

CITY OF WILLOUGHBY
LAKE COUNTY, OHIO

REGULAR AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2022



Rea & associates

www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER



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

City Council
City of Willoughby
One Public Square
Willoughby, Ohio 44094

We have reviewed the *Independent Auditor's Report* of the City of Willoughby, Lake County, prepared by Rea & Associates, Inc., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Willoughby 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 15, 2023

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City of Willoughby
Lake County, Ohio
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of Council
City of Willoughby
Lake County, Ohio
One Public Square
Willoughby, OH 44094

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 Willoughby, Lake County, Ohio (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City's Response to Findings

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

Purpose of this Report

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

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 28, 2023

City of Willoughby
Lake County, Ohio
Schedule of Findings and Responses
December 31, 2022

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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Finding Number: 2022-001

Material Weakness: Internal Control over Financial Reporting

Criteria: The AICPA establishes auditing standards generally accepted in the United States that certified public accountants and government auditors must follow in conducting audits of state and local governments. AU-C 265 establishes standards, responsibilities and guidance for auditors during a financial statement audit engagement for identifying and evaluating a client’s internal control over financial reporting. This standard requires the audit to report in writing to management and the governing body any control deficiencies found during the audit that are considered significant deficiencies and/or material weaknesses. To this end, AU-C 265 lists specific control deficiencies that should be regarded as at least a significant deficiency and a strong indicator of a material weakness in internal control.

Condition: Audit adjustments were made to the financial statements presented for audit.

Cause: The City improperly presented the American Rescue Plan Act (ARPA) Fund as a nonmajor fund instead of a major fund as required by Governmental Accounting Standards Board, GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Paragraph 76 (a,b) states the reporting government’s main operating fund (the general fund or its equivalent) should always be reported as a major fund. Other individual governmental and enterprise funds should be reported in separate columns as major funds based on these criteria: (a) total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is total governmental or total enterprise funds), and (b) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined. The total liabilities within the ARPA fund are over 10 percent of governmental funds and over 5 percent of the aggregate amount for governmental and enterprise funds. This was not identified during the preparation of the financial statements.

Effect: The financial statements required the above change to correctly present all major funds according to GASB Statement No. 34.

Recommendation: We recommend the City review all accounting standards to ensure all major funds are calculated and presented correctly. In addition, we recommend the financial statements are thoroughly reviewed by City Management prior to submitting them for audit.

City’s Response: Management will follow the recommendation regarding review of correspondence and the accounting standards prior to audit submission. We have made the necessary corrections to our audited GAAP financials and will review guidance for new and unusual situations in the future.



City of Willoughby

1 Public Square
Willoughby, OH 44094
(440) 951-2800
willoughbyohio.com

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Material Weakness: Internal Control over Financial Reporting	Partially Corrected	Reissued as finding number 2022-001



CITY OF WILLOUGHBY, OHIO

2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2022

2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the year ended December 31, 2022

The City of
Willoughby, Ohio

Publication of the Annual Comprehensive Financial Report of the City of Willoughby has been made possible by the personnel of the Finance Department.

Director of Finance
Cherrilyn Hoffman

Deputy Finance Director
Debra Doles

Administrative Assistant
Mia A. Cook

Finance Staff
Madeline Christman
Nancy Kukoleck
Christine Pedersen
Kimbery McClemens
Debbie Schreibman
Patrick Trost

The City of
Willoughby, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2022

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City of Willoughby

1 Public Square

Willoughby, OH 44094

(440) 951-2800

willoughbyohio.com

June 28, 2023

To the Mayor, Members of Council and
Residents of the City of Willoughby, Ohio:

The Annual Comprehensive Financial Report of the City of Willoughby for the fiscal year ended December 31, 2022, is hereby submitted. State law requires that all public offices file a financial report for each fiscal year. The law also requires that the report be submitted within one hundred fifty days of the close of the fiscal year.

The City of Willoughby, and specifically the Finance Department, assumes responsibility for the accuracy, completeness, fairness of presentation, and all disclosures contained within this report. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- 1) the cost of a control should not exceed the benefits likely to be derived; and
- 2) the valuation of costs and benefits requires estimates and judgments by management.

The City's financial statements have been audited by Rea & Associates, Inc., a firm of licensed certified public accountants. The goal of the audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2022, are free of material misstatement. The audit involved testing evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the significant estimates made by management; and evaluation of the overall financial statement presentation. The Independent Auditor's Report is presented at the front of the financial section of this report.

The Management discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative summarizing and analyzing the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The Village of Willoughby was incorporated in 1853 under the laws of the State of Ohio. On June 19, 1951, a voter-approved charter became effective establishing the City of Willoughby and a Mayor-Council form of government. The City is 9.9 square miles and serves a population of 23,959. The City, a suburb of Cleveland, is located in Lake County within Northeastern Ohio.

The City operates and is governed by its Charter. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent that they do not conflict with applicable general laws.

Legislative authority is vested in a seven-member Council which is elected for a two-year term. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to city services, tax levies, appropriating and borrowing money, licensing, and regulating businesses and trades and other municipal services. The presiding officer is the President, who is elected by the Council for a one-year term. The Charter establishes certain administrative departments. Council may establish divisions of those departments and additional departments. The Council serves the citizens of Willoughby on a part-time basis.

The City's Chief Executive and Administrative Officer is the Mayor who is elected by the voters for a four-year term. The Mayor appoints, subject to the approval of Council, all the directors of the City departments. The Mayor serves full-time as both Mayor and Safety Director and was re-elected to serve an additional term in November 2021.

The City of Willoughby provides a full range of services including:

- ◆ police and fire protection
- ◆ parks
- ◆ sanitary sewers
- ◆ 18-hole municipal golf course
- ◆ the construction and maintenance of roads and other infrastructure
- ◆ cultural and recreation activities

Water service is provided to the City by Lake County and is under the supervision and governance of the Lake County Commissioners and is included in their own separately released financial report. The Willoughby-Eastlake School District and the Willoughby Library do not meet the criteria for inclusion in these financial statements.

The City of Willoughby maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The City's annual appropriated budget includes all funds except agency funds. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) for those funds paying wages is at the branch level and within each branch at the account classification level of personal services and benefits. For other account classifications including services and supplies, capital and transfers the level of control selected by Council is at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

LOCAL ECONOMY

The City's economic base is highly diversified. Willoughby is home to the eighth largest number of manufacturing firms in the State of Ohio. The City is home to companies including Multistack Bac LLC, Cast Nylons Company and Bescast Inc.

In addition to our significant manufacturing base, the City is also home to University Hospitals, previously Lake Health, which has led to an on-going investment in the hospital.

The City has approved various incentives to companies expanding and/or relocating to the City. Process Technology, an industry leader in the manufacturing of fluoropolymer, titanium and stainless-steel electric heaters, heat exchangers, in-line heaters and temperature controls, moved their headquarters to Willoughby. Rimeco Products Inc., a world-class supplier of CNC machined aerospace components, tripled its building size moving and remodeling a 40,000 square foot building in the City. Weston, a nationally recognized commercial and industrial developer acquired land adjacent to the Lake County Executive Airport and constructed a 130,000 square foot spec industrial building. It is estimated that this \$7.5 million project will attract 60-100 new jobs to Willoughby. Marous Brothers, an award-winning construction firm, now occupies a 35,000 square foot office headquarters as part of over 100,000 square foot campus on 6-acres. This \$8 million project is changing the face of Willoughby's Vine Street corridor.

The City also offers a full complement of commercial areas and retail establishments as well as a vital historic downtown. Several developments have continued to add homes. The City also approved plans for Andrews Ridge and The Enclave at Literary Pointe. Residential subdivisions that are currently under construction include Melrose Farms, Kirtland Tudor Estates, Preserves of Willoughby, Shepherds Glen and Chagrin Mill Farm.

MAJOR INITIATIVES

The City continues to make improvements. In 2022, the City completed the Ward Creek and Two Town Ditch and Lakeshore Culvert storm water projects. Work on the Meadowlands Basin Outlet is moving ahead. Plans are also underway for the Lakeshore East Island Equalization Basin project where substantial Federal funding has been secured and engineering has begun for the Nason Basin to Grove Ave Storm Sewer project.

Two shared ODOT road projects were committed to with payments in 2020. The resurfacing projects, Route 84/Johnnycake Ridge Road and Lakeshore Boulevard were completed in 2022. These also include updated handicap access. The local share of these projects was funded through a tax levy provided by the voters of the City. This road levy was renewed in November 2021.

In 2022, the City purchased property at 37733 Euclid Ave which was previously Meister Media publishing with the hopes of renovating the facility for a new police station which is the City's oldest building. With the passage of a 2.5 mills continuous safety tax levy, the City is moving forward with a bond issuance to continue with these plans in 2023.

RELEVANT FINANCIAL POLICIES

The City had joined a consortium for its health care coverage in Dec 2019 and took over as fiscal agent in January 2021. Three-year union contracts were negotiated for all unions with finalized negotiations in the early part of 2023. Changes to nonunion termination sick payouts were made in 2021 while changes to Fire and AFSCME were made in these most recent contracts. Police Sergeants & Lieutenants were taken to arbitration and their payouts remain unchanged along with Police Patrol and Communication Clerks and Dispatchers. Other employment policies and benefits and future personnel needs are also being reviewed.

LONG TERM FINANCIAL PLANNING

The City has a storm water fee to assist in funding infrastructure projects. This fee is collected by the Lake County Storm Water Authority as a special assessment on property tax bills. The fee generates approximately \$750,000 annually after administrative costs, which is being used for financing and direct payment of storm water projects.

The City has been updating existing long-term facilities and 25-year capital equipment plans as well as determining funding sources including grants, debt and other payment options. The review of sewer rates was completed and an increase to rates was approved in early 2022.

AWARDS & ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Willoughby for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This was the 36th consecutive year that the City of Willoughby has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City of Willoughby published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

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

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

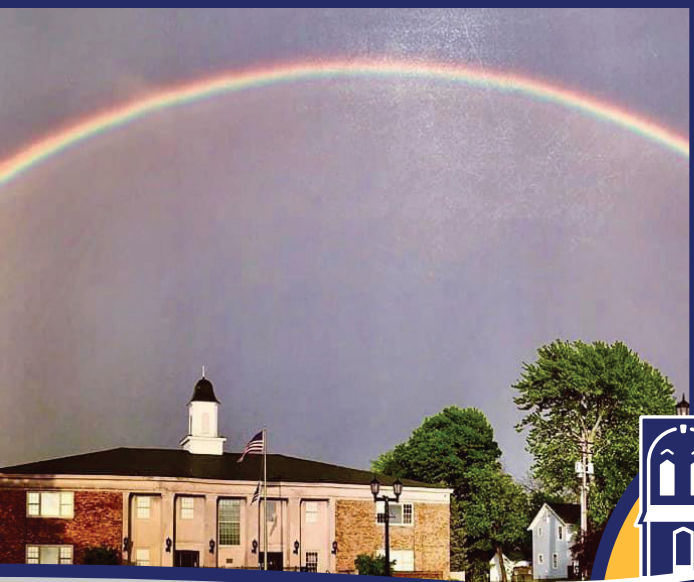
Respectfully submitted,



Cherrilyn Hoffman
Finance Director



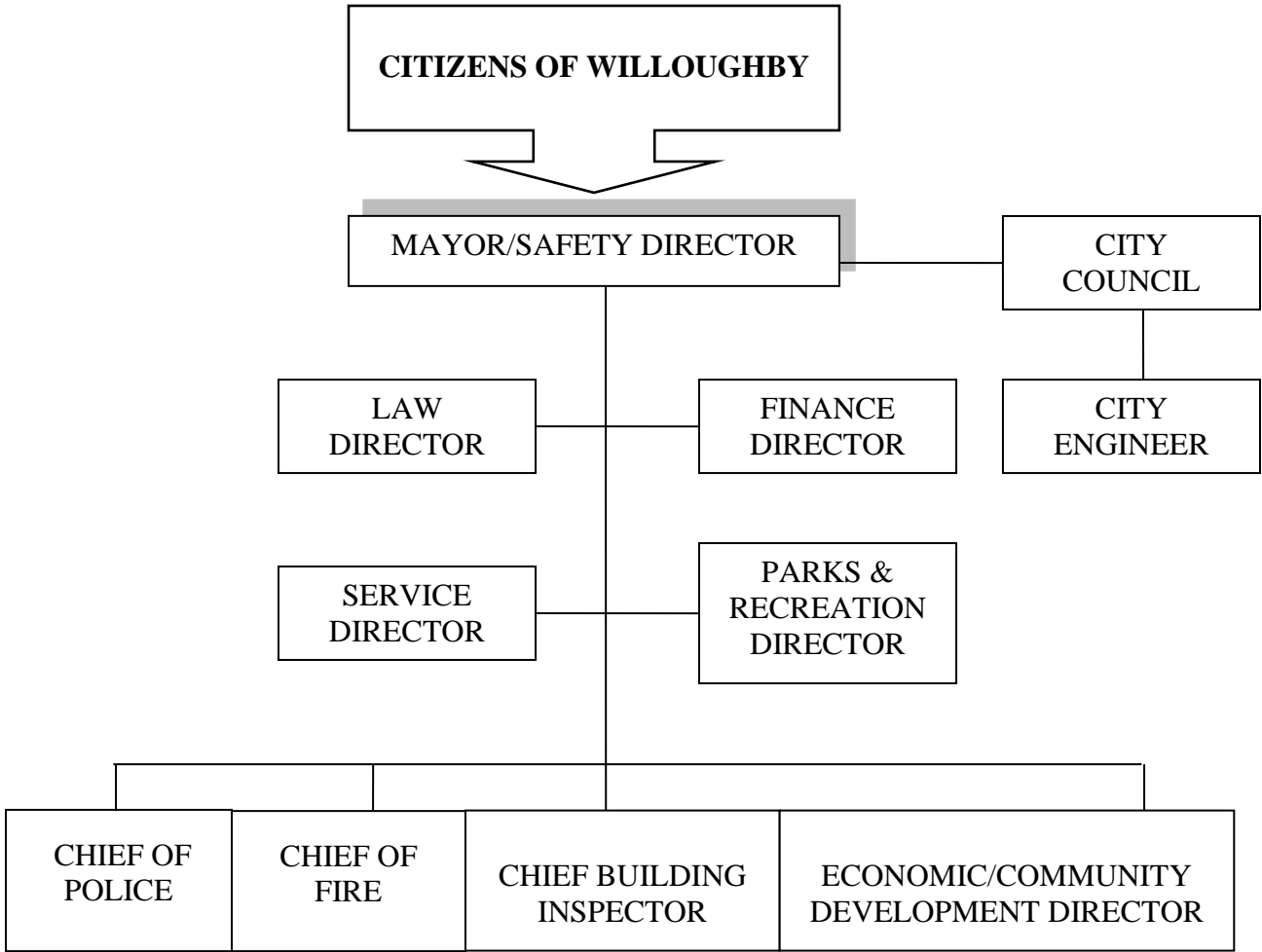
Debra Doles
Deputy Finance Director



ENRICHED BY ITS HISTORY . . .
PREPARED FOR ITS FUTURE

ORGANIZATIONAL CHART

The City of
Willoughby, Ohio



ELECTED & APPOINTED OFFICIALS

The City of
Willoughby, Ohio

Mayor
Robert A. Fiala

CITY COUNCIL

Ward 4
Robert E. Carr / President

Ward 1
Kristie Sievers

Ward 3
John Tomaselli

Ward 6
Daniel J. Garry

Ward 2
Ken J. Kary

Ward 5
Mike L. Merhar

Council-At-Large
Daniel J. Anderson

Director of Finance
Cherrilyn Hoffman

Director of Public Service
Rich Palmisano

Director of Law
Michael C. Lucas

*Director of
Parks & Recreation*
Judean Keller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Willoughby
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO



WILLOUGHBY



FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

To the Members of Council
City of Willoughby
Lake County, Ohio
One Public Square
Willoughby, OH 44094

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 Willoughby, Lake County, Ohio (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund and American Rescue Plan Act fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Pension and other Post-Employment Benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 statements and individual fund 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 fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financials 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 June 28, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 28, 2023

CITY OF WILLOUGHBY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022
UNAUDITED

The discussion and analysis of the City of Willoughby's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2022. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to consider the information presented here in conjunction with the additional information contained in the transmittal letter, financial statements and the notes to those financial statements to enhance their understanding of the City's performance.

Financial Highlights

The assets and deferred outflows of resources of the City of Willoughby exceeded liabilities and deferred inflows by \$62,822,232. Assets and deferred outflows of resources in Governmental activities exceeded liabilities and deferred inflows of resources by \$34,397,045 and by \$28,425,187 in Business-Type activities. The total assets and deferred outflows of the City increased by \$12,898,936.

Total liabilities and deferred inflows of resources of the City of Willoughby increased \$2,463,120 as compared to 2021. The total liabilities and deferred inflows of resources of governmental activities increased by \$4,039,039 and the total liabilities and deferred inflows of business type-activities decreased by \$1,575,919.

As a result of the reporting requirements of GASB 68 and 75, the City is showing a deficit total net position unrestricted of \$16,093,671. The deficit decreased by \$6,167,295 in Governmental activities while Business-Type activities increased by \$2,110,346 maintaining a surplus. More information regarding these reporting changes follows in this analysis.

The overall financial condition of the City reflects a growth of \$10,435,816 in comparing the net position of 2022 to 2021. Governmental Activities increased by \$8,255,037 while Business-Type activities increased by \$2,180,779.

Using This Annual Financial Report

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

Government-wide Financial Statements - Reporting the City of Willoughby as a Whole

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

The statement of net position presents information on all the City's non-fiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual being 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. However, in evaluating the overall position of the City, nonfinancial factors such as the City's tax base, change in property and income tax laws, and the condition of the capital assets should also be considered.

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

Both the statement of net position and the statement of activities use the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

In the statement of net position and the statement of activities, we divide the City into two kinds of activities:

- ◆ ***Governmental activities:*** most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, and charges for service fund most of these activities.
- ◆ ***Business-type activities:*** the City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's sewer system and golf course operations are reported here.

Government-wide financial statements can be found starting on page 18 of this report.

Fund Financial Statements - Reporting the City of Willoughby's Most Significant Funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City of Willoughby, 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 - are used to account for fundamentally the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets and deferred outflow of resources that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds.

The City maintains 27 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and

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changes in fund balances, for the General fund, Capital Projects fund, the General Bond Retirement fund, and the American Rescue Plan Act fund; these are considered to be major funds.

The General fund is the government's primary operating fund. It accounts for all financial resources of the City except those that are required to be accounted for in a separate fund. The Capital Projects fund is the City's primary fund for the purchase of capital assets not required for purchase by a separate fund. The General Bond Retirement fund accounts for resources accumulated and payments made for principal and interest on long-term debt of governmental funds. The American Rescue Plan Act Fund is to account for federal funding provided to support response to and recovery from the Covid-19 public health emergency.

Data from the other governmental funds are combined into single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for each of its funds. A budgetary comparison statement/schedule (non-GAAP basis) has been provided for each governmental and proprietary fund to demonstrate budgetary compliance.

Proprietary Funds - The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Sewer fund and Golf Course fund.

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 Sewer and Golf Course funds as they are considered major.

The basic proprietary fund financial statements can be found starting on page 26 of this report.

Fiduciary Funds - are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the City's own programs. The City has only custodial funds to report within the fiduciary fund category. These funds use the accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 32 of this report.

Other Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful.

CITY OF WILLOUGHBY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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After the notes to the basic financial statements, this report presents required supplementary information concerning the City of Willoughby's proportionate share of net pension asset/liability and required pension contributions and net OPEB asset/liability and required OPEB contributions. Required supplementary information can be found starting on page 95.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 102 of this report.

Government-wide Financial Analysis

As noted earlier, the statement of net position looks at the City as a whole and can prove to be a useful indicator of the City's financial position. The statement of net position and the statement of activities are divided into the following categories:

- ◆ Assets
- ◆ Deferred Outflows of Resources
- ◆ Liabilities
- ◆ Deferred Inflows of Resources
- ◆ Net Position (Assets plus Deferred Outflows minus Deferred Inflows plus Liabilities)
- ◆ Program Expenses and Revenues
- ◆ General Revenues
- ◆ Net Position Beginning and End of Year

The City of Willoughby as a Whole

By far, the largest portion of the City's net position, at 9.86% greater value, is its investment in capital assets (e.g. land, infrastructure, building, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses those capital assets to provide services to its citizens; consequently these assets are not available for future spending. Although the City's investment is reported net of related debt and any deferred outflows/inflows of resources, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities. The following table provides a summary of the City's net position for 2022 compared to 2021.

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	City of Willoughby's Net Position					
	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 41,242,393	\$ 35,901,174	\$ 7,849,599	\$ 6,420,404	\$ 49,091,992	\$ 42,321,578
Capital assets	63,079,001	59,692,394	39,769,110	40,716,650	102,848,111	100,409,044
Total Assets	104,321,394	95,593,568	47,618,709	47,137,054	151,940,103	142,730,622
Total Deferred Outflows of Resources	10,490,099	6,923,849	528,451	405,246	11,018,550	7,329,095
Current and other liabilities	9,444,726	5,002,553	545,638	495,241	9,990,364	5,497,794
Long term liabilities outstanding	51,907,938	57,150,122	17,266,259	19,008,278	69,174,197	76,158,400
Total Liabilities	61,352,664	62,152,675	17,811,897	19,503,519	79,164,561	81,656,194
Total Deferred Inflows of Resources	19,061,784	14,222,734	1,910,076	1,794,373	20,971,860	16,017,107
Net Position:						
Net Investment in						
Capital Assets	44,811,713	40,861,457	24,208,801	24,248,491	69,020,514	65,109,948
Restricted	8,640,524	10,503,038	1,254,865	1,144,742	9,895,389	11,647,780
Unrestricted (deficit)	(19,055,192)	(25,222,487)	2,961,521	851,175	(16,093,671)	(24,371,312)
Total Net Position	\$ 34,397,045	\$ 26,142,008	\$ 28,425,187	\$ 26,244,408	\$ 62,822,232	\$ 52,386,416

An additional portion of the City's net position, \$9,895,389 represents resources that have been restricted on how they may be used. The remaining balance of net position unrestricted may be used to meet the City's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City reported a deficit for net position unrestricted of \$16,093,671.

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

CITY OF WILLOUGHBY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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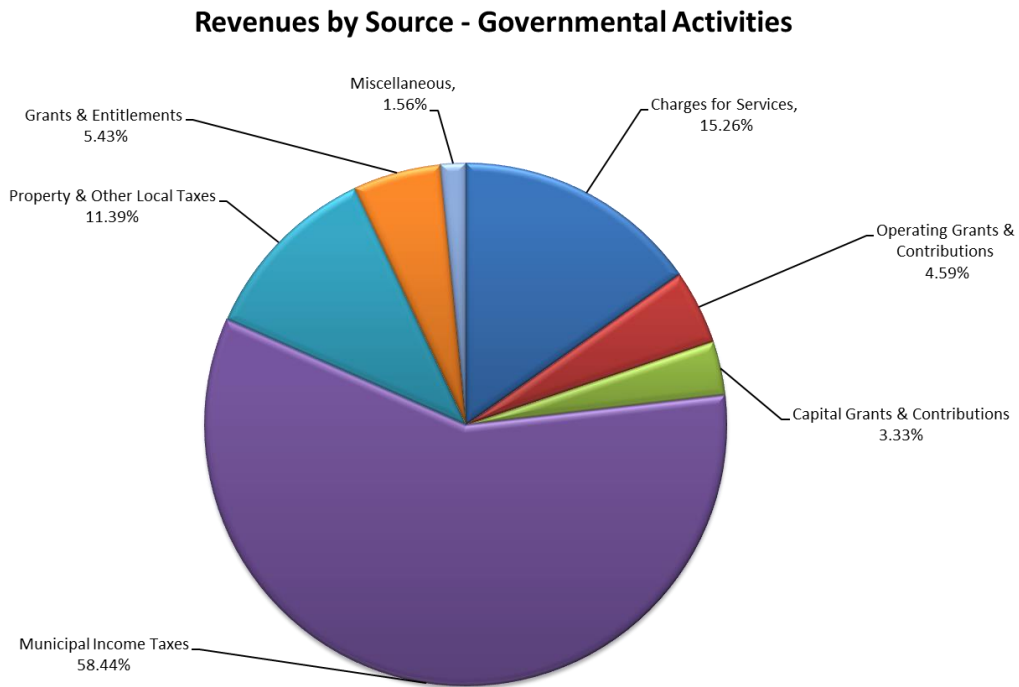
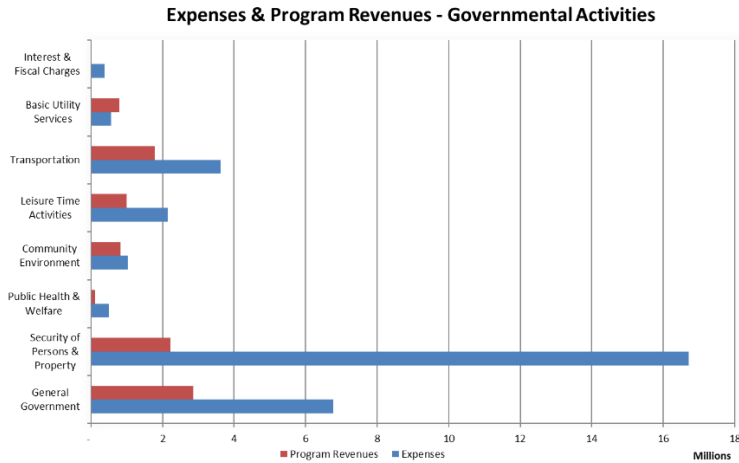
	City of Willoughby's Change in Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 6,325,746	\$ 5,486,333	\$ 7,159,246	\$ 6,843,441	\$ 13,484,992	\$ 12,329,774
Operating Grants & Contributions	1,902,415	1,913,966			1,902,415	1,913,966
Capital Grants & Contributions	1,380,480	561,571	239,310	225,660	1,619,790	787,231
General Revenues						
Municipal Income Taxes	24,229,345	19,734,824			24,229,345	19,734,824
Property & Other Local Taxes	4,723,103	4,467,374			4,723,103	4,467,374
Grants & Entitlements	2,251,330	2,009,678			2,251,330	2,009,678
Investment Earnings	(404,964)	16,056	(243,504)	1,299	(648,468)	17,355
Miscellaneous	645,502	159,188	10,397	760	655,899	159,948
Total Revenues	41,052,957	34,348,990	7,165,449	7,071,160	48,218,406	41,420,150
Expenses						
General Government	6,778,800	4,881,043			6,778,800	4,881,043
Security of Persons & Property	16,708,545	16,102,868			16,708,545	16,102,868
Public Health & Welfare	500,166	421,409			500,166	421,409
Community Environment	1,034,105	659,318			1,034,105	659,318
Leisure Time Activities	2,151,034	1,410,709			2,151,034	1,410,709
Transportation	3,624,845	2,974,287			3,624,845	2,974,287
Basic Utility Services	558,003	524,508			558,003	524,508
Interest & Fiscal Charges	383,518	556,254			383,518	556,254
Golf Course			934,025	669,186	934,025	669,186
Sewer			5,109,548	4,322,710	5,109,548	4,322,710
Total Expenses	31,739,016	27,530,396	6,043,573	4,991,896	37,782,589	32,522,292
Transfers	(1,058,903)	0	1,058,903	0	0	0
Change in Net Position	8,255,037	6,818,594	2,180,779	2,079,264	10,435,817	8,897,858
Net Position Beginning of Year	26,142,008	19,323,414	26,244,408	24,165,144	52,386,416	43,488,558
Net Position End of Year	\$ 34,397,045	\$ 26,142,008	\$ 28,425,187	\$ 26,244,408	\$ 62,822,232	\$ 52,386,416

Governmental Activities

Income tax collections in governmental activities were up 22.77%. Grants and Entitlements increased over 12%. Investment earnings decreased substantially in 2022 with losses on investments greater than interest income by (\$404,964). Capital Grants and Contributions increased 145% in 2022 compared with 2021 as project activity increased. The City also received noncash donations of land and medical equipment valued at \$268,720. Overall revenues increased by 19.52% with a significant increase of 15.3% in Charges for Services as well as a sizeable increase in Miscellaneous which includes \$451,407 for sale of assets.

