgrade	128,607
R&D Connector Red (MM to US 42)	79,331
Willow Brooke Lift Station	60,802
Annual Plant Maintenance	51,767
Street Light Program	48,000
Annual Street Striping	45,136
Dog Park Construction	33,996
Tornado Siren Replacement	27,962
Backup Server System & Disaster Recovery	16,315
Mason-Montgomery Rd Sidewalk (Con Crossing/Ent)	15,788
SR 741 Widening Cox-Smith to Spyglass Hill	15,366
Raw Watermain Relocation	10,513
US 42 Roadway Flooding	9,754
Sports Center Drive Culvert	9,125
Makino Park Ballfields	9,045
Salt Barn	5,000
Central Park Blvd Extension	2,300
Force Main & Manhole Improvement	1,715
Service Center Annex (Fire)	500
	\$10,262,795

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in all funds. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities. Outstanding encumbrances as of December 31, 2022 were as follows:

City of Mason, Ohio
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Fund	Amount
General	\$18,962,905
Street Construction, Maintenance and Repair	10,058,541
Safety	430,815
Sewer	969,557
Waste Collection	208,701
Stormwater Utility	1,043,496
Community Center	703,163
Golf Course	1,028,206
Nonmajor Funds	1,273,319
Total	\$34,678,703

Note 15 – Joint Venture

Liberty Township, the City of Mason, and the City of Middletown contracted to create the Liberty Township Joint Economic Development District (JEDD) for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio and in the area of the contracting parties through facilitating economic development along the corridor of Interstate 75, Cincinnati Dayton Road and State Route 129. For more information and a copy of the financial statements, contact the City of Middletown.

A 1.5% income tax was enacted for the JEDD. Imposition of tax began on October 1, 2006 and terminates December 31, 2045, with two ten year extensions.

Mason’s use of funds provide for the improvement of the transportation network within the City, including the improvements of Bethany and Mason Roads.

Distribution of Gross Tax:

- 5% Service Fee for Middletown to collect the income
- 1% Escrow payment for refunds
- 94% Net distribution

Net Distribution:

- 83% Liberty Township
- 2% Middletown
- 15% Mason

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 16 – Fund Balances

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

Fund Balances	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total
Nonspendable:					
Inventory	\$344,472	\$0	\$20,055	\$0	\$364,527
Unclaimed Monies	126,554	0	0	0	126,554
Total Nonspendable	471,026	0	20,055	0	491,081
Restricted for:					
Street Construction Maintenance and Repair	0	14,285,942	0	0	14,285,942
Fire and Emergency Medical Service Safety	0	0	19,501,470	0	19,501,470
General Obligation Bond Retirement	0	0	0	3,287,239	3,287,239
Street Subdivision	0	0	0	1,226,340	1,226,340
Parks and Recreation	0	0	0	808,820	808,820
Drug Law Enforcement	0	0	0	45,206	45,206
Law Enforcement and Education	0	0	0	7,340	7,340
Indigent Drive	0	0	0	15,643	15,643
Municipal Court Computer Costs	0	0	0	228,549	228,549
Municipal Court Education	0	0	0	311,695	311,695
Municipal Court Improvement	0	0	0	320,382	320,382
Vehicle Immobilization Fee	0	0	0	17,398	17,398
Municipal Court Probation Services	0	0	0	124,464	124,464
Municipal Court Indigent Driver IDAM	0	0	0	467	467
Central Parke TIF	0	0	0	781,041	781,041
Mason Enterprise Parke TIF	0	0	0	103,765	103,765
Tylersville Road TIF	0	0	0	543,791	543,791
I-71 Corridor TIF	0	0	0	3,732,340	3,732,340
Everybody's Farm TIF	0	0	0	406,542	406,542
Oak Park West TIF-WRLD	0	0	0	1,500,000	1,500,000
OneOhio Opioid	0	0	0	13,055	13,055
Special Assessment Bond Retirement	0	0	0	18,803	18,803
Total Restricted	0	14,285,942	19,501,470	13,492,880	47,280,292
Committed to:					
Police Crime Prevention	0	0	0	686	686
Total Committed	0	0	0	686	686
Assigned to:					
General Capital Improvement	69,867,173	0	0	0	69,867,173
Subdivision Inspection	0	0	0	655,762	655,762
Protection and Enforcement	78,177	0	0	0	78,177
Recreation Services	131,340	0	0	0	131,340
Transportation Services	177,831	0	0	0	177,831
General Governance	324,625	0	0	0	324,625
Community Development	1,542,173	0	0	0	1,542,173
Asset Development and Management	1,780,745	0	0	0	1,780,745
Medical and Health Wellness	160,328	0	0	0	160,328
Other Services Provided	40,831	0	0	0	40,831
Total Assigned	74,103,223	0	0	655,762	74,758,985
Unassigned (Deficit)	31,561,926	0	0	(26,868)	31,535,058
Total Fund Balance	\$106,136,175	\$14,285,942	\$19,521,525	\$14,122,460	\$154,066,102

City of Mason, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2022

Note 17 – Tax Abatements

As of December 31, 2022, the City provides tax abatements through the Community Reinvestment Area (CRA) program. The Ohio Community Reinvestment Area program is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City’s policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

<u>City of Mason Tax Abatement Program</u>	<u>Total Amount of Taxes Abated (in thousands)</u>	<u>City of Mason Share of Taxes Abated (in thousands)</u>
Community Reinvestment Area	\$4,386	\$449

Note 18 – Asset Retirement Obligations (ARO)

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. At this time, due to limitations associated with the existing plant’s age and building materials within the plant, the engineer consulted would not have a reasonable estimate to calculate a liability for this year.

Note 19 – Implementations of new Accounting Principles

For fiscal year 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases; GASB Statement No. 91, Conduit Debt Obligations; GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans; and portions of GASB Statement No. 99, Omnibus 2022.

GASB Statement No. 87 sets out to improve the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

Effect on Previously Reported Fund Balance/Net Position The implementation of the GASB 87 pronouncement had no net effect on the fund balance/net position as reported at December 31, 2021:

City of Mason, Ohio
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For the Year Ended December 31, 2022

	General Fund	Community Center Fund
Fund Balance, December 31, 2021	\$95,032,509	\$7,460,620
Adjustments-Presentation Changes:		
Leases Receivable	860,787	19,508,235
Deferred Inflow-Leases	(860,787)	(19,508,235)
Fund Balance, December 31, 2021	<u>\$95,032,509</u>	<u>\$7,460,620</u>
	Governmental Activities	Business-Type Activities
Net Position, December 31, 2021	\$303,201,983	\$138,690,867
Adjustments-Presentation Changes:		
Leases Receivable	860,787	19,508,235
Deferred Inflow-Leases	(860,787)	(19,508,235)
Net Position, December 31, 2021	<u>\$303,201,983</u>	<u>\$138,690,867</u>

GASB Statement No. 91 clarifies the definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the City.

GASB Statement No. 97 clarifies certain component unit criteria and provides accounting and financial reporting guidance for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the City.

GASB Statement No. 99 addresses a variety of topics and includes clarification of provisions related to accounting and reporting of leases under GASB Statement No. 87, provides extension of the period which the London Interbank Offered Rate is considered appropriate benchmark interest rate, guidance on disclosure of nonmonetary transaction, accounting for pledges of future revenues when resources are not received by the pledging government under GASB Statement No. 48, and terminology updates related to certain provisions of GASB Statement No. 63 and No. 53. These topics under GASB Statement No. 99 provisions were implemented and did not have an effect on the financial statements of the City.

Other topics in GASB Statement No. 99 includes classification of other derivative instruments within the scope of GASB Statement No. 53, clarification of provisions related to accounting and reporting of Public-Private and Public-Public Partnerships under GASB Statement No. 94, and clarification of provisions to accounting and reporting of subscription-based information technology arrangements under GASB Statement No. 96. These topics are effective for future fiscal years and have not been implemented by of the City.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Mason, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Nine Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.06106000%	0.05620000%	0.06080300%	0.06179400%	0.06043500%
City's Proportionate Share of the Net Pension Liability	\$5,312,467	\$8,321,997	\$12,018,126	\$16,924,124	\$9,481,080
City's Covered Payroll	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364	\$7,987,231
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.48%	202.77%	118.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.70%	74.70%	84.66%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.
 See accompanying notes to the required supplementary information.

2017	2016	2015	2014
0.06167100%	0.06357900%	0.06477700%	0.06477700%
\$14,004,435	\$11,012,684	\$7,812,829	\$7,636,364
\$7,972,958	\$9,235,283	\$7,967,975	\$8,325,577
175.65%	119.25%	98.05%	91.72%
77.25%	81.08%	86.45%	86.36%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Nine Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net Pension Liability	0.36324230%	0.36590670%	0.37436140%	0.37274600%	0.37405900%
City's Proportionate Share of the Net Pension Liability	\$22,693,278	\$24,944,188	\$25,218,984	\$30,425,923	\$22,957,690
City's Covered Payroll	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353	\$9,067,805
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	246.16%	249.45%	285.34%	324.67%	253.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%	63.07%	70.91%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.
 See accompanying notes to the required supplementary information.

2017	2016	2015	2014
0.35072000%	0.33845900%	0.33722890%	0.33722890%
\$22,214,253	\$21,773,305	\$17,469,862	\$16,424,105
\$8,431,353	\$7,354,405	\$6,931,636	\$5,687,506
263.47%	296.06%	252.03%	288.78%
68.36%	66.77%	72.20%	73.00%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of City's Contributions
 for Net Pension Liability
 Ohio Public Employees Retirement System- Traditional Plan
 Last Nine Fiscal Years (1)

	2022	2021	2020	2019	2018
Contractually Required Contribution	\$1,407,673	\$1,240,697	\$1,108,165	\$1,197,690	\$1,168,491
Contributions in Relation to the Contractually Required Contribution	<u>(1,407,673)</u>	<u>(1,240,697)</u>	<u>(1,108,165)</u>	<u>(1,197,690)</u>	<u>(1,168,491)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$1,038,340	\$956,755	\$1,108,234	\$956,157
<u>(1,038,340)</u>	<u>(956,755)</u>	<u>(1,108,234)</u>	<u>(956,157)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,987,231	\$7,972,958	\$9,235,283	\$7,967,975
13.00%	12.00%	12.00%	12.00%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of City's Contributions
 for Net Pension Liability
 Ohio Police and Fire Pension Fund
 Last Nine Fiscal Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$2,010,956	\$1,955,367	\$1,899,922	\$1,867,527	\$1,780,557
Contributions in Relation to the Contractually Required Contribution	<u>(2,010,956)</u>	<u>(1,955,367)</u>	<u>(1,899,922)</u>	<u>(1,867,527)</u>	<u>(1,780,557)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353
Contributions as a Percentage of Covered Payroll	21.29%	21.21%	19.00%	21.13%	19.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note:

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$1,722,883	\$1,601,957	\$1,477,500	\$1,411,281
<u>(1,722,883)</u>	<u>(1,601,957)</u>	<u>(1,477,500)</u>	<u>(1,411,281)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$9,067,805	\$8,431,353	\$7,354,405	\$6,931,636
19.00%	19.00%	20.09%	20.36%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability (Asset)
 Ohio Public Employees Retirement System - Traditional Plan
 Last Six Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability (Asset)	0.06237400%	0.05798000%	0.06289100%	0.06390900%	0.06261000%
City's Proportionate Share of the Net OPEB Liability (Asset)	(\$1,953,649)	(\$1,032,960)	\$8,686,880	\$8,332,224	\$6,798,985
City's Covered Payroll	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364	\$7,987,231
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-22.04%	-13.05%	101.54%	99.83%	85.12%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	128.23%	115.57%	47.80%	46.33%	54.14%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2017

0.06372551%

\$6,436,492

\$7,972,958

80.73%

54.04%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 Ohio Police and Fire Pension Fund
 Last Six Fiscal Years (1)

	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.36324230%	0.36590670%	0.37436140%	0.37274600%	0.37405900%
City's Proportionate Share of the Net OPEB Liability	\$3,981,448	\$3,876,841	\$3,697,841	\$3,394,424	\$21,193,659
City's Covered Payroll	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353	\$9,067,805
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	43.19%	38.77%	41.84%	36.22%	233.72%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.90%	45.42%	47.10%	46.57%	14.13%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2017

0.35072000%

\$16,647,890

\$8,431,353

197.45%

15.96%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of City's Contributions for
 Postemployment Benefits Other Than Pension (OPEB)
 Ohio Public Employees Retirement System - Traditional Plan
 Last Seven Fiscal Years (1)

	2022	2021	2020	2019	2018	2017
Contractually Required Contribution to OPEB	\$0	\$0	\$0	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0	0	0	0
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0
City's Covered Payroll	\$10,054,807	\$8,862,121	\$7,915,464	\$8,554,929	\$8,346,364	\$7,987,231
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

2016

\$0

0

\$0

\$7,972,958

0.00%

City of Mason, Ohio
 Required Supplementary Information
 Schedule of City's Contributions for
 Postemployment Benefits Other Than Pension (OPEB)
 Ohio Police and Fire Pension Fund
 Last Seven Fiscal Years (1)

	2022	2021	2020	2019	2018
Contractually Required Contribution to OPEB	\$47,226	\$46,008	\$44,710	\$43,816	\$41,701
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(47,226)</u>	<u>(46,008)</u>	<u>(44,710)</u>	<u>(43,816)</u>	<u>(41,701)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$9,445,198	\$9,219,081	\$9,999,589	\$8,838,273	\$9,371,353
Contributions to OPEB as a Percentage of Covered Payroll	0.50%	0.50%	0.45%	0.50%	0.44%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>
\$104,088	\$185,509
<u>(104,088)</u>	<u>(185,509)</u>
<u>\$0</u>	<u>\$0</u>
\$9,067,805	\$8,431,353
1.15%	2.20%

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$37,727,000	\$45,727,000	\$50,309,921	\$4,582,921
Fines, Licenses and Permits	1,413,000	1,413,000	1,613,812	200,812
Intergovernmental	50,000	50,000	868,964	818,964
Charges for Services	1,085,000	1,085,000	1,327,689	242,689
Investment Earnings	200,000	200,000	1,291,083	1,091,083
Other Revenues	265,500	265,500	778,384	512,884
Total Revenues	40,740,500	48,740,500	56,189,853	7,449,353
Expenditures:				
Current:				
General Government				
City Manager	403,297	438,297	407,664	30,633
Assistant City Manager	1,065,151	1,030,151	892,454	137,697
Finance	632,895	632,895	575,538	57,357
Earnings Tax	968,590	968,590	812,836	155,754
Refunds and Reimbursements	2,500,000	2,500,000	1,729,742	770,258
Law Director	464,271	464,271	336,847	127,424
Council	408,235	408,235	296,586	111,649
Municipal Court	1,696,699	1,696,699	1,413,291	283,408
Land, Buildings and Grounds	949,866	1,049,866	904,495	145,371
Information Technology	1,001,874	1,001,874	793,791	208,083
Auditor's Deductions	661,509	661,509	502,848	158,661
Contingency	250,000	250,000	0	250,000
Total General Government	11,002,387	11,102,387	8,666,092	2,436,295
Public Safety				
Police Department	7,348,620	7,348,620	6,870,071	478,549
Street Lighting	430,830	430,830	395,441	35,389
Campus Security	1,605,419	1,605,419	1,473,703	131,716
Diaster Services	73,736	73,736	31,842	41,894
Total Public Safety	9,458,605	9,458,605	8,771,057	687,548
Leisure Time Activities				
Recreation Programs	637,153	637,153	624,253	12,900
Parks	1,755,165	1,855,165	1,680,361	174,804
Swimming Pool	828,366	828,366	606,365	222,001
Senior Center	130,208	130,208	61,168	69,040
Total Leisure Time Activities	3,350,892	3,450,892	2,972,147	478,745
Community Development				
Community Planning-Zoning	379,808	329,808	261,199	68,609
Building Inspections	911,764	811,764	760,224	51,540
Economic Development	737,061	737,061	650,417	86,644
Community Development	4,825,010	4,825,010	4,096,662	728,348
Total Community Development	6,853,643	6,703,643	5,768,502	935,141
Transportation & Street Repair				
Traffic Signals	241,398	241,398	206,779	34,619
Street Maintenance & Repair	3,473,325	3,473,325	3,296,664	176,661
Garage	483,813	483,813	328,070	155,743
Engineering	813,951	813,951	894,104	(80,153)
Total Transportation & Street Repair	5,012,487	5,012,487	4,725,617	286,870

(Continued)

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Capital Outlay	1,700,000	1,700,000	1,700,000	0
Total Expenditures	37,378,014	37,428,014	32,603,415	4,824,599
Excess of Revenues Over (Under) Expenditures	3,362,486	11,312,486	23,586,438	12,273,952
Other Financing Sources (Uses):				
Transfers (Out)	(9,250,000)	(29,250,000)	(28,059,433)	1,190,567
Total Other Financing Sources (Uses)	(9,250,000)	(29,250,000)	(28,059,433)	1,190,567
Net Change in Fund Balance	(5,887,514)	(17,937,514)	(4,472,995)	13,464,519
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	20,864,579	20,864,579	20,864,579	0
Fund Balance End of Year	<u>\$14,977,065</u>	<u>\$2,927,065</u>	<u>\$16,391,584</u>	<u>\$13,464,519</u>

See accompanying notes to the required supplementary information.

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Street Construction, Maintenance and Repair Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$12,350,000	\$9,850,000	\$9,937,841	\$87,841
Investment Earnings	0	0	248,360	248,360
Other Revenues	0	0	72,719	72,719
Total Revenues	<u>12,350,000</u>	<u>9,850,000</u>	<u>10,258,920</u>	<u>408,920</u>
Expenditures:				
Current:				
Transportation and Street Repair	721,106	721,106	600,207	120,899
Capital Outlay	<u>26,015,386</u>	<u>26,015,386</u>	<u>23,218,909</u>	<u>2,796,477</u>
Total Expenditures	<u>26,736,492</u>	<u>26,736,492</u>	<u>23,819,116</u>	<u>2,917,376</u>
Net Change in Fund Balance	(14,386,492)	(16,886,492)	(13,560,196)	3,326,296
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>18,962,103</u>	<u>20,761,011</u>	<u>18,962,104</u>	<u>(1,798,907)</u>
Fund Balance End of Year	<u>\$4,575,611</u>	<u>\$3,874,519</u>	<u>\$5,401,908</u>	<u>\$1,527,389</u>

See accompanying notes to the required supplementary information.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2022

	Safety Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$5,752,000	\$5,752,000	\$6,047,945	\$295,945
Intergovernmental	652,000	652,000	708,370	56,370
Charges for Services	650,000	650,000	875,862	225,862
Investment Earnings	0	0	226,154	226,154
Other Revenues	0	0	114,577	114,577
Total Revenues	7,054,000	7,054,000	7,972,908	918,908
Expenditures:				
Current:				
Public Safety	9,495,140	9,495,140	7,587,793	1,907,347
Capital Outlay	791,021	791,021	1,558,716	(767,695)
Total Expenditures	10,286,161	10,286,161	9,146,509	1,139,652
Excess of Revenues Over (Under) Expenditures	(3,232,161)	(3,232,161)	(1,173,601)	2,058,560
Other Financing Sources (Uses):				
Transfers In	2,600,000	2,600,000	3,696,780	1,096,780
Total Other Financing Sources (Uses)	2,600,000	2,600,000	3,696,780	1,096,780
Net Change in Fund Balance	(632,161)	(632,161)	2,523,179	3,155,340
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,689,982	15,773,654	15,689,982	(83,672)
Fund Balance End of Year	\$15,057,821	\$15,141,493	\$18,213,161	\$3,071,668

See accompanying notes to the required supplementary information.

City of Mason, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

Note 1 – Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting.

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The certificate of estimated resources may be amended during the year if projected decreases in revenue are identified by the Finance Director. To maintain the original estimate where possible to maintain conservative estimates, amendments for increases occur only if additional an appropriation is needed by Council action. The amounts reported as the budgeted amounts for revenue on the budgetary statement reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted revenue on the budgetary statements reflects the amounts on the final amended certificate of estimated resources issued during the year.

In Ohio, municipal corporations have certain powers granted to them in Article XVIII of the Ohio Constitution that exist outside authority found in the Ohio Revised Code. Because these powers originate in the Constitution, law passed by the General Assembly that interfere with them may be invalid as applied to municipal corporation unless those laws are sanctioned by other provisions of the Constitution. These powers, granted by the Constitution and known as “home rule” powers, include the power of local self-government, the exercise of certain police powers, and the ownership and operation of public utilities.

The appropriations ordinance is Council’s authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by Council. As a power of local self-government, the legal level of control has been established by Council so that appropriation measures shall be classified so as to set forth separately the amounts appropriated for each department within the General Fund. All other funds are maintained at the fund level. The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council after any supplemental or re-appropriation during the year.

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund, street construction, maintenance and repair fund, and the safety fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

City of Mason, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis)).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, the street construction, maintenance and repair fund and the safety fund.

Net Change in Fund Balance

	General	Street Construction, Maintenance and Repair	Safety
GAAP Basis	\$11,175,835	(\$3,177,908)	\$3,819,585
Revenue Accruals	981,028	546,392	(1,142,496)
Expenditure Accruals	7,701,779	(870,139)	276,905
Proceeds of Capital Assets	(11,501)	0	0
Transfers (Out)	(18,877,000)	0	0
Encumbrances	(5,443,136)	(10,058,541)	(430,815)
Budget Basis	<u>(\$4,472,995)</u>	<u>(\$13,560,196)</u>	<u>\$2,523,179</u>

Note 2 – Net Pension Liability

Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%

2021-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

City of Mason, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

2016-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

Changes in benefit terms:

2022-2014: There were no changes in benefit terms for this period.

Ohio Police and Fire Pension Fund Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed investment rate of return from 8.00% to 7.50%

2021-2019: There have been no OP&F pension plan amendments adopted or changes in assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%

2017-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

Changes in benefit terms:

2022-2014: There were no changes in benefit terms for the period.

Note 3 - Net OPEB Liability (Asset)

Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond rate decreased from 2.00% to 1.84%.
- The initial health care cost trend rate decreased from 8.50% to 5.50%.
- Decrease in wage inflation from 3.25% to 2.75%.
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%.

City of Mason, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.16% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.50% to 8.50%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 3.96% to 3.16%.
- The municipal bond rate decreased from 3.71% to 2.75%.
- The initial health care cost trend rate increased from 10.00% to 10.50%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.85% to 3.96%.
- The investment rate of return decreased from 6.50% to 6.00%.
- The municipal bond rate increased from 3.31% to 3.71%.
- The initial health care cost trend rate increased from 7.50% to 10.00%.

2018: The single discount rate changed from 4.23% to 3.85%.

Changes in Benefit Terms:

2022: Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

2021: There were no changes in benefit terms for the period.

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

2019-2018: There were no changes in benefit terms for the period.

Ohio Police and Fire Pension Fund Changes in Benefit Terms and Assumptions

Changes in assumptions:

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- The single discount rate changed from 2.96% to 2.84%

2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 3.56% to 2.96%.

City of Mason, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended December 31, 2022

2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 4.66% to 3.56%.

2019: Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%. The single discount rate increased from 3.24% to 4.66% and the municipal bond rate from 3.16% to 4.13%.

2018: The single discount rate changed from 3.79% to 3.24%

Changes in benefit terms:

2022-2020: There were no changes in benefit terms for the period.

2019: See above regarding change to stipend-based model.

2018: There were no changes in benefit terms for the period.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Debt Service Funds

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$12,654,406	\$2,457,042	\$0	\$15,111,448
Receivables (Net):				
Taxes	0	2,134,740	0	2,134,740
Accounts	30,459	0	0	30,459
Interest	259	0	0	259
Intergovernmental	1,389,498	143,363	0	1,532,861
Special Assessments	0	1,615,098	0	1,615,098
Total Assets	14,074,622	6,350,243	0	20,424,865
Liabilities:				
Accounts Payable	177,568	0	0	177,568
Accrued Wages and Benefits	14,247	0	0	14,247
Contracts Payable	3,948	0	0	3,948
Interfund Payable	130,000	0	0	130,000
Unearned Revenue	1,572,783	0	0	1,572,783
Total Liabilities	1,898,546	0	0	1,898,546
Deferred Inflows of Resources:				
Property Taxes	0	1,285,740	0	1,285,740
Grants and Other Taxes	1,359,531	143,363	0	1,502,894
Special Assessments	0	1,615,098	0	1,615,098
Unavailable Amounts	127	0	0	127
Total Deferred Inflows of Resources	1,359,658	3,044,201	0	4,403,859
Fund Balances:				
Restricted	10,186,838	3,306,042	0	13,492,880
Committed	686	0	0	686
Assigned	655,762	0	0	655,762
Unassigned	(26,868)	0	0	(26,868)
Total Fund Balances	10,816,418	3,306,042	0	14,122,460
Total Liabilities, Deferred Inflows and Fund Balances	\$14,074,622	\$6,350,243	\$0	\$20,424,865

City of Mason, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$0	\$3,127,421	\$0	\$3,127,421
Investment Earnings	(22,117)	0	0	(22,117)
Intergovernmental	2,580,918	280,183	0	2,861,101
Special Assessments	0	137,778	0	137,778
Fines, Licenses & Permits	768,986	0	0	768,986
Revenue in Lieu of Taxes	2,468,081	0	0	2,468,081
Other Revenues	524	25,263	2,000	27,787
Total Revenues	5,796,392	3,570,645	2,000	9,369,037
Expenditures:				
Current:				
General Government	556,974	0	0	556,974
Public Safety	14,914	0	0	14,914
Community Development	1,798,746	0	0	1,798,746
Transportation and Street Repair	1,893,617	0	0	1,893,617
Capital Outlay	9,071	0	0	9,071
Debt Service:				
Principal	215,000	2,645,000	0	2,860,000
Interest and Other Charges	53,963	1,476,318	0	1,530,281
Total Expenditures	4,542,285	4,121,318	0	8,663,603
Excess of Revenues Over (Under) Expenditures	1,254,107	(550,673)	2,000	705,434
Other Financing Sources (Uses):				
Transfers In	1,589,589	1,600,000	0	3,189,589
Transfers (Out)	(3,825)	0	(73,111)	(76,936)
Total Other Financing Sources (Uses)	1,585,764	1,600,000	(73,111)	3,112,653
Net Change in Fund Balance	2,839,871	1,049,327	(71,111)	3,818,087
Fund Balance - Beginning of Year	7,983,793	2,256,715	71,111	10,311,619
Change in Reserve for Inventory	(7,246)	0	0	(7,246)
Fund Balance - End of Year	\$10,816,418	\$3,306,042	\$0	\$14,122,460

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Nonmajor Special Revenue Funds

Fund Descriptions

State Highway Improvement – This special revenue fund accounts for the remaining 7.5% of the City’s share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

Street Subdivision - To track fee paid by developers that may only be used to subdivision street improvements.