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Expenses in governmental activities increased overall by 15.29%. In 2022, the largest increases were in functions of Leisure Time, Community Environment and Security of Persons. These are explained by a return of services and events that had been previously reduced or canceled with Covid concerns in addition to an increase in expenses related to recording accruals associated with implementation of GASB 68 and 75.

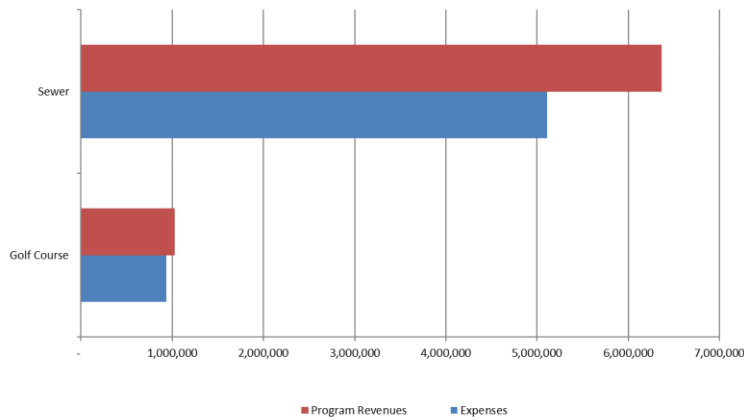


CITY OF WILLOUGHBY, OHIO
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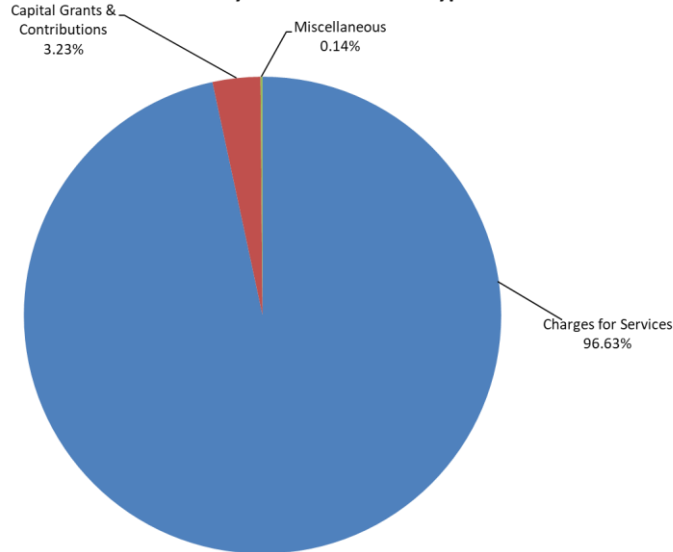
Business-Type Activities

Business-type activities account for just over 45% of the City of Willoughby’s total net position. The Golf Course and Sewer funds saw a slight increase in revenues in 2022. Capital Grants and Contributions increased minimally in 2022 with improvements and project funding. Business-type expenses increased 21% overall in 2022 compared to 2021. Golf Course and Sewer expenses increased 39.6% and 18.2% respectively. The Golf Course increased part-time personnel and had increases for leased equipment as well as repairs and maintenance, in addition to increases in relation to changes in accruals associated with implementation of GASB 68 and 75.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



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Financial Analysis of the City of Willoughby's Funds

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

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

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

At the end of the current fiscal year, the City of Willoughby's governmental funds report combined ending fund balances of \$20,335,961. This is \$933,428 less than in 2021. General fund revenue was higher by nearly \$1.4 million in income tax collections and charge for services and expenditures were higher by \$1,420,828, with the majority of that in the areas of general government and security of persons. That in addition to transfers decreasing by \$690,000 contributed to fund balance increasing by \$898,164 over 2021. The Capital Projects fund balance decreased by \$957,217 with net transfers of \$435,000. The General Bond Retirement fund balance decreased \$826,936. The American Rescue Plan Fund reported unearned revenue of \$2,416,474 which Council and Administration will decide the best use of these funds that will provide long term benefits for the community as a whole. Nonspendable fund balance of \$745,257 includes interfund loans, prepaids, inventory, and cemetery investments. Fund balances in the amount of \$5,181,345 are restricted primarily for debt service, roads and infrastructure, municipal court purposes, and drug and alcohol enforcement. The committed fund balance of \$6,093,005 consists of funds for capital improvements and future severance payments and is an increase over 2021. This is mainly due to more funds committed to capital projects and future retirements. Assigned fund balance of \$670,383 is for encumbered other operating amounts for all of the program functions of government in the General fund. Unassigned fund balance of \$10,913,283 in the General fund is an increase of \$774,431 over 2021.

Proprietary Funds - The City's proprietary fund statements provide similar information to that found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Golf Course fund reflects a deficit of (\$407,273) compared to (\$1,576,924) in 2021. The Golf Course received transfers in forgiveness for previous advances that cannot be repaid of \$1,058,903 in 2022 from General Fund, General Bond Retirement Fund and the Capital Fund for \$135,000, \$918,903 and \$5,000 respectively. The Golf Course also saw an increase in

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revenue of 2.66%. Unrestricted net position of the Sewer fund increased from \$2,428,099 in 2021 to \$3,368,794 in 2022.

General Fund Budgetary Highlights –The year saw revenues above the amount forecasted by \$1,104,125 and expenditures \$576,868 under the amounts requested. Most significant were lower personnel costs for the Court and the City. The City Administration and Council continue to closely monitor and tighten expenditures by the General fund departments. The City generally chooses to operate within its original budget framework even though some forecasts may be exceeded on the revenue side and expenditures will be contained.

Capital Assets and Debt Administration

Capital Assets - The City’s investment in capital assets for governmental and business-type activities as of December 31, 2022, was \$102,848,111 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, right to use equipment, as well as infrastructure including roads, sidewalks, bridges, traffic signals, street lights, storm sewers, curbs and gutters.

The City’s investment in capital assets reflects an increase of 4.28% over the prior year for governmental activities and increased just less than 1% for business-type activities. These changes are calculated before depreciation.

	City of Willoughby's Capital Assets					
	Governmental		Business-type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Land	\$8,584,916	\$8,055,203	\$2,673,107	\$2,673,107	\$11,258,023	\$10,728,310
Construction in Progress	7,906,552	7,313,585	216,784	184,445	8,123,336	7,498,030
Buildings	33,028,902	30,799,873	26,793,252	26,793,252	59,822,154	57,593,125
Improvements	20,624,511	18,969,107	50,532,334	50,472,759	71,156,845	69,441,866
Machinery & Equipment	14,916,602	14,711,592	6,339,006	5,744,163	21,255,608	20,455,755
Infrastructure	44,173,557	44,083,956	0	0	44,173,557	44,083,956
Intangible Right to Use Asset	0	0	92,177	0	92,177	0
Total Capital Assets	129,235,040	123,933,316	86,646,660	85,867,726	215,881,700	209,801,042
Accumulated Depreciation	(66,156,039)	(64,240,922)	(46,877,550)	(45,151,076)	(113,033,589)	(109,391,998)
Capital Assets (Net)	\$63,079,001	\$59,692,394	\$39,769,110	\$40,716,650	\$102,848,111	\$100,409,044

Major capital asset events during 2022 were as follows:

The City continues road repaving and rehabilitation projects utilizing road and bridge levy funds.

Through the utilization of a NOPEC grant, the City continues the process of street light conversion to LED.

The City continues to make improvements for Storm Water. The Two Town Ditch and Lakeshore Culvert Storm and Ward Creek Improvements projects were completed in 2022 and plans for future

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projects including Grove-Ben Hur Storm Sewer have been made. Work began on the Meadowlands Basin project.

In 2022, the City purchased property previously Meister Media Publishing in hopes of renovating it for a new Police Station.

The WPCC plans for the Lakeshore East Island Equalization Basin have begun.

Additional information regarding capital assets can be found starting on page 56 of the notes to the basic financial statements.

Outstanding Debt - The City’s total outstanding debt decreased by \$1,717,828. The City continued to pay down outstanding bonds and loans in relation to Governmental Activities and Business-type Activities.

City of Willoughby's Outstanding Debt at December 31						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$15,323,237	\$16,657,178			\$15,323,237	\$16,657,178
Enterprise Bonds w/ G.O. Commitment			\$1,820,000	\$1,985,000	1,820,000	1,985,000
OWDA & OPWC	2,944,053	2,183,056	13,511,676	14,487,300	16,455,729	16,670,356
Police Pension Liability	71,213	75,473			71,213	75,473
TOTAL	\$ 18,338,503	\$18,915,707	\$15,331,676	\$16,472,300	\$ 33,670,179	\$35,388,007

State Law limits the amount of debt a city can issue in general obligation bonds to 10.5% of assessed valuation. The City had an assessed valuation of \$746,072,320 at the end of 2022. The City has borrowed 43% of our limitation and some debt that is in our total is not subject to that limitation by state law because the debt was actually issued by another party (i.e. O.W.D.A. or O.P.W.C.).

Economic Factors and Next Year’s Budget

The City of Willoughby has remained strong despite many challenges over the last decade. State and national economic conditions, health care costs and loss of intergovernmental revenues always impact and influence decision making on financial matters. The year 2023 continues to be challenging a nationwide crisis of labor shortages and lack of materials and supplies. Fortunately, Income tax revenues are continuing to rebound. In the budgeting process we maintained our conservative practices and budgeted for a minimal increase in income tax from what we budgeted in 2022. Most positions are to be filled as employees retire. With the Covid-19 pandemic, we made immediate reductions in part-time positions and put several full-time open positions on hold. As we continue in 2023, we are filling open full time positions, and many part time employees are returning as well as seasonal employees. The impact on the City’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated. The Mayor and Council will consider many factors when setting and if necessary, adjusting the budget and preserving our commitment to providing services to our citizens. The priorities

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include: public safety, investment in infrastructure, efforts to promote economic development and employment growth, and retaining adequate fund balances to ensure both financial flexibility and long term stability. The City keeps these in mind as it monitors revenues and expenditures on a continual basis. The City has adopted and continues to look for measures of cost containment as well as pursuing grants and low cost loans to fund operations and specific capital projects. The City has completed necessary capital improvements and continues to maintain the roads with the help provided by the road and bridge levy. The City will continue to monitor the local, regional and national economies and make business decisions that best provide for the needs of our citizens.

In conclusion, the implementation of GASB Statement No. 68 and 75 requires the reader to perform additional calculations to determine the City’s Total Net Position at December 31, 2022 without the implementation of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold and distributes pensions and OPEB to our employees, not the City of Willoughby. Overall with the exclusion of GASB 68 and 75, the net position increased 6% in 2022 from 2021. These calculations are as follows:

	Governmental Activities	Business-Type Activities	Total
Total Net Position at Dec. 31, 2022 (with GASB 68 & 75)	\$ 34,397,045	\$ 28,425,187	\$ 62,822,232
GASB 68 Calculations			
Add: Deferred Inflows related to Pension	12,345,354	1,479,368	13,824,722
Net Pension Liability	24,348,709	1,096,351	25,445,060
Less: Deferred Outflows related to Pension	(8,509,747)	(517,386)	(9,027,133)
Net Pension Asset	<u>(71,649)</u>	<u>(18,732)</u>	<u>(90,381)</u>
	62,509,712	30,464,788	92,974,500
GASB 75 Calculations			
Add: Deferred Inflows related to OPEB	2,996,214	430,708	3,426,922
Net OPEB Liability	3,536,170	0	3,536,170
Less: Deferred Outflows related to OPEB	(1,980,352)	(11,065)	(1,991,417)
Net OPEB Asset	<u>(1,474,968)</u>	<u>(385,625)</u>	<u>(1,860,593)</u>
Total Net Position at Dec. 31, 2022 (without GASB 68 & 75)	<u>\$ 65,586,776</u>	<u>\$ 30,498,806</u>	<u>\$ 96,085,582</u>

Requests for Information

This financial report is designed to provide a general overview of the City of Willoughby for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Willoughby, One Public Square, Willoughby, Ohio, 44094.



WILLOUGHBY

CITY OF WILLOUGHBY, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Equity in City Treasury Cash and Investments	\$23,179,231	\$4,379,644	\$ 27,558,875
Inventory	336,853	51,555	388,408
Accrued Interest Receivable	40,734	30,810	71,544
Accounts Receivable	837,919	304,452	1,142,371
Prepaid Items	4,032	0	4,032
Intergovernmental Receivable	2,737,953	494,051	3,232,004
Taxes Receivable	11,698,506	0	11,698,506
Loan Receivable	100,000	0	100,000
Restricted Assets - Cash and Investments	0	2,184,730	2,184,730
Net Pension Asset	71,649	18,732	90,381
Net OPEB Asset	1,474,968	385,625	1,860,593
Special Assessments Receivable	760,548	0	760,548
Nondepreciable Capital Assets	16,491,468	2,889,891	19,381,359
Depreciable Capital Assets, Net	46,587,533	36,879,219	83,466,752
TOTAL ASSETS	104,321,394	47,618,709	151,940,103
DEFERRED OUTFLOWS OF RESOURCES			
Pension	8,509,747	517,386	9,027,133
OPEB	1,980,352	11,065	1,991,417
TOTAL DEFERRED OUTFLOWS OF RESOURCES	10,490,099	528,451	11,018,550
LIABILITIES			
Accounts Payable	\$522,217	128,278	650,495
Matured Compensated Absences Payable	165,458	0	165,458
Salaries, Wages and Benefits Payable	2,654,376	95,518	2,749,894
Accrued Interest Payable	63,673	129,886	193,559
Deposits Held Payable	861,201	0	861,201
Leases Payable	0	17,568	17,568
Financed Purchases Payable	0	30,521	30,521
Intergovernmental Payable	8,993	191,956	200,949
Unearned Revenue	2,416,474	0	2,416,474
Notes Payable	2,750,000	0	2,750,000
Matured Bonds and Interest Payable	2,334	0	2,334
Long-Term Liabilities:			
Due Within One Year	2,913,082	1,410,369	4,323,451
Due In More Than One Year			
Net Pension Liability	24,348,709	1,096,351	25,445,060
Net OPEB Liability	3,536,170	0	3,536,170
Other Amounts Due in More Than One Year	21,109,977	14,711,450	35,821,427
TOTAL LIABILITIES	61,352,664	17,811,897	79,164,561
DEFERRED INFLOWS OF RESOURCES			
Pension	12,345,354	1,479,368	13,824,722
OPEB	2,996,214	430,708	3,426,922
Property Taxes	3,720,216	0	3,720,216
TOTAL DEFERRED INFLOWS OF RESOURCES	19,061,784	1,910,076	20,971,860
NET POSITION			
Net Investment in Capital Assets	44,811,713	24,208,801	69,020,514
Restricted for:			
Capital Projects	2,205,218	0	2,205,218
Debt Service	310,615	0	310,615
Equipment Replacement	0	1,254,865	1,254,865
Street Construction Maintenance and Repair	3,118,820	0	3,118,820
Security of Persons	1,427,692	0	1,427,692
Municipal Court	793,497	0	793,497
Other Purposes	380,310	0	380,310
Permanent Fund Purpose:			
Cemetery Fund	404,372	0	404,372
Unrestricted	(19,055,192)	2,961,521	(16,093,671)
TOTAL NET POSITION	\$ 34,397,045	\$ 28,425,187	\$ 62,822,232

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 6,778,800	\$ 2,526,460	\$ 93,799	\$ 239,270	\$ (3,919,271)		\$ (3,919,271)
Security of Persons and Property	16,708,545	2,033,085	148,137	41,991	(14,485,332)		(14,485,332)
Public Health and Welfare	500,166	120,657	0	0	(379,509)		(379,509)
Community Environment	1,034,105	826,605	0	0	(207,500)		(207,500)
Leisure Time Activities	2,151,034	817,310	130,000	50,147	(1,153,577)		(1,153,577)
Transportation	3,624,845	1,629	1,530,479	258,829	(1,833,908)		(1,833,908)
Basic Utility Services	558,003	0	0	790,243	232,240		232,240
Interest and Fiscal Charges	383,518	0	0	0	(383,518)		(383,518)
TOTAL GOVERNMENTAL ACTIVITIES	31,739,016	6,325,747	1,902,415	1,380,480	(22,130,375)		(22,130,375)
BUSINESS-TYPE ACTIVITIES							
Golf Course	934,025	1,029,388	0	0		\$ 95,363	95,363
Sewer	5,109,548	6,129,858	0	239,310		1,259,620	1,259,620
TOTAL BUSINESS-TYPE ACTIVITIES	6,043,573	7,159,246	0	239,310		1,354,983	1,354,983
TOTAL	\$37,782,589	\$13,484,993	\$1,902,415	\$1,619,790	(22,130,375)	1,354,983	(20,775,392)
GENERAL REVENUES							
Property Taxes Levied for:							
					1,139,641		1,139,641
					1,562,216		1,562,216
					1,161,253		1,161,253
Income Taxes Levied for:							
					22,229,345		22,229,345
					2,000,000		2,000,000
Other Taxes							
					182,184		182,184
					243,803		243,803
					183,637		183,637
					250,368		250,368
					2,251,330		2,251,330
					(404,964)	(243,504)	(648,468)
					645,502	10,397	655,899
TOTAL GENERAL REVENUES					31,444,315	(233,107)	31,211,208
Transfers					(1,058,903)	1,058,903	0
CHANGE IN NET POSITION					8,255,037	2,180,779	10,435,816
NET POSITION BEGINNING OF YEAR					26,142,008	26,244,408	52,386,416
NET POSITION END OF YEAR					\$ 34,397,045	\$ 28,425,187	\$ 62,822,232

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2022

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>GENERAL BOND RETIREMENT</u>	<u>AMERICAN RESCUE PLAN ACT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Equity in City Treasury Cash and Investments	\$10,958,080	\$4,851,875	\$153,111	\$2,416,474	\$4,799,689	\$23,179,229
Inventory - Supplies	107,837	0	0	0	229,016	336,853
Accrued Interest Receivable	27,988	12,746	0	0	0	40,734
Accounts Receivable	830,153	4,003	0	0	3,763	837,919
Prepaid Items	4,032	0	0	0	0	4,032
Intergovernmental Receivable	1,232,142	355,004	60,000	0	1,090,807	2,737,953
Taxes Receivable	8,848,193	0	1,270,610	0	1,579,703	11,698,506
Loan Receivable	0	0	100,000	0	0	100,000
Special Assessments Receivable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>760,548</u>	<u>760,548</u>
TOTAL ASSETS	<u>22,008,425</u>	<u>5,223,628</u>	<u>1,583,721</u>	<u>2,416,474</u>	<u>8,463,526</u>	<u>39,695,774</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	<u>\$22,008,425</u>	<u>\$5,223,628</u>	<u>\$1,583,721</u>	<u>\$2,416,474</u>	<u>\$8,463,526</u>	<u>\$39,695,774</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$103,287	\$253,790	\$0	\$0	\$165,140	\$522,217
Matured Compensated Absences Payable	165,458	0	0	0	0	165,458
Salaries, Wages, and Benefits Payable	2,502,948	0	0	0	151,428	2,654,376
Deposits Held Payable	861,201	0	0	0	0	861,201
Intergovernmental Payable	0	0	8,993	0	0	8,993
Notes Payable	0	2,750,000	0	0	0	2,750,000
Unearned Revenue	0	0	0	2,416,474	0	2,416,474
Matured Bonds & Interest Payable	<u>0</u>	<u>0</u>	<u>2,334</u>	<u>0</u>	<u>0</u>	<u>2,334</u>
TOTAL LIABILITIES	<u>3,632,894</u>	<u>3,003,790</u>	<u>11,327</u>	<u>2,416,474</u>	<u>316,568</u>	<u>9,381,053</u>
Deferred Inflows of Resources:						
Property Taxes	999,142	0	1,213,104	0	1,507,970	3,720,216
Unavailable Revenue - Income Tax	3,798,909	0	0	0	0	3,798,909
Unavailable Revenue - Grants and Entitlements	668,069	0	60,000	0	689,952	1,418,021
Unavailable Revenue - Special Assessments	0	0	0	0	760,548	760,548
Unavailable Revenue - Delinquent Property Taxes	46,808	0	57,505	0	71,733	176,046
Unavailable Revenue - Other	<u>105,024</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>105,024</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>5,617,952</u>	<u>0</u>	<u>1,330,609</u>	<u>0</u>	<u>3,030,203</u>	<u>9,978,764</u>
Fund Balances:						
Nonspendable	111,869	0	0	0	633,388	745,257
Restricted	0	0	1,068,721	0	4,112,624	5,181,345
Committed	1,062,048	4,660,214	0	0	370,743	6,093,005
Assigned	670,383	0	0	0	0	670,383
Unassigned (Deficit)	<u>10,913,281</u>	<u>(2,440,376)</u>	<u>(826,936)</u>	<u>0</u>	<u>0</u>	<u>7,645,969</u>
TOTAL FUND BALANCES	<u>12,757,581</u>	<u>2,219,838</u>	<u>241,785</u>	<u>0</u>	<u>5,116,755</u>	<u>20,335,959</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
	<u>\$22,008,425</u>	<u>\$5,223,628</u>	<u>\$1,583,721</u>	<u>\$2,416,474</u>	<u>\$8,463,526</u>	<u>\$39,695,774</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
AS OF DECEMBER 31, 2022

TOTAL GOVERNMENTAL FUND BALANCES \$20,335,959

Amounts reported for government 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. 63,079,001

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

Municipal Income Taxes	3,798,909
Delinquent Property Taxes	176,046
Grants and Entitlements	1,418,021
Charges for Services	18,995
Special Assessments	760,548
Fines and Forfeitures	86,029

Total 6,258,548

The net pension liability and OPEB is not due and payable in the current period; therefore, the liability, asset and related deferred inflows/outflows are not reported in governmental funds.

Net Asset - Pension & OPEB	1,546,617
Deferred Outflows-Pension & OPEB	10,490,099
Deferred Inflows-Pension & OPEB	(15,341,568)
Net Pension & OPEB Liability	(27,884,879)

Total (31,189,730)

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

General Obligation Bonds	(15,323,237)
OPWC Loans	(324,620)
OWDA Loans	(2,619,433)
Police Pension Liability	(71,213)
Landfill Post Closure Care Liability	(151,913)
Compensated Absences	(5,532,643)
Accrued Interest Payable	(63,673)

Total (24,086,732)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$34,397,045

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>GENERAL BOND RETIREMENT</u>	<u>AMERICAN RESCUE PLAN ACT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES:						
Municipal Income Taxes	\$21,154,770	\$2,000,000	\$0	\$0	\$0	\$23,154,770
Property and Other Local Taxes	1,839,680	121,507	1,175,695	0	1,647,746	4,784,628
Intergovernmental	1,750,151	823,422	325,318	0	2,184,306	5,083,197
Charges for Services	1,726,331	0	0	0	678,546	2,404,877
Special Assessments	0	0	0	0	799,894	799,894
Fines and Forfeitures	1,924,066	0	0	0	626,942	2,551,008
Licenses & Permits	554,738	0	0	0	0	554,738
Interest	(216,719)	(204,010)	15,765	0	0	(404,964)
Miscellaneous	142,300	93,777	0	0	9,966	246,043
TOTAL REVENUES	<u>28,875,317</u>	<u>2,834,696</u>	<u>1,516,778</u>	<u>0</u>	<u>5,947,400</u>	<u>39,174,191</u>
EXPENDITURES:						
Current:						
General Government	7,489,128	25,660	26,134	0	586,878	8,127,800
Security of Persons and Property	14,660,979	97,372	0	0	2,457,941	17,216,292
Public Health and Welfare	548,654	0	0	0	0	548,654
Community Environment	1,224,283	26,589	0	0	95,958	1,346,830
Leisure Time Activities	948,073	3,906	0	0	1,317,355	2,269,334
Transportation	0	0	0	0	1,949,743	1,949,743
Basic Utility Services	89,887	0	0	0	0	89,887
Capital Outlay	31,048	5,441,671	0	0	1,596,801	7,069,520
Debt Service:						
Principal	0	0	1,445,881	0	0	1,445,881
Interest	0	0	392,796	0	0	392,796
TOTAL EXPENDITURES	<u>24,992,052</u>	<u>5,595,198</u>	<u>1,864,811</u>	<u>0</u>	<u>8,004,676</u>	<u>40,456,737</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,883,265	(2,760,502)	(348,033)	0	(2,057,276)	(1,282,546)
OTHER FINANCING SOURCES (USES):						
Transfers In	0	643,622	440,000	0	2,120,000	3,203,622
Transfers Out	(2,985,000)	(208,622)	(918,903)	0	(150,000)	(4,262,525)
Issuance of Other Loan Debt	0	916,878	0	0	0	916,878
Sale of Assets	0	451,407	0	0	0	451,407
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,985,000)</u>	<u>1,803,285</u>	<u>(478,903)</u>	<u>0</u>	<u>1,970,000</u>	<u>309,382</u>
NET CHANGE IN FUND BALANCES	898,265	(957,217)	(826,936)	0	(87,276)	(973,164)
FUND BALANCES BEGINNING OF YEAR	11,859,419	3,177,055	1,068,721	0	5,164,194	21,269,389
CHANGE IN INVENTORY	(103)	0	0	0	39,837	39,734
FUND BALANCES END OF YEAR	<u>\$12,757,581</u>	<u>\$2,219,838</u>	<u>\$241,785</u>	<u>\$0</u>	<u>\$5,116,755</u>	<u>\$20,335,959</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

NET CHANGES IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS \$ (973,164)

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

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

Capital Asset Additions	7,069,518	
Donations	268,720	
Current Year Depreciation	<u>(3,912,181)</u>	
Total		3,426,057

The net effect of other transactions involving capital assets is an increase to net position.