Cares Act Federal Grant - This fund accounts for the grant proceeds provided to the local governments who have been financially impacted by the outbreak of COVID-19. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding may only be used to cover costs that are necessary expenditures incurred in response to the COVID-19 outbreak.

American Rescue Plan Act - This fund accounts for grants received through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan. Grants are restricted for various purposes designated by the Department of the Treasury.

Parks and Recreation - This fund accounts for monies received from residential building permits and other sources collected for the purpose of providing funds for recreational capital improvements.

Police Crime Prevention - This fund is used to account for donations received for the prevention of crime within the City.

Drug Law Enforcement - To account for monies designated to be used for drug law enforcement.

Law Enforcement and Education - To account for monies received from court fines imposed for drivers convicted of driving under the influence of drugs and alcohol. Monies generated under this fund shall be used for enforcement and education of the public of such dangers.

Indigent Driver - This fund is used to account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

Municipal Court Computer Costs - To account for monies received from court fines. Monies generated under this fund shall be used for computer related expenses of the Court.

Municipal Court Computer Education - This fund is used to account for a \$2.00 fee assessed in conjunction with court costs. Revenues collected are used for computer education and training within the Municipal Court.

Nonmajor Special Revenue Funds

Fund Descriptions (Continued)

Municipal Court Improvement - This fund is used to account for a \$5.00 fee assessed in conjunction with court costs. Revenues collected are used for improvements to the Municipal Court facilities.

Vehicle Immobilization Fee - This fund is used to account for reimbursements received from the State of Ohio for costs incurred with the Court ordered immobilization of a vehicle.

Municipal Court Probation Services - To account for monies received from court fines. Monies generated under this fund shall be used for probation services provided by the Court.

Municipal Court Indigent Driver IDAM - To account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

Central Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Central Park business park.

Mason Enterprise Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Mason Enterprise business park.

Tylersville Road TIF - This fund is used to account for the financial resources and expenditures related to the development of the Tylersville Crossing business park.

I-71 Corridor TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to the I-71 Corridor.

Everybody's Farm TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to Everybody's Farm.

Subdivision Inspection - This fund is used to account for the revenues received and expenses incurred for inspection services rendered in the City of Mason.

Oak Park West TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to Oak Park West business park.

One Ohio Opioid - To account for revenues and expenditures related to settlement dollars to be used to prevent, treat and support recovery from addiction including opioids and/or any other co-occurring substance use and/or mental health conditions which are all long-lasting (chronic) diseases that can cause major health, social, and economic problems at the individual, family and/or community level.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	State Highway Improvement	Street Subdivision	Cares Act Federal Grant	American Rescue Plan Act	Parks and Recreation
Assets:					
Equity in Pooled Cash and Investments	\$73,033	\$1,226,340	\$0	\$1,748,465	\$808,820
Receivables (Net):					
Accounts	0	0	0	0	0
Interest	259	0	0	0	0
Intergovernmental	90,071	0	0	0	0
Total Assets	163,363	1,226,340	0	1,748,465	808,820
Liabilities:					
Accounts Payable	0	0	0	175,682	0
Accrued Wages and Benefits	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Interfund Payable	130,000	0	0	0	0
Unearned Revenue	0	0	0	1,572,783	0
Total Liabilities	130,000	0	0	1,748,465	0
Deferred Inflows of Resources:					
Grants and Other Taxes	60,104	0	0	0	0
Unavailable Amounts	127	0	0	0	0
Total Deferred Inflows of Resources	60,231	0	0	0	0
Fund Balances:					
Restricted	0	1,226,340	0	0	808,820
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	(26,868)	0	0	0	0
Total Fund Balances	(26,868)	1,226,340	0	0	808,820
Total Liabilities, Deferred Inflows and Fund Balances	\$163,363	\$1,226,340	\$0	\$1,748,465	\$808,820

Police Crime Prevention	Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement
\$686	\$45,206	\$7,290	\$15,858	\$222,685	\$309,604	\$316,209
0	0	50	140	5,864	2,091	11,355
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>686</u>	<u>45,206</u>	<u>7,340</u>	<u>15,998</u>	<u>228,549</u>	<u>311,695</u>	<u>327,564</u>
0	0	0	355	0	0	1,197
0	0	0	0	0	0	5,985
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>355</u>	<u>0</u>	<u>0</u>	<u>7,182</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	45,206	7,340	15,643	228,549	311,695	320,382
686	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>686</u>	<u>45,206</u>	<u>7,340</u>	<u>15,643</u>	<u>228,549</u>	<u>311,695</u>	<u>320,382</u>
<u>\$686</u>	<u>\$45,206</u>	<u>\$7,340</u>	<u>\$15,998</u>	<u>\$228,549</u>	<u>\$311,695</u>	<u>\$327,564</u>

Continued

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2022

	Vehicle Immobilization Fee	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	Central Parke TIF	Mason Enterprise Parke TIF
Assets:					
Equity in Pooled Cash and Investments	\$17,398	\$117,424	\$209	\$781,041	\$103,765
Receivables (Net):					
Accounts	0	10,701	258	0	0
Interest	0	0	0	0	0
Intergovernmental	0	0	0	0	61,185
Total Assets	17,398	128,125	467	781,041	164,950
Liabilities:					
Accounts Payable	0	291	0	0	0
Accrued Wages and Benefits	0	3,370	0	0	0
Contracts Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Unearned Revenue	0	0	0	0	0
Total Liabilities	0	3,661	0	0	0
Deferred Inflows of Resources:					
Grants and Other Taxes	0	0	0	0	61,185
Unavailable Amounts	0	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0	61,185
Fund Balances:					
Restricted	17,398	124,464	467	781,041	103,765
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	17,398	124,464	467	781,041	103,765
Total Liabilities, Deferred Inflows and Fund Balances	\$17,398	\$128,125	\$467	\$781,041	\$164,950

Tylersville Road TIF	I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Oak Park West TIF	One Ohio Opioid	Total Nonmajor Special Revenue Funds
\$547,739	\$3,732,340	\$406,542	\$660,697	\$1,500,000	\$13,055	\$12,654,406
0	0	0	0	0	0	30,459
0	0	0	0	0	0	259
191,439	584,278	462,525	0	0	0	1,389,498
739,178	4,316,618	869,067	660,697	1,500,000	13,055	14,074,622
0	0	0	43	0	0	177,568
0	0	0	4,892	0	0	14,247
3,948	0	0	0	0	0	3,948
0	0	0	0	0	0	130,000
0	0	0	0	0	0	1,572,783
3,948	0	0	4,935	0	0	1,898,546
191,439	584,278	462,525	0	0	0	1,359,531
0	0	0	0	0	0	127
191,439	584,278	462,525	0	0	0	1,359,658
543,791	3,732,340	406,542	0	1,500,000	13,055	10,186,838
0	0	0	0	0	0	686
0	0	0	655,762	0	0	655,762
0	0	0	0	0	0	(26,868)
543,791	3,732,340	406,542	655,762	1,500,000	13,055	10,816,418
\$739,178	\$4,316,618	\$869,067	\$660,697	\$1,500,000	\$13,055	\$14,074,622

City of Mason, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2022

	State Highway Improvement	Street Subdivision	Cares Act Federal Grant	American Rescue Plan Act	Parks and Recreation
Revenues:					
Investment Earnings	(\$1,365)	\$0	\$0	\$0	(\$20,752)
Intergovernmental	178,564	0	0	1,989,299	400,000
Fines, Licenses & Permits	0	57,883	0	0	31,778
Revenue in Lieu of Taxes	0	0	0	0	0
Other Revenues	0	0	0	0	0
Total Revenues	177,199	57,883	0	1,989,299	411,026
Expenditures:					
Current:					
General Government	0	0	0	175,682	0
Public Safety	0	0	0	0	0
Community Development	0	0	0	0	0
Transportation and Street Repair	0	80,000	0	1,813,617	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal	0	0	0	0	0
Interest and Other Charges	0	0	0	0	0
Total Expenditures	0	80,000	0	1,989,299	0
Excess of Revenues Over (Under) Expenditures	177,199	(22,117)	0	0	411,026
Other Financing Sources (Uses):					
Transfers In	0	12,653	0	0	73,111
Transfers (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	0	12,653	0	0	73,111
Net Change in Fund Balance	177,199	(9,464)	0	0	484,137
Fund Balance - Beginning of Year	(204,067)	1,235,804	7,246	0	324,683
Change in Reserve for Inventory	0	0	(7,246)	0	0
Fund Balance - End of Year	(\$26,868)	\$1,226,340	\$0	\$0	\$808,820

Police Crime Prevention	Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	5,375	625	6,030	72,632	25,812	141,118
0	0	0	0	0	0	0
0	0	0	0	0	0	252
0	5,375	625	6,030	72,632	25,812	141,370
0	0	0	10,587	84,950	1,798	185,032
0	14,914	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	9,071	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	14,914	0	10,587	94,021	1,798	185,032
0	(9,539)	625	(4,557)	(21,389)	24,014	(43,662)
0	0	0	3,825	0	0	0
0	0	0	0	0	0	0
0	0	0	3,825	0	0	0
0	(9,539)	625	(732)	(21,389)	24,014	(43,662)
686	54,745	6,715	16,375	249,938	287,681	364,044
0	0	0	0	0	0	0
<u>\$686</u>	<u>\$45,206</u>	<u>\$7,340</u>	<u>\$15,643</u>	<u>\$228,549</u>	<u>\$311,695</u>	<u>\$320,382</u>

Continued

City of Mason, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2022

	Vehicle Immobilization Fee	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	Central Parke TIF	Mason Enterprise Parke TIF
Revenues:					
Investment Earnings	\$0	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	0	0
Fines, Licenses & Permits	0	157,677	3,950	0	0
Revenue in Lieu of Taxes	0	0	0	0	96,627
Other Revenues	0	120	0	0	0
Total Revenues	0	157,797	3,950	0	96,627
Expenditures:					
Current:					
General Government	0	98,925	0	0	0
Public Safety	0	0	0	0	0
Community Development	0	0	0	0	38,104
Transportation and Street Repair	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal	0	0	0	0	55,000
Interest and Other Charges	0	0	0	0	1,925
Total Expenditures	0	98,925	0	0	95,029
Excess of Revenues Over (Under) Expenditures	0	58,872	3,950	0	1,598
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Transfers (Out)	0	0	(3,825)	0	0
Total Other Financing Sources (Uses)	0	0	(3,825)	0	0
Net Change in Fund Balance	0	58,872	125	0	1,598
Fund Balance - Beginning of Year	17,398	65,592	342	781,041	102,167
Change in Reserve for Inventory	0	0	0	0	0
Fund Balance - End of Year	\$17,398	\$124,464	\$467	\$781,041	\$103,765

Tylersville Road TIF	I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Oak Park West TIF	One Ohio Opioid	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	0	0	(\$22,117)
0	0	0	0	0	13,055	2,580,918
0	0	0	266,106	0	0	768,986
237,507	1,114,834	1,019,113	0	0	0	2,468,081
0	0	0	152	0	0	524
<u>237,507</u>	<u>1,114,834</u>	<u>1,019,113</u>	<u>266,258</u>	<u>0</u>	<u>13,055</u>	<u>5,796,392</u>
0	0	0	0	0	0	556,974
0	0	0	0	0	0	14,914
452,120	516,579	672,951	118,992	0	0	1,798,746
0	0	0	0	0	0	1,893,617
0	0	0	0	0	0	9,071
0	0	160,000	0	0	0	215,000
0	0	52,038	0	0	0	53,963
<u>452,120</u>	<u>516,579</u>	<u>884,989</u>	<u>118,992</u>	<u>0</u>	<u>0</u>	<u>4,542,285</u>
<u>(214,613)</u>	<u>598,255</u>	<u>134,124</u>	<u>147,266</u>	<u>0</u>	<u>13,055</u>	<u>1,254,107</u>
0	0	0	0	1,500,000	0	1,589,589
0	0	0	0	0	0	(3,825)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,500,000</u>	<u>0</u>	<u>1,585,764</u>
<u>(214,613)</u>	<u>598,255</u>	<u>134,124</u>	<u>147,266</u>	<u>1,500,000</u>	<u>13,055</u>	<u>2,839,871</u>
758,404	3,134,085	272,418	508,496	0	0	7,983,793
0	0	0	0	0	0	(7,246)
<u>\$543,791</u>	<u>\$3,732,340</u>	<u>\$406,542</u>	<u>\$655,762</u>	<u>\$1,500,000</u>	<u>\$13,055</u>	<u>\$10,816,418</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$160,000	\$178,493	\$18,493
Investment Earnings	0	1,185	1,185
Total Revenues	160,000	179,678	19,678
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	160,000	179,678	19,678
Other Financing Sources (Uses):			
Transfers (Out)	(150,000)	(150,000)	0
Total Other Financing Sources (Uses)	(150,000)	(150,000)	0
Net Change in Fund Balance	10,000	29,678	19,678
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	45,838	45,838	0
Fund Balance End of Year	\$55,838	\$75,516	\$19,678