Government funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (39,450)

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

Municipal Income Taxes	1,074,575	
Delinquent Property Taxes	(61,525)	
Grants and Entitlements	130,364	
Charges for Services	(18,892)	
Special Assessments	15,244	
Fines and Forfeitures	<u>18,874</u>	
Total		1,158,640

The repayment of note and bond principal, police pension, and landfill closure costs are expenditures in the governmental funds but the repayment reduces long-term liabilities in the statement of net position. 1,511,190

Long-term note and debt issuance are reported as other financing sources in the governmental funds but increase long-term liabilities on the statement of net position. (916,878)

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

Compensated Absences	112,432	
Accrued Interest	(25,366)	
Amortization of Premium	43,941	
Amortization of Deferral on Refunding	(9,297)	
Change in Inventory	<u>39,734</u>	
Total		161,444

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows pension and OPEB (2,990,413)

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities. 6,917,611

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 8,255,037

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Municipal Income Taxes	\$19,500,000	\$20,500,000	\$20,682,251	\$182,251
Property and Other Local Taxes	1,678,446	1,678,446	1,778,860	100,414
Intergovernmental	1,403,500	1,403,500	1,736,449	332,949
Charges for Services	1,466,000	1,466,000	1,676,547	210,547
Fines and Forfeitures	1,780,000	1,780,000	1,822,160	42,160
Licenses and Permits	245,200	245,200	394,403	149,203
Interest Income	160,000	160,000	246,601	86,601
Other	<u>112,500</u>	<u>112,500</u>	<u>112,500</u>	<u>0</u>
Total Revenues	<u>26,345,646</u>	<u>27,345,646</u>	<u>28,449,771</u>	<u>1,104,125</u>
EXPENDITURES:				
Legislative- Council	166,727	166,727	163,688	3,039
Judicial- Municipal Court	2,226,610	2,226,610	1,883,430	343,180
Executive-Mayor	<u>24,115,330</u>	<u>24,115,330</u>	<u>23,258,002</u>	<u>857,328</u>
Total Expenditures	<u>26,508,667</u>	<u>26,508,667</u>	<u>25,305,120</u>	<u>1,203,547</u>
Excess of Revenues Over (Under) Expenditures	(163,021)	836,979	3,144,651	2,307,672
OTHER FINANCING SOURCES (USES):				
Transfers Out	(3,485,000)	(3,485,000)	(3,485,000)	0
Transfers In	500,000	500,000	500,000	0
Advances In	135,000	135,000	135,000	0
Other	<u>358,070</u>	<u>358,070</u>	<u>419,589</u>	<u>61,519</u>
Total Other Financing Sources (Uses)	<u>(2,491,930)</u>	<u>(2,491,930)</u>	<u>(2,430,411)</u>	<u>61,519</u>
NET CHANGE IN FUND BALANCE	(2,654,951)	(1,654,951)	714,240	2,369,191
FUND BALANCE BEGINNING OF YEAR	7,206,849	7,206,849	7,206,849	0
Prior Year Encumbrances Appropriated	<u>16,788</u>	<u>16,788</u>	<u>16,788</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$4,568,686</u>	<u>\$5,568,686</u>	<u>\$7,937,877</u>	<u>\$2,369,191</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	\$1,203,433	\$1,213,041	\$1,213,041	\$0
Total Revenues	<u>1,203,433</u>	<u>1,213,041</u>	<u>1,213,041</u>	<u>0</u>
EXPENDITURES:				
Executive-Mayor				
Services and Supplies	0	0	0	0
Other	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total Expenditures	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCE	1,203,433	1,013,041	1,213,041	200,000
FUND BALANCE BEGINNING OF YEAR	<u>1,203,433</u>	<u>1,203,433</u>	<u>1,203,433</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$2,406,866</u>	<u>\$2,216,474</u>	<u>\$2,416,474</u>	<u>\$200,000</u>

CITY OF WILLOUGHBY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2022

	BUSINESS-TYPE		
	ACTIVITIES		
	GOLF		
	COURSE	SEWER	TOTAL
ASSETS			
CURRENT ASSETS			
Equity in City Treasury Cash and Investments	\$64,890	\$4,314,754	\$4,379,644
Inventory	2,817	48,738	51,555
Accrued Interest Receivable	0	30,810	30,810
Accounts Receivable	22	304,430	304,452
Intergovernmental Receivable	911	493,140	494,051
TOTAL CURRENT ASSETS	68,640	5,191,872	5,260,512
NONCURRENT ASSETS			
Restricted Assets:			
Cash and Investments	0	2,184,730	2,184,730
Net Pension Asset	3,527	15,205	18,732
Net OPEB Asset	72,603	313,022	385,625
Nondepreciable Capital Assets	2,273,366	616,525	2,889,891
Depreciable Capital Assets, Net	1,450,590	35,428,629	36,879,219
TOTAL NONCURRENT ASSETS	3,800,086	38,558,111	42,358,197
TOTAL ASSETS	3,868,726	43,749,983	47,618,709
DEFERRED OUTFLOWS OF RESOURCES			
Pension	117,617	399,769	517,386
OPEB	2,083	8,982	11,065
TOTAL DEFERRED OUTFLOWS OF RESOURCES	119,700	408,751	528,451
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	8,765	119,513	128,278
Salaries, Wages & Benefits Payable	40,077	288,083	328,160
Accrued Interest Payable	1,774	128,112	129,886
Leases Payable	17,568	0	17,568
Financed Purchases Payable	30,521	0	30,521
Intergovernmental Payable	0	191,956	191,956
Bonds Payable	85,000	1,092,727	1,177,727
TOTAL CURRENT LIABILITIES	183,705	1,820,391	2,004,096
NONCURRENT LIABILITIES			
Salaries, Wages & Benefits Payable	74,654	302,303	376,957
Leases Payable	65,791	0	65,791
Financed Purchases Payable	114,753	0	114,753
Bonds Payable	855,000	13,298,949	14,153,949
Net Pension Liability	206,414	889,937	1,096,351
TOTAL NONCURRENT LIABILITIES	1,316,612	14,491,189	15,807,801
TOTAL LIABILITIES	1,500,317	16,311,580	17,811,897
DEFERRED INFLOWS OF RESOURCES			
Pension	258,968	1,220,400	1,479,368
OPEB	81,091	349,617	430,708
TOTAL DEFERRED INFLOWS OF RESOURCES	340,059	1,570,017	1,910,076
NET POSITION			
Net Investment in Capital Assets	2,555,323	21,653,478	24,208,801
Restricted for:			
Equipment Replacement	0	1,254,865	1,254,865
Unrestricted (Deficit)	(407,273)	3,368,794	2,961,521
TOTAL NET POSITION	\$2,148,050	\$26,277,137	\$28,425,187

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

BUSINESS-TYPE
ACTIVITIES

	<u>GOLF</u>	<u>SEWER</u>	<u>TOTAL</u>
	<u>COURSE</u>		
OPERATING REVENUES:			
Charges for Services	\$1,029,388	\$6,129,858	\$7,159,246
Other	933	9,464	10,397
Total Operating Revenues	<u>1,030,321</u>	<u>6,139,322</u>	<u>7,169,643</u>
OPERATING EXPENSES:			
Personal Services	359,476	1,602,292	1,961,768
Contractual Services	114,325	809,408	923,733
Materials & Supplies	259,991	216,093	476,084
Heat, Light & Power	35,981	265,589	301,570
Other Expenses	6,141	28,747	34,888
Depreciation /Amortization	<u>128,253</u>	<u>1,879,144</u>	<u>2,007,397</u>
Total Operating Expenses	<u>904,167</u>	<u>4,801,273</u>	<u>5,705,440</u>
Operating Income (Loss)	<u>126,154</u>	<u>1,338,049</u>	<u>1,464,203</u>
NON-OPERATING REVENUES (EXPENSES):			
Interest - Income	0	(243,504)	(243,504)
Interest - Expense	(29,858)	(279,963)	(309,821)
Other - Expense	0	<u>(28,312)</u>	<u>(28,312)</u>
Total Non-Operating Revenues (Expenses)	<u>(29,858)</u>	<u>(551,779)</u>	<u>(581,637)</u>
Income (Loss) Before Contributions and Transfers	96,296	786,270	882,566
Capital Contributions	0	239,310	239,310
Transfer In	<u>1,058,903</u>	<u>0</u>	<u>1,058,903</u>
CHANGE IN NET POSITION	1,155,199	1,025,580	2,180,779
NET POSITION BEGINNING OF YEAR	<u>992,851</u>	<u>25,251,557</u>	<u>26,244,408</u>
NET POSITION END OF YEAR	<u>\$2,148,050</u>	<u>\$26,277,137</u>	<u>\$28,425,187</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

(continued on following page)

	<u>Business-Type Activities</u>		
	<u>Golf</u>		
	<u>Course</u>	<u>Sewer</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers and users	\$940,070	\$5,631,249	\$6,571,319
Payments to suppliers	(474,613)	(1,802,526)	(2,277,139)
Payments to employees	(363,414)	(1,728,805)	(2,092,219)
Other operating revenues	933	9,464	10,397
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>102,976</u>	<u>2,109,382</u>	<u>2,212,358</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(32,943)	(826,595)	(859,538)
Principal reduction on long-term debt	(85,000)	(1,055,624)	(1,140,624)
Interest paid on long-term debt	(27,068)	(250,792)	(277,860)
Interest paid on lease	(1,092)	0	(1,092)
Interest paid on financed purchase	(1,839)	0	(1,839)
Contributions from customers	0	239,310	239,310
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(147,942)</u>	<u>(1,893,701)</u>	<u>(2,041,643)</u>
Cash flows from investing activities:			
Interest on investments	0	(263,467)	(263,467)
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>0</u>	<u>(263,467)</u>	<u>(263,467)</u>
NET INCREASE (DECREASE) IN CASH AND CASH INVESTMENTS	(44,966)	(47,786)	(92,752)
CASH AND CASH INVESTMENTS AT BEGINNING OF YEAR	<u>109,856</u>	<u>6,547,270</u>	<u>6,657,126</u>
CASH AND CASH INVESTMENTS AT END OF YEAR	<u>\$64,890</u>	<u>\$6,499,484</u>	<u>\$6,564,374</u>

The Sewer Fund includes \$ 2,184,730 of cash and cash investments in restricted assets.

During 2022, the Sewer Fund purchased capital assets on account for Financed Purchases of \$145,274 and Right-to Use- Leases Assets of \$83,359

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

(continued)

	<u>Business-Type Activities</u>		
	<u>Golf</u> <u>Course</u>	<u>Sewer</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$126,154	\$1,338,049	\$1,464,203
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	128,253	1,879,144	2,007,397
Change in assets and liabilities:			
(Increase) decrease in inventory of supplies	389	17,111	17,500
(Increase) decrease in accounts receivable	(22)	(106,452)	(106,474)
(Increase) decrease in due from other govts	(911)	(201,337)	(202,248)
(Increase) decrease in net OPEB asset	(34,750)	(120,666)	(155,416)
(Increase) decrease in net pension asset	136	3,421	3,557
(Increase) decrease in deferred charges	4,141	0	4,141
(Increase) decrease in deferred outflows - pension	(70,805)	(161,737)	(232,542)
(Increase) decrease in deferred outflows - OPEB	17,034	88,162	105,196
Increase (decrease) in accounts payable	6,623	63,904	70,527
Increase (decrease) in accrued salaries, wages, and benefits	(3,938)	(126,513)	(130,451)
Increase (decrease) in net pension liability	(114,426)	(741,501)	(855,927)
Increase (decrease) in deferred inflows - pension	94,611	384,665	479,276
Increase (decrease) in deferred inflows - OPEB	(49,513)	(314,060)	(363,573)
Increase (decrease) in due to other governments	0	107,192	107,192
TOTAL ADJUSTMENTS	<u>(23,178)</u>	<u>771,333</u>	<u>748,155</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$102,976</u>	<u>\$2,109,382</u>	<u>\$2,212,358</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
AS OF DECEMBER 31, 2022

CUSTODIAL FUNDS

ASSETS	
Equity in City Treasury Cash and Investments	\$1,318,809
Cash and Cash Equivalents in Segregated Accounts	<u>3,235,697</u>
TOTAL ASSETS	<u>4,554,506</u>
LIABILITIES	
Due to External Parties	<u>1,894,782</u>
TOTAL LIABILITIES	<u>1,894,782</u>
NET POSITION	
Restricted for:	
Individuals, Organizations and Other Governments	<u>2,659,724</u>
TOTAL NET POSITION	<u>\$2,659,724</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	CUSTODIAL FUNDS
ADDITIONS	
Municipal Court Receipts	4,868,154
Payments Collected for Other Governments	20,252,253
Moneys Held for Others	<u>72,409</u>
TOTAL ADDITIONS	<u>25,192,816</u>
DEDUCTIONS	
Municipal Court Disbursements	4,868,154
Payments for Other Governments	11,803
Medical and Dental for Cobra and Other Plans	19,674,560
Distributions to Individuals and Organizations	<u>34,936</u>
TOTAL DEDUCTIONS	<u>24,589,453</u>
NET DECREASE IN FIDUCIARY NET POSITION	603,363
NET POSITION - BEGINNING OF YEAR	<u>2,056,361</u>
NET POSITION - END OF YEAR	<u>\$ 2,659,724</u>

See accompanying notes to the basic financial statements.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1: REPORTING ENTITY

The Village of Willoughby was incorporated on August 3, 1853, under laws of the State of Ohio. On June 19, 1951, a voter-approved charter became effective establishing Willoughby as a city and a mayor-council form of government.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading.

The City of Willoughby's primary government consists of all funds and departments which are not legally separate from the City. They include police and fire protection, public health, parks and recreation, street maintenance, planning and zoning, municipal court, and other general government services. In addition, the City owns and operates a wastewater treatment and collection system and a golf course that are reported as enterprise funds. None of these services are provided by legally separate organizations; therefore, these operations are included in the primary government. The operation of each of these activities is directly controlled by Council through the budgetary process.

A legally separate organization is a component unit of the primary government if 1) the primary government is financially accountable for the organization; 2) the nature and significance of the relationship between the primary government and the organization are such that the exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete; or 3) the organization is closely related to or financially integrated with the primary government. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

The City is associated with one jointly governed organization, the Northeast Ohio Public Energy Council. Information about the organization is presented in Note 21 to the basic financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. 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.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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. As a general rule, the activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

Fund Financial Statements– Fund financial statements are designed to present financial information of the City at a more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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 of Willoughby and/or the general laws of Ohio.
- ▶ **Capital Projects Fund** – This fund accounts for various capital projects and equipment financed by transfers from the General fund, intergovernmental revenue, interest, and the sale of debt and existing capital assets.
- ▶ **General Bond Retirement Fund** – The general bond retirement fund accounts for the accumulation of resources for and the payment of interest and principal on general obligation bonds.
- ▶ **American Rescue Plan Act Fund** – The ARPA fund accounts for the federal funding provided to support response to and recovery from the Covid-19 public health emergency.

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

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service.

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:

- ▶ **Golf Course Fund** – accounts for the operation and services provided at the Willoughby Lost Nation Golf Course.
- ▶ **Sewer Fund** – accounts for sanitary sewer services provided to the residential and commercial users of the cities of Willoughby and Eastlake.

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's fiduciary funds are custodial. Custodial funds are used to account for utility bills, Hazmat team equipment maintenance, and building code fees due to other governments, COBRA insurance payments, fines and fees

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

collected by the Willoughby Municipal Court (excluding those due the City of Willoughby) and additional payments due and held for others. In addition, the custodial funds are used to account for assets held by the City as fiscal agent for the Ohio Government Benefit Cooperative.

C. Measurement Focus

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

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

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. 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.

D. Basis of Accounting

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

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Revenues – Exchange and Nonexchange 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 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 (see Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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 future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance year 2023 operations. These amounts have been recorded as deferred inflows on both the

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, franchise taxes, intergovernmental grants, special assessments, fines and forfeitures and charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11)

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

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

E. Pensions/Other Post-Employment Benefits (OPEB)

For the 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 plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

F. Pooled Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, with the exception of the Municipal Court, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in City Treasury Cash and Investments."

The City has segregated bank accounts for monies held separate from the City's central bank account. Some of these interest-bearing depository accounts are presented on the statement of net position as "Restricted Assets".

For presentation on the financial statements, investments of the cash management pool and investments with original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

During 2022, The City's investments included the State Treasury Asset Reserve of Ohio (STAR Ohio), non-negotiable and negotiable certificates of deposits, United States Treasury Notes, United States Agency debt securities, commercial paper and money market mutual funds. The City's investment in State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio as the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a 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.

Aside from investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation will be recognized within the General fund to the extent its cash and investments balance exceeds the cumulative value of those investments. The gain/loss resulting from valuation will be reported within the investment earnings account on the statement of activities.

Following Ohio statutes, the City has specified the funds to receive an allocation of interest earnings. For 2022, loss on investments netted with interest income, resulted in -\$216,719 of interest revenue credited to the General fund which includes -\$118,086 from other funds.

G. Receivables

Receivables on December 31, 2022 consist of taxes, amounts due from other governments, accounts (billings for user charged services), loan, special assessments, and accrued interest on investments. All are deemed collectible in full.

H. Materials and Supplies Inventory

Inventory consists of expendable supplies held for consumption. On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded

CITY OF WILLOUGHBY, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2022

as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

J. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They result from expenditures in the governmental funds. General capital assets are reported in the governmental activities' column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value as of the date received. The City's capitalization threshold is \$5,000. The City's infrastructure consists of roads, sidewalks, curbs and gutters, storm sewers, streetlights, traffic signals, and bridges. Infrastructure acquired prior to implementation of GASB34 has been reported, using City records and data provided by the City Engineer. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Interest incurred during the construction of proprietary fund capital assets is also capitalized. All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets.

Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

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

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	4 – 40 years	5 – 45 years
Land Improvements	5 – 50 years	5 – 50 years
Machinery and Equipment	3 – 20 years	3 – 40 years
Infrastructure	10 – 50 years	50 years

K. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “due to/from other funds.” Interfund loans which do not represent available expendable resources are offset by a fund balance non-spendable or restricted account. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. 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 liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end, taking into consideration any limits specified in the City’s termination policy.

The entire compensated absence liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the general fund. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

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M. 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, landfill post closure care, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

N. Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

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

Committed The committed fund balance classifications include amounts that can be used only for the specific purposes imposed by formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council and the Mayor or a Director delegated that authority by City Charter or ordinance, or by state statute. State statute authorizes the Finance Director to assign fund balance for purchase orders; provided such amounts have been lawfully appropriated.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which 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.

O. Net Position

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

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

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P. Grants and Intergovernmental Revenues

Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. Federal reimbursement-type grants are recorded as intergovernmental receivables and revenues in the period when all applicable eligibility requirements have been met and the resources are available.

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for sewer and golf course services. Operating expenses are necessary costs that have been incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

R. Contributions of Capital

Contributions of capital in governmental and business activities 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.

S. 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.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither of these occurred in 2022.

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U. 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.

V. Budgetary Data

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The primary level of budgetary control for those funds paying wages is at the branch level (legislative, judicial, executive) and within each branch at the account classification level of personal services and benefits as required by Ohio law. For other account classifications including services and supplies, capital and transfers the level of control selected by Council is at the fund level. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2022.

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 resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

NOTE 3: COMPLIANCE AND ACCOUNTABILITY

Change in Accounting Principles and Recently Issued Accounting Pronouncements

During the year, the City implemented the following Governmental Accounting Standards Board (GASB) Statements:

GASB Statement No. 87 establishes 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

CITY OF WILLOUGHBY, OHIO
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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 financing 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. The implementation of GASB Statement No.87 had an effect on the financial statements of the City.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 91 was implemented prior to 2022.

GASB Statement No. 92 objective is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

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Implementation of GASB Statement No. 92 had no effect on the City's financial statements

GASB Statement No. 93 - Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The implementation of GASB 93 has no effect on the City's financial statements.

GASB Statement No. 97 - The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of GASB 97 has no effect on the City's financial statements.

GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. The implementation of GASB Statement No. 98 affected terminology used in this financial report.

GASB Statement No. 99 - Objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of

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- the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
 - Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
 - Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
 - Disclosures related to nonmonetary transactions.
 - Pledges of future revenues when resources are not received by the pledging government.
 - Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
 - Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position
 - Terminology used in Statement 53 to refer to resource flows statements.

Implementation of GASB 99 has no effect on the City’s financial statements.

CITY OF WILLOUGHBY, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 4: FUND BALANCE

Fund balance is classified as non-spendable, 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 BALANCE	General Fund	Capital Projects	General Bond Retirement	American Rescue Plan Act	Nonmajor Governmental Funds	Total
<u>Nonspendable</u>						
Inventories	107,837	0	0	0	229,016	336,853
Prepays	4,032	0	0	0	0	4,032
Cemetery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>404,372</u>	<u>404,372</u>
Total Nonspendable	111,869	0	0	0	633,388	745,257
<u>Restricted for</u>						
Road and infrastructure	0	0	0	0	2,432,573	2,432,573
Municipal Court	0	0	0	0	779,846	779,846
Police and Fire departments	0	0	0	0	110,757	110,757
Law Enforcement	0	0	0	0	107,348	107,348
Drug and Alcohol enforcement	0	0	0	0	63,458	63,458
Sidewalks and Trees	0	0	0	0	153,978	153,978
Street Lighting	0	0	0	0	464,664	464,664
Debt Service	<u>0</u>	<u>0</u>	<u>1,068,721</u>	<u>0</u>	<u>0</u>	<u>1,068,721</u>
Total Restricted	0	0	1,068,721	0	4,112,624	5,181,345
<u>Committed to</u>						
Recreation	0	0	0	0	229,545	229,545
Sidewalks and Trees	0	0	0	0	55,234	55,234
Community Environment	0	0	0	0	85,964	85,964
Compensated Absences	1,062,048	0	0	0	0	1,062,048
Capital improvements	<u>0</u>	<u>4,660,214</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,660,214</u>
Total Committed	1,062,048	4,660,214	0	0	370,743	6,093,005
<u>Assigned to</u>						
General Government	281,596	0	0	0	0	281,596
Security of Persons	219,708	0	0	0	0	219,708
Public Health & Welfare	3,659	0	0	0	0	3,659
Community Environment	121,174	0	0	0	0	121,174
Leisure Activities	28,614	0	0	0	0	28,614
Basic Utilities	<u>15,632</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,632</u>
Total Assigned	670,383	0	0	0	0	670,383
Unassigned	<u>10,913,281</u>	<u>(2,440,376)</u>	<u>(826,936)</u>	<u>0</u>	<u>0</u>	<u>7,645,969</u>
Total Fund Balances	<u>\$ 12,757,581</u>	<u>\$ 2,219,838</u>	<u>\$ 241,785</u>	<u>\$ 0</u>	<u>\$ 5,116,755</u>	<u>\$ 20,335,959</u>

CITY OF WILLOUGHBY, OHIO
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NOTE 5: DEPOSITS AND INVESTMENTS

A. Deposits

State statutes require the classification of funds held by the City into three categories:

Active deposits are public funds necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury or in depository accounts payable or able to be withdrawn on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public funds not required for use within the current five-year period of designation of depositories. Inactive deposits may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Interim deposits are public funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts.

B. Investments

The Finance Director is permitted to invest in any security authorized by the Ohio Revised Code, Section 135.14, or other relevant sections as amended. All investment procedures are conducted as specified in the Ohio Revised Code including, but not limited to, the collateralization of deposits and repurchase agreements. The maximum final maturity of any investment will be five years from the date of purchase. The City's investment practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. Currently some eligible investments in the portfolio were purchased with remaining terms of up to five years. Generally, the majority of purchases are still being made in investments with remaining terms of two years or less. Average days to maturity for the City's investments on December 31, 2022, was 522.

Investments are permitted in the following securities:

- United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan

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Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

- Written repurchase agreements in the securities listed above;
- Bonds and other obligations of the State of Ohio or Ohio local governments;
- Certificates of deposits (collateralized as described below) in eligible institutions or savings or deposit accounts;
- No-load money market funds consisting exclusively of obligations described in paragraph 1 or 2 of this section and repurchase agreements secured as described are made only through eligible institutions mentioned in Section 135.03 of the Ohio Revised Code;
- The State Treasury Asset Reserve Funds (STAR Ohio) as provided in Section 135.45 of the Ohio Revised Code;
- Bankers' acceptances and commercial paper if training requirements have been met.

The following disclosure is based on the criteria described in GASB Statement No. 40, "Deposits and Investments Risk Disclosures".

Cash on Hand

On December 31, 2022, the City had \$6,495 in undeposited cash on hand, which is included on the balance sheet of the City as part of "Equity in City Treasury Cash and Investments".

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. Ohio law requires that deposits either be insured or protected by (1) 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 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System, 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 percent of the deposits being secured. The City has no deposit policy for custodial credit risk beyond the requirements of State statute.

On December 31, 2022, the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$7,191,270 including restricted cash of \$2,184,730 and the bank balance was \$7,549,552. \$2,022,568 of the City's bank balance was covered by Federal Depository Insurance. \$5,352,135 was collateralized through participation in the Ohio Pooled Collateral System (OPCS). \$174,849 was uninsured and collateralized with securities held by the pledging financial institutions trust department or agent but not in the City's name.

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Although the securities were held by the pledging institution's trust department and all statutory requirements for the investments of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments

The City has a formal investment policy and utilizes a pooled investment concept for all its funds to maximize its investment program. STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The following table identifies the City's recurring fair value measurement as of December 31, 2022. As previously discussed, STAR Ohio is reported at its net asset value. All other investments of the City are valued using observable pricing methods (Level 2 inputs). As of December 31, 2022, fair value was \$972,768 below the City's net cost for investments.