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Street Subdivision Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$57,883	\$57,883
Total Revenues	0	57,883	57,883
Expenditures:			
Current:			
Transportation and Street Repair	80,000	80,000	0
Total Expenditures	80,000	80,000	0
Excess of Revenues Over (Under) Expenditures	(80,000)	(22,117)	57,883
Other Financing Sources (Uses):			
Transfers In	0	12,653	12,653
Transfers (Out)	(150,000)	0	150,000
Total Other Financing Sources (Uses)	(150,000)	12,653	162,653
Net Change in Fund Balance	(230,000)	(9,464)	220,536
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,235,804	1,235,804	0
Fund Balance End of Year	<u>\$1,005,804</u>	<u>\$1,226,340</u>	<u>\$220,536</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Cares Act Federal Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	American Rescue Plan Act Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,773,959	\$1,788,123	\$14,164
Total Revenues	1,773,959	1,788,123	14,164
Expenditures:			
Current:			
Transportation and Street Repair	2,400,000	2,093,027	306,973
Total Expenditures	2,400,000	2,093,027	306,973
Net Change in Fund Balance	(626,041)	(304,904)	321,137
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,773,959	1,773,959	0
Fund Balance End of Year	<u>\$1,147,918</u>	<u>\$1,469,055</u>	<u>\$321,137</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Parks and Recreation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$31,778	\$31,778
Intergovernmental	500,000	400,000	(100,000)
Investment Earnings	0	7,682	7,682
Total Revenues	<u>500,000</u>	<u>439,460</u>	<u>(60,540)</u>
Expenditures:			
Capital Outlay	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Total Expenditures	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Excess of Revenues Over (Under) Expenditures	<u>400,000</u>	<u>439,460</u>	<u>39,460</u>
Other Financing Sources (Uses):			
Transfers In	<u>0</u>	<u>73,111</u>	<u>73,111</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>73,111</u>	<u>73,111</u>
Net Change in Fund Balance	400,000	512,571	112,571
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>323,704</u>	<u>323,704</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$723,704</u></u>	<u><u>\$836,275</u></u>	<u><u>\$112,571</u></u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Police Crime Prevention Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Safety	500	0	500
Total Expenditures	500	0	500
Net Change in Fund Balance	(500)	0	500
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	686	686	0
Fund Balance End of Year	\$186	\$686	\$500

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$1,000	\$5,475	\$4,475
Total Revenues	1,000	5,475	4,475
Expenditures:			
Current:			
Public Safety	30,000	14,914	15,086
Total Expenditures	30,000	14,914	15,086
Net Change in Fund Balance	(29,000)	(9,439)	19,561
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	54,644	54,644	0
Fund Balance End of Year	\$25,644	\$45,205	\$19,561

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Law Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$500	\$650	\$150
Total Revenues	500	650	150
Expenditures:			
Current:			
Public Safety	4,000	0	4,000
Total Expenditures	4,000	0	4,000
Net Change in Fund Balance	(3,500)	650	4,150
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,640	6,640	0
Fund Balance End of Year	<u>\$3,140</u>	<u>\$7,290</u>	<u>\$4,150</u>

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2022

	Indigent Driver Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$7,000	\$6,200	(\$800)
Total Revenues	7,000	6,200	(800)
Expenditures:			
Current:			
General Government	22,388	15,047	7,341
Total Expenditures	22,388	15,047	7,341
Excess of Revenues Over (Under) Expenditures	(15,388)	(8,847)	6,541
Other Financing Sources (Uses):			
Transfers In	2,000	3,825	1,825
Total Other Financing Sources (Uses)	2,000	3,825	1,825
Net Change in Fund Balance	(13,388)	(5,022)	8,366
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	18,449	18,449	0
Fund Balance End of Year	\$5,061	\$13,427	\$8,366

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Municipal Court Computer Costs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$60,000	\$71,514	\$11,514
Total Revenues	60,000	71,514	11,514
Expenditures:			
Current:			
General Government	134,475	99,697	34,778
Capital Outlay	136,071	129,071	7,000
Total Expenditures	270,546	228,768	41,778
Net Change in Fund Balance	(210,546)	(157,254)	53,292
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	245,191	245,191	0
Fund Balance End of Year	\$34,645	\$87,937	\$53,292

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Municipal Court Computer Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$20,000	\$25,407	\$5,407
Total Revenues	20,000	25,407	5,407
Expenditures:			
Current:			
General Government	141,301	123,099	18,202
Total Expenditures	141,301	123,099	18,202
Net Change in Fund Balance	(121,301)	(97,692)	23,609
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	285,995	285,995	0
Fund Balance End of Year	<u>\$164,694</u>	<u>\$188,303</u>	<u>\$23,609</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Municipal Court Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$120,000	\$139,035	\$19,035
Other Revenues	0	252	252
Total Revenues	120,000	139,287	19,287
Expenditures:			
Current:			
General Government	289,314	194,077	95,237
Total Expenditures	289,314	194,077	95,237
Net Change in Fund Balance	(169,314)	(54,790)	114,524
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	359,818	359,818	0
Fund Balance End of Year	\$190,504	\$305,028	\$114,524

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Vehicle Immobilization Fee Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	17,398	17,398	0
Fund Balance End of Year	<u>\$17,398</u>	<u>\$17,398</u>	<u>\$0</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Municipal Court Probation Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$160,000	\$160,782	\$782
Other Revenues	0	120	120
Total Revenues	160,000	160,902	902
Expenditures:			
Current:			
General Government	137,181	108,794	28,387
Capital Outlay	2,000	0	2,000
Total Expenditures	139,181	108,794	30,387
Net Change in Fund Balance	20,819	52,108	31,289
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	58,116	58,116	0
Fund Balance End of Year	\$78,935	\$110,224	\$31,289

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Municipal Court Indigent Driver IDAM Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$3,699	\$3,907	\$208
Total Revenues	3,699	3,907	208
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	3,699	3,907	208
Other Financing Sources (Uses):			
Transfers (Out)	(3,826)	(3,826)	0
Total Other Financing Sources (Uses)	(3,826)	(3,826)	0
Net Change in Fund Balance	(127)	81	208
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	127	127	0
Fund Balance End of Year	\$0	\$208	\$208

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Central Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	781,043	0	781,043
Total Expenditures	781,043	0	781,043
Net Change in Fund Balance	(781,043)	0	781,043
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	781,043	781,043	0
Fund Balance End of Year	\$0	\$781,043	\$781,043

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Mason Enterprise Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$85,000	\$96,627	\$11,627
Total Revenues	85,000	96,627	11,627
Expenditures:			
Current:			
Community Development	43,000	38,104	4,896
Debt Service:			
Principal Retirement	55,000	55,000	0
Interest and Fiscal Charges	2,000	1,925	75
Total Expenditures	100,000	95,029	4,971
Net Change in Fund Balance	(15,000)	1,598	16,598
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	102,169	102,169	0
Fund Balance End of Year	\$87,169	\$103,767	\$16,598

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Tylersville Road TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$150,000	\$237,507	\$87,507
Total Revenues	150,000	237,507	87,507
Expenditures:			
Current:			
Community Development	110,000	102,406	7,594
Transportation and Street Repair	575,000	498,231	76,769
Total Expenditures	685,000	600,637	84,363
Net Change in Fund Balance	(535,000)	(363,130)	171,870
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	758,406	758,406	0
Fund Balance End of Year	\$223,406	\$395,276	\$171,870

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	I-71 Corridor TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$850,000	\$1,114,834	\$264,834
Total Revenues	850,000	1,114,834	264,834
Expenditures:			
Current:			
Community Development	520,000	516,579	3,421
Total Expenditures	520,000	516,579	3,421
Net Change in Fund Balance	330,000	598,255	268,255
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,134,086	3,134,086	0
Fund Balance End of Year	<u>\$3,464,086</u>	<u>\$3,732,341</u>	<u>\$268,255</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Everybody's Farm TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$1,000,000	\$1,019,113	\$19,113
Total Revenues	<u>1,000,000</u>	<u>1,019,113</u>	<u>19,113</u>
Expenditures:			
Current:			
Community Development	675,000	672,951	2,049
Debt Service:			
Principal Retirement	160,000	160,000	0
Interest and Fiscal Charges	53,000	52,038	962
Total Expenditures	<u>888,000</u>	<u>884,989</u>	<u>3,011</u>
Net Change in Fund Balance	112,000	134,124	22,124
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>272,421</u>	<u>272,421</u>	<u>0</u>
Fund Balance End of Year	<u>\$384,421</u>	<u>\$406,545</u>	<u>\$22,124</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Subdivision Inspection Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	\$50,000	\$266,106	\$216,106
Other Revenues	0	152	152
Total Revenues	50,000	266,258	216,258
Expenditures:			
Current:			
Community Development	130,350	119,569	10,781
Total Expenditures	130,350	119,569	10,781
Net Change in Fund Balance	(80,350)	146,689	227,039
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	513,018	513,018	0
Fund Balance End of Year	\$432,668	\$659,707	\$227,039

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Oak Park West TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Revenue in Lieu of Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Community Development	0	0	0
Total Expenditures	0	0	0
Other Financing Sources (Uses):			
Transfers In	1,500,000	1,500,000	0
Total Other Financing Sources (Uses)	1,500,000	1,500,000	0
Net Change in Fund Balance	1,500,000	1,500,000	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$1,500,000</u>	<u>\$1,500,000</u>	<u>\$0</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	One Ohio Opioid Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$13,055	\$13,055
Total Revenues	0	13,055	13,055
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	13,055	13,055
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$13,055	\$13,055

Nonmajor Debt Service Funds

Fund Description

General Obligation Bond Retirement Fund – To accumulate monies for the payment of long-term and short-term debt issued without a vote of the people.

Special Assessment Bond Retirement - To account for payment of bonds issued for improvements deemed to benefit specific properties against which assessments are levied.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2022

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,438,239	\$18,803	\$2,457,042
Receivables (Net):			
Taxes	2,134,740	0	2,134,740
Intergovernmental	143,363	0	143,363
Special Assessments	0	1,615,098	1,615,098
Total Assets	4,716,342	1,633,901	6,350,243
Deferred Inflows of Resources:			
Property Taxes	1,285,740	0	1,285,740
Grants and Other Taxes	143,363	0	143,363
Special Assessments	0	1,615,098	1,615,098
Total Deferred Inflows of Resources	1,429,103	1,615,098	3,044,201
Fund Balances:			
Restricted	3,287,239	18,803	3,306,042
Total Fund Balances	3,287,239	18,803	3,306,042
Total Liabilities, Deferred Inflows and Fund Balances	\$4,716,342	\$1,633,901	\$6,350,243

City of Mason, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Fiscal Year Ended December 31, 2022

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Property and Other Taxes	\$3,127,421	\$0	\$3,127,421
Intergovernmental	280,183	0	280,183
Special Assessments	0	\$137,778	137,778
Other Revenues	25,263	0	25,263
Total Revenues	3,432,867	137,778	3,570,645
Expenditures:			
Debt Service:			
Principal	2,560,000	85,000	2,645,000
Interest and Other Charges	1,422,078	54,240	1,476,318
Total Expenditures	3,982,078	139,240	4,121,318
Excess of Revenues Over (Under) Expenditures	(549,211)	(1,462)	(550,673)
Other Financing Sources (Uses):			
Transfers In	1,600,000	0	1,600,000
Total Other Financing Sources (Uses)	1,600,000	0	1,600,000
Net Change in Fund Balance	1,050,789	(1,462)	1,049,327
Fund Balance - Beginning of Year	2,236,450	20,265	2,256,715
Fund Balance - End of Year	<u>\$3,287,239</u>	<u>\$18,803</u>	<u>\$3,306,042</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	General Obligation Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,258,000	\$2,379,421	\$121,421
Intergovernmental	259,000	280,183	21,183
Other Revenues	0	25,263	25,263
Total Revenues	<u>2,517,000</u>	<u>2,684,867</u>	<u>167,867</u>
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	2,560,000	2,560,000	0
Interest and Fiscal Charges	1,455,973	1,422,078	33,895
Total Expenditures	<u>4,015,973</u>	<u>3,982,078</u>	<u>33,895</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,498,973)</u>	<u>(1,297,211)</u>	<u>201,762</u>
Other Financing Sources (Uses):			
Transfers In	1,600,000	1,600,000	0
Total Other Financing Sources (Uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>0</u>
Net Change in Fund Balance	101,027	302,789	201,762
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,135,450</u>	<u>2,135,450</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,236,477</u>	<u>\$2,438,239</u>	<u>\$201,762</u>

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Special Assessment Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$130,000	\$137,778	\$7,778
Total Revenues	130,000	137,778	7,778
Expenditures:			
Debt Service:			
Principal Retirement	85,000	85,000	0
Interest and Fiscal Charges	56,000	54,240	1,760
Total Expenditures	141,000	139,240	1,760
Net Change in Fund Balance	(11,000)	(1,462)	9,538
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	20,268	20,268	0
Fund Balance End of Year	\$9,268	\$18,806	\$9,538

Nonmajor Capital Project Fund

Fund Description

Common Ground Park Construction Fund – To account for construction of the Common Ground Park.

The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Common Ground Park Construction Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2022

	Common Ground Parks Construction Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$2,000	\$2,000	\$0
Total Revenues	2,000	2,000	0
Expenditures:			
Current:			
Transportation and Street Repair	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	2,000	2,000	0
Other Financing Sources (Uses):			
Transfers (Out)	(73,111)	(73,111)	0
Total Other Financing Sources (Uses)	(73,111)	(73,111)	0
Net Change in Fund Balance	(71,111)	(71,111)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	71,111	71,111	0
Fund Balance End of Year	\$0	\$0	\$0

Other General Funds

With the implementation of GASB Statement No. 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedules for these funds.

Fund Descriptions

General Capital Improvement – To account as a separate division of the General Fund to reserve resources for capital improvements identified through the City’s capital improvement plan and to reserve funds for payment of short-term debt.

General Economic Sustainability – To account for funds for budget stabilization and leveling out future budget/economic cycles by maintaining healthy fund balances during an economic downturn without disruption of public services.

Employee Medical Insurance – To account for resources and expenditures for employee health, life, and disability benefits.

Unclaimed Monies – To account for funds not claimed by the owner of the funds. Most unclaimed funds is the result of outstanding checks issued by the City of Mason.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2022

	General Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	20,709,879	17,295,733	3,414,146
Total Expenditures	20,709,879	17,295,733	3,414,146
Excess of Revenues Over (Under) Expenditures	(20,709,879)	(17,295,733)	3,414,146
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	0	32,392	32,392
Transfers In	150,000	20,150,000	20,000,000
Transfers (Out)	(8,375,000)	(3,123,000)	5,252,000
Total Other Financing Sources (Uses)	(8,225,000)	17,059,392	25,284,392
Net Change in Fund Balance	(28,934,879)	(236,341)	28,698,538
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	56,583,745	56,583,745	0
Fund Balance End of Year	\$27,648,866	\$56,347,404	\$28,698,538

(1) This fund is combined with the General fund in GAAP Statements.

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	General Economic Sustainability Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Transfers In	0	2,000,000	2,000,000
Total Other Financing Sources (Uses)	0	2,000,000	2,000,000
Net Change in Fund Balance	0	2,000,000	2,000,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,000,000	5,000,000	0
Fund Balance End of Year	<u>\$5,000,000</u>	<u>\$7,000,000</u>	<u>\$2,000,000</u>

(1) This fund is combined with the General fund in GAAP Statements.

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Employee Medical Insurance Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$4,200,000	\$4,565,001	\$365,001
Other Revenues	0	1,512,963	1,512,963
Total Revenues	4,200,000	6,077,964	1,877,964
Expenditures:			
Current:			
General Government	7,567,796	7,459,315	108,481
Total Expenditures	7,567,796	7,459,315	108,481
Net Change in Fund Balance	(3,367,796)	(1,381,351)	1,986,445
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,455,877	3,455,877	0
Fund Balance End of Year	\$88,081	\$2,074,526	\$1,986,445

(1) This fund is combined with the General fund in GAAP Statements.

City of Mason, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2022

	Unclaimed Monies Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$1,957	\$1,957
Total Revenues	0	1,957	1,957
Expenditures:			
Current:			
General Government	40,000	225	39,775
Total Expenditures	40,000	225	39,775
Net Change in Fund Balance	(40,000)	1,732	41,732
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	124,822	124,822	0
Fund Balance End of Year	<u>\$84,822</u>	<u>\$126,554</u>	<u>\$41,732</u>

(1) This fund is combined with the General fund in GAAP Statements.

Other Nonmajor Funds

Custodial Funds are used to account for assets held by the City for individuals, private organizations, other governmental units.

Fund Descriptions

Municipal Court - To account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes.

Mason Port Authority - To enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason.

Community Improvement Corporation - To account for custodial transactions related to community improvement.

City of Mason, Ohio
Combining Statement of Net Position
Custodial Funds
December 31, 2022

	Municipal Court	Mason Port Authority	Community Improvement Corporation	Total
Assets:				
Equity in Pooled Cash and Investments	\$9,044	\$798,509	\$441,197	\$1,248,750
Receivables (Net):				
Accounts	0	10,000	0	10,000
Due From Others	12,739	0	0	12,739
Total Assets	21,783	808,509	441,197	1,271,489
Liabilities:				
Accounts Payable	0	0	0	0
Total Liabilities	0	0	0	0
Net Position:				
Individuals, Organizations, and Other Governments	21,783	0	0	21,783
Economic Development	0	808,509	0	808,509
Community Improvement	0	0	441,197	441,197
Total Net Position	\$21,783	\$808,509	\$441,197	\$1,271,489

City of Mason, Ohio
Combining Statement of Changes in Net Position
Custodial Funds
For the Fiscal Year Ended December 31, 2022

	Municipal Court	Mason Port Authority	Community Improvement Corporation	Total
Additions:				
Municipal Court Receipts	\$2,199,573	\$0	\$0	\$2,199,573
Mason Port Authority Receipts	0	249,681	0	249,681
Community Improvement Corporation Receipts	0	0	26,361	26,361
Total Additions	2,199,573	249,681	26,361	2,475,615
Deductions:				
Municipal Court Disbursements	2,201,756	0	0	2,201,756
Mason Port Authority Disbursements	0	601,102	0	601,102
Community Improvement Corporation Disbursements	0	0	4,285	4,285
Total Deductions	2,201,756	601,102	4,285	2,807,143
Change in Net Position	(2,183)	(351,421)	22,076	(331,528)
Net Position - Beginning of Year	23,966	1,159,930	419,121	1,603,017
Net Position - End of Year	\$21,783	\$808,509	\$441,197	\$1,271,489

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STATISTICAL SECTION

Statistical Section

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

Contents

Financial Trends - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources, income tax and property tax.

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.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

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.

Sources

Unless otherwise noted, the information in these schedules are derived from the annual comprehensive financial reports for the relevant year.

City of Mason, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Table 1

	<u>2013</u>	<u>2014 (1)</u>	<u>2015</u>	<u>2016</u>	<u>2017(2)</u>
Governmental Activities					
Net Investment in Capital Assets	\$128,860,388	\$137,675,713	\$148,517,620	\$160,013,762	\$163,696,502
Restricted	14,942,529	15,932,379	21,930,408	16,650,729	24,171,568
Unrestricted	51,370,384	31,071,105	33,540,033	34,960,857	36,551,337
Total Governmental Activities Net Position	\$195,173,301	\$184,679,197	\$197,791,295	\$211,625,348	\$224,419,407
Business-Type Activities					
Net Investment in Capital Assets	\$88,126,890	\$89,504,980	\$91,666,228	\$93,282,553	\$94,272,576
Restricted	786,591	788,035	791,199	796,196	792,282
Unrestricted	11,896,384	12,709,974	16,471,007	19,878,612	23,262,822
Total Business-Type Activities Net Position	\$100,809,865	\$103,002,989	\$108,928,434	\$113,957,361	\$118,327,680
Primary Government					
Net Investment in Capital Assets	\$216,987,278	\$227,180,693	\$240,183,848	\$253,296,315	\$257,969,078
Restricted	15,729,120	16,720,414	22,721,607	17,446,925	24,963,850
Unrestricted	63,266,768	43,781,079	50,011,040	54,839,469	59,814,159
Total Governmental Activities Net Position	\$295,983,166	\$287,682,186	\$306,719,729	\$325,582,709	\$342,747,087

Source: City of Mason, Ohio, Department of Finance

(1)-Restated for GASB Statement No. 68 Implementation

(2)-Restated for GASB Statement No. 75 Implementation

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$171,236,501	\$182,420,146	\$181,436,817	\$205,582,972	\$213,288,764
26,736,081	32,001,705	36,782,975	36,589,794	47,950,111
19,548,152	35,580,308	57,256,566	61,029,217	72,366,396
<u>\$217,520,734</u>	<u>\$250,002,159</u>	<u>\$275,476,358</u>	<u>\$303,201,983</u>	<u>\$333,605,271</u>
\$96,937,382	\$99,198,148	\$97,717,147	\$109,956,987	\$114,750,148
800,603	10,694	0	0	539,894
24,990,782	29,170,440	34,428,908	28,733,880	29,776,785
<u>\$122,728,767</u>	<u>\$128,379,282</u>	<u>\$132,146,055</u>	<u>\$138,690,867</u>	<u>\$145,066,827</u>
\$268,173,883	\$281,618,294	\$279,153,964	\$315,539,959	\$328,038,912
27,536,684	32,012,399	36,782,975	36,589,794	48,490,005
44,538,934	64,750,748	91,685,474	89,763,097	102,143,181
<u>\$340,249,501</u>	<u>\$378,381,441</u>	<u>\$407,622,413</u>	<u>\$441,892,850</u>	<u>\$478,672,098</u>

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses					
Governmental Activities:					
General Government	\$6,893,775	\$8,253,186	\$7,767,758	\$8,200,480	\$9,447,447
Public Safety	12,986,006	13,513,159	13,790,633	16,338,179	18,252,746
Community Development	2,508,451	2,425,668	3,466,084	5,797,741	4,215,313
Leisure Time Activities	2,198,219	2,882,829	2,638,497	2,923,260	3,346,183
Transportation and Street Repair	8,183,460	7,324,935	7,084,253	8,245,318	8,852,082
Basic Utility Service	281,729	283,225	283,772	281,369	301,912
Interest, Fiscal Charges and Bond Issuance Cost	1,659,947	1,581,121	2,017,459	1,403,597	1,332,168
Total Governmental Activities Expenses	34,711,587	36,264,123	37,048,456	43,189,944	45,747,851
Business-type activities					
Sewer	6,248,535	5,743,995	6,090,047	6,360,304	6,893,298
Waste Collection	1,384,282	1,413,025	1,447,712	1,493,448	1,635,745
Stormwater Utility	1,142,284	1,117,558	1,289,342	1,248,280	1,388,963
Community Center	5,898,548	6,483,630	6,507,143	6,461,430	7,070,645
Golf Course	2,651,261	2,811,835	2,695,618	2,633,090	2,707,395
Total business-type activities expenses	17,324,910	17,570,043	18,029,862	18,196,552	19,696,046
Total primary government expenses	\$52,036,497	\$53,834,166	\$55,078,318	\$61,386,496	\$65,443,897
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$2,057,346	\$2,793,861	\$2,097,958	\$2,311,007	\$2,467,450
Public Safety	1,236,491	1,410,863	1,368,530	1,856,418	1,934,390
Community Development	599,799	589,526	950,199	960,420	1,087,732
Leisure Time Activities	432,908	1,047,156	461,836	645,031	674,459
Transportation and Street Repair	26,679	73,791	129,475	180,820	386,068
Basic Utility Service	298,529	316,009	299,193	336,955	341,426
Operating Grants and Contributions	3,562,350	2,368,802	2,280,027	2,693,774	2,258,052
Capital Grants and Contributions	1,712,043	2,501,501	3,500,408	6,353,942	5,818,898
Total Governmental Activities Program Revenues	9,926,145	11,101,509	11,087,626	15,338,367	14,968,475
Business-Type Activities					
Charges for Services:					
Sewer	6,100,178	6,511,953	6,871,548	7,268,796	7,253,272
Waste Collection	1,582,570	1,595,826	1,637,354	1,619,811	1,674,251
Stormwater Utility	1,142,264	1,472,169	1,307,652	1,436,238	1,315,890
Community Center	6,445,131	6,653,029	7,033,126	6,993,632	6,767,137
Golf Course	1,871,546	1,936,890	1,987,022	1,910,162	1,735,919
Capital Grants and Contributions	779,644	2,786,840	2,818,892	2,323,669	2,501,470
Total Business-Type Activities Program Revenues	18,346,364	21,357,830	22,035,299	21,591,224	21,917,137
Total Primary Government Program Revenues	\$29,447,873	\$32,445,456	\$37,373,666	\$36,559,699	\$34,847,769

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$8,826,290	\$7,056,183	\$10,243,055	\$10,018,970	\$12,104,549
19,439,968	10,195,645	21,385,248	14,286,543	16,126,741
4,760,635	4,300,396	4,139,870	3,818,410	4,721,502
3,006,718	1,451,038	4,056,090	2,844,816	3,803,416
8,818,489	8,776,592	10,829,743	11,706,887	11,983,207
266,693	276,330	250,649	291,674	292,888
1,211,475	1,101,931	1,455,184	1,450,526	1,398,528
46,330,268	33,158,115	52,359,839	44,417,826	50,430,831
6,151,996	6,537,076	7,552,934	5,405,378	6,449,937
1,735,451	1,795,781	1,905,539	1,936,182	2,094,816
1,534,845	1,380,178	1,509,497	1,327,447	1,497,845
6,698,402	6,447,857	3,562,325	6,835,350	6,231,882
2,722,980	2,808,522	2,724,636	3,110,931	3,508,325
18,843,674	18,969,414	17,254,931	18,615,288	19,782,805
\$65,173,942	\$52,127,529	\$69,614,770	\$63,033,114	\$70,213,636
\$2,055,585	\$4,326,571	\$2,056,064	\$1,547,546	\$2,000,133
2,322,252	2,575,777	2,332,992	3,065,674	2,875,429
903,229	661,452	564,363	928,019	892,913
668,815	637,164	525,925	811,744	820,553
253,338	248,976	86,021	188,219	68,006
402,405	391,111	394,571	410,462	464,997
1,975,582	2,927,576	6,619,387	3,256,978	6,326,102
4,349,426	2,129,094	7,532,503	7,331,659	8,633,174
12,930,632	13,897,721	20,111,826	17,540,301	22,081,307
7,838,400	8,047,061	7,270,462	8,434,109	8,511,358
1,758,321	1,816,223	1,860,401	1,964,916	2,020,588
1,635,985	1,535,164	1,469,888	1,640,468	1,587,057
6,556,750	7,107,884	4,055,897	6,101,698	7,163,855
1,643,063	1,792,821	1,772,443	2,254,934	2,284,424
3,568,694	1,610,184	1,969,943	2,131,801	2,368,624
23,267,776	21,909,337	18,399,034	22,527,926	23,935,906
\$37,165,497	\$35,807,058	\$38,510,860	\$40,068,227	\$46,017,213