Investment Type/ Valuation	Moody's Rating	S&P Rating	Measurement Amount	Investment Maturities		
				Less than 1 Year	1 to 2 Years	Greater than 2 Years
Net Asset Value (NAV):						
STAR Ohio	Aaa	AAAm	\$ 7,980,213	\$ 7,980,213	\$ 0	\$ 0
GIDP	Aaa	AAAm	405,213	405,213	0	0
First Am Govt Obligations Fund	Aaa	AAAm	18,102	18,102	0	0
Fair Value:						
FCB	Aaa	AA+	4,217,612	103,523	1,033,289	3,080,800
FNMA	Aaa	AA+	997,225	0	0	997,225
FHLB	Aaa	AA+	2,727,191	438,482	232,933	2,055,776
FHLMC	Aaa	AA+	985,954	0	471,201	514,753
FAMC			173,860	0	0	173,860
TVA			365,198	0	0	365,198
US Treasury Note	Aaa	AAA	5,009,325	1,265,693	1,329,266	2,414,366
Negotiable Certificates of Deposit	N/A	N/A	4,057,521	2,263,303	1,479,244	314,974
Commercial Paper	P-1	A-1	648,581	648,581	0	0
			<u>\$ 27,585,995</u>	<u>\$ 13,123,110</u>	<u>\$ 4,545,933</u>	<u>\$ 9,916,952</u>

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

Credit Risk: The credit risk of the City's investments is in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. On December 31, 2022, the weighted average maturity of investments

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

with STAR Ohio was 32 days. The City has no investments policy that would further limit its investment choices.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The U.S. Agency notes are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the City's name.

The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

Concentration of Credit Risk: The City Investment Policy places no limit on the amount it may invest in any one issuer. In 2022, the City's total investments are 3.57% in FHLMC, 15.29% in FFCB, 9.89 in FHLB, 3.61% in FNMA, 0.63% in FAMC and 18.16% in U.S. Treasury Note. Other investments not specifically guaranteed by the U.S. Government total 48.85%.

NOTE 6: INTERFUND TRANSFERS AND BALANCES

As of December 31, 2022, interfund transfers were as follows:

<i>Transfer To</i>	<i>Transfer From</i>			<i>Total</i>
	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>Nonmajor Governmental Funds</i>	
Capital Projects Fund	\$ 550,000	\$ 93,622	\$ 0	\$ 643,622
General Bond Retirement Fund	180,000	110,000	150,000	440,000
Nonmajor Governmental Funds	<u>2,120,000</u>	<u>0</u>	<u>0</u>	<u>2,120,000</u>
Total	<u>\$ 2,850,000</u>	<u>\$ 203,622</u>	<u>\$ 150,000</u>	<u>\$ 3,203,622</u>

The General fund transfers to the Nonmajor Governmental funds were made to provide additional resources for current operations. The General fund transfers to the Capital Projects fund were for projects and equipment. The transfers from the General fund, Capital Projects and Nonmajor Governmental funds to the General Bond Retirement fund were for debt payments. Transfers from Nonmajor Governmental and Internal Service fund to the General fund were to close out balances.

The City had internal balances of \$1,058,903. This included advances from the General fund for Golf Course operations. The General Bond Retirement fund balances were for Golf Course debt payments and the Capital Projects fund balances are for an equipment purchase of the Golf Enterprise fund. With Council approval and passage of legislation, the Golf Course advances were forgiven in 2022 with transfers from the General fund of \$135,000, General Bond Retirement fund for \$918,903 and Capital fund of \$5,000 to the Golf Course fund.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7: BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations, and changes in fund balances 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 Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for both the General fund and ARPA 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 the GAAP basis are that:

- A. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- B. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- C. Encumbrances are treated as expenditures (budget) rather than as a restricted, committed or assigned fund balance (GAAP).
- D. Advances In and Advances Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
- E. Investments are reported at cost (budget) rather than fair value (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budget basis statements for the General fund and ARPA fund.

Net Change in Fund Balance	General Fund	ARPA Fund
GAAP Basis	\$ 898,265	\$ 0
Net Adjustment for Revenue Accruals	(1,805,446)	0
Fair Value Adjustment for Investments	470,984	0
Net Adjustment for Expenditure Accruals	1,210,922	1,213,041
Encumbrances	(555,722)	0
Current Expenditures Against Prior Year Encumbrances	495,237	0
Budget Basis	<u>\$ 714,240</u>	<u>\$ 1,213,041</u>

NOTE 8: RECEIVABLES

Receivables on December 31, 2022, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, and accounts (billings for user charged services).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

CITY OF WILLOUGHBY, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2022

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2022 for real and public property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2022, was \$8.38 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2021 property tax receipts were based are as follows:

Real Property	\$725,371,150
Public Utility Tangible	\$20,701,170
Total	\$746,072,320

Real property taxes are payable annually or semiannually. The due date for the 2022 levy was February 15, 2023, for all or one half of the taxes due. The second half due date is July 19, 2023.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Willoughby. The County Auditor periodically remits to the City its portion of the taxes collected.

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2022, and for which there is an enforceable legal claim. In General, Police Pension, Fire Pension, Recreation, Road and Bridge, and General Bond Retirement funds, the entire receivable has been offset by deferred inflows since 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 a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is a deferred inflow.

B. Municipal Income Taxes

The City levies a municipal income tax of 2 percent on all salaries, wages, commissions, and other compensation, and net profits earned within the City, as well as resident incomes earned

CITY OF WILLOUGHBY, OHIO
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outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality not to exceed the amount owed. The Regional Income Tax Agency (R.I.T.A) provides services to collect taxes, acting as an agent of the City. Each member municipality appoints its own delegate to the Regional Council of Governments which oversees R.I.T.A. Since 2018, net profit taxpayers in Ohio may opt in for collection by the State of Ohio Department of Taxation.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the R.I.T.A. either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	
Property & Other Local Taxes	\$ 13,472
OWDA and OPWC	508,698
Gasoline & Motor Vehicle Tax	730,585
Local Government	758,930
Charges for Service	64,368
Homestead and Rollback	180,500
Grants	82,599
Fines	398,801
Total Governmental	2,737,953
Business-Type Activities:	
Charges for Service	494,051
Total Business-Type	494,051
Total Intergovernmental Receivables	\$ 3,232,004

D. Loan Receivable

The City is reporting a long-term loan receivable related to the Airport Improvement bonds (See Note 16). During 2014, the City entered into an agreement with the Lake County Port and Economic Development Authority for the transfer of ownership of the Willoughby Lost Nation Municipal Airport. As part of this agreement the Lake County Port and Economic Development Authority is obligated to make annual debt payments to reimburse the City for the Airport Improvement bonds. On December 31, 2022, the remaining balance being reported in the City's financial statements is \$100,000.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 9: CAPITAL ASSETS

A summary of changes in capital assets during 2022 follows:

	Balance 01/01/22	Additions	Deletions	Balance 12/31/22
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$8,055,203	\$551,893	(\$22,180)	\$8,584,916
Construction in Progress	7,313,585	1,275,308	(682,341)	7,906,552
<i>Total Capital Assets Not Being Depreciated</i>	<u>15,368,788</u>	<u>1,827,201</u>	<u>(704,521)</u>	<u>16,491,468</u>
<i>Capital Assets Being Depreciated/Amortized</i>				
Buildings	30,799,873	2,229,029	0	33,028,902
Improvements	18,969,107	1,667,304	(11,900)	20,624,511
Machinery and Equipment	14,711,592	550,360	(345,350)	14,916,602
Infrastructure:				
Roads	27,882,421	1,746,685	(1,657,084)	27,972,022
Sidewalks	1,163,026	0	0	1,163,026
Curbs & Gutters	985,795	0	0	985,795
Storm Sewers	11,642,640	0	0	11,642,640
Street Lights	54,380	0	0	54,380
Traffic Signals	1,822,483	0	0	1,822,483
Bridges	533,211	0	0	533,211
<i>Total Capital Assets Being Depreciated/Amortized</i>	<u>108,564,528</u>	<u>6,193,378</u>	<u>(2,014,334)</u>	<u>112,743,572</u>
<i>Less Accumulated Depreciation/Amortization</i>				
Buildings	(13,149,511)	(709,107)	0	(13,858,618)
Improvements	(11,863,749)	(299,618)	11,900	(12,151,467)
Machinery and Equipment	(10,160,126)	(819,799)	328,080	(10,651,845)
Infrastructure:				
Roads	(18,681,130)	(1,705,703)	1,657,084	(18,729,749)
Sidewalks	(1,067,078)	(40,058)	0	(1,107,136)
Curbs & Gutters	(933,909)	(34,589)	0	(968,498)
Storm Sewers	(6,549,238)	(267,707)	0	(6,816,945)
Street Lights	(39,852)	0	0	(39,852)
Traffic Signals	(1,570,943)	(25,636)	0	(1,596,579)
Bridges	(225,386)	(9,964)	0	(235,350)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(64,240,922)</u>	<u>(3,912,181)</u>	<u>1,997,064</u>	<u>(66,156,039)</u>
<i>Total Capital Assets Being Depreciated/Amortized, Net</i>	<u>44,323,606</u>	<u>2,281,197</u>	<u>(17,270)</u>	<u>46,587,533</u>
Total Government Activities Capital Assets, Net	<u><u>\$59,692,394</u></u>	<u><u>\$4,108,398</u></u>	<u><u>(\$721,791)</u></u>	<u><u>\$63,079,001</u></u>

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 9: CAPITAL ASSETS (CONTINUED)

	Balance 01/01/22	Additions	Deletions	Balance 12/31/22
Business-Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$2,673,107	\$0	\$0	\$2,673,107
Construction in Progress	184,445	32,339	0	216,784
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,857,552</u>	<u>32,339</u>	<u>0</u>	<u>2,889,891</u>
<i>Capital Assets Being Depreciated/Amortized</i>				
Buildings	26,793,252	0	0	26,793,252
Improvements	50,472,759	59,575	0	50,532,334
Machinery and Equipment	5,744,163	904,080	(309,237)	6,339,006
Intangible right -to -use lease - Equipment	0	92,177	0	92,177
<i>Total Capital Assets Being Depreciated/Amortized</i>	<u>83,010,174</u>	<u>1,055,832</u>	<u>(309,237)</u>	<u>83,756,769</u>
<i>Less Accumulated Depreciation/Amortization</i>				
Buildings	(16,680,697)	(709,480)	0	(17,390,177)
Improvements	(24,103,233)	(1,061,951)	0	(25,165,184)
Machinery and Equipment	(4,367,146)	(228,952)	280,923	(4,315,175)
Intangible right -to -use lease - Equipment	0	(7,014)	0	(7,014)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(45,151,076)</u>	<u>(2,007,397)</u>	<u>280,923</u>	<u>(46,877,550)</u>
<i>Total Capital Assets Being Depreciated/Amortized, Net</i>	<u>37,859,098</u>	<u>(951,565)</u>	<u>(28,314)</u>	<u>36,879,219</u>
Total Business-Type Capital Assets, Net	<u><u>\$40,716,650</u></u>	<u><u>(\$919,226)</u></u>	<u><u>(\$28,314)</u></u>	<u><u>\$39,769,110</u></u>
Depreciation/Amortization expense was charged to governmental functions as follows:				
General Government				\$342,687
Security of Persons and Property				721,568
Public Health and Welfare				10,065
Community Environment				10,780
Leisure Time Activities				324,006
Transportation				2,034,959
Basic Utility Service				468,116
Total				<u><u>\$3,912,181</u></u>
Depreciation/Amortization expense was charged to business-type activities as follows:				
Golf				\$128,253
Sewer				1,879,144
Total				<u><u>\$2,007,397</u></u>

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 10: DEFINED BENEFIT PENSION PLANS

Net Pension Liability/Asset

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

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

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

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

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually required pension contribution outstanding at the end of the year is included in salary, wages and benefits payable on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer

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defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

CITY OF WILLOUGHBY, OHIO
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When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those who retired or are retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of-living-adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional and Combined Plans.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Members of both the member-directed plan and the combined plan 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 members' contributions plus or minus the investment gains or losses resulting from the members' 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 purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of the entire account balance, net of taxes withheld, or a combination of these options.

In 2022, the combined plan was consolidated under the traditional pension plan (defined benefit plan) and the combined plan is no longer available for new hires.

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

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	STATE & LOCAL
2022 Statutory Maximum Contribution Rates	
EMPLOYER	14%
EMPLOYEE*	10%
2022 Actual Contribution Rates	
EMPLOYER:	
Pension**	14%
Post-employment Health Care Benefits**	0%
TOTAL EMPLOYER	14%
EMPLOYEE	10%
* Member contributions within combined plan are not used to fund the defined benefit retirement allowance.	
** These pension and employer health care rates are for the traditional & combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.	

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2022 for the Traditional and Combined Plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Directed Plan for 2022. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions were \$1,395,539 for 2022. Of this amount, \$54,219 is reported as salaries, wages and benefits payable.

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

Plan Description – The City's 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.

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member's base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one-percent.

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

	POLICE	FIRE
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	0.50	0.50
Total Employer	19.50 %	24.00 %
Total Employee	12.25 %	12.25 %

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,830,597 for 2022. Of this amount, \$70,328 is reported as salaries, wages and benefits payable.

In addition to current contributions, the City pays installments on a specific liability incurred when the State of Ohio established the statewide pension system Police and Fire in 1967. As of December 31, 2022, the specific liability of the City was \$71,213 payable in semi-annual payments through the year 2035.

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

The net pension liability/asset for OPERS was measured as of December 31, 2021, and the total pension liability/asset 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 and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OP&F Police	OP&F Fire	Total
Proportion of the Net					
Pension Liability/(Asset):					
Current Measurement Date	0.060799%	0.022939%	0.1544284%	0.1681895%	
Prior Measurement Date	<u>0.058932%</u>	<u>0.034515%</u>	<u>0.1535526%</u>	<u>0.1714873%</u>	
Change in Proportionate Share	<u>0.001867%</u>	<u>-0.011576%</u>	<u>0.0008758%</u>	<u>-0.0032978%</u>	
Proportionate Share of the Net					
Pension Liability/(Asset)	\$5,289,759	(\$90,381)	\$9,647,791	\$ 10,507,510	\$25,354,679
Pension Expense	\$ (1,178,325)	\$ 1,029	\$ 506,832	\$ 527,236	\$ (143,228)

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

	OPERS	OP&F Police	OP&F Fire	Total
<u>Deferred Outflows of Resources</u>				
Net Difference between projected and actual earnings on pension plan investments	\$0	\$0	\$0	\$0
Differences between expected and actual experience	\$270,225	\$278,183	\$302,973	851,381
Changes of assumptions	666,019	1,763,201	1,920,322	4,349,542
Changes in proportion and differences between City contributions and proportionate share of contributions	363,194	119,430	117,450	600,074
City contributions subsequent to the measurement date	<u>1,395,539</u>	<u>837,662</u>	<u>992,935</u>	<u>3,226,136</u>
Total Deferred Outflows of Resources	<u>\$2,694,977</u>	<u>\$2,998,476</u>	<u>\$3,333,680</u>	<u>\$9,027,133</u>
<u>Deferred Inflows of Resources</u>				
Net difference between projected and actual earnings on pension plan investments	\$6,311,349	\$2,529,502	\$2,754,907	\$11,595,758
Differences between expected and actual experience	126,124	501,553	546,245	1,173,922
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>309,312</u>	<u>343,293</u>	<u>402,437</u>	<u>1,055,042</u>
Total Deferred Inflows of Resources	<u>\$6,746,785</u>	<u>\$3,374,348</u>	<u>\$3,703,589</u>	<u>\$13,824,722</u>

\$3,226,136 was reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date which 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:

	OPERS	OP&F Police	OP&F Fire	Total
Year Ending December 31:				
2023	(\$878,294)	(\$85,662)	(\$116,184)	(\$1,080,140)
2024	(2,102,315)	(786,768)	(830,930)	(3,720,013)
2025	(1,480,200)	(405,000)	(346,644)	(2,231,844)
2026	(999,681)	(163,436)	(254,229)	(1,417,346)
2027	4,848	227,332	185,143	417,323
Thereafter	<u>8,295</u>	<u>0</u>	<u>0</u>	<u>8,295</u>
Total	<u>(\$5,447,347)</u>	<u>(\$1,213,534)</u>	<u>(\$1,362,844)</u>	<u>(\$8,023,725)</u>

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Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all prior 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% down to 6.9% for the defined benefit investments. Key methods and assumptions used in the last actuarial evaluation, reflecting experience study results, are presented below:

	<u>Traditional Pension Plan</u>	<u>Combined Plan</u>
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	3.25 percent	3.25 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2022, then 2.05 percent, simple	3 percent, simple through 2022, then 2.05 percent, simple
Prior Measurement Date:	0.50 percent, simple through 2021, then 2.15 percent, simple	0.50 percent, simple through 2021, then 2.15 percent, simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

The 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 weighing the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care portfolio, the 115 Health Care Trust portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, 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 investments expense and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 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 table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
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 %

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

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

City's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	\$13,946,683	\$5,289,759	\$1,913,953
Combined Plan	(\$67,441)	(\$90,381)	(\$108,272)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about 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 were withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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

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Valuation Date	January 1, 2021 with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50%
Projected Salary Increases	3.75% - 10.50%
Payroll Growth	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of Living Adjustments	2.20% simple

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.

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

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Asset Class	Target Allocation	Long Term Expected Real Rate of Return**
Domestic Equity	21.00 %	3.60 %
International Equity	14.00	4.40
Core Fixed Income *	23.00	1.10
U.S. Inflation Linked Bonds *	17.00	0.80
High Yield Fixed Income	7.00	3.00
Private Real Estate	12.00	4.80
Private Markets	8.00	6.80
Midstream Energy Infrastructure	5.00	5.00
Private Credit	5.00	4.50
Real Assets	8.00	5.90
Gold	5.00	2.40
Total	125.00 %	
Note: Assumptions are geometric		
* levered 2x		
**numbers are net of expected inflation		

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

Discount Rate The total pension liability was calculated using the discount rate of 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 earnings were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 29,890,031	\$ 20,155,301	\$ 12,048,675

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NOTE 11: DEFINED OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLANS

Net OPEB Liability/Asset

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

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

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

GASB 75 assumes that any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded and funded benefits is presented as a long-term *net OPEB liability or net OPEB asset* on the accrual basis of accounting. Any liability for the contractually required OPEB contribution outstanding at the end of the year is included in salaries, wages & benefits payable on both the accrual and modified accrual bases of accounting.

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

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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 to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue 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. These changes are reflected in the December 31, 2021, measurement date health care valuation.

In order to qualify for postemployment health care coverage, generally age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and

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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 employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for retirees 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 \$13,049 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), a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. A stipend funded by OP&F is available to those members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. A summary of the full benefit provisions can be found in OP&F's annual comprehensive financial report.

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

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

OP&F issues a publicly available annual comprehensive 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.

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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.

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

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

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

The City's contractually required contribution to OP&F was \$43,170 for 2022.

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

The net OPEB asset and total OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2019, 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 and OPEB expense:

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	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.059403%	0.3226179%	
Proportion of the Net OPEB Liability:			
Prior Measurement Date	<u>0.057754%</u>	<u>0.3250399%</u>	
Change in Proportionate Share	<u>0.001649%</u>	<u>-0.0024220%</u>	
			<u>Total</u>
Proportionate Share of the Net OPEB Liability/(Asset)	(\$1,860,593)	\$3,536,170	\$1,675,577
OPEB Expense	(\$1,824,331)	\$303,287	(\$1,521,044)

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$160,864	\$160,864
Changes of assumptions	0	1,565,219	1,565,219
Changes in proportion and differences between City contributions and proportionate share of contributions	40,341	168,774	209,115
City contributions subsequent to the measurement date	<u>13,049</u>	<u>43,170</u>	<u>56,219</u>
Total Deferred Outflows of Resources	<u>\$53,390</u>	<u>\$1,938,027</u>	<u>\$1,991,417</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$282,224	\$467,357	\$749,581
Changes of assumptions	753,148	410,704	1,163,852
Net difference between projected and actual earnings on OPEB plan investments	886,998	319,432	1,206,430
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>155,746</u>	<u>151,313</u>	<u>307,059</u>
Total Deferred Inflows of Resources	<u>\$2,078,116</u>	<u>\$1,348,806</u>	<u>\$3,426,922</u>

\$56,219 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability and increase of the net OPEB asset in 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:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2023	(\$1,313,452)	\$159,651	(\$1,153,801)
2024	(403,132)	112,229	(290,903)
2025	(193,805)	120,342	(73,463)
2026	(127,386)	15,777	(111,609)
2027	0	67,427	67,427
Thereafter	0	70,625	70,625
Total	<u><u>(\$2,037,775)</u></u>	<u><u>\$546,051</u></u>	<u><u>(\$1,491,724)</u></u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	3.25 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75-10.75%, including wage inflation
Prior Measurement Date:	3.25-10.75%, including wage inflation
Single Discount Rate:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current Measurement Date:	1.84 percent
Prior Measurement Date:	2.00 percent
Health Care Cost Trend Rate:	
Current Measurement Date:	5.5% initial, 3.5% ultimate in 2034
Prior Measurement Date:	8.5% initial, 3.5% ultimate in 2035
Actuarial Cost Method	Individual Entry Age

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

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

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, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.30 percent for 2021.

The allocation of investment assets with 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 table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
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	<u>100.00</u> %	3.45 %

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Discount Rate A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2021. A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. 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 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 asset 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%)
City's proportionate share of the net OPEB asset	\$1,094,203	\$1,860,593	\$2,496,708

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 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 that in the not-too-

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distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	Current Health Care Cost Trend Rate		
	<u>1% Decrease</u>	<u>Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB asset	\$1,880,699	\$1,860,593	\$1,836,741

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 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.

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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	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple

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 Rate of Return**
Domestic Equity	21.00 %	3.60 %
Non-US Equity	14.00	4.40
Core Fixed Income *	23.00	1.10
U.S. Inflation Linked Bonds *	17.00	0.80
High Yield Fixed Income	7.00	3.00
Private Real Estate	12.00	4.80
Private Markets	8.00	6.80
Midstream Energy Infrastructure	5.00	5.00
Private Credit	5.00	4.50
Real Assets	8.00	5.90
Gold	5.00	2.40
Total	125.00 %	
Note: Assumptions are geometric		
* levered 2x		
** numbers are net of expected inflation		

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

Discount Rate The total OPEB liability was calculated using the discount rate of 2.84 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 7.50 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 7.50 percent, which resulted in a blended discount rate of 2.84 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. 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 City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.84 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.

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	<u>1% Decrease</u> <u>(1.84%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.84%)</u>	<u>1% Increase</u> <u>(3.84%)</u>
City's proportionate share of the net OPEB liability	\$4,445,044	\$3,536,170	\$2,789,073

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Net OPEB liability is sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

NOTE 12: OTHER EMPLOYEE BENEFITS – COMPENSATED ABSENCES

A. Accumulated Unpaid Vacation

Each bargaining unit and the management staff earn vacation based upon length of service. Vacation should be used in the calendar year subsequent to the year earned, except that 40 hours vacation may be brought over to the following year. In the case of death, termination, or retirement, an employee (or his estate) is paid for any unused vacation.

B. Accumulated Unpaid Sick Leave

All full-time employees earn sick leave at a rate of 4.62 hours bi-weekly, with the exception of firefighters which earn 5.73 hours bi-weekly.

C. Accumulated Unpaid Compensatory Time

Firefighters may accrue compensatory time to a maximum of 120 hours and police officers may accrue to a maximum of 180 hours. Communications clerks and operators may accrue a maximum of 120 hours of compensatory time. Service workers may accrue a maximum of 80 hours of compensatory time.

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NOTE 13: CONTRACTUAL COMMITMENTS

At December 31, 2022, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
·Meadowlands Basin	\$3,825,968	\$407,250	\$3,418,718
·Osborne Improvements	226,500	0	226,500
Total	\$4,052,468	\$407,250	\$3,645,218

NOTE 14: CONTINGENCIES, CLAIMS AND JUDGMENTS

A. Litigation

The City is subject to various types of claims including worker compensation and unemployment, damage to privately owned vehicles by government owned vehicles, improper police arrest, and claims relating to personal injuries and property damage. The City carries adequate insurance coverage for most risks including property damage and personal liability and estimates that any potential claims not covered by such insurance would not materially affect the financial statements.

B. Enterprise Bonds

General obligation bonds in the enterprise funds are being retired by use of revenues generated by those funds. As a result of lower golf revenues, a portion of the Golf Course debt is currently being paid by the General Bond Retirement Fund.

NOTE 15: OTHER COMMITMENTS

Water/Sewer Billing Agreement

The City has an agreement with the Lake County Board of Commissioners whereby the County provides the City with water treatment and distribution services. The County is responsible for billing and collecting water usage charges. In addition, the County collects, on behalf of the City, the City sanitary sewer charges. The County deducts an administrative charge for each billing and remits the net amount to the City of Willoughby.