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2 (Continued)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net (Expense)/Revenue					
Governmental Activities	(\$25,162,614)	(\$25,960,830)	(\$27,851,577)	(\$30,779,376)	(\$33,399,636)
Business-Type Activities	776,321	3,327,968	3,838,747	1,895,178	3,073,463
Total Primary Government Net Expense	<u>(\$24,386,293)</u>	<u>(\$22,632,862)</u>	<u>(\$24,012,830)</u>	<u>(\$28,884,198)</u>	<u>(\$30,326,173)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Income Taxes	\$26,314,564	\$25,867,801	\$30,159,378	\$30,932,502	\$31,924,252
Property Taxes Levied for:					
General Purposes	611,485	423,801	301,725	545,186	964,574
Special Revenue Purposes	3,966,997	3,886,757	3,927,783	4,143,329	5,494,947
Debt Service Purposes	1,523,714	1,541,012	1,580,755	1,636,134	2,157,903
Unrestricted Grants and Entitlements	2,608,730	1,337,037	1,905,927	1,808,925	1,856,392
Payment in Lieu of Taxes	1,007,338	1,192,962	1,194,327	2,972,508	2,249,384
Investment Earnings	105,613	318,366	410,879	495,491	564,352
Gain on Sale of Capital Asset	0	0	0	0	0
Other Revenues	985,437	455,638	1,156,154	604,055	883,407
Transfers-Internal Activities	(1,054,000)	(1,046,000)	(1,564,000)	(1,452,500)	(2,521,776)
Total Governmental Activities	<u>36,069,878</u>	<u>33,977,374</u>	<u>39,072,928</u>	<u>41,685,630</u>	<u>43,573,435</u>
Business-Type Activities					
Investment Earnings	29,511	83,495	91,509	183,385	204,091
Other Revenues	26,313	61,133	35,020	37,286	92,559
Transfers-Internal Activities	1,054,000	1,046,000	1,564,000	1,452,500	2,521,776
Extraordinary Item	0	0	609,184	0	0
Total Business-Type Activities	<u>1,109,824</u>	<u>1,190,628</u>	<u>2,299,713</u>	<u>1,673,171</u>	<u>2,818,426</u>
Total Primary Government	<u>\$37,179,702</u>	<u>\$35,168,002</u>	<u>\$41,372,641</u>	<u>\$43,358,801</u>	<u>\$46,391,861</u>
Changes in Net Position					
Governmental Activities	\$8,016,544	\$11,221,351	\$10,906,254	\$10,173,799	\$28,252,427
Business-Type Activities	4,518,596	6,138,460	3,568,349	5,891,889	6,470,820
Total Primary Government	<u>\$12,535,140</u>	<u>\$17,359,811</u>	<u>\$14,474,603</u>	<u>\$16,065,688</u>	<u>\$34,723,247</u>

Source: City of Mason, Ohio, Department of Finance

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
(\$19,260,394)	(\$19,260,394)	(\$32,248,013)	(\$26,877,525)	(\$28,349,524)
4,298,362	2,939,923	1,144,103	3,912,638	4,153,101
(\$14,962,032)	(\$16,320,471)	(\$31,103,910)	(\$22,964,887)	(\$24,196,423)
\$37,542,739	\$36,291,906	\$39,221,456	\$45,434,993	\$45,543,215
256,782	677,876	751,185	694,693	1,049,844
3,381,854	5,125,291	6,309,286	4,695,485	7,913,919
1,475,246	2,151,515	2,624,161	1,972,812	3,255,341
1,957,353	2,226,651	1,644,621	2,632,482	3,640,233
2,236,927	2,278,530	1,964,577	2,175,219	2,283,907
1,302,099	3,078,024	2,821,919	(441,458)	(2,773,121)
0	0	2,049,159	0	0
906,821	1,398,026	1,773,848	223,924	212,474
(1,547,000)	(1,486,000)	(1,438,000)	(2,785,000)	(2,373,000)
47,512,821	51,741,819	57,722,212	54,603,150	58,752,812
515,977	1,126,581	894,753	(187,148)	(238,795)
109,481	98,011	289,917	34,322	88,654
1,547,000	1,486,000	1,438,000	2,785,000	2,373,000
0	0	0	0	0
2,172,458	2,710,592	2,622,670	2,632,174	2,222,859
\$49,685,279	\$54,452,411	\$60,344,882	\$57,235,324	\$60,975,671
\$32,481,425	\$32,481,425	\$25,474,199	\$27,725,625	\$30,403,288
5,650,515	5,650,515	3,766,773	6,544,812	6,375,960
\$38,131,940	\$38,131,940	\$29,240,972	\$34,270,437	\$36,779,248

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City of Mason, Ohio
 Governmental Activities Tax Revenues by Source
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Table 3

Fiscal Year	Income Tax	Property tax revenue for:				Total
		General	Special Revenue	Debt Service	Total Property Taxes	
2013	\$26,314,564	\$611,485	\$3,966,997	\$1,523,714	\$6,102,196	\$32,416,760
2014	25,867,801	423,801	3,886,757	1,541,012	5,851,570	31,719,371
2015	30,159,378	301,725	3,927,783	1,580,755	5,810,263	35,969,641
2016	30,932,502	545,186	4,143,329	1,636,134	6,324,649	37,257,151
2017 (1)	31,924,452	964,574	5,494,947	2,157,903	8,617,424	40,541,876
2018	37,542,739	256,782	3,381,854	1,475,246	5,113,882	42,656,621
2019	36,291,906	677,876	5,125,291	2,151,515	7,954,682	44,246,588
2020	39,221,456	751,185	6,309,286	2,624,161	9,684,632	48,906,088
2021	45,434,993	694,693	4,695,485	1,972,812	7,362,990	52,797,983
2022	45,543,215	1,049,844	7,913,919	3,255,341	12,219,104	57,762,319

Source: City of Mason, Ohio, Department of Finance

(1) 2017 property tax revenue includes the advance for tax year 2017 that was available rather than deferred

City of Mason, Ohio
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund					
Nonspendable	\$282,398	\$344,898	\$560,194	\$501,274	\$360,487
Assigned	22,794,902	20,543,640	27,104,971	31,104,283	34,597,957
Unassigned	12,876,440	17,623,466	19,384,655	22,191,660	20,126,322
Total General Fund	<u>\$35,953,740</u>	<u>\$38,512,004</u>	<u>\$47,049,820</u>	<u>\$53,797,217</u>	<u>\$55,084,766</u>
All Other Governmental Funds					
Nonspendable	26,839	18,997	27,595	27,424	19,157
Restricted	13,722,199	14,283,876	14,430,667	15,901,389	21,399,662
Committed	686	686	686	10,146	686
Assigned	2,074,188	2,120,201	2,279,076	2,496,191	3,039,830
Unassigned	(215,251)	(172,219)	(128,747)	(1,812,193)	(26,894)
Total All Other Governmental Funds	<u>\$15,608,661</u>	<u>\$16,251,541</u>	<u>\$16,609,277</u>	<u>\$16,622,957</u>	<u>\$24,432,441</u>

Source: City of Mason, Ohio, Department of Finance

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$430,197	\$554,010	\$511,886	\$541,463	\$471,026
40,615,675	43,669,072	77,151,958	62,592,069	74,103,223
22,447,959	23,743,959	18,676,543	31,898,977	31,561,926
<u>\$63,493,831</u>	<u>\$67,967,041</u>	<u>\$96,340,387</u>	<u>\$95,032,509</u>	<u>\$106,136,175</u>
15,657	16,074	49,486	26,653	20,055
23,790,083	29,198,225	32,688,575	43,073,882	47,280,292
686	686	686	686	686
3,763,802	3,358,550	503,681	579,607	655,762
0	0	0	(204,067)	(26,868)
<u>\$27,570,228</u>	<u>\$32,573,535</u>	<u>\$33,242,428</u>	<u>\$43,476,761</u>	<u>\$47,929,927</u>

City of Mason, Ohio
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Table 5

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues					
Taxes	\$32,703,069	\$33,711,798	\$36,510,341	\$38,152,129	\$41,077,499
Charges for Services	2,174,388	2,135,411	2,085,989	2,820,263	2,840,435
Investment Earning	91,918	307,704	399,249	481,325	534,372
Intergovernmental	5,885,803	4,612,903	5,347,271	8,801,391	4,892,782
Fines, Licenses & Permits	2,328,919	3,003,599	2,748,158	3,037,544	3,484,489
Special Assessments	13,426	6,477	0	0	0
Revenue in Lieu of Taxes	1,101,682	1,193,794	1,164,715	2,952,032	2,280,491
Other Revenue	1,417,134	2,193,185	1,631,646	1,137,776	1,425,838
Total Revenues	45,716,339	47,164,871	49,887,369	57,382,460	56,535,906
Expenditures					
General Government	6,287,335	7,598,473	7,190,949	7,199,194	8,022,692
Public Safety	12,381,894	13,017,332	12,897,974	14,159,846	15,369,761
Community Development	2,498,610	2,904,994	3,463,967	5,680,876	4,053,604
Leisure Time Activities	1,710,742	1,959,721	2,254,479	2,304,088	2,397,596
Transportation and Street Repair	3,467,723	4,998,074	5,423,862	5,158,461	5,370,369
Basic Utility Service	281,729	283,225	283,772	281,369	301,912
Capital Outlay	7,156,134	8,248,954	12,136,133	10,022,629	8,226,151
Debt Service					
Principal Retirement	2,681,250	2,371,250	4,951,250	3,066,250	2,900,000
Interest and Fiscal Charges	1,657,718	1,578,415	1,870,079	1,336,941	1,374,429
Bond Issuance Cost	0	0	139,223	128,486	0
Total Expenditures	38,123,135	42,960,438	50,611,688	49,338,140	48,016,514
Excess of Revenues					
Over (Under) Expenditures	7,593,204	4,204,433	(724,319)	8,044,320	8,519,392
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	1,430,890	116,833	31,945
Issuance of Long-Term Capital-Related Debt	0	0	9,000,000	8,575,000	2,000,000
Payments to Refunded Bond Escrow Agent	0	0	0	(9,600,367)	0
Premium on Debt Issuance	0	0	534,150	1,156,623	0
Issuance of Leases	25,000	0	0	0	0
Transfer In	4,293,511	4,114,144	6,970,254	4,376,957	8,048,887
Transfer Out	(5,347,511)	(5,160,144)	(8,534,254)	(5,829,457)	(9,353,887)
Total Other Financing Sources (Uses)	(1,029,000)	(1,046,000)	9,401,040	(1,204,411)	726,945
Net Change in Fund Balances	\$6,564,204	\$3,158,433	\$8,676,721	\$6,839,909	\$9,246,337
Debt Service as a Percentage of					
Noncapital Expenditures	13.2%	11.3%	18.7%	11.5%	10.4%

Source: City of Mason, Ohio, Department of Finance

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$44,424,065	\$45,115,793	\$49,473,963	\$53,975,742	\$61,226,222
3,336,546	3,546,217	3,217,386	4,220,109	4,246,825
1,296,309	3,022,069	2,876,580	(433,364)	(2,890,461)
4,672,327	5,108,504	9,795,217	11,602,455	15,112,208
2,958,595	2,675,661	2,005,919	2,563,334	2,336,429
136,948	136,415	136,410	136,654	137,778
2,195,903	2,186,013	2,057,098	1,982,675	2,468,081
1,406,476	3,856,946	2,311,943	719,220	768,711
60,427,169	65,647,618	71,874,516	74,766,825	83,405,793
7,620,161	7,638,961	8,868,661	9,913,333	11,738,722
16,008,398	16,547,378	18,105,298	16,809,164	17,338,251
4,531,433	4,750,244	3,963,766	4,000,572	4,811,061
2,302,929	2,216,199	3,278,495	2,701,370	3,003,730
6,392,333	6,769,310	7,580,673	9,335,749	7,489,687
266,693	276,330	250,649	291,674	292,888
4,964,472	13,504,828	16,989,685	25,369,911	16,344,075
4,020,000	1,970,000	9,335,000	4,170,000	2,860,000
1,273,058	1,135,277	1,369,224	1,310,270	1,530,281
0	0	418,117	203,044	0
47,379,477	54,808,527	70,159,568	74,105,087	65,408,695
13,047,692	10,839,091	1,714,948	661,738	17,997,098
0	0	4,053,824	100,920	11,501
0	0	23,000,000	10,000,000	0
0	0	0	0	0
0	0	1,731,165	938,034	0
0	0	0	0	0
10,202,456	8,532,230	9,254,979	8,197,171	6,886,369
(11,749,456)	(10,018,230)	(10,692,979)	(10,982,171)	(9,259,369)
(1,547,000)	(1,486,000)	27,346,989	8,253,954	(2,361,499)
\$11,500,692	\$9,353,091	\$29,061,937	\$8,915,692	\$15,635,599
13.4%	7.6%	21.7%	11.4%	8.8%

City of Mason, Ohio
Income Tax Revenue by Payer Type
Last Ten Fiscal Years
(budget (cash) basis of accounting)
Table 6

<u>Fiscal Year</u>	<u>Withholding</u>	<u>Business</u>	<u>Individual</u>	<u>Total</u>	<u>Percentage of Total</u>			
					<u>Withholding</u>	<u>Business</u>	<u>Individual</u>	<u>Total</u>
2013	\$17,387,727	\$3,732,510	\$4,577,195	\$25,697,432	67.7%	14.5%	17.8%	100.0%
2014	18,462,999	3,823,889	4,266,319	26,553,207	69.5%	14.4%	16.1%	100.0%
2015	19,305,702	5,652,877	4,437,307	29,395,886	65.7%	19.2%	15.1%	100.0%
2016	21,313,476	5,112,306	4,992,424	31,418,206	67.8%	16.3%	15.9%	100.0%
2017	22,145,087	4,629,661	4,868,771	31,643,519	70.0%	14.6%	15.4%	100.0%
2018	23,961,340	9,455,422	4,137,634	37,554,396	63.8%	25.2%	11.0%	100.0%
2019	26,375,737	4,576,337	4,922,166	35,874,240	73.5%	12.8%	13.7%	100.0%
2020	26,962,882	6,559,837	5,101,020	38,623,739	69.8%	17.0%	13.2%	100.0%
2021	28,325,734	10,199,526	6,189,829	44,715,089	63.3%	22.8%	13.8%	100.0%
2022	29,113,859	12,196,391	6,393,169	47,703,419	61.0%	25.6%	13.4%	100.0%

General Governmental Income Tax Revenue by Tax Year
Last Ten Fiscal Years
(budget (cash) basis of accounting)

<u>Fiscal Year</u>	<u>Delinquent</u>	<u>Penalties</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
2013	(\$51,451)	\$253,618	\$5,622,577	\$19,872,688	\$25,697,432
2014	253,419	195,400	4,976,987	21,127,401	26,553,207
2015	249,055	173,592	6,139,305	22,833,934	29,395,886
2016	427,351	198,735	6,319,233	24,472,887	31,418,206
2017	(34,581)	317,363	6,000,839	25,359,898	31,643,519
2018	(103,332)	255,568	7,881,573	29,520,588	37,554,397
2019	(928,727)	342,976	6,771,199	29,688,792	35,874,240
2020	768,456	262,856	9,451,939	28,140,489	38,623,739
2021	910,967	332,384	9,420,233	34,051,505	44,715,089
2022	1,179,402	313,017	6,403,661	39,807,338	47,703,419

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 Table 7

Tax Year	Real Property		Public Utility (1)		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2013	\$969,297,620	\$2,769,421,771	\$18,094,150	\$20,561,534	\$987,391,770	\$2,789,983,305	7.32	35.39%
2014	980,478,870	2,801,371,057	19,495,730	22,154,238	999,974,600	2,823,525,295	6.72	35.42%
2015	1,067,993,410	3,051,409,743	20,299,970	23,882,318	1,088,293,380	3,075,292,061	6.72	35.39%
2016	1,090,772,940	3,116,494,114	20,553,230	24,180,271	1,111,326,170	3,140,674,385	6.72	35.38%
2017	1,122,760,390	3,207,886,829	22,147,560	26,055,953	1,144,907,950	3,233,942,782	6.72	35.40%
2018	1,271,359,680	3,632,456,229	23,678,020	67,651,485	1,295,037,700	3,700,107,714	6.72	35.00%
2019	1,315,894,450	3,759,698,429	24,976,370	71,361,057	1,340,870,820	3,831,059,486	6.72	35.00%
2020	1,360,824,030	3,888,068,657	27,735,470	79,244,200	1,388,559,500	3,967,312,857	6.72	35.00%
2021	1,512,664,690	4,321,899,114	29,928,880	85,511,086	1,542,593,570	4,407,410,200	6.72	35.00%
2022	1,602,850,670	4,579,573,343	31,165,070	89,043,057	1,634,015,740	4,668,616,400	6.72	35.00%

Source: Warren County Auditor's Office

(1) Estimate based upon 85% assessed value

City of Mason, Ohio
Property Tax Rates -
Direct and Overlapping Governments
Last Ten Fiscal Years
Table 8

Tax Year	City of Mason				Overlapping Rates				
	General Fund	Fire Operating (2)	Debt Service	Total	Mason City School District	Warren County	Joint Voc. School	Special District	Total
2013	0.58%	4.40%	1.74%	6.72%	83.97%	7.78%	2.70%	2.25%	103.42%
2014	0.58%	4.40%	1.74%	6.72%	83.97%	7.78%	2.70%	2.25%	103.42%
2015	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%
2016	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%
2017	0.58%	4.40%	1.74%	6.72%	83.11%	6.28%	2.70%	2.00%	100.81%
2018	0.58%	4.40%	1.74%	6.72%	82.79%	6.28%	2.70%	2.00%	100.49%
2019	0.58%	4.40%	1.74%	6.72%	82.79%	6.28%	2.70%	2.00%	100.49%
2020	0.58%	4.40%	1.74%	6.72%	87.10%	6.28%	2.70%	2.00%	104.80%
2021	0.58%	4.40%	1.74%	6.72%	86.35%	2.50%	2.70%	2.00%	100.27%
2022	0.58%	4.40%	1.74%	6.72%	85.91%	6.28%	2.70%	2.00%	103.61%

Source: Warren County Auditor's Office

(1) Rates equivalent to \$1 in tax per \$1,000 of assessed valuation.

(2) Tax year 2013 was first year for levy approved by charter amendment for fire, emergency medical and safety services. Charter allows up to 5 mills (5% per \$1,000).

City of Mason, Ohio
Principal Property Taxpayers
December 31, 2022
Table 9

<u>Taxpayer</u>	<u>Fiscal Year 2022</u>			<u>Fiscal Year 2012</u>		
	<u>Assessed Valuation (1)</u>	<u>Rank</u>	<u>Percentage Of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total Assessed Valuation</u>
Procter & Gamble Company	\$6,714,798	1	0.41%			
Duke Energy Ohio Inc.	31,138,060	2	1.91%	\$16,228,920	2	0.99%
Kings Island Company	21,826,040	3	1.34%	19,955,230	1	1.22%
Mason Family Resorts	15,300,590	4	0.94%	2,182,650	10	0.13%
Lenscrafters, Inc	11,417,330	5	0.70%			
Twin Fountains of Mason	8,044,720	6	0.49%	8,044,720	3	0.49%
Mason Christian Village	7,645,140	7	0.47%	6,425,890	4	0.39%
Cintas Sales Corporation	5,991,210	8	0.37%	5,564,980	6	0.34%
Scion Real Estate Investments	4,852,670	9	0.30%			
Mitsubishi Electric Auto	445,650	10	0.03%	4,214,370	8	0.26%
H J Heinz Co LLP			0.00%	2,762,290	9	0.17%
Makino				4,724,780	7	0.29%
Tennis for Charity				5,882,090	5	0.36%
All Others	<u>1,520,639,532</u>		<u>93.04%</u>	<u>885,198,490</u>		<u>95.72%</u>
Total Assessed Valuation	<u><u>\$1,634,015,740</u></u>		<u><u>100.00%</u></u>	<u><u>\$961,184,410</u></u>		<u><u>100.00%</u></u>

Source: Warren County Auditor's Office

(1) Assessed valuation declined since tangible personal property tax was phased out in 2011 for inventory, machinery and equipment.

City of Mason, Ohio
 Property Tax Levies and Collections -
 Real, Public Utility and Tangible Personal Property
 Table 10

Tax Year:	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Fiscal Year:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Tax Levy	\$6,714,798	\$6,623,235	\$6,711,730	\$7,274,791	\$7,500,402
Current Tax Collections	6,606,807	6,530,015	6,543,116	7,163,604	7,389,214
Percent of Levy Collected	98.39%	98.59%	97.49%	98.47%	98.52%
Delinquent Tax Collections (1)	188,875	128,004	105,306	185,931	122,090
Total Tax Collections	6,795,682	6,658,019	6,648,421	7,349,535	7,511,304
Ratio of Total Tax Collections to Current Taxes Levied	101.20%	100.53%	99.06%	101.03%	100.15%

Source: Warren County Auditor's Office

(1) Delinquent Tax Collections by levy year are not available. Only Delinquent Tax Collections by collection year are available and presented. The County does not identify delinquent collections by the year for which the tax was levied.

2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$7,738,662	\$8,677,773	\$8,929,969	\$9,282,368	\$10,276,642
7,634,616	8,579,145	8,048,674	9,059,440	10,094,391
98.66%	98.86%	90.13%	97.60%	98.23%
162,859	123,644	113,556	218,719	185,010
7,797,475	8,702,788	8,162,230	9,278,158	10,279,401
100.76%	100.29%	91.40%	99.95%	100.03%

City of Mason, Ohio
 Special Assessment Billings and Collections
 Last Ten Fiscal Years
 Table 11

<u>Tax Year</u>	<u>Current Assessments Billings</u>	<u>Current Assessments Collected</u>	<u>Ratio of Collection To Amount Billed</u>
2012	\$14,852	\$14,011	94.34%
2013	7,544	6,160	81.65%
2014	3,298	3,207	97.24%
2015	3,152	2,811	89.18%
2016	2,662	1,613	60.59%
2017	139,644	138,401	99.11%
2018	138,853	138,434	99.70%
2019	141,233	140,580	99.54%
2020	138,871	137,317	98.88%
2021	140,732	139,840	99.37%

Source: Warren County Auditor's Office

Note: Tax Year 2021 is billed and due in 2022

City of Mason, Ohio
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 12

Governmental Activities							
Fiscal Year	General Obligation Bonds	Bond Anticipation Notes	Tax Increment Financing	Certificates of Participation	Special Assessments Bonds	Taxable Revenue Note	Total Governmental Activities
2013	\$18,281,569	\$7,885,000	\$2,595,000	\$16,250,783	\$0	\$3,170,000	\$48,182,352
2014	17,080,479	8,500,000	2,345,000	15,265,338	0	0	43,190,817
2015	25,373,539	2,000,000	2,105,000	11,729,893	0	0	41,208,432
2016	24,340,980	0	1,855,000	10,664,448	0	0	36,860,428
2017	22,496,798	0	1,695,000	9,574,003	2,000,000	0	35,765,801
2018	19,657,613	0	1,530,000	8,438,558	1,925,000	0	31,551,171
2019	18,948,696	0	1,350,000	7,258,113	1,850,000	0	29,406,809
2020	41,353,090	0	1,165,000	0	1,775,000	0	44,293,090
2021	48,190,649	0	960,000	0	1,695,000	0	50,845,649
2022	45,368,272	0	745,000	0	1,610,000	0	47,723,272

Business-Type Activities									
Fiscal Year	General Obligation Bonds	Mortgage Revenue Bonds	Bond Anticipation Notes	Certificates of Participation	Special Assessments Bonds	Total Business-Type Activities	Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
2013	\$31,864,166	\$0	\$0	10,033,479	\$7,000	\$41,904,645	\$90,086,997	6.73%	\$2,753
2014	30,133,364	0	0	9,724,266	0	39,857,630	83,048,447	6.32%	2,746
2015	28,362,563	0	0	9,405,053	0	37,767,616	78,976,048	5.73%	2,518
2016	20,695,358	0	5,500,000	9,075,840	0	35,271,198	72,131,626	4.07%	2,142
2017	19,195,626	0	5,000,000	8,736,627	0	32,932,253	68,698,054	3.83%	2,052
2018	17,640,894	0	4,500,000	8,382,414	0	30,523,308	62,074,479	3.41%	1,868
2019	16,066,162	0	4,000,000	7,215,832	0	27,281,994	56,688,803	2.98%	1,674
2020	20,123,717	0	0	6,569,249	0	26,692,966	70,986,056	3.70%	2,075
2021	4,978,699	0	0	5,907,666	0	10,886,365	61,732,014	2.98%	1,774
2022	4,280,111	0	0	5,231,083	0	9,511,194	57,234,466	2.55%	1,611

Source: City of Mason, Ohio, Department of Finance

Note: Premiums and discounts on issuances are not included. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 17 for personal income and population data.

City of Mason, Ohio
 Ratios of Net General Bonded Debt Outstanding
 To Assessed Value and Net Bonded Debt Per Capita
 Table 13

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Assessed Value (2)</u>	<u>General Bonded Debt (3)</u>	<u>Less Debt Service Fund (4)</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2013	31,449	\$987,391,770	\$50,145,735	\$735,048	\$49,410,687	5.00%	\$1,571
2014	31,613	999,974,600	47,213,843	830,279	46,383,564	4.64%	1,467
2015	31,613	1,088,293,380	53,736,102	896,336	52,839,766	4.86%	1,671
2016	32,662	1,111,326,170	45,036,338	495,343	44,540,995	4.01%	1,364
2017	33,037	1,144,907,950	41,692,424	567,796	41,124,628	3.59%	1,245
2018	33,235	1,295,037,700	37,298,507	727,058	36,571,449	2.82%	1,100
2019	33,870	1,340,870,820	35,014,858	2,009,513	33,005,345	2.46%	974
2020	34,209	1,388,559,500	61,476,807	1,498,731	59,978,076	4.32%	1,753
2021	34,792	1,542,593,570	53,169,348	2,104,478	51,064,870	3.31%	1,468
2022	35,520	1,634,015,740	49,648,383	3,287,239	46,361,144	2.84%	1,305

Source: City of Mason, Ohio, Department of Finance

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) U.S. Census Bureau

(2) Assessed Value from Warren County Auditor's Office

(3) Does not include Bond Anticipation Notes, Tax Increment Financing, Certificates of Participation or Special Assessment debt with governmental commitment.

(4) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

City of Mason, Ohio
Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt (1)
To Total General Government Expenditures
Table 14

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest (2)</u>	<u>Total Debt Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service To General Government Expenditures</u>
2013	\$1,125,000	\$759,670	\$1,884,670	\$6,287,335	29.98%
2014	1,175,000	724,108	1,899,108	7,598,473	24.99%
2015	1,215,000	686,983	1,901,983	7,190,949	26.45%
2016	1,790,000	643,558	2,433,558	7,199,194	33.80%
2017	1,695,000	813,986	2,508,986	8,022,692	31.27%
2018	2,690,000	713,534	3,403,534	7,620,161	44.66%
2019	580,000	631,727	1,211,727	7,638,961	15.86%
2020	2,135,000	896,848	3,031,848	8,868,661	34.19%
2021	4,090,000	1,310,270	5,400,270	9,313,333	57.98%
2022	2,775,000	1,292,543	4,067,543	11,738,722	34.65%

Source: City of Mason, Ohio, Department of Finance

- (1) General obligation bonds reported in the enterprise funds and special assessment debt with governmental commitment have been excluded.
- (2) Excludes bond issuance and other costs.