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NOTE 16: LONG-TERM OBLIGATIONS

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds Voted</u>				
Fire Station Refunding	2010	2024	2.0%-4.0%	\$ 4,160,000
<u>General Obligation Bonds Unvoted</u>				
Municipal Building Improvement Refunding	2012	2023	2.0%-4.0%	4,600,000
City Hall Improvement	2012	2032	1.0%-2.625%	3,200,000
Airport Improvement	2012	2032	1.0%-2.625%	155,000
Golf Course Improvement Refunding	2012	2022	1.0%-2.0%	1,165,000
Senior Center Building	2020	2044	1.25%-5.0%	6,665,000
Riverside Commons Improvements	2021	2035	1.0%-5.0%	5,610,000
<u>OPWC From Direct Borrowings</u>				
Brown Avenue Watermains	2001	2022	Interest Free	15,675
E 364,E365& Harvard Stormsewer Replacement	2020	2042	Interest Free	145,643
Two Town Ditch Stormsewer Culvert	2022	2042	Interest Free	148,502
Storm Sewer Outfall Repair	2022	2042	Interest Free	50,000
<u>OWDA From Direct Borrowings</u>				
Two Town Ditch Stormsewer Culvert	2018	2038	2.90%	580,971
E 364,E365& Harvard Stormsewer Replacement	2019	2041	1.22%	1,882,765
Meadowlands Basin Outlet	2022	2044	1.56%	421,022
<u>Other General Long-Term Liabilities</u>				
Police Pension Liability	1968	2035	4.25%	148,460
Landfill Postclosure Care	1994	2024		1,227,640

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Long-Term Obligations (cont)

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<u>Enterprise Fund G.O. Debt Sewer Bonds</u>				
Sewer 2012	2012	2032	1.0%-2.625%	\$ 1,600,000
<u>OPWC From Direct Borrowings</u>				
Vine Street Area Sanitary Sewer	2001	2022	Interest Free	223,351
Center-Wood Sanitary Sewer	2003	2024	Interest Free	78,505
Lakeshore Blvd	2007	2028	Interest Free	115,102
River Road Sanitary Sewer	2010	2030	Interest Free	57,574
Kirtland Road Sanitary Sewer	2011	2031	Interest Free	150,000
Madison Skiff Sanitary Sewer	2012	2033	Interest Free	126,128
Mooreland St Clair	2015	2036	Interest Free	150,000
WPCC Basin Rehab	2017	2038	Interest Free	150,000
WPCC Basin Control	2018	2038	Interest Free	50,000
<u>OWDA From Direct Borrowings</u>				
Highland-Maple-Wood Sanitary Sewer	2002	2022	3.99%-3.53%-3.0%	1,734,234
Center-Wood Sanitary Sewer	2003	2023	3.65%-3.0%	974,020
Van Gorder Sewer Lining	2003	2023	4.78%-4.0%	88,505
Lakeshore Blvd	2007	2027	3.34%-3.0	544,207
River Road Sanitary Sewer	2008	2029	3.3%-3.0	1,945,317
Vine and Trunk Sanitary Sewer	2010	2030	3.25%-3.0%	327,067
Kirtland Road Sanitary Sewer	2011	2031	4.45%-4.0%	559,572
Madison Skiff Sanitary Sewer	2012	2033	3.35%	984,927
Mooreland St Clair	2015	2036	2.75%	1,127,323
WPCC Basin Rehab	2016	2037	1.47%	606,073
WPCC Quentin Basin	2016	2038	1.55%	4,523,951
WPCC Capacity Enhancement	2019	2041	1.17%	6,578,851
<u>Golf Bonds</u>				
Golf Course Improvement #2	2012	2032	1.0%-2.625%	1,710,000

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Long-Term Obligations (cont)

Changes in long-term obligations of the City during 2022 were as follows:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>General Obligation Bonds Voted</u>					
Fire Station Refunding	\$ 1,060,000	\$ 0	\$ 340,000	\$ 720,000	\$ 355,000
Unamortized Premium	8,757	0	2,919	5,838	0
<i>Subtotal - General Obligation Bonds Voted</i>	<u>1,068,757</u>	<u>0</u>	<u>342,919</u>	<u>725,838</u>	<u>355,000</u>
<u>General Obligation Bonds Unvoted</u>					
Municipal Building Improvement Refunding	780,000	0	470,000	310,000	310,000
Unamortized Premium	40,506	0	20,253	20,253	0
City Hall Improvement	1,885,000	0	150,000	1,735,000	155,000
Airport Improvement	110,000	0	10,000	100,000	10,000
Golf Course Improvement Refunding	240,000	0	240,000	0	0
Unamortized Premium	63,425	0	5,900	57,525	0
Senior Center Building	6,660,000	0	5,000	6,655,000	5,000
Riverside Commons Improvements	5,610,000	0	75,000	5,535,000	80,000
Unamortized Premium	199,490	0	14,869	184,621	0
<i>Subtotal - General Obligation Bonds Unvoted</i>	<u>15,588,421</u>	<u>0</u>	<u>991,022</u>	<u>14,597,399</u>	<u>560,000</u>
<u>OPWC From Direct Borrowings</u>					
Brown Avenue Watermains	782	0	782	0	0
E 364,E365& Harvard Stormsewer Replacement	138,362	0	7,282	131,080	7,282
Two Town Ditch Stormsewer Culvert	0	148,502	3,712	144,790	7,425
Storm Outfall Repairs	0	50,000	1,250	48,750	2,500
<i>Subtotal - OPWC</i>	<u>139,144</u>	<u>198,502</u>	<u>13,026</u>	<u>324,620</u>	<u>17,207</u>
<u>OWDA From Direct Borrowings</u>					
Two Town Ditch Stormsewer Culvert	218,319	297,354	27,464	488,209	24,132
E 364,E365& Harvard Stormsewer Replacement	1,825,593	0	115,391	1,710,202	116,803
Meadowlands Basin Outlet	0	421,022	0	421,022	0
<i>Subtotal - OWDA</i>	<u>2,043,912</u>	<u>718,376</u>	<u>142,855</u>	<u>2,619,433</u>	<u>140,935</u>
Total Governmental Activities					
General Obligation Bonds, Loans, Notes	<u>18,840,234</u>	<u>916,878</u>	<u>1,489,822</u>	<u>18,267,290</u>	<u>1,073,142</u>
<u>Other General Long Term Liabilities</u>					
Police Pension Liability	75,473	0	4,260	71,213	4,443
Landfill Postclosure Care	212,962	0	61,049	151,913	70,639
Compensated Absences	5,645,075	1,292,591	1,405,023	5,532,643	1,764,858
<i>Subtotal -Other General Long-Term Liabilities</i>	<u>5,933,510</u>	<u>1,292,591</u>	<u>1,470,332</u>	<u>5,755,769</u>	<u>1,839,940</u>
<u>Net Pension Liability</u>					
OPERS	6,774,268	959,543	3,540,403	4,193,408	0
OP&F	22,158,259	1,684,173	3,687,131	20,155,301	0
<i>Subtotal -Net Pension Liability</i>	<u>28,932,527</u>	<u>2,643,716</u>	<u>7,227,534</u>	<u>24,348,709</u>	<u>0</u>
<u>Net OPEB Liability</u>					
OP&F	3,443,851	133,479	41,160	3,536,170	0
<i>Subtotal -Net OPEB Liability</i>	<u>3,443,851</u>	<u>133,479</u>	<u>41,160</u>	<u>3,536,170</u>	<u>0</u>
Subtotal Governmental Activities	<u>\$ 57,150,122</u>	<u>\$ 4,986,664</u>	<u>\$ 10,228,848</u>	<u>\$ 51,907,938</u>	<u>\$ 2,913,082</u>

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Long-Term Obligations (cont)

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022	Amounts Due Within One Year
<u>Business-Type Activities:</u>					
<u>Enterprise Fund General Obligation</u>					
<u>Debt - Sewer Bonds</u>					
Sewer 2012	\$ 960,000	\$ 0	\$ 80,000	\$ 880,000	\$ 80,000
<u>OPWC From Direct Borrowings</u>					
Vine Street Area Sanitary Sewer	10,385	0	10,385	0	0
Center-Wood Sanitary Sewer	11,777	0	3,925	7,852	3,926
Lakeshore Blvd	40,285	0	5,755	34,530	5,755
River Road Sanitary Sewer	24,468	0	2,879	21,589	2,879
Kirtland Road Sanitary Sewer	78,750	0	7,500	71,250	7,500
Madison Skiff Sanitary Sewer	78,833	0	6,306	72,527	6,306
Mooreland St. Clair	105,000	0	7,500	97,500	7,500
WPCC Basin Rehab	120,000	0	7,500	112,500	7,500
WPCC Basin Control	41,250	0	2,500	38,750	2,500
<u>OWDA From Direct Borrowings</u>					
Highland-Maple-Wood Sanitary Sewer	122,981	0	122,981	0	0
Center-Wood Sanitary Sewer	132,012	0	64,812	67,200	67,200
Van Gorder Sewer Lining	13,054	0	6,373	6,681	6,681
Lakeshore Blvd	187,103	0	31,533	155,570	32,596
River Road Sanitary Sewer	932,935	0	103,704	829,231	107,152
Vine and Trunk Sanitary Sewer	173,333	0	16,870	156,463	17,423
Kirtland Road Sanitary Sewer	353,780	0	27,098	326,682	28,316
Madison Skiff Sanitary Sewer	681,438	0	46,993	634,445	48,581
Mooreland St. Clair	880,736	0	50,187	830,549	51,576
WPCC Basin Rehab	306,540	0	95,766	210,774	97,179
WPCC Quentin Basin	3,613,789	0	203,788	3,410,001	206,960
WPCC Capacity Enhancement	6,578,851	0	151,269	6,427,582	305,197
Subtotal - Sewer Bonds and Loans	15,447,300	0	1,055,624	14,391,676	1,092,727
<u>Golf Bonds</u>					
Golf Course Improvement #2	1,025,000	0	85,000	940,000	85,000
Subtotal - Golf Bonds	1,025,000	0	85,000	940,000	85,000
Total Bonds and Loans Payable	16,472,300	0	1,140,624	15,331,676	1,177,727
<u>Other Liabilities</u>					
Financed Purchases Payable	0	160,199	14,925	145,274	30,521
Leases Payable	0	92,177	8,818	83,359	17,568
Compensated Absences	583,700	152,013	126,114	609,599	232,642
Subtotal - Other Liabilities	583,700	404,389	149,857	838,232	280,731
<u>Net Pension Liability- OPERS</u>					
Sewer	1,631,438	203,576	945,077	889,937	0
Golf	320,840	47,203	161,629	206,414	0
Subtotal -Net Pension Liability-OPERS	1,952,278	250,779	1,106,706	1,096,351	0
Subtotal Business-Type Activities	19,008,278	655,168	2,397,187	17,266,259	1,458,458
Total Long-Term Liabilities	\$ 76,158,400	\$ 5,641,832	\$ 12,626,035	\$ 69,174,197	\$ 4,371,540

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

General Obligation Bonds – The City has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects. Bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and un-voted general property taxes levied on all taxable property located within the City. Tax monies will be received in and the debt will be retired from the General Bond Retirement fund.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	General Obligation Bonds			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 915,000	\$ 315,574	\$ 165,000	\$ 41,206
2024	870,000	290,449	165,000	37,907
2025	795,000	259,499	175,000	34,607
2026	840,000	224,749	175,000	31,107
2027	945,000	198,274	180,000	27,607
2028-2032	4,930,000	790,598	960,000	70,825
2033-2037	3,195,000	406,275	0	0
2038-2042	1,790,000	186,600	0	0
2043-2044	775,000	23,300	0	0
Total	\$15,055,000	\$ 2,695,318	\$ 1,820,000	\$ 243,259

Other Long-Term Obligations – Compensated absences will be paid from the fund in which the employee’s salary is paid. The General fund pays the most significant amounts. Enterprise funds pay for all their employee costs including retirements. Police Pension liability is paid from the Police Pension fund.

The OPWC and OWDA loans in business-type activities will be paid semi-annually from the sewer fund. In the event the Sewer fund fails to pay the OPWC and OWDA loans, payment would be made by any general tax revenues collected in the General, or General bond retirement funds. The Governmental loans will be paid with assessments and other monies from the General Bond fund.

The City’s outstanding OPWC loans from direct borrowings related to governmental activities of \$324,620 and related to business type activities of \$456,498 contain a provision that in an event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General’s office for collection, and as provided by law, OPWC may require that such payment be taken from the City’s share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC’s option, become immediately due and payable.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

The City's outstanding OWDA loans from direct borrowings of \$2,619,433 related to governmental activities and \$13,055,178 related to business-type activities contain a provision that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

There is no repayment schedule for net pension/OPEB liabilities; however, employer pension contributions are made from the fund benefitting from the related employees' service. For additional information related to the net pension/OPEB liabilities see Notes 10 and 11. See Note 19 for further detail on landfill liability. The City's legal debt margin at December 31, 2022 was \$78,337,594.

Annual debt service requirements to maturity for other debt are as follows:

Year Ending December 31	Other Debt					
	Governmental Activities				Business-type Activities	
	Police Pension Liability		O.W.D.A. & O.P.W.C.		O.W.D.A. & O.P.W.C.	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 4,443	\$ 2,980	\$ 158,142	\$ 43,425	\$ 1,012,727	\$ 248,165
2024	4,634	2,789	230,277	66,291	956,662	229,239
2025	4,833	2,590	227,449	57,118	885,903	191,074
2026	5,040	2,383	224,660	52,907	888,148	174,498
2027	5,257	2,166	221,911	48,657	887,061	157,527
2028-2032	29,873	7,242	1,040,793	180,066	4,086,091	549,573
2033-2037	17,133	1,094	639,966	75,315	3,272,015	243,998
2038-2042	0	0	200,855	13,866	1,523,069	49,226
Total	\$ 71,213	\$ 21,244	\$ 2,944,053	\$ 537,645	\$ 13,511,676	\$ 1,843,300

Leases Payable - For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financing 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.

On July 15, 2022, the City of Willoughby entered into a 60-month lease as Lessee for the use of two John Deere Mowers at the Lost Nation Golf Course. An initial lease liability was recorded in the amount of \$92,177. As of December 31, 2022, the value of the lease liability is \$83,359. The City of Willoughby is required to make monthly fixed payments of \$1,652 from the Golf Course fund. The lease has an interest rate of 2.99%. The Equipment had an estimated useful life of 60 months as of the contract commencement.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

The value of the right to use asset as of December 31, 2022 of \$92,177 with accumulated amortization of \$7,014 is included with Equipment for Enterprise Funds. A summary of the principal and interest amounts for the remaining lease is as follows:

Leases Payable			
Year Ending	<u>Business-type Activities</u>		
December 31	Principal	Interest	Total Payments
2023	\$ 17,568	\$ 2,253	\$ 19,821
2024	18,101	1,720	19,821
2025	18,650	1,171	19,821
2026	19,215	606	19,821
2027	9,825	86	9,911
Total	\$ 83,359	\$ 5,836	\$ 89,195

Financed Purchases Payable - During 2022, the City of Willoughby entered into financed purchase agreements for equipment consisting of two mowers, an aerator, a turf collection system, and a gator for use by the Lost Nation Golf Course for \$160,199 to be paid by the Golf Course Fund. The City of Willoughby is required to make monthly fixed payments of \$2,870.69. As of December 31, 2022, the value of the Financed Purchases Payable was \$145,274. A summary of the principal and interest amounts for the remaining agreement is as follows:

Financed Purchases Payable			
Year Ending	<u>Business-type Activities</u>		
December 31	Principal	Interest	Total Payments
2023	\$ 30,521	\$ 3,928	\$ 34,449
2024	31,446	3,003	34,449
2025	32,398	2,049	34,447
2026	33,381	1,067	34,448
2027	17,528	157	17,685
Total	\$ 145,274	\$ 10,204	\$ 155,478

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 17: CONDUIT DEBT

The City of Willoughby is party to certain conduit debt obligations:

TYPE	ON BEHALF OF	ORIGINAL AMOUNT	OUTSTANDING BALANCE	YEAR OF ISSUE
Multi-Family Housing	Oakhill Village	\$5,955,000	\$5,955,000	2002A
Mortgage Revenue Bonds	Oakhill Village	\$3,395,000	\$720,000	2002B

Although conduit debt obligations bear the name of the City of Willoughby, the City has no responsibility for principal and interest payments of these issues.

NOTE 18: NOTES PAYABLE

The Ohio Revised Code provides that notes and renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than the principal maturities required if the bonds had been issued at the expiration of the initial five year period.

The following general obligation notes payable were outstanding at December 31, 2022:

Notes	Maturity Date	Issued	Balance December 31, 2022
Capital Project Note Payable: 4.2183%	August 10, 2023	\$2,750,000	\$2,750,000
Total Notes Payable		<u>\$2,750,000</u>	<u>\$2,750,000</u>

NOTE 19: LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The City's landfill placed its final cover in 1995. The \$151,913 reported as Landfill Postclosure Care on December 31, 2022, represents estimated cost of maintenance and monitoring through 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

containment of environmental hazards at the landfill. Financial assurances may take the form of financial test and corporate guarantee. The financial test on the closure and postclosure care financial assurance requirements was performed during the audit period.

NOTE 20: INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to property and casualty, general liability, workers' compensation, and employee health and dental benefits.

A. Commercial Insurance

The City has contracted with a commercial insurance company to provide property and liability insurance with the following claim limits and deductibles.

Coverage	Company	Claim Limit	Deductible
General Liability	Travelers Insurance Company	1,000,000	\$ 0
Public Officials Liability	Travelers Insurance Company	1,000,000	10,000
Law Enforcement Liability	Travelers Insurance Company	1,000,000	10,000
Commercial Property	Travelers Insurance Company	113,372,202	10,000
Equipment Breakdown	Travelers Insurance Company	113,372,202	10,000
Automobile Liability	Travelers Insurance Company	1,000,000	0
Automobile Comprehensive	Travelers Insurance Company	Per Schedule	1,000
Automobile Collision	Travelers Insurance Company	Per Schedule	1,000
Excess General Liability (Umbrella)	Travelers Insurance Company	10,000,000	0
Fire Errors and Omissions	Travelers Insurance Company	1,000,000	0
Ambulance Malpractice	Travelers Insurance Company	1,000,000	0
Crime	Travelers Insurance Company	1,000,000	5,000
Bond-Finance Director	Liberty Mutual Insurance Company	40,000	0
Cyber Liability	Travelers Insurance Company	2,000,000	25,000

The City provides health care insurance through an insurance purchasing pool, the Ohio Government Benefit Cooperative (OGBC). There has been no significant reduction in insurance coverage from coverage in prior years. In addition, settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

B. Workers' Compensation Retrospective Rating Plan

The City established a formal self-insurance program for liabilities arising from the City's participation in the State's Workers' Compensation Retrospective Rating Plan for the plan year 2014. This exposure was accounted for in the Workers' Compensation Retro Rating fund. There is no further liability and remaining funds were transferred back to the General fund in 2022.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

In 2015 and 2016, the City opted to be experience rated for workers' compensation. For 2017 through 2022, the City participated in the Group Retrospective Rating Program. The City reserves the right to go back to retrospective billing or other programs the Bureau may offer in the future.

NOTE 21: JOINT ORGANIZATION

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of energy. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase energy on behalf of their citizens. The intent of NOPEC is to provide energy at the lowest possible rates while at the same time ensuring stability in prices by entering into long-term contracts with suppliers to provide energy to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the ten-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Willoughby did not contribute to NOPEC during 2022. Financial information can be obtained by contacting NOPEC, 31320 Solon Road, Suite 33, Solon, Ohio 44139.

NOTE 22: WILLOUGHBY-EASTLAKE JOINT SEWER TREATMENT FACILITY

In 1955 the City entered into an agreement with the City of Eastlake for the purpose of financing and constructing a joint treatment facility. The agreement has been amended 15 times since. The joint sewer treatment facility includes a sewer plant, outfalls, and joint sewers. The sewer plant and improvements were constructed by the City of Willoughby. The outflows were constructed and financed by the City of Eastlake and conveyed to the City of Willoughby upon completion. The joint sewers were constructed by the City of Willoughby and financed jointly by both cities. The City of Willoughby holds legal title to the sewer plant and improvements made to the facility, outflows, and joint sewers. Each city is responsible for all sewer lines constructed within their corporate limits with connection to the joint sewer facility.

The City of Willoughby bills the City of Eastlake monthly for services provided, maintenance and construction improvements of the joint sewer facilities. The billing is based upon flow measured by meters and includes a contribution for future capital improvements to the joint sewer treatment facility. The agreement has been amended for each City to contribute an amount equal to fifty percent of all costs associated with the capital improvements projects. Although the joint sewer treatment facility is managed by the

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Willoughby-Eastlake Joint Sewer Advisory Committee appointed by the cities of Willoughby and Eastlake, ultimately the joint sewer treatment facility is part of the City of Willoughby's reporting entity. The City of Eastlake paid \$1,739,025 to the City of Willoughby for the joint sewer treatment facility in 2022 which was accounted for in the City's sewer enterprise fund.

NOTE 23: INSURANCE PURCHASING POOL

The City participates in the Ohio Government Benefit Cooperative, a claims servicing and group purchasing pool comprised of eleven members. The Ohio Government Benefit Cooperative (OGBC) is created and organized pursuant to and as authorized by Section 9.833 of the Ohio Revised Code. OGBC is governed by a four-member Board of Directors. The City of Willoughby serves as the fiscal agent for OGBC. OGBC is an unincorporated, non-profit association of its members which was created for the purpose of enabling members of the Plan to maximize benefits and/or reduce costs of medical, prescription drug, vision, dental, life and/or other group insurance coverage for their employees, and their eligible dependents and designated beneficiaries of such employees. Participants pay an initial \$500 membership fee to OGBC. OGBC offers two options to participants. Participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision dental and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OGBC's third party administrator. Medical Mutual is the Administrator of the OGBC. The City participates in the joint insurance program for medical and prescription drug coverage.

NOTE 24: TAX ABATEMENT

Pursuant to Ohio Revised Code Chapter 718 and City ordinance, the City provides an incentive to eligible companies based upon their gross annual payroll, the amount of income tax generated annually, and the number of jobs created or retained by the business. The abatement is administered as a refundable credit against the municipal income tax liability based upon the company's payroll taxes. For the calendar year 2022, the City provided tax abatements through five economic development agreements. Net income tax value was reduced by \$166,971 through expenses.

NOTE 25: COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020, and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

CITY OF WILLOUGHBY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 26: SUBSEQUENT EVENTS

In May of 2023, an additional safety levy of 2.50 mills was passed by a majority affirmative vote. This is an additional tax for the benefit of the City of Willoughby for the purpose of providing and maintaining fire apparatus, mechanical resuscitators, underwater rescue and recovery equipment, or other fire equipment and appliances, buildings and sites therefor, or sources of water supply and materials therefor, for the establishment and maintenance of lines of fire-alarm communications, for the purpose of ambulance equipment, or other emergency medical services operated by a fire department or firefighting company, and for providing and maintaining motor vehicles, communications, other equipment, buildings, and sites for such buildings used directly in the operation of a police department. The county auditor estimated collections of \$1,886,000 annually, at a rate not exceeding 2.5 mills for each \$1 of taxable value, for a continuing period of time, commencing in 2023, first due in calendar year 2024.

In addition, the City plans to have a bond issuance not to exceed \$17,000,000 in August of 2023 to pay off the capital note in the amount of \$2,750,000, that was utilized to purchase building and property, and provide funds for the renovation of a new police station. Proceeds of the newly passed tax levy will provide funds to pay for this debt in the future.

Required Supplementary Information

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Nine Years (1)

Ohio Public Employees Retirement System

Traditional Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.060799%	0.058932%	0.063407%	0.064405%	0.063703%	0.064463%	0.066764%	0.068419%	0.068419%
City's Proportionate Share of the Net Pension Liability	\$5,289,759	\$8,726,546	\$12,532,824	\$17,639,224	\$9,993,766	\$14,638,449	\$11,564,366	\$8,252,096	\$8,065,709
City's Covered Payroll	\$8,823,793	\$8,292,293	\$8,921,371	\$8,702,436	\$8,416,085	\$8,332,017	\$8,309,408	\$8,415,950	\$8,277,877
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.24%	140.48%	202.69%	118.75%	175.69%	139.17%	98.05%	97.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	2022	2021	2020	2019	2018	2017	2016	2014	2014
City's Proportion of the Net Pension (Asset)	0.022939%	0.034515%	0.038003%	0.047230%	0.548870%	0.052203%	0.046720%	0.025052%	0.025052%
City's Proportionate Share of the Net Pension (Asset)	(\$90,381)	(\$99,632)	(\$79,245)	(\$52,814)	(\$74,719)	(\$29,055)	(\$22,732)	(\$9,646)	(\$2,629)
City's Covered Payroll	\$104,579	\$152,100	\$169,171	\$202,000	\$224,785	\$203,200	\$170,033	\$92,267	\$66,838
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%	26.15%	33.24%	14.30%	13.37%	10.45%	3.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

Ohio Police & Fire Pension Fund

Police	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1544284%	0.1535526%	0.1560714%	0.1639130%	0.1632434%	0.1581653%	0.1661573%	0.1662427%	0.1662427%
City's Proportionate Share of the Net Pension Liability	\$9,647,791	\$10,467,817	\$10,513,803	\$13,379,632	\$10,018,985	\$10,018,029	\$10,689,018	\$8,824,343	\$8,096,541
City's Covered Payroll	\$4,397,021	\$4,229,905	\$4,131,668	\$4,136,374	\$3,964,063	\$3,796,205	\$3,765,511	\$3,666,305	\$5,245,880
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	219.42%	247.47%	254.47%	323.46%	252.75%	263.90%	283.87%	240.69%	154.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%
Fire	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1681895%	0.1714873%	0.1702546%	0.175883%	0.1797263%	0.1749978%	0.1834738%	0.1859341%	0.1859341%
City's Proportionate Share of the Net Pension Liability	\$10,507,510	\$11,690,442	\$11,469,259	\$14,356,700	\$11,030,615	\$11,084,183	\$11,802,999	\$9,869,601	\$9,055,574
City's Covered Payroll	\$3,900,864	\$3,838,374	\$3,662,311	\$3,607,498	\$3,546,068	\$3,412,426	\$3,361,085	\$3,331,877	\$4,563,722
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	269.36%	304.57%	313.17%	397.97%	311.07%	324.82%	351.17%	296.22%	198.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available.

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

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Schedule of City Contributions (Pension)

Ohio Public Employees Retirement System
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contributions										
Traditional Plan	\$1,379,775	\$1,235,331	\$1,160,921	\$1,248,992	\$1,218,341	\$1,094,091	\$999,842	\$997,129	\$1,009,914	1,076,124
Combined Plan	\$15,764	\$14,641	\$21,294	\$23,684	\$28,280	\$29,222	\$24,384	\$20,404	\$11,072	8,689
Total Required Contributions	\$1,395,539	\$1,249,972	\$1,182,215	\$1,272,676	\$1,246,621	\$1,123,313	\$1,024,226	\$1,017,533	\$1,020,986	\$1,084,813
Contributions in Relation to the Contractually Required Contribution	(\$1,395,539)	(\$1,249,972)	(\$1,182,215)	(\$1,272,676)	(\$1,246,621)	(\$1,123,313)	(\$1,024,226)	(\$1,017,533)	(\$1,020,986)	(\$1,084,813)
Contribution Deficiency / (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll										
Traditional Plan	\$9,855,536	\$8,823,793	\$8,292,293	\$8,921,731	\$8,702,436	\$8,416,085	\$8,332,017	\$8,309,408	\$8,415,950	\$8,277,877
Combined Plan	\$112,600	\$104,579	\$152,100	\$169,171	\$202,000	\$224,785	\$203,200	\$170,033	\$92,267	\$66,838
Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

Ohio Police and Fire Pension Fund
Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contributions										
Police	\$837,662	\$835,434	\$803,682	\$785,017	\$785,911	\$753,172	\$721,279	\$715,447	\$696,598	\$825,177
Fire	\$992,935	\$916,703	\$902,018	\$860,643	\$847,762	\$833,326	\$801,920	\$789,855	\$782,991	\$923,241
Total Required Contributions	\$1,830,597	\$1,752,137	\$1,705,700	\$1,645,660	\$1,633,673	\$1,586,498	\$1,523,199	\$1,505,302	\$1,479,589	\$1,748,418
Contributions in Relation to the Contractually Required Contribution	(\$1,830,597)	(\$1,752,137)	(\$1,705,700)	(\$1,645,660)	(\$1,633,673)	(\$1,586,498)	(\$1,523,199)	(\$1,505,302)	(\$1,479,589)	(\$1,748,418)
Contribution Deficiency / (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll										
Police	\$4,408,747	\$4,397,021	\$4,229,905	\$4,131,668	\$4,136,374	\$3,964,063	\$3,796,205	\$3,765,511	\$3,666,305	\$5,245,880
Fire	\$4,225,255	\$3,900,864	\$3,838,374	\$3,662,311	\$3,607,498	\$3,546,068	\$3,412,426	\$3,361,085	\$3,331,877	\$4,563,722
Contributions as a Percentage of Covered Payroll										
Police	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	[1]
Fire	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	[1]

[1] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

See accompanying notes to the required supplementary information

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Last Six Years (1)

Ohio Public Employees Retirement System

	2022	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.059403%	0.057754%	0.062072%	0.063350%	0.062900%	0.063420%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,860,593)	\$ (1,028,934)	\$ 8,573,756	\$ 8,259,345	\$ 6,840,250	\$ 6,405,637
City's Covered Payroll	\$ 9,263,273	\$ 8,726,393	\$ 9,377,746	\$ 9,192,100	\$ 8,922,036	\$ 8,764,254
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-20.09%	-11.79%	91.43%	89.85%	76.67%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.04%

Ohio Police and Fire Pension Fund

	2022	2021	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.3226179%	0.3250399%	0.3263260%	0.3397964%	0.3429700%	0.3331600%
City's Proportionate Share of the Net OPEB Liability	\$ 3,536,170	\$ 3,443,851	\$ 3,223,360	\$ 3,094,368	\$ 19,432,183	\$ 15,814,356
City's Covered Payroll	\$ 8,297,885	\$ 8,068,279	\$ 7,793,979	\$ 7,743,872	\$ 7,510,131	\$ 7,208,631
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.62%	42.68%	41.36%	39.96%	258.75%	219.38%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.86%	45.42%	47.08%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Schedule of the City's Contributions - OPEB

Ohio Public Employees Retirement System
Last Eight Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 13,049	\$ 13,396	\$ 11,280	\$ 11,488	\$ 11,507	\$ 97,553	\$ 179,831	\$ 169,589
Contributions in Relation to the Contractually Required Contribution	(13,049)	(13,396)	(11,280)	(11,488)	(11,507)	(97,553)	(179,831)	(169,589)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$ 10,294,359	\$ 9,263,273	\$ 8,726,393	\$ 9,377,746	\$ 9,192,100	\$ 8,922,036	\$ 8,764,254	\$ 8,668,748
Contributions as a Percentage of Covered Payroll	0.13%	0.14%	0.13%	0.12%	0.13%	1.09%	2.05%	1.96%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

Ohio Police & Fire Pension Fund
Last Ten Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 43,170	\$ 41,489	\$ 40,342	\$ 38,970	\$ 38,719	\$ 37,551	\$ 36,277	\$ 35,902	\$ 35,244	\$ 241,720
Contributions in Relation to the Contractually Required Contribution	(43,170)	(41,489)	(40,342)	(38,970)	(38,719)	(37,551)	(36,277)	(35,902)	(35,244)	(241,720)
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$ 8,634,002	\$ 8,297,885	\$ 8,068,279	\$ 7,793,979	\$ 7,743,872	\$ 7,510,131	\$ 7,208,631	\$ 7,126,596	\$ 6,998,182	\$ 9,809,602
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	3.62%

See accompanying notes to the required supplementary information

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Changes in Assumptions
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2022.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2022.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and

CITY OF WILLOUGHBY, OHIO
Required Supplementary Information
Changes in Assumptions
Notes to the Required Supplementary Information
For the Year Ended December 31, 2022

3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2022.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2021, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date. For 2022, the investment rate of return was reduced from 8.00 percent to 7.50 percent.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018 and 2020-2022. For 2019, see below regarding changes to stipend-based model.

Changes in assumptions: For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) 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 (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24 percent to 4.66 percent. For 2020, the single discount rate changed from 4.66 to 3.56. For 2021, the single discount rate changed from 3.56 to 2.96. For 2022, the single discount rate changed from 2.96 to 2.84.

*Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Equity ~ Budget (Non-GAAP Basis)
and Actual For Major Funds*

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Municipal Income Taxes	\$ 19,500,000	\$ 20,500,000	\$20,682,251	\$ 182,251
Property and Other Local Taxes	1,678,446	1,678,446	1,778,860	100,414
Intergovernmental	1,403,500	1,403,500	1,736,449	332,949
Charges for Services	1,466,000	1,466,000	1,676,547	210,547
Fines and Forfeitures	1,780,000	1,780,000	1,822,160	42,160
Licenses and Permits	245,200	245,200	394,403	149,203
Interest	160,000	160,000	246,601	86,601
Miscellaneous	112,500	112,500	112,500	0
Total Revenues	<u>26,345,646</u>	<u>27,345,646</u>	<u>28,449,771</u>	<u>1,104,125</u>
EXPENDITURES:				
Government:				
Legislative -Council				
Personal Services	137,027	137,027	135,872	1,155
Services and Supplies	29,700	29,700	27,816	1,884
Total Legislative -Council	<u>166,727</u>	<u>166,727</u>	<u>163,688</u>	<u>3,039</u>
Judicial -Municipal Court				
Personal Services	2,084,610	2,084,610	1,800,234	284,376
Services and Supplies	132,000	132,000	83,196	48,804
Other	10,000	10,000	0	10,000
Total Judicial-Municipal Court	<u>2,226,610</u>	<u>2,226,610</u>	<u>1,883,430</u>	<u>343,180</u>
Executive-Mayor				
Personal Services	19,203,566	19,203,566	18,631,731	571,835
Services and Supplies	4,761,764	4,761,764	4,498,997	262,767
Other	150,000	150,000	127,274	22,726
Total Executive-Mayor	<u>24,115,330</u>	<u>24,115,330</u>	<u>23,258,002</u>	<u>857,328</u>
Total Expenditures	<u>26,508,667</u>	<u>26,508,667</u>	<u>25,305,120</u>	<u>1,203,547</u>
Excess of Revenues Over (Under) Expenditures	(163,021)	836,979	3,144,651	2,307,672
OTHER FINANCING SOURCES (USES):				
Transfers Out	(3,485,000)	(3,485,000)	(3,485,000)	0
Transfers In	500,000	500,000	500,000	0
Advances In	135,000	135,000	135,000	0
Other	358,070	358,070	419,589	61,519
Total Other Financing Sources (Uses)	<u>(2,491,930)</u>	<u>(2,491,930)</u>	<u>(2,430,411)</u>	<u>61,519</u>
NET CHANGE IN FUND BALANCE	(2,654,951)	(1,654,951)	714,240	2,369,191
FUND BALANCE BEGINNING OF YEAR	7,206,849	7,206,849	7,206,849	0
Prior Year Encumbrances Appropriated	16,788	16,788	16,788	0
FUND BALANCE END OF YEAR	<u>\$ 4,568,686</u>	<u>\$ 5,568,686</u>	<u>\$ 7,937,877</u>	<u>\$ 2,369,191</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Municipal Income Taxes	\$0	\$2,000,000	\$2,000,000	\$0
Property and Other Local Taxes	\$112,000	\$112,000	\$121,740	\$9,740
Intergovernmental	1,730,428	2,430,428	904,280	(1,526,148)
Interest Income	0	0	8,122	8,122
Other	<u>114,149</u>	<u>139,149</u>	<u>106,318</u>	<u>(32,831)</u>
Total Revenues	<u>1,956,577</u>	<u>4,681,577</u>	<u>3,140,460</u>	<u>(1,541,117)</u>
EXPENDITURES:				
Executive-Mayor				
Capital Outlay	<u>7,158,682</u>	<u>11,024,436</u>	<u>9,294,786</u>	<u>1,729,650</u>
Total Expenditures	<u>7,158,682</u>	<u>11,024,436</u>	<u>9,294,786</u>	<u>1,729,650</u>
Excess of Revenues Over (Under) Expenditures	(5,202,105)	(6,342,859)	(6,154,326)	188,533
OTHER FINANCING SOURCES (USES):				
Debt Proceeds	4,650,450	4,650,450	591,346	(4,059,104)
Notes Issued	0	2,750,000	2,750,000	0
Other	0	420,000	448,157	28,157
Transfers In	600,000	643,622	643,622	0
Transfers (Out)	0	(208,622)	(208,622)	0
Advance In	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>5,250,450</u>	<u>8,260,450</u>	<u>4,229,503</u>	<u>(4,030,947)</u>
NET CHANGE IN FUND BALANCE	48,345	1,917,591	(1,924,823)	(3,842,414)
FUND BALANCE BEGINNING OF YEAR	2,055,795	2,055,795	2,055,795	0
Prior Year Encumbrances Appropriated	<u>13,624</u>	<u>13,624</u>	<u>13,624</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$2,117,764</u>	<u>\$3,987,010</u>	<u>\$144,596</u>	<u>(\$3,842,414)</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
GENERAL BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Property and Other Local Taxes	\$1,076,859	\$1,076,859	\$1,175,695	\$98,836
Intergovernmental	319,606	319,606	325,318	5,712
Interest Income	<u>0</u>	<u>0</u>	<u>15,765</u>	<u>15,765</u>
Total Revenues	<u>1,396,465</u>	<u>1,396,465</u>	<u>1,516,778</u>	<u>120,313</u>
EXPENDITURES:				
Executive-Mayor				
Personal Services	13,000	13,000	13,000	0
Services and Supplies	12,300	13,300	13,134	166
Debt Service				
Principal Retirement	1,447,025	1,447,025	1,427,281	19,744
Interest	399,076	399,076	401,438	(2,362)
Bond Issuance Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>1,871,401</u>	<u>1,872,401</u>	<u>1,854,853</u>	<u>17,548</u>
Excess of Revenues Over (Under) Expenditures	(474,936)	(475,936)	(338,075)	137,861
OTHER FINANCING SOURCES (USES):				
Transfer In	440,000	440,000	440,000	0
Transfer Out	0	(918,903)	(918,903)	0
Advance In	<u>0</u>	<u>918,903</u>	<u>918,903</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>440,000</u>	<u>440,000</u>	<u>440,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(34,936)	(35,936)	101,925	137,861
FUND BALANCE BEGINNING OF YEAR	<u>39,819</u>	<u>39,819</u>	<u>39,819</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$4,883</u>	<u>\$3,883</u>	<u>\$141,744</u>	<u>\$137,861</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
AMERICAN RESCUE PLAN ACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	<u>\$1,203,433</u>	<u>\$1,213,041</u>	<u>\$1,213,041</u>	<u>\$0</u>
Total Revenues	<u>1,203,433</u>	<u>1,213,041</u>	<u>1,213,041</u>	<u>0</u>
EXPENDITURES:				
Other	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total Expenditures	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCE	1,203,433	1,013,041	1,213,041	200,000
FUND BALANCE BEGINNING OF YEAR	<u>1,203,433</u>	<u>1,203,433</u>	<u>1,203,433</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$2,406,866</u>	<u>\$2,216,474</u>	<u>\$2,416,474</u>	<u>\$200,000</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND EQUITY - BUDGET(Non-GAAP Basis) AND ACTUAL
GOLF COURSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES:				
Charges for Services	\$983,500	\$1,068,500	\$1,029,856	(\$38,644)
Other	<u>0</u>	<u>0</u>	<u>32</u>	<u>32</u>
Total Revenues	<u>983,500</u>	<u>1,068,500</u>	<u>1,029,888</u>	<u>(38,612)</u>
EXPENSES:				
Executive-Mayor				
Leisure Time Activities				
Personal Services	526,717	526,717	521,127	5,590
Services and Supplies	392,200	456,200	449,733	6,467
Capital Outlay	30,000	30,000	0	30,000
Debt Service				
Principal Retirement	85,000	85,000	85,000	0
Interest	<u>22,988</u>	<u>22,988</u>	<u>22,928</u>	<u>60</u>
Total Expenses	<u>1,056,905</u>	<u>1,120,905</u>	<u>1,078,788</u>	<u>42,117</u>
Excess of Revenues Over (Under) Expenses	(73,405)	(52,405)	(48,900)	3,505
OTHER FINANCING SOURCES (USES):				
Transfer In	0	1,058,903	1,058,903	0
Advance Out	0	(1,058,903)	(1,058,903)	0
Other	<u>0</u>	<u>0</u>	<u>3,475</u>	<u>3,475</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>3,475</u>	<u>3,475</u>
NET CHANGE IN FUND EQUITY	(73,405)	(52,405)	(45,425)	6,980
FUND EQUITY BEGINNING OF YEAR	<u>92,255</u>	<u>92,255</u>	<u>92,255</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>1,565</u>	<u>1,565</u>	<u>1,565</u>	<u>0</u>
FUND EQUITY END OF YEAR	<u>\$20,415</u>	<u>\$41,415</u>	<u>\$48,395</u>	<u>\$6,980</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND EQUITY - BUDGET(Non-GAAP Basis) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES:				
Charges for Services	\$6,491,500	\$6,491,500	\$6,147,580	(\$343,920)
Interest Income	0	0	49,524	49,524
Other	<u>450,000</u>	<u>450,000</u>	<u>466,145</u>	<u>16,145</u>
Total Revenues	<u>6,941,500</u>	<u>6,941,500</u>	<u>6,663,249</u>	<u>(278,251)</u>
EXPENSES:				
Executive-Mayor				
Basic Utility Service				
Personal Services	2,595,417	2,633,417	2,590,521	42,896
Services and Supplies	1,319,400	1,319,400	1,202,293	117,107
Other	450,000	450,000	450,000	0
Capital Outlay	1,616,321	1,616,321	464,695	1,151,626
Debt Service				
Principal Retirement	1,055,479	1,055,479	1,055,624	(145)
Interest	<u>250,806</u>	<u>250,806</u>	<u>250,794</u>	<u>12</u>
Total Expenses	<u>7,287,423</u>	<u>7,325,423</u>	<u>6,013,927</u>	<u>1,311,496</u>
Excess of Revenues Over (Under) Expenses	(345,923)	(383,923)	649,322	1,033,245
OTHER FINANCING SOURCES (USES):				
Sale of Debt	<u>134,757</u>	<u>134,757</u>	0	<u>(134,757)</u>
Total Other Financing Sources (Uses)	<u>134,757</u>	<u>134,757</u>	0	<u>(134,757)</u>
NET CHANGE IN FUND EQUITY	(211,166)	(249,166)	649,322	898,488
FUND EQUITY BEGINNING OF YEAR	5,846,511	5,846,511	5,846,511	0
Prior Year Encumbrances Appropriated	<u>10,479</u>	<u>10,479</u>	<u>10,479</u>	<u>0</u>
FUND EQUITY END OF YEAR	<u>\$5,645,824</u>	<u>\$5,607,824</u>	<u>\$6,506,312</u>	<u>\$898,488</u>



WILLOUGHBY

Combining Statements and Individual Fund Schedules

Combining Statements – Nonmajor Funds

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for revenues from specific sources which legally or otherwise are restricted to expenditures for specific purposes.

Fire Pension Fund - to account for the accumulation of property taxes levied for the partial payment of the current liability for firefighters' pension.

Police Pension Fund - to account for the accumulation of property taxes levied for the partial payment of the current and accrued liability for police pension. Amounts collected for the police and fire pensions are periodically remitted to the Ohio Police and Fire Pension Fund.

Law Enforcement Fund – Established by the Ohio Revised Code to account for revenue received from fines and seizures to assist the department in combating drug activities and to provide Community Prevention Education.

Recreation Fund - to account for the accumulation of voted property tax for the purpose of recreation programs.

Street Construction Maintenance and Repair Fund - required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Fund - required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Road & Bridge Fund – to account for revenue received from taxes and other sources to pay for the cost of road and bridge maintenance and improvements.

Corporate Maintenance Fund – to assess small projects that occur during the year but are neither a regular occurrence nor a long-term project. This may include sidewalks, demolitions, noxious weeds, and lot clean up.

Enforcement and Education Fund - required by the Ohio Revised Code to account for fines received and distributed as a result of convictions pertaining to the operation of a motor vehicle while under the influence of alcohol or drugs. Funds may be used to pay cost increases in enforcing this or similar laws.

Indigent Drivers Treatment Fund - required by the Ohio Revised Code to account for fines received as a result of convictions pertaining to operation of a motor vehicle while under the influence of alcohol or drugs. Funds may be used to secure treatment of indigent defendants at the discretion of the Municipal Court Judge.

Court Computer Fund - the Municipal Court has established this fund for the purpose of acquisition, improvement, replacement or repair of court technology capital assets and for related staff training. These funds are collected from additional court costs levied on each case.

General Special Projects Fund - the Municipal Court has established this fund for the purpose of special projects as determined by the judge and for partial payment of debt related to the Municipal Court building. These funds are collected from additional court costs levied on each case.

Special Projects DUI Fund - the Municipal Court has established this fund for the purpose of special projects as outlined by the Ohio Revised Code. These funds are collected from additional court costs levied on each case.

Municipal Probation Services Fund - the Municipal Court has established this fund for use by the department of probation as outlined by the Ohio Revised Code. This fund contains all monies paid to the treasurer of the municipal corporation under section 2951.021 of the revised code.

Urban Forest Management Fund – the City originally established this fund to account for a matching fund grant from the State of Ohio. Currently only funds from tree planting fees are being recorded here. The funds are used to buy inventory and provide trees throughout the City.

Victims Assistance Fund - to account for grant funds provided by the State of Ohio with matching funds from the City. These funds provide services to victims of crime.

Police Continuing Professional Training Fund - to account for revenue received from the State of Ohio for the purpose of providing continuing professional training for police officers.

Ohio Criminal Justice Services Grant Fund – to improve technology at the Court House through a Federal reimbursement grant.

Veterans Treatment Court Fund – to provide services to veterans through the Court using State mental health funding.

Street Lighting Fund – to account for the 1.0 mill rate the City assesses on all real property to provide city wide public streetlights. These funds are collected in the same manner as other assessments by the Lake County Treasurer.

Public Art Fund – to place public art throughout the community utilizing fees collected for new development projects.

One Ohio Opioid Fund – to receive settlement from opioid distributors and combat the opioid epidemic in the community.

Local Coronavirus Relief Fund – to account for CARES Act funds provided to cover necessary expenditures incurred due to the public health emergency with respect to the Corona Virus Disease 2019. The U.S. Treasury made payments from the fund to states and eligible units of local governments.

PERMANENT FUND

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Care Fund - was established to hold and invest all perpetual care deposits made from the sale of lots in the cemetery. The earnings from the Cemetery Care Fund are to be used to maintain the two City of Willoughby cemeteries.

CITY OF WILLOUGHBY, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2022

	NONMAJOR SPECIAL REVENUE FUNDS	CEMETERY CARE PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Equity in City Treasury Cash and Investments	\$4,395,317	\$404,372	\$4,799,689
Inventory - Supplies	229,016	0	229,016
Accounts Receivable	3,763	0	3,763
Intergovernmental Receivable	1,090,807	0	1,090,807
Taxes Receivable	1,579,703	0	1,579,703
Special Assessments Receivable	<u>760,548</u>	<u>0</u>	<u>760,548</u>
Total Assets	<u>8,059,154</u>	<u>404,372</u>	<u>8,463,526</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
	<u>\$8,059,154</u>	<u>\$404,372</u>	<u>\$8,463,526</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$165,140	\$0	\$165,140
Salaries, Wages & Benefits Payable	<u>151,428</u>	<u>0</u>	<u>151,428</u>
Total Liabilities	<u>316,568</u>	<u>0</u>	<u>316,568</u>
Deferred Inflows of Resources:			
Property Taxes	1,507,970	0	1,507,970
Unavailable Revenue- Grants and Entitlements	689,952	0	689,952
Unavailable Revenue-Special Assessments	760,548	0	760,548
Unavailable Revenue- Delinquent Property Taxes	<u>71,733</u>	<u>0</u>	<u>71,733</u>
Total Deferred Inflows of Resources	<u>3,030,203</u>	<u>0</u>	<u>3,030,203</u>
Fund Balances:			
Nonspendable	229,016	404,372	633,388
Committed	370,743	0	370,743
Restricted	<u>4,112,624</u>	<u>0</u>	<u>4,112,624</u>
Total Fund Balances	<u>4,712,383</u>	<u>404,372</u>	<u>5,116,755</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	<u>\$8,059,154</u>	<u>\$404,372</u>	<u>\$8,463,526</u>

CITY OF WILLOUGHBY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	NONMAJOR SPECIAL REVENUE FUNDS	CEMETERY CARE PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES:			
Property and Other Local Taxes	\$1,647,746	\$0	\$1,647,746
Intergovernmental	2,184,306	0	2,184,306
Charges for Services	659,646	18,900	678,546
Special Assessments	799,894	0	799,894
Fines and Forfeitures	626,942	0	626,942
Miscellaneous	<u>9,966</u>	<u>0</u>	<u>9,966</u>
Total Revenues	<u>5,928,500</u>	<u>18,900</u>	<u>5,947,400</u>
EXPENDITURES:			
Current:			
General Government	586,878	0	586,878
Security of Persons and Property	2,457,941	0	2,457,941
Community Environment	95,958	0	95,958
Leisure Time Activities	1,317,355	0	1,317,355
Transportation	1,949,743	0	1,949,743
Capital Outlay	<u>1,596,801</u>	<u>0</u>	<u>1,596,801</u>
Total Expenditures	<u>8,004,676</u>	<u>0</u>	<u>8,004,676</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,076,176)	18,900	(2,057,276)
OTHER FINANCING SOURCES (USES):			
Transfers In	2,120,000	0	2,120,000
Transfers Out	(150,000)	0	(150,000)
Advance To	18,800	0	18,800
Advance From	<u>(18,800)</u>	<u>0</u>	<u>(18,800)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,970,000</u>	<u>0</u>	<u>1,970,000</u>
NET CHANGE IN FUND BALANCES	(106,176)	18,900	(87,276)
FUND BALANCES BEGINNING OF YEAR	4,778,722	385,472	5,164,194
CHANGE IN INVENTORY	<u>39,837</u>	<u>0</u>	<u>39,837</u>
FUND BALANCES END OF YEAR	<u>\$4,712,383</u>	<u>\$404,372</u>	<u>\$5,116,755</u>

CITY OF WILLOUGHBY, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2022

	FIRE PENSION	POLICE PENSION	LAW ENFORCEMENT	RECREATION	STREET CONSTRUCTION MAINTENANCE AND REPAIR	STATE HIGHWAY	ROAD & BRIDGE	CORPORATE MAINTENANCE	ENFORCEMENT & EDUCATION	INDIGENT DRIVERS TREATMENT	COURT COMPUTER
ASSETS AND DEFERRED											
OUTFLOWS OF RESOURCES											
Assets:											
Equity in City Treasury Cash and Investments	\$31,566	\$101,647	\$107,348	\$208,684	\$383,107	\$140,250	\$1,737,558	\$153,387	\$37,988	\$14,147	\$175,725
Inventory - Supplies	0	0	0	0	229,016	0	0	0	0	0	0
Accounts Receivable	0	0	0	3,172	0	0	0	591	0	0	0
Intergovernmental Receivable	10,000	10,000	0	52,500	680,283	54,793	238,166	0	97	1,100	13,691
Taxes Receivable	201,905	201,905	0	76,722	0	0	1,099,171	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0	0	32,193	0	0	0
Total Assets	<u>243,471</u>	<u>313,552</u>	<u>107,348</u>	<u>341,078</u>	<u>1,292,406</u>	<u>195,043</u>	<u>3,074,895</u>	<u>186,171</u>	<u>38,085</u>	<u>15,247</u>	<u>189,416</u>
TOTAL ASSETS AND DEFERRED											
OUTFLOWS OF RESOURCES											
	<u>\$243,471</u>	<u>\$313,552</u>	<u>\$107,348</u>	<u>\$341,078</u>	<u>\$1,292,406</u>	<u>\$195,043</u>	<u>\$3,074,895</u>	<u>\$186,171</u>	<u>\$38,085</u>	<u>\$15,247</u>	<u>\$189,416</u>
LIABILITIES, DEFERRED INFLOWS OF											
RESOURCES AND FUND BALANCES											
Liabilities:											
Accounts Payable	\$0	\$0	\$0	\$7,449	\$17,890	\$0	\$62,639	\$0	\$0	\$1,596	\$7,660
Salaries, Wages & Benefits Payable	38,443	31,885	0	24,862	53,603	0	0	0	0	0	0
Total Liabilities	<u>38,443</u>	<u>31,885</u>	<u>0</u>	<u>32,311</u>	<u>71,493</u>	<u>0</u>	<u>62,639</u>	<u>0</u>	<u>0</u>	<u>1,596</u>	<u>7,660</u>
Deferred Inflows of Resources:											
Property Taxes	192,729	192,729	0	73,343	0	0	1,049,169	0	0	0	0
Unavailable Revenue- Grants and Entitlements	10,000	10,000	0	2,500	566,519	45,933	55,000	0	0	0	0
Unavailable Revenue-Special Assessments	0	0	0	0	0	0	0	32,193	0	0	0
Unavailable Revenue- Delinquent Property Taxes	<u>9,176</u>	<u>9,176</u>	<u>0</u>	<u>3,379</u>	<u>0</u>	<u>0</u>	<u>50,002</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Deferred Inflows of Resources	<u>211,905</u>	<u>211,905</u>	<u>0</u>	<u>79,222</u>	<u>566,519</u>	<u>45,933</u>	<u>1,154,171</u>	<u>32,193</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:											
Nonspendable	0	0	0	0	229,016	0	0	0	0	0	0
Committed	0	0	0	229,545	0	0	0	0	0	0	0
Restricted	(6,877)	69,762	107,348	0	425,378	149,110	1,858,085	153,978	38,085	13,651	181,756
Total Fund Balances	<u>(6,877)</u>	<u>69,762</u>	<u>107,348</u>	<u>229,545</u>	<u>654,394</u>	<u>149,110</u>	<u>1,858,085</u>	<u>153,978</u>	<u>38,085</u>	<u>13,651</u>	<u>181,756</u>
TOTAL LIABILITIES, DEFERRED INFLOWS											
OF RESOURCES AND FUND BALANCES											
	<u>\$243,471</u>	<u>\$313,552</u>	<u>\$107,348</u>	<u>\$341,078</u>	<u>\$1,292,406</u>	<u>\$195,043</u>	<u>\$3,074,895</u>	<u>\$186,171</u>	<u>\$38,085</u>	<u>\$15,247</u>	<u>\$189,416</u>