City of Mason, Ohio
 Direct and Overlapping Governmental General Obligation Debt
 As of December 31, 2022
 Table 15

	Net General Obligations Bonded Debt Outstanding (1)	Percentage Applicable (2) to City	Amount Applicable to City
Mason City School District	\$17,270,000	55.85%	\$9,645,295
Kings Local School District	30,790,000	13.71%	4,221,309
Great Oaks Career Center Joint Vocational School	0	6.23%	0
Lebanon City School District	32,720,000	0.20%	65,440
Deerfield Township	0	1.26%	0
Warren County Career Center Jt. Voc. School	600,000	2.61%	15,660
Warren County	<u>99,000,000</u>	16.99%	<u>16,820,100</u>
Subtotal Overlapping Debt	<u>180,380,000</u>		<u>30,767,804</u>
City of Mason - Direct Debt	<u>\$47,723,272</u>	100.00%	<u>\$47,723,272</u>
Total Direct and Overlapping Debt	<u>\$228,103,272</u>		<u>\$78,491,076</u>

Source: Ohio Municipal Advisory Council

(1) - Includes Special Assessment and Self-Supporting Debt

(2) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

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City of Mason, Ohio
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Table 16

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total Debt Limit (1)					
Total Debt Limit (10.5%)	\$103,676,136	\$104,997,333	\$114,270,805	\$116,689,248	\$120,215,335
Total Net Debt Applicable to Limits	31,914,952	24,584,721	25,800,620	22,164,657	21,947,204
Legal Debt Limit Margin	\$71,761,184	\$80,412,612	\$88,470,185	\$94,524,591	\$98,268,131
Total Net Debt Applicable to the Limit as a Percentage of Total Debt Limit	30.78%	23.41%	22.58%	18.99%	18.26%
Total Unvoted Debt Limit (1)					
Total Unvoted Debt Limit (5.5%)	\$54,306,547	\$54,998,603	\$59,856,136	\$61,122,939	\$62,969,937
Total Net Debt Applicable to Limits	31,914,952	24,584,721	25,800,620	22,164,657	21,947,204
Legal Unvoted Debt Limit Margin	\$22,391,595	\$30,413,882	\$34,055,516	\$38,958,282	\$41,022,733
Total Net Debt Applicable to the Limit as a Percentage of Total Unvoted Debt Limit	58.77%	44.70%	43.10%	36.26%	34.85%

Legal Debt Margin Calculation for Fiscal Year 2022

	Total Debt Limit	Total Unvoted Debt Limit
Net assessed valuation	\$1,634,015,740	\$1,634,015,740
Statutory legal debt limitation (1)	10.5%	5.5%
Total debt limitation	\$171,571,653	\$89,870,866
Debt applicable to limit:		
Debt applicable to limit(2)	47,723,272	47,723,272
Less: applicable debt service fund amounts(3)	(3,287,239)	(3,287,239)
Total net debt applicable to limit	44,436,033	44,436,033
Legal debt margin	\$127,135,620	\$45,434,833

Source: City of Mason, Ohio, Department of Finance

- (1) Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value. Total unvoted debt limits should not exceed 5.5% of net assessed property value.
- (2) City debt outstanding includes non self-supporting general obligation notes and bonds only. Enterprise debt is not considered in the computation of the legal debt margin.
- (3) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$135,978,959	\$140,791,436	\$145,798,748	\$161,972,325	\$171,571,653
19,472,942	21,554,513	40,316,270	48,741,171	44,436,033
\$116,506,017	\$119,236,923	\$105,482,478	\$113,231,154	\$127,135,620
14.32%	15.31%	27.65%	30.09%	25.90%
\$71,227,074	\$73,747,895	\$76,370,773	\$84,842,646	\$89,870,866
19,472,942	21,554,513	40,316,270	48,741,171	44,436,033
\$51,754,132	\$52,193,382	\$36,054,503	\$36,101,475	\$45,434,833
27.34%	29.23%	52.79%	57.45%	49.44%

City of Mason, Ohio
Demographic and Economic Statistics
December 31, 2022
Table 17

Year	Area (Square Miles)	Population (1)	Estimated Personal Income(2)	Per Capita Personal Income(3)	Median Age(4)	School Enrollment(5)	Unemployment Rates (6)		
							Warren County	Ohio	United States
2013	18.6	31,449	\$1,366,584,846	\$43,454	38.4	10,911	4.6%	5.9%	6.2%
2014	18.6	31,613	1,388,537,799	43,923	38.9	10,773	3.7%	5.2%	5.4%
2015	18.6	31,613	1,636,541,784	51,768	38.9	10,715	4.4%	5.4%	5.1%
2016	19.2	32,662	1,719,621,638	52,649	40.4	10,713	4.7%	6.0%	5.1%
2017	19.2	33,037	1,771,080,533	53,609	41.9	10,728	3.8%	4.5%	3.9%
2018	19.2	33,235	1,818,353,320	54,712	42.3	10,664	3.9%	4.8%	3.7%
2019	19.2	33,870	1,899,937,650	56,095	37.9	10,420	3.1%	3.8%	3.4%
2020	19.2	34,209	1,918,953,855	56,095	42.4	10,283	4.0%	5.2%	6.5%
2021	19.2	34,792	2,073,846,744	59,607	42.9	10,295	2.6%	3.4%	3.7%
2022	19.2	35,520	2,241,880,320	63,116	42.1	10,210	2.9%	3.6%	3.3%

Sources:

- (1) U.S. Census Bureau 2020 Census
- (2) Population estimate times per capita person income
- (3) U.S. Department of Commerce, Bureau of Economic Analysis for the Cincinnati Metropolitan Statistical Area. 2020 information not available.
- (4) U.S. Census Bureau 2020 Census
- (5) Mason City Schools
- (6) Ohio Department of Job & Family Services, Office of Workforce Development, Bureau of Labor Market Information, seasonally adjusted. Information only available for Warren County

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City of Mason, Ohio
Principal Employers
Current Year and Ten Years Ago
Table 18

Fiscal Year 2022		
<u>Employer</u>	<u>Business Activity</u>	<u>Full-time Employees (1)</u>
Procter & Gamble Company	Healthcare research	3,189
Cintas Corporation	Professional uniforms	1,228
Kings Island	Amusement park	1,250
Essiler Luxottica	Eyewear and lens	1,100
Mason City Schools	Local school district	1,179
Honeywell-Intelligrated	Material handling solutions	888
L3 Harris Technologies Inc	Aerospace and defense industry electronics	830
Mitsubishi Electric Automotive	Automotive electrical components	581
Empire Packing LP	Packaged meat	534
Makino Inc	Machine tool manufacturer	502

<u>Employer</u>	<u>Business Activity</u>	<u>Income Tax Withholding Ranking (2)</u>
Procter & Gamble Company	Healthcare research	1
Cintas Corporation	Professional uniforms	2
Essiler Luxottica	Eyewear and lens	3
Honeywell-Intelligrated	Material handling solutions	4
Mason City Schools	Local school district	5
L3 Harris Technologies Inc	Aerospace and defense industry electronics	6
Kings Island	Amusement park	7
AtriCure Inc.	Medical device provider	8
Mitsubishi Electric Automotive	Automotive electrical components	9
Makino Inc	Machine tool manufacturer	10

Source: Full-time employees from City of Mason Economic Development

Note: Income tax withholding ranking from City of Mason Income Tax

(1) The employer's percentage of total employment for each principal employer was not available.

(2) State law and city income tax ordinance prohibits the release of income tax information.

The withholding amount could not be provided.

Fiscal Year 2012

<u>Employer</u>	<u>Business Activity</u>	<u>Full-time Employees (2)</u>
Procter & Gamble Company	Healthcare research	1,920
Luxottica (Lenscrafters)	Eyewear and lens	1,525
Cintas Corporation	Professional uniforms	1,211
Mason City Schools	Local school district	1,188
L3 Cincinnati Electronics	Aerospace and defense industry electronics	653
H.J. Heinz/Portion Pac	Portion-controlled condiments	410
Mitsubishi Electric	Automotive electrical components	389
Intelligrated Systems LLC	Material handling solutions	314
Lindner Center of Hope	Mental health treatment center	253
Cedar Village	Not for profit retirement community	222

<u>Employer</u>	<u>Business Activity</u>	<u>Income Tax Withholding Ranking (3)</u>
Procter & Gamble Company	Healthcare research	1
Luxottica (Lenscrafters)	Eyewear and lens	2
Cintas Corporation	Professional uniforms	3
Mason City Schools	Local school district	4
Intelligrated Systems LLC	Aerospace and defense industry electronics	5
L3 Cincinnati Electronics	Amusement park	6
Kings Island	Automotive electrical components	7
H.J. Heinz/Portion Pac	Material handling solutions	8
Mitsubishi Electric	Portion-controlled condiments	9
S T International	Pharmaceuticals	10

City of Mason, Ohio
 Full-time City of Mason Employee by Function
 Last Ten Fiscal Years
 Table 19

Full-time position at December 31	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Government										
City Administration	10	10	10	11	11	11	11	11	11	11
Council	1	1	1	1	1	1	1	1	1	1
Facility	1	3	3	4	4	4	4	4	4	4
Finance	10	10	10	10	10	10	10	10	10	10
Municipal Court	20	20	20	20	20	20	20	20	20	20
Public Safety										
Police										
Officers	43	43	43	46	47	52	52	52	52	52
Non-sworn	7	7	7	7	7	7	7	7	7	7
Fire	42	42	42	46	46	52	52	52	52	52
Leisure Time Activities										
Recreation/Community Center	22	15	15	14	14	15	15	15	15	15
Park Maintenance		6	6	6	6	6	6	6	6	6
Community Development										
Planning	2	2	2	2	2	2	2	2	2	2
Building Inspection	7	7	7	7	7	7	7	7	7	7
Economic Development	3	3	3	3	3	3	3	3	3	3
Basic Utility Service										
Sanitary Sewer	16	16	16	16	16	16	16	16	16	15
Billing	1	1	1	1	1	1	1	1	1	1
Stormwater	2	2	2	2	2	2	2	2	2	2
Transportation and Street Repair										
Engineering	8	8	8	7	7	7	7	7	7	7
Public Works/Street Maintenance	20	19	19	19	19	19	19	19	19	20
Total Full-Time Positions	215	215	215	222	223	235	235	235	235	235
Total Part-Time Positions	203	208	210	206	186	185	185	185	185	180

Source: City of Mason Annual Budget for full-time positions and City of Mason payroll for part-time positions

City of Mason, Ohio
 Operating Indicators and Capital Position Statistics
 Last Ten Fiscal Years
 Table 20

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police Protection:										
Number of Marked Patrol Vehicles	19	19	19	19	19	19	22	24	24	24
Calls for Service	36,635	41,193	41,267	46,412	55,331	61,373	62,996	51,236	46,620	39,754
Moving Violation Citations	2,502	2,226	2,579	2,977	3,451	2,900	2,411	1,540	1,282	1,570
Arrests	910	908	961	980	991	1,076	991	880	567	479
Fire & Emergency Medical:										
Fire Responses	978	1,229	974	968	992	1,181	1,209	1,059	1,005	1,165
Emergency Medical Responses	2,477	2,767	2,823	3,086	2,852	2,963	3,316	2,866	3,457	3,732
Number of Stations	2	2	2	2	2	2	2	2	2	2
Number of Emergency Vehicles	19	19	20	20	21	21	20	20	20	20
Leisure Time Activities										
Parks	7	7	7	7	7	7	7	7	8	8
Park acreage (developed)	296	296	296	296	296	296	296	296	301	335
Community Center Membership										
Premier	1,798	2,257	2,432	2,685	2,648	2,766	2,927	1,751	2,857	3,450
Basic	1,368	1,304	1,208	1,135	1,203	1,178	1,156	743	813	795
Golf Center Rounds Played										
Grizzly Course	39,750	39,676	40,211	39,243	38,474	37,056	39,146	43,775	45,668	42,360
Bruin Course (9 hole Oct. 2010, closed)	7,428	5,858	5,905	4,069	0	0	0	0	0	0
Community Development										
Building Permits Issued	92	192	153	155	171	153	153	138	168	85
Utility Services										
Number of Sewer Customers	10,283	10,410	10,580	10,628	10,873	10,961	11,075	11,165	11,290	11,381
Number of Refuse Customers	8,928	9,064	9,113	9,181	9,377	9,565	9,691	9,763	9,890	9,969
Number of Stormwater Customers	10,389	10,609	10,763	10,809	10,911	11,198	11,330	11,407	11,536	11,623
Storm sewers (miles)	95	96	98	99	99	101	102	103	104	105
Sanitary sewers (miles)	137	138	141	142	142	145	146	147	148	149
Sewage Treatment capacity per day (million gallons)	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67
Transportation & Street Repair										
Number of Streets (dedicated)	452	454	459	466	466	477	477	478	481	482
Lane Miles	357	359	360	362	362	364	367	372	375	376
Traffic Signals	40	40	40	42	42	42	42	42	42	42
Bike Paths (miles)	19	19	20	20	20	20	21	21	21	21

Source: City of Mason, Ohio, Department of Finance

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF MASON

WARREN 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 10/5/2023

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

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