GENERAL SPECIAL PROJECTS	SPECIAL PROJECTS DUJ	MUNICIPAL PROBATION SERVICES	URBAN FOREST MANAGEMENT	VICTIMS ASSISTANCE	POLICE CONTINUING PROFESSIONAL TRAINING	OHIO CRIMINAL JUSTICE SERVICES GRANT	VETERANS TREATMENT COURT	STREET LIGHTING	PUBLIC ART	LOCAL CORONAVIRUS RELIEF	ONE OHIO OPIOID	TOTAL 2022
\$207,983	\$44,504	\$191,736	\$60,484	\$8,658	\$39,344	\$0	\$138,391	\$515,124	\$85,964	\$0	\$11,722	\$4,395,317
0	0	0	0	0	0	0	0	0	0	0	0	229,016
0	0	0	0	0	0	0	0	0	0	0	0	3,763
17,867	1,795	8,461	0	2,054	0	0	0	0	0	0	0	1,090,807
0	0	0	0	0	0	0	0	0	0	0	0	1,579,703
0	0	0	0	0	0	0	0	728,355	0	0	0	760,548
<u>225,850</u>	<u>46,299</u>	<u>200,197</u>	<u>60,484</u>	<u>10,712</u>	<u>39,344</u>	<u>0</u>	<u>138,391</u>	<u>1,243,479</u>	<u>85,964</u>	<u>0</u>	<u>11,722</u>	<u>8,059,154</u>
<u>\$225,850</u>	<u>\$46,299</u>	<u>\$200,197</u>	<u>\$60,484</u>	<u>\$10,712</u>	<u>\$39,344</u>	<u>\$0</u>	<u>\$138,391</u>	<u>\$1,243,479</u>	<u>\$85,964</u>	<u>\$0</u>	<u>\$11,722</u>	<u>\$8,059,154</u>
\$91	\$0	\$12,105	\$5,250	\$0	\$0	\$0	\$0	\$50,460	\$0	\$0	\$0	\$165,140
0	0	0	0	2,184	0	0	451	0	0	0	0	151,428
<u>91</u>	<u>0</u>	<u>12,105</u>	<u>5,250</u>	<u>2,184</u>	<u>0</u>	<u>0</u>	<u>451</u>	<u>50,460</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>316,568</u>
0	0	0	0	0	0	0	0	0	0	0	0	1,507,970
0	0	0	0	0	0	0	0	0	0	0	0	689,952
0	0	0	0	0	0	0	0	728,355	0	0	0	760,548
0	0	0	0	0	0	0	0	0	0	0	0	71,733
0	0	0	0	0	0	0	0	728,355	0	0	0	3,030,203
0	0	0	0	0	0	0	0	0	0	0	0	229,016
0	0	0	55,234	0	0	0	0	0	85,964	0	0	370,743
<u>225,759</u>	<u>46,299</u>	<u>188,092</u>	<u>0</u>	<u>8,528</u>	<u>39,344</u>	<u>0</u>	<u>137,940</u>	<u>464,664</u>	<u>0</u>	<u>0</u>	<u>11,722</u>	<u>4,112,624</u>
<u>225,759</u>	<u>46,299</u>	<u>188,092</u>	<u>55,234</u>	<u>8,528</u>	<u>39,344</u>	<u>0</u>	<u>137,940</u>	<u>464,664</u>	<u>85,964</u>	<u>0</u>	<u>11,722</u>	<u>4,712,383</u>
<u>\$225,850</u>	<u>\$46,299</u>	<u>\$200,197</u>	<u>\$60,484</u>	<u>\$10,712</u>	<u>\$39,344</u>	<u>\$0</u>	<u>\$138,391</u>	<u>\$1,243,479</u>	<u>\$85,964</u>	<u>\$0</u>	<u>\$11,722</u>	<u>\$8,059,154</u>

CITY OF WILLOUGHBY, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	FIRE PENSION	POLICE PENSION	LAW ENFORCEMENT	RECREATION	STREET CONSTRUCTION MAINTENANCE AND REPAIR	STATE HIGHWAY	ROAD & BRIDGE	CORPORATE MAINTENANCE	ENFORCEMENT & EDUCATION	INDIGENT DRIVERS TREATMENT	COURT COMPUTER
REVENUES:											
Property and Other Local Taxes	\$201,548	\$201,548	\$0	\$76,730	\$60,677	\$0	\$1,107,243	\$0	\$0	\$0	\$0
Intergovernmental	21,784	21,784	0	184,900	1,384,387	112,248	297,695	0	0	0	0
Charges for Services	0	0	0	560,153	1,629	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0	0	74,455	0	0	0
Fines and Forfeitures	0	0	12,313	0	0	0	0	0	1,147	26,684	183,924
Miscellaneous	0	0	0	8,964	1,002	0	0	0	0	0	0
Total Revenues	<u>223,332</u>	<u>223,332</u>	<u>12,313</u>	<u>830,747</u>	<u>1,447,695</u>	<u>112,248</u>	<u>1,404,938</u>	<u>74,455</u>	<u>1,147</u>	<u>26,684</u>	<u>183,924</u>
EXPENDITURES:											
Current:											
General Government	2,252	2,252	0	0	0	0	12,287	611	0	151,191	161,714
Security of Persons and Property	975,618	835,243	0	0	0	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0	0	83,424	0	0	0
Leisure Time Activities	0	0	0	1,317,355	0	0	0	0	0	0	0
Transportation	0	0	0	0	1,868,804	80,939	0	0	0	0	0
Capital Outlay	0	0	0	50,000	8,300	0	1,491,521	0	0	0	0
Total Expenditures	<u>977,870</u>	<u>837,495</u>	<u>0</u>	<u>1,367,355</u>	<u>1,877,104</u>	<u>80,939</u>	<u>1,503,808</u>	<u>84,035</u>	<u>0</u>	<u>151,191</u>	<u>161,714</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(754,538)	(614,163)	12,313	(536,608)	(429,409)	31,309	(98,870)	(9,580)	1,147	(124,507)	22,210
OTHER FINANCING SOURCES (USES):											
Transfers In	730,000	660,000	0	540,000	160,000	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0	0
Advances to	0	0	0	0	0	0	0	0	0	0	0
Advances from	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>730,000</u>	<u>660,000</u>	<u>0</u>	<u>540,000</u>	<u>160,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	(24,538)	45,837	12,313	3,392	(269,409)	31,309	(98,870)	(9,580)	1,147	(124,507)	22,210
FUND BALANCES BEGINNING OF YEAR	17,661	23,925	95,035	226,153	883,966	117,801	1,956,955	163,558	36,938	138,158	159,546
CHANGE IN INVENTORY	0	0	0	0	39,837	0	0	0	0	0	0
FUND BALANCES END OF YEAR	<u>(\$6,877)</u>	<u>\$69,762</u>	<u>\$107,348</u>	<u>\$229,545</u>	<u>\$654,394</u>	<u>\$149,110</u>	<u>\$1,858,085</u>	<u>\$153,978</u>	<u>\$38,085</u>	<u>\$13,651</u>	<u>\$181,756</u>

GENERAL SPECIAL PROJECTS	SPECIAL PROJECTS DUI	MUNICIPAL PROBATION SERVICES	URBAN FOREST MANAGEMENT	VICTIMS ASSISTANCE	POLICE CONTINUING PROFESSIONAL TRAINING	OHIO CRIMINAL JUSTICE SERVICES GRANT	VETERANS TREATMENT COURT	STREET LIGHTING	PUBLIC ART	LOCAL CORONAVIRUS RELIEF	ONE OHIO OPIOID	TOTAL 2022
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,647,746
0	0	0	0	28,980	27,007	18,799	75,000	0	0	0	11,722	2,184,306
0	0	0	14,400	0	0	0	0	0	83,464	0	0	659,646
0	0	0	0	0	0	0	0	725,439	0	0	0	799,894
248,369	22,745	131,760	0	0	0	0	0	0	0	0	0	626,942
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,966</u>
<u>248,369</u>	<u>22,745</u>	<u>131,760</u>	<u>14,400</u>	<u>28,980</u>	<u>27,007</u>	<u>18,799</u>	<u>75,000</u>	<u>725,439</u>	<u>83,464</u>	<u>0</u>	<u>11,722</u>	<u>5,928,500</u>
66,452	0	147,721	0	0	0	0	12,060	22,545	0	7,793	0	586,878
0	0	0	0	55,898	6,480	0	0	584,702	0	0	0	2,457,941
0	0	0	12,534	0	0	0	0	0	0	0	0	95,958
0	0	0	0	0	0	0	0	0	0	0	0	1,317,355
0	0	0	0	0	0	0	0	0	0	0	0	1,949,743
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>46,980</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,596,801</u>
<u>66,452</u>	<u>0</u>	<u>147,721</u>	<u>12,534</u>	<u>55,898</u>	<u>6,480</u>	<u>0</u>	<u>12,060</u>	<u>654,227</u>	<u>0</u>	<u>7,793</u>	<u>0</u>	<u>8,004,676</u>
181,917	22,745	(15,961)	1,866	(26,918)	20,527	18,799	62,940	71,212	83,464	(7,793)	11,722	(2,076,176)
0	0	0	0	30,000	0	0	0	0	0	0	0	2,120,000
(150,000)	0	0	0	0	0	0	0	0	0	0	0	(150,000)
18,800	0	0	0	0	0	0	0	0	0	0	0	18,800
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(18,800)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(18,800)</u>
<u>(131,200)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>0</u>	<u>(18,800)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,970,000</u>
50,717	22,745	(15,961)	1,866	3,082	20,527	(1)	62,940	71,212	83,464	(7,793)	11,722	(106,176)
175,042	23,554	204,053	53,368	5,446	18,817	1	75,000	393,452	2,500	7,793	0	4,778,722
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>39,837</u>
<u>\$225,759</u>	<u>\$46,299</u>	<u>\$188,092</u>	<u>\$55,234</u>	<u>\$8,528</u>	<u>\$39,344</u>	<u>\$0</u>	<u>\$137,940</u>	<u>\$464,664</u>	<u>\$85,964</u>	<u>\$0</u>	<u>\$11,722</u>	<u>\$4,712,383</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
FIRE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Property and Other Local Taxes	\$180,264	\$180,264	\$201,547	\$21,283
Intergovernmental	<u>19,000</u>	<u>19,000</u>	<u>21,784</u>	<u>2,784</u>
Total Revenues	<u>199,264</u>	<u>199,264</u>	<u>223,331</u>	<u>24,067</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Personal Services	956,455	981,455	975,696	5,759
Services and Supplies	<u>3,000</u>	<u>3,000</u>	<u>2,251</u>	<u>749</u>
Total Expenditures	<u>959,455</u>	<u>984,455</u>	<u>977,947</u>	<u>6,508</u>
Excess of Revenues Over (Under) Expenditures	(760,191)	(785,191)	(754,616)	30,575
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>730,000</u>	<u>730,000</u>	<u>730,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>730,000</u>	<u>730,000</u>	<u>730,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(30,191)	(55,191)	(24,616)	30,575
FUND BALANCE BEGINNING OF YEAR	<u>56,182</u>	<u>56,182</u>	<u>56,182</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$25,991</u>	<u>\$991</u>	<u>\$31,566</u>	<u>\$30,575</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
POLICE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
REVENUES:				
Property and Other Local Taxes	\$180,264	\$180,264	\$201,548	\$21,284
Intergovernmental	<u>19,000</u>	<u>19,000</u>	<u>21,784</u>	<u>2,784</u>
Total Revenues	<u>199,264</u>	<u>199,264</u>	<u>223,332</u>	<u>24,068</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Personal Services	890,094	890,094	835,905	54,189
Services and Supplies	<u>3,000</u>	<u>3,000</u>	<u>2,252</u>	<u>748</u>
Total Expenditures	<u>893,094</u>	<u>893,094</u>	<u>838,157</u>	<u>54,937</u>
Excess of Revenues Over (Under) Expenditures	(693,830)	(693,830)	(614,825)	79,005
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(33,830)	(33,830)	45,175	79,005
FUND BALANCE BEGINNING OF YEAR	<u>56,472</u>	<u>56,472</u>	<u>56,472</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$22,642</u>	<u>\$22,642</u>	<u>\$101,647</u>	<u>\$79,005</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Fines and Forfeitures	<u>\$0</u>	<u>\$0</u>	<u>\$12,313</u>	<u>\$12,313</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>12,313</u>	<u>12,313</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Services and Supplies	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCE	(50,000)	(50,000)	12,313	62,313
FUND BALANCE BEGINNING OF YEAR	<u>95,035</u>	<u>95,035</u>	<u>95,035</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$45,035</u>	<u>\$45,035</u>	<u>\$107,348</u>	<u>\$62,313</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
REVENUES:				
Property and Other Local Taxes	\$73,324	\$73,324	\$76,730	\$3,406
Intergovernmental	157,275	157,275	192,179	34,904
Charges for Services	471,000	491,000	557,310	66,310
Other	<u>0</u>	<u>0</u>	<u>8,930</u>	<u>8,930</u>
Total Revenues	<u>701,599</u>	<u>721,599</u>	<u>835,149</u>	<u>113,550</u>
EXPENDITURES:				
Executive-Mayor				
Leisure Time Activities				
Personal Services	912,079	912,079	910,400	1,679
Services and Supplies	358,910	358,910	408,343	(49,433)
Other	<u>30,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>1,300,989</u>	<u>1,320,989</u>	<u>1,368,743</u>	<u>(47,754)</u>
Excess of Revenues Over (Under) Expenditures	(599,390)	(599,390)	(533,594)	65,796
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(59,390)	(59,390)	6,406	65,796
FUND BALANCE BEGINNING OF YEAR	143,778	143,778	143,778	0
Prior Year Encumbrances Appropriated	<u>13,224</u>	<u>13,224</u>	<u>13,224</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$97,612</u>	<u>\$97,612</u>	<u>\$163,408</u>	<u>\$65,796</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Property and Other Local Taxes	\$58,000	\$58,000	\$60,794	\$2,794
Intergovernmental	1,325,000	1,345,000	1,380,970	35,970
Charges for Services	500	500	1,628	1,128
Total Revenues	<u>1,383,500</u>	<u>1,403,500</u>	<u>1,443,392</u>	<u>39,892</u>
EXPENDITURES:				
Executive-Mayor				
Transportation				
Personal Services	1,213,579	1,253,579	1,211,488	42,091
Services and Supplies	<u>731,625</u>	<u>731,625</u>	<u>559,626</u>	<u>171,999</u>
Total Expenditures	<u>1,945,204</u>	<u>1,985,204</u>	<u>1,771,114</u>	<u>214,090</u>
Excess of Revenues Over (Under) Expenditures	(561,704)	(581,704)	(327,722)	253,982
OTHER FINANCING SOURCES (USES):				
Transfers In	160,000	160,000	160,000	0
Other	<u>1,000</u>	<u>1,000</u>	<u>18,927</u>	<u>17,927</u>
Total Other Financing Sources (Uses)	<u>161,000</u>	<u>161,000</u>	<u>178,927</u>	<u>17,927</u>
NET CHANGE IN FUND BALANCE	(400,704)	(420,704)	(148,795)	271,909
FUND BALANCE BEGINNING OF YEAR	420,969	420,969	420,969	0
Prior Year Encumbrances Appropriated	<u>1,985</u>	<u>1,985</u>	<u>1,985</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$22,250</u>	<u>\$2,250</u>	<u>\$274,159</u>	<u>\$271,909</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
STATE HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	<u>\$109,500</u>	<u>\$109,500</u>	<u>\$111,971</u>	<u>\$2,471</u>
Total Revenues	<u>109,500</u>	<u>109,500</u>	<u>111,971</u>	<u>2,471</u>
EXPENDITURES:				
Executive-Mayor Transportation				
Services and Supplies	<u>170,000</u>	<u>170,000</u>	<u>100,000</u>	<u>70,000</u>
Total Expenditures	<u>170,000</u>	<u>170,000</u>	<u>100,000</u>	<u>70,000</u>
NET CHANGE IN FUND BALANCE	(60,500)	(60,500)	11,971	72,471
FUND BALANCE BEGINNING OF YEAR	<u>91,019</u>	<u>91,019</u>	<u>91,019</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$30,519</u>	<u>\$30,519</u>	<u>\$102,990</u>	<u>\$72,471</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Property and Other Local Taxes	\$1,071,896	\$1,071,896	\$1,107,242	\$35,346
Intergovernmental	435,157	435,157	252,625	(182,532)
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>1,507,053</u>	<u>1,507,053</u>	<u>1,359,867</u>	<u>(147,186)</u>
EXPENDITURES:				
Executive-Mayor				
Transportation				
Services and Supplies	15,000	15,000	12,287	2,713
Capital Outlay	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,234,544</u>	<u>265,456</u>
Total Expenditures	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,246,831</u>	<u>268,169</u>
NET CHANGE IN FUND BALANCE	(7,947)	(7,947)	113,036	120,983
FUND BALANCE BEGINNING OF YEAR	1,397,207	1,397,207	1,397,207	0
Prior Year Encumbrances Appropriated	<u>15,616</u>	<u>15,616</u>	<u>15,616</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$1,404,876</u>	<u>\$1,404,876</u>	<u>\$1,525,859</u>	<u>\$120,983</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
CORPORATE MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Special Assessments	<u>\$47,500</u>	<u>\$47,500</u>	<u>\$74,014</u>	<u>\$26,514</u>
Total Revenues	<u>47,500</u>	<u>47,500</u>	<u>74,014</u>	<u>26,514</u>
EXPENDITURES:				
Executive-Mayor				
Community Environment				
Services and Supplies	<u>103,200</u>	<u>123,200</u>	<u>113,657</u>	<u>9,543</u>
Total Expenditures	<u>103,200</u>	<u>123,200</u>	<u>113,657</u>	<u>9,543</u>
NET CHANGE IN FUND BALANCE	(55,700)	(75,700)	(39,643)	36,057
FUND BALANCE BEGINNING OF YEAR	125,302	125,302	125,302	0
Prior Year Encumbrances Appropriated	<u>34,709</u>	<u>34,709</u>	<u>34,709</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$104,311</u>	<u>\$84,311</u>	<u>\$120,368</u>	<u>\$36,057</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
ENFORCEMENT AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
REVENUES:				
Fines and Forfeitures	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,050</u>	<u>\$50</u>
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,050</u>	<u>50</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Capital Outlay	<u>35,000</u>	<u>35,000</u>	<u>0</u>	<u>35,000</u>
Total Expenditures	<u>35,000</u>	<u>35,000</u>	<u>0</u>	<u>35,000</u>
NET CHANGE IN FUND BALANCE	(34,000)	(34,000)	1,050	35,050
FUND BALANCE BEGINNING OF YEAR	<u>36,939</u>	<u>36,939</u>	<u>36,939</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$2,939</u>	<u>\$2,939</u>	<u>\$37,989</u>	<u>\$35,050</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
INDIGENT DRIVERS TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Fines and Forfeitures	<u>\$22,000</u>	<u>\$42,000</u>	<u>\$26,547</u>	<u>(\$15,453)</u>
Total Revenues	<u>22,000</u>	<u>42,000</u>	<u>26,547</u>	<u>(15,453)</u>
EXPENDITURES:				
Judicial -Municipal Court				
General Government				
Services and Supplies	<u>120,000</u>	<u>140,000</u>	<u>118,868</u>	<u>21,132</u>
Total Expenditures	<u>120,000</u>	<u>140,000</u>	<u>118,868</u>	<u>21,132</u>
NET CHANGE IN FUND BALANCE	(98,000)	(98,000)	(92,321)	5,679
FUND BALANCE BEGINNING OF YEAR	<u>101,305</u>	<u>101,305</u>	<u>101,305</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>4,413</u>	<u>4,413</u>	<u>4,413</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$7,718</u>	<u>\$7,718</u>	<u>\$13,397</u>	<u>\$5,679</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Fines and Forfeitures	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$181,480</u>	<u>\$31,480</u>
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>181,480</u>	<u>31,480</u>
EXPENDITURES:				
Judicial -Municipal Court				
General Government				
Services and Supplies	<u>200,000</u>	<u>200,000</u>	<u>105,560</u>	<u>94,440</u>
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>105,560</u>	<u>94,440</u>
NET CHANGE IN FUND BALANCE	(50,000)	(50,000)	75,920	125,920
FUND BALANCE BEGINNING OF YEAR	68,719	68,719	68,719	0
Prior Year Encumbrances Appropriated	<u>1,667</u>	<u>1,667</u>	<u>1,667</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$20,386</u>	<u>\$20,386</u>	<u>\$146,306</u>	<u>\$125,920</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
GENERAL SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Fines and Forfeitures	\$180,000	\$180,000	\$245,920	\$65,920
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>245,920</u>	<u>65,920</u>
EXPENDITURES:				
Judicial -Municipal Court				
General Government				
Personal Services	0	57,000	57,000	0
Services and Supplies	<u>135,000</u>	<u>78,000</u>	<u>9,416</u>	<u>68,584</u>
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>66,416</u>	<u>68,584</u>
Excess of Revenues Over (Under) Expenditures	45,000	45,000	179,504	134,504
OTHER FINANCING SOURCES (USES):				
Transfers Out	(150,000)	(150,000)	(150,000)	0
Advance In	<u>18,800</u>	<u>18,800</u>	<u>18,800</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(131,200)</u>	<u>(131,200)</u>	<u>(131,200)</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(86,200)	(86,200)	48,304	134,504
FUND BALANCE BEGINNING OF YEAR	152,049	152,049	152,049	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$65,849</u>	<u>\$65,849</u>	<u>\$200,353</u>	<u>\$134,504</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
SPECIAL PROJECTS DUI FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Fines and Forfeitures	<u>\$22,000</u>	<u>\$22,000</u>	<u>\$21,635</u>	<u>(\$365)</u>
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>21,635</u>	<u>(365)</u>
EXPENDITURES:				
Judicial -Municipal Court				
General Government				
Services and Supplies	<u>40,000</u>	<u>40,000</u>	<u>0</u>	<u>40,000</u>
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>0</u>	<u>40,000</u>
NET CHANGE IN FUND BALANCE	(18,000)	(18,000)	21,635	39,635
FUND BALANCE BEGINNING OF YEAR	<u>22,869</u>	<u>22,869</u>	<u>22,869</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$4,869</u>	<u>\$4,869</u>	<u>\$44,504</u>	<u>\$39,635</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
MUNICIPAL PROBATION SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Fines and Forfeitures	\$120,000	\$120,000	\$130,363	\$10,363
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>130,363</u>	<u>10,363</u>
EXPENDITURES:				
Judicial -Municipal Court				
General Government				
Personal Services	65,000	65,000	65,000	0
Services and Supplies	<u>210,000</u>	<u>210,000</u>	<u>82,865</u>	<u>127,135</u>
Total Expenditures	<u>275,000</u>	<u>275,000</u>	<u>147,865</u>	<u>127,135</u>
NET CHANGE IN FUND BALANCE	(155,000)	(155,000)	(17,502)	137,498
FUND BALANCE BEGINNING OF YEAR	193,343	193,343	193,343	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$38,343</u>	<u>\$38,343</u>	<u>\$175,841</u>	<u>\$137,498</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
URBAN FOREST MANAGEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Charges for Services	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$14,400</u>	<u>\$4,400</u>
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>14,400</u>	<u>4,400</u>
EXPENDITURES:				
Executive-Mayor				
Community Environment				
Services and Supplies	<u>25,000</u>	<u>25,000</u>	<u>7,283</u>	<u>17,717</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>7,283</u>	<u>17,717</u>
NET CHANGE IN FUND BALANCE	(15,000)	(15,000)	7,117	22,117
FUND BALANCE BEGINNING OF YEAR	<u>45,410</u>	<u>45,410</u>	<u>45,410</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$30,410</u>	<u>\$30,410</u>	<u>\$52,527</u>	<u>\$22,117</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
VICTIMS ASSISTANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Intergovernmental	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$28,826</u>	<u>(\$1,174)</u>
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>28,826</u>	<u>(1,174)</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Personal Services	63,500	63,500	53,178	10,322
Services and Supplies	<u>1,500</u>	<u>1,500</u>	<u>2,213</u>	<u>(713)</u>
Total Expenditures	<u>65,000</u>	<u>65,000</u>	<u>55,391</u>	<u>9,609</u>
Excess of Revenues Over (Under) Expenditures	(35,000)	(35,000)	(26,565)	8,435
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(5,000)	(5,000)	3,435	8,435
FUND BALANCE BEGINNING OF YEAR	<u>5,223</u>	<u>5,223</u>	<u>5,223</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$223</u>	<u>\$223</u>	<u>\$8,658</u>	<u>\$8,435</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
POLICE CONTINUING PROFESSIONAL TRAINING FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
Intergovernmental	<u>\$27,000</u>	<u>\$27,000</u>	<u>\$27,007</u>	<u>\$7</u>
Total Revenues	<u>27,000</u>	<u>27,000</u>	<u>27,007</u>	<u>7</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Services and Supplies	<u>16,000</u>	<u>16,000</u>	<u>6,480</u>	<u>9,520</u>
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>6,480</u>	<u>9,520</u>
NET CHANGE IN FUND BALANCE	11,000	11,000	20,527	9,527
FUND BALANCE BEGINNING OF YEAR	18,122	18,122	18,122	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$29,122</u>	<u>\$29,122</u>	<u>\$38,649</u>	<u>\$9,527</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
OHIO CRIMINAL JUSTICE SERVICE GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	<u>\$18,799</u>	<u>\$18,799</u>	<u>\$18,799</u>	<u>\$0</u>
Total Revenues	<u>18,799</u>	<u>18,799</u>	<u>18,799</u>	<u>0</u>
EXPENDITURES:				
General Government				
Services and Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	18,799	18,799	18,799	0
OTHER FINANCING SOURCES (USES):				
Advance Out	<u>(18,800)</u>	<u>(18,800)</u>	<u>(18,800)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(18,800)</u>	<u>(18,800)</u>	<u>(18,800)</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(1)	(1)	(1)	0
FUND BALANCE BEGINNING OF YEAR	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
VETERANS TREATMENT COURT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$0</u>
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
EXPENDITURES:				
Executive-Mayor				
Personal Services	20,000	20,000	4,063	15,937
Services and Supplies	<u>55,000</u>	<u>55,000</u>	<u>11,079</u>	<u>43,921</u>
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>15,142</u>	<u>59,858</u>
NET CHANGE IN FUND BALANCE	0	0	59,858	59,858
FUND BALANCE BEGINNING OF YEAR	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$134,858</u>	<u>\$59,858</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
STREET LIGHTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
REVENUES:				
Special Assessments	<u>\$68,112</u>	<u>\$68,112</u>	<u>\$725,439</u>	<u>\$657,327</u>
Total Revenues	<u>68,112</u>	<u>68,112</u>	<u>725,439</u>	<u>657,327</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Services and Supplies	<u>653,000</u>	<u>653,000</u>	<u>651,344</u>	<u>1,656</u>
Total Expenditures	<u>653,000</u>	<u>653,000</u>	<u>651,344</u>	<u>1,656</u>
NET CHANGE IN FUND BALANCE	(584,888)	(584,888)	74,095	658,983
FUND BALANCE BEGINNING OF YEAR	<u>441,029</u>	<u>441,029</u>	<u>441,029</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>(\$143,859)</u>	<u>(\$143,859)</u>	<u>\$515,124</u>	<u>\$658,983</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
PUBLIC ART FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Charges for Services	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$83,464</u>	<u>(\$16,536)</u>
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>83,464</u>	<u>(16,536)</u>
EXPENDITURES:				
Services and Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	100,000	100,000	83,464	(16,536)
FUND BALANCE BEGINNING OF YEAR	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$102,500</u>	<u>\$102,500</u>	<u>\$85,964</u>	<u>(\$16,536)</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
ONE OHIO OPIOID
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FINAL BUDGET</u>
REVENUES:				
State Settlement Share	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$11,722</u>	<u>(\$278)</u>
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>11,722</u>	<u>(278)</u>
EXPENDITURES:				
Executive-Mayor				
Security of Persons and Property				
Services and Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	12,000	12,000	11,722	(278)
FUND BALANCE BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$11,722</u>	<u>(\$278)</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
LOCAL CORONAVIRUS RELIEF FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	\$0	\$0	\$0	\$0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXPENDITURES:				
Executive-Mayor				
Personal Services	0	0	0	0
Services and Supplies	<u>16,058</u>	<u>16,058</u>	<u>16,058</u>	<u>0</u>
Total Expenditures	<u>16,058</u>	<u>16,058</u>	<u>16,058</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(16,058)	(16,058)	(16,058)	0
FUND BALANCE BEGINNING OF YEAR	0	0	0	0
Prior Year Encumbrances Appropriated	<u>16,058</u>	<u>16,058</u>	<u>16,058</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CITY OF WILLOUGHBY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET(Non-GAAP Basis) AND ACTUAL
CEMETERY CARE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Miscellaneous	<u>\$0</u>	<u>\$0</u>	<u>\$19,380</u>	<u>\$19,380</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>19,380</u>	<u>19,380</u>
FUND BALANCE BEGINNING OF YEAR	<u>384,992</u>	<u>384,992</u>	<u>384,992</u>	<u>0</u>
FUND BALANCE END OF YEAR	<u>\$384,992</u>	<u>\$384,992</u>	<u>\$404,372</u>	<u>\$19,380</u>

Combining Statements – Fiduciary Funds

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. The City has only custodial funds.

CUSTODIAL FUNDS

Municipal Court - to account for those monies on deposit with the Willoughby Municipal Court that are received and disbursed pursuant to the laws of the State of Ohio.

Ohio Government Benefit Cooperative (OGBC) - The City as Fiscal agent collects the premiums from its members in this joint insurance purchasing program and pays out the claims, stop loss insurance and other administrative costs under the direction of the consortium Board.

Deposits - was established to hold monies received for insurance, state fees, county water payments and hazmat equipment, and other funds which are to be remitted to others as required.

CITY OF WILLOUGHBY, OHIO
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
AS OF DECEMBER 31, 2022

	<u>MUNICIPAL COURT</u>	<u>OHIO GOVT BENEFIT COOP</u>	<u>DEPOSITS</u>	<u>TOTALS</u>
ASSETS				
Equity in City Treasury Cash and Investments	\$ 0	\$0	\$1,318,809	\$1,318,809
Cash and Cash Equivalents in Segregated Accounts	<u>393,849</u>	<u>2,841,848</u>	<u>0</u>	<u>3,235,697</u>
TOTAL ASSETS	<u>393,849</u>	<u>2,841,848</u>	<u>1,318,809</u>	<u>4,554,506</u>
LIABILITIES				
Due to External Parties	<u>393,849</u>	<u>1,500,933</u>	<u>0</u>	<u>1,894,782</u>
TOTAL LIABILITIES	<u>393,849</u>	<u>1,500,933</u>	<u>0</u>	<u>1,894,782</u>
NET POSITION				
Restricted for:				
Individuals, Organizations and Other Governments	<u>0</u>	<u>1,340,915</u>	<u>1,318,809</u>	<u>2,659,724</u>
TOTAL NET POSITION	<u>\$ 0</u>	<u>\$1,340,915</u>	<u>\$1,318,809</u>	<u>\$2,659,724</u>

CITY OF WILLOUGHBY, OHIO
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>MUNICIPAL COURT</u>	<u>OHIO GOVT BENEFIT COOP</u>	<u>DEPOSITS</u>	<u>TOTAL</u>
ADDITIONS				
Municipal Court Receipts	\$4,868,154	\$0	\$ 0	\$4,868,154
Payments Collected for Other Governments	0	20,227,548	24,705	20,252,253
Moneys Held for Others	<u>0</u>	<u>0</u>	<u>72,409</u>	<u>72,409</u>
TOTAL ADDITIONS	<u>4,868,154</u>	<u>20,227,548</u>	<u>97,114</u>	<u>25,192,816</u>
DEDUCTIONS				
Municipal Court Disbursements	4,868,154	0	0	4,868,154
Payments for Other Governments	0	0	11,803	11,803
Medical and Dental for Cobra and Other Plans	0	19,627,112	47,448	19,674,560
Distributions to Individuals and Organizations	<u>0</u>	<u>0</u>	<u>34,936</u>	<u>34,936</u>
TOTAL DEDUCTIONS	<u>4,868,154</u>	<u>19,627,112</u>	<u>94,187</u>	<u>24,589,453</u>
NET INCREASE IN FIDUCIARY NET POSITION	0	600,436	2,927	603,363
NET POSITION - BEGINNING OF YEAR	0	740,479	1,315,882	2,056,361
NET POSITION - END OF YEAR	<u>\$ 0</u>	<u>\$ 1,340,915</u>	<u>\$ 1,318,809</u>	<u>\$ 2,659,724</u>



STATISTICAL INFORMATION

Statistical Section

This part of the City of Willoughby'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.

<u>Contents</u>	<u>Page #</u>
<i>Financial Trends</i>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S7
<i>Revenue Capacity</i>	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the municipal income tax and the property tax.	S8-S12
<i>Debt Capacity</i>	
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.	S13-S17
<i>Demographic and Economic Information</i>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	S18-S19
<i>Operating Information</i>	
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 government provides and the activities it performs.	S20-S22

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF WILLOUGHBY, OHIO
NET POSITION BY COMPONENT
LAST TEN YEARS
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 43,410,155	\$ 43,002,813	\$ 41,766,961	\$ 42,414,005	\$ 39,878,972	\$ 42,218,153	\$ 41,631,891	\$ 41,802,936	\$ 40,861,457	\$ 44,811,713
Restricted For:										
Capital Projects	4,517,468	4,551,447	4,641,758	3,975,206	8,444,025	5,373,603	2,243,989	1,855,544	3,177,055	2,205,218
Debt Service	4,742,562	1,627,384	1,469,369	1,429,996	1,234,186	1,127,774	1,142,831	1,135,695	1,158,761	310,615
Street Construction Maintenance and Repair	1,528,946	1,281,108	1,340,773	1,239,018	1,142,318	1,763,066	2,284,659	2,277,666	3,417,464	3,118,820
Security of Persons	1,002,049	905,693	866,983	860,345	905,501	678,980	1,057,677	1,628,141	1,287,720	1,427,692
Municipal Court	832,528	867,856	858,165	810,947	787,252	1,005,169	1,106,180	913,718	775,354	793,497
Other Purposes	211,471	286,996	224,974	201,139	150,780	169,557	199,634	469,856	301,212	380,310
Permanent Fund Purpose	272,412	285,172	296,612	308,592	323,872	338,262	352,372	367,632	385,472	404,372
Unrestricted (Deficit)	9,307,605	(13,082,117)	(14,365,660)	(15,406,677)	(39,137,558)	(44,017,035)	(31,475,906)	(31,127,774)	(25,222,487)	(19,055,192)
Total Governmental Activities Net Position	65,825,196	39,726,352	37,099,935	35,832,571	13,729,348	8,657,529	18,543,327	19,323,414	26,142,008	34,397,045
BUSINESS-TYPE ACTIVITIES:										
Net Investment in Capital Assets	33,308,740	25,339,422	25,317,880	26,403,085	26,048,001	25,519,061	25,451,992	25,121,734	24,248,491	24,208,801
Restricted For:										
Equipment Replacement	344,404	288,260	602,344	364,687	585,667	790,308	656,174	880,177	1,144,742	1,254,865
Unrestricted (Deficit)	(3,302,658)	(670,235)	(481,444)	(804,820)	(2,033,919)	(1,251,030)	(1,822,428)	(1,836,767)	851,175	2,961,521
Total Business-type Activities Net Position	30,350,486	24,957,447	25,438,780	25,962,952	24,599,749	25,058,339	24,285,738	24,165,144	26,244,408	28,425,187
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	76,718,895	68,342,235	67,084,841	68,817,090	65,926,973	67,737,214	67,083,883	66,924,670	65,109,948	69,020,514
Restricted For:										
Capital Projects	4,517,468	4,551,447	4,641,758	3,975,206	8,444,025	5,373,603	2,243,989	1,855,544	3,177,055	2,205,218
Debt Service	4,742,562	1,627,384	1,469,369	1,429,996	1,234,186	1,127,774	1,142,831	1,135,695	1,158,761	310,615
Equipment Replacement	344,404	288,260	602,344	364,687	585,667	790,308	656,174	880,177	1,144,742	1,254,865
Street Construction Maintenance and Repair	1,528,946	1,281,108	1,340,773	1,239,018	1,142,318	1,763,066	2,284,659	2,277,666	3,417,464	3,118,820
Security of Persons	1,002,049	905,693	866,983	860,345	905,501	678,980	1,057,677	1,628,141	1,287,720	1,427,692
Municipal Court	832,528	867,856	858,165	810,947	787,252	1,005,169	1,106,180	913,718	775,354	793,497
Other Purposes	211,471	286,996	224,974	201,139	150,780	169,557	199,634	469,856	301,212	380,310
Permanent Fund Purpose	272,412	285,172	296,612	308,592	323,872	338,262	352,372	367,632	385,472	404,372
Unrestricted (Deficit)	6,004,947	(13,752,352)	(14,847,104)	(16,211,497)	(41,171,477)	(45,268,065)	(33,298,334)	(32,964,541)	(24,371,312)	(16,093,671)
Total Primary Government Net Position	\$ 96,175,682	\$ 64,683,799	\$ 62,538,715	\$ 61,795,523	\$ 38,329,097	\$ 33,715,868	\$ 42,829,065	\$ 43,488,558	\$ 52,386,416	\$ 62,822,232

CITY OF WILLOUGHBY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PROGRAM REVENUES										
Governmental Activities										
Charges for Services:										
General Government	\$ 2,867,693	\$ 2,937,530	\$ 2,402,903	\$ 2,335,620	\$ 2,347,217	\$ 2,685,067	\$ 2,618,104	\$ 2,158,175	\$ 2,318,891	\$ 2,526,460
Security of Persons and Property	1,608,153	1,615,817	1,513,233	1,694,934	1,610,882	1,657,602	1,809,928	1,675,150	1,999,174	2,033,085
Public Health and Welfare	71,609	79,135	80,953	82,768	95,195	95,355	92,315	101,805	108,898	120,657
Community Environment	376,518	344,207	314,546	309,840	312,957	364,262	440,462	417,930	409,597	826,604
Leisure Time Activities	540,582	582,348	614,868	696,126	637,174	722,853	706,069	124,737	648,952	817,310
Transportation	343	1,000	979	500	900	2,251	2,466	550	805	1,629
Basic Utility Services	0	0	0	75	9	4	0	0	16	0
Operating Grants, Contributions and Interest	77,602	89,383	96,446	196,618	162,052	208,667	196,917	4,147,605	1,913,966	1,902,415
Capital Grants and Contributions	337,390	1,164,364	336,200	2,149,507	4,507,839	849,776	550,505	2,163,520	561,571	1,380,480
Total Governmental Activities Program Revenues	5,879,890	6,813,784	5,360,128	7,465,988	9,674,225	6,585,837	6,416,766	10,789,472	7,961,870	9,608,640
Business-type Activities:										
Charges for Services:										
Golf Course	849,164	894,787	923,212	903,021	865,255	798,371	801,432	801,496	1,003,650	1,029,388
Sewer	4,770,815	4,866,152	5,574,296	5,449,502	5,513,633	5,860,235	5,285,831	5,296,076	5,839,791	6,129,858
Airport	180,116	122,105	0	0	0	0	0	0	0	0
Capital Grants and Contributions	82,940	390,690	309,023	625,078	492,090	307,158	273,332	229,491	225,660	239,310
Total Business-type Activities Program Revenues	5,883,035	6,273,734	6,806,531	6,977,601	6,870,978	6,965,764	6,360,595	6,327,063	7,069,101	7,398,556
Total Primary Government Program Revenues	11,762,925	13,087,518	12,166,659	14,443,589	16,545,203	13,551,601	12,777,361	17,116,535	15,030,971	17,007,196
EXPENSES										
Governmental Activities										
General Government	7,134,225	7,458,826	7,437,293	7,502,423	7,615,451	8,821,326	10,186,960	7,873,378	4,881,043	6,778,800
Security of Persons and Property	14,830,891	14,840,214	15,543,902	16,929,668	17,114,368	18,748,837	3,974,889	17,907,356	16,102,868	16,708,545
Public Health and Welfare	406,384	400,411	410,397	472,575	450,245	497,933	554,134	540,277	421,409	500,166
Community Environment	897,265	1,065,716	886,979	960,453	1,138,817	1,111,839	1,316,403	1,326,173	659,318	1,034,105
Leisure Time Activities	2,061,913	2,179,241	2,246,715	2,303,814	2,469,539	2,518,170	2,862,610	1,851,880	1,410,709	2,151,034
Transportation	4,180,207	4,213,609	4,552,886	4,568,262	5,075,949	4,603,627	4,945,741	4,921,963	2,974,287	3,624,845
Basic Utility Services	547,308	458,768	539,358	685,382	575,820	626,253	581,467	674,193	524,508	558,003
Interest and Fiscal Charges	441,687	391,880	356,904	288,750	388,916	446,419	377,763	524,154	556,254	383,518
Total Governmental Activities Expenses	30,499,880	31,008,665	31,974,434	33,711,327	34,829,105	37,374,404	24,799,967	35,619,374	27,530,396	31,739,016
Business-type Activities:										
Golf Course	888,341	916,507	951,386	990,974	1,069,914	1,017,504	1,084,040	860,314	669,186	934,025
Sewer	5,276,637	5,327,839	5,401,340	5,493,683	5,757,642	5,625,699	6,283,417	5,788,260	4,322,710	5,109,548
Airport	225,491	205,311	0	0	0	0	0	0	0	0
Total Business-type Activities Expenses	6,390,469	6,449,657	6,352,726	6,484,657	6,827,556	6,643,203	7,367,457	6,648,574	4,991,896	6,043,573
Total Primary Government Expenses	36,890,349	37,458,322	38,327,160	40,195,984	41,656,661	44,017,607	32,167,424	42,267,948	32,522,292	37,782,589
NET (EXPENSE)/REVENUE										
Governmental Activities										
Governmental Activities	(24,619,990)	(24,194,881)	(26,614,306)	(26,245,339)	(25,154,880)	(30,788,567)	(18,383,201)	(24,829,902)	(19,568,526)	(22,130,376)
Business-Type Activities:										
Business-type Activities	(507,434)	(175,923)	453,805	492,944	43,422	322,561	(1,006,862)	(321,511)	2,077,205	1,354,983
Total Primary Government	\$ (25,127,424)	\$ (24,370,804)	\$ (26,160,501)	\$ (25,752,395)	\$ (25,111,458)	\$ (30,466,006)	\$ (19,390,063)	\$ (25,151,413)	\$ (17,491,321)	\$ (20,775,393)

CITY OF WILLOUGHBY, OHIO
CHANGES IN NET POSITION
LAST TEN YEARS
(Accrual Basis of Accounting)

(continued)

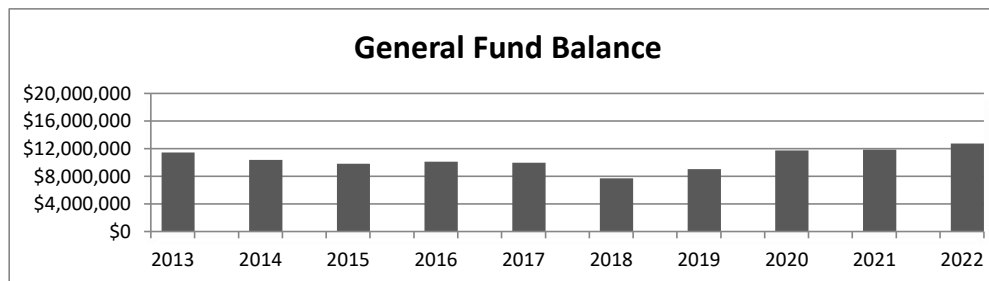
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 3,214,958	\$ 3,327,083	\$ 3,350,028	\$ 3,397,560	\$ 3,376,083	\$ 3,487,016	\$ 3,703,708	\$ 3,604,761	\$ 3,730,890	\$ 3,863,110
Income Taxes	17,200,573	16,853,951	17,007,870	17,483,183	16,591,378	18,399,404	19,733,618	17,810,021	19,734,824	24,229,345
Other Taxes	853,949	834,896	892,082	836,780	895,671	902,640	875,187	673,312	736,484	859,993
Unrestricted Grants, Entitlements and Contributions	3,079,431	2,547,469	2,640,770	2,754,687	2,513,138	2,524,103	2,893,444	1,672,414	2,009,678	2,251,330
Gain on Sale of Capital Assets	10,587	0	211,820	0	0	0	0	0	0	0
Insurance- BWC Dividend	0	0	0	0	0	0	0	1,425,430	0	0
Investment Earnings	166,562	142,037	329,411	287,566	310,307	463,076	645,496	490,954	16,056	(404,964)
Miscellaneous	10,858	2,367	5,625	218,199	38,625	40,509	35,143	51,677	159,188	645,502
Transfers	0	(4,472,462)	0	0	0	(100,000)	(150,000)	(118,580)	0	(1,058,903)
Total Governmental Activities	<u>24,536,918</u>	<u>19,235,341</u>	<u>24,437,606</u>	<u>24,977,975</u>	<u>23,725,202</u>	<u>25,716,748</u>	<u>27,736,596</u>	<u>25,609,989</u>	<u>26,387,120</u>	<u>30,385,413</u>
Business-type Activities:										
Gain on Sale of Capital Assets	1,144	2,170	0	0	0	0	0	0	0	0
Investment Earnings	322	91	3,988	9,347	4,719	36,029	75,147	75,093	1,299	(243,504)
Miscellaneous	11,156	6,954	23,540	21,881	0	0	9,114	7,244	760	10,397
Special Item	0	(8,123,476)	0	0	0	0	0	0	0	0
Transfers	0	4,472,462	0	0	0	100,000	150,000	118,580	0	1,058,903
Total Business-type Activities	<u>12,622</u>	<u>(3,641,799)</u>	<u>27,528</u>	<u>31,228</u>	<u>4,719</u>	<u>136,029</u>	<u>234,261</u>	<u>200,917</u>	<u>2,059</u>	<u>825,796</u>
Total Primary Government	<u>24,549,540</u>	<u>15,593,542</u>	<u>24,465,134</u>	<u>25,009,203</u>	<u>23,729,921</u>	<u>25,852,777</u>	<u>27,970,857</u>	<u>25,810,906</u>	<u>26,389,179</u>	<u>31,211,209</u>
CHANGE IN NET POSITION										
Governmental Activities	(83,072)	(4,959,540)	(2,176,700)	(1,267,364)	(1,429,678)	(5,071,819)	9,353,395	780,087	6,818,594	8,255,037
Business-type Activities	(494,812)	(3,817,722)	481,333	524,172	48,141	458,590	(772,601)	(120,594)	2,079,264	2,180,779
Total Primary Government	<u>\$ (577,884)</u>	<u>\$ (8,777,262)</u>	<u>\$ (1,695,367)</u>	<u>\$ (743,192)</u>	<u>\$ (1,381,537)</u>	<u>\$ (4,613,229)</u>	<u>\$ 8,580,794</u>	<u>\$ 659,493</u>	<u>\$ 8,897,858</u>	<u>\$ 10,435,816</u>

CITY OF WILLOUGHBY, OHIO
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN YEARS
(Accrual Basis of Accounting)

Year	Municipal Income Taxes	Property and Other Local Taxes	Total
2013	\$17,200,573	\$4,068,907	\$21,269,480
2014	\$16,853,951	\$4,161,979	\$21,015,930
2015	\$17,007,870	\$4,242,110	\$21,249,980
2016	\$17,483,183	\$4,234,340	\$21,717,523
2017	\$16,591,378	\$4,271,754	\$20,863,132
2018	\$18,399,404	\$4,389,656	\$22,789,060
2019	\$19,733,618	\$4,578,895	\$24,312,513
2020	\$17,810,021	\$4,278,073	\$22,088,094
2021	\$19,734,824	\$4,467,374	\$24,202,198
2022	\$24,229,345	\$4,599,594	\$28,828,939

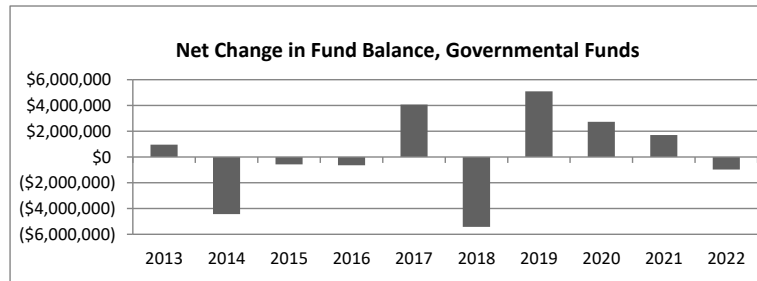
CITY OF WILLOUGHBY, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL FUND										
Nonspendable	\$ 1,472,475	\$ 136,415	\$ 135,888	\$ 129,890	\$ 233,077	\$ 243,208	\$ 223,265	\$ 241,867	\$ 245,418	\$ 111,869
Restricted	0	0	0	0	0	0	0	0	0	0
Committed	1,418,188	1,361,188	1,294,792	957,426	764,290	662,227	533,657	244,033	836,188	1,062,048
Assigned	575,956	569,594	544,504	568,753	624,390	554,918	504,154	577,282	638,961	670,383
Unassigned	<u>7,992,549</u>	<u>8,306,407</u>	<u>7,837,054</u>	<u>8,447,098</u>	<u>8,343,658</u>	<u>6,223,001</u>	<u>7,763,292</u>	<u>10,669,074</u>	<u>10,138,852</u>	<u>10,913,281</u>
Total General Fund	<u>11,459,168</u>	<u>10,373,604</u>	<u>9,812,238</u>	<u>10,103,167</u>	<u>9,965,415</u>	<u>7,683,354</u>	<u>9,024,368</u>	<u>11,732,256</u>	<u>11,859,419</u>	<u>12,757,581</u>
CAPITAL PROJECTS FUND										
Nonspendable	0	0	0	0	0	0	0	0	0	0
Restricted	8,420	21,675	9,191	365,143	8,965	8,594	9,638	8,184	0	0
Committed	486,407	491,502	1,083,833	824,232	6,842,900	3,912,001	3,121,899	1,916,217	3,177,055	4,660,214
Unassigned(Deficit)	<u>(1,566,991)</u>	<u>(1,632,996)</u>	<u>(2,115,543)</u>	<u>(2,835,657)</u>	<u>(4,050,375)</u>	<u>(4,783,130)</u>	<u>(731,026)</u>	<u>0</u>	<u>0</u>	<u>(2,440,376)</u>
Total Capital Projects Fund	<u>(1,072,164)</u>	<u>(1,119,819)</u>	<u>(1,022,519)</u>	<u>(1,646,282)</u>	<u>2,801,490</u>	<u>(862,535)</u>	<u>2,400,511</u>	<u>1,924,401</u>	<u>3,177,055</u>	<u>2,219,838</u>
GENERAL BOND RETIREMENT FUND										
Restricted	4,292,735	1,196,008	1,045,106	1,139,973	1,060,018	1,046,328	1,042,565	1,039,085	1,068,721	1,068,721
Unassigned(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(826,936)</u>
Total General Bond Retirement Fund	<u>4,292,735</u>	<u>1,196,008</u>	<u>1,045,106</u>	<u>1,139,973</u>	<u>1,060,018</u>	<u>1,046,328</u>	<u>1,042,565</u>	<u>1,039,085</u>	<u>1,068,721</u>	<u>241,785</u>
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	343,076	372,692	411,052	480,199	353,971	438,905	457,360	446,478	574,651	633,388
Committed	0	0	0	0	0	0	0	0	0	370,743
Restricted	<u>3,064,926</u>	<u>2,830,772</u>	<u>2,865,715</u>	<u>2,448,183</u>	<u>2,278,505</u>	<u>2,810,632</u>	<u>3,800,352</u>	<u>4,307,309</u>	<u>4,589,543</u>	<u>4,112,624</u>
Total All Other Governmental Funds	<u>3,408,002</u>	<u>3,203,464</u>	<u>3,276,767</u>	<u>2,928,382</u>	<u>2,632,476</u>	<u>3,249,537</u>	<u>4,257,712</u>	<u>4,753,787</u>	<u>5,164,194</u>	<u>5,116,755</u>
Total Governmental Funds	<u>\$ 18,087,741</u>	<u>\$ 13,653,257</u>	<u>\$ 13,111,592</u>	<u>\$ 12,525,240</u>	<u>\$ 16,459,399</u>	<u>\$ 11,116,684</u>	<u>\$ 16,725,156</u>	<u>\$ 19,449,529</u>	<u>\$ 21,269,389</u>	<u>\$ 20,335,959</u>



CITY OF WILLOUGHBY, OHIO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES:										
Municipal Income Taxes	\$ 17,014,038	\$ 16,999,234	\$ 17,066,704	\$ 17,181,979	\$ 17,180,978	\$ 17,959,082	\$ 19,167,062	\$ 18,079,276	\$ 19,902,595	\$ 23,154,770
Property and Other Local Taxes	4,139,550	4,203,716	4,262,112	4,228,487	4,266,474	4,523,932	4,399,781	4,260,575	4,472,688	4,784,628
Intergovernmental	3,763,916	3,085,595	2,922,979	4,314,002	3,513,217	3,373,578	3,445,872	7,840,720	4,221,605	5,083,197
Charges for Services	1,687,575	1,716,354	1,709,529	1,836,471	1,730,880	1,950,811	2,025,497	1,175,306	2,030,762	2,404,877
Special Assessments	654,416	588,781	626,054	598,222	629,909	735,300	711,586	752,228	787,849	799,894
Fines and Forfeitures	2,612,863	2,641,781	2,435,825	2,430,897	2,378,768	2,666,376	2,610,410	2,092,155	2,396,569	2,551,008
Licenses & Permits	252,721	227,991	276,323	215,787	207,073	235,497	305,007	266,566	281,638	554,738
Interest Income	166,562	142,037	211,820	287,566	310,307	463,076	645,496	490,954	16,056	(404,964)
Miscellaneous	2,669	2,367	5,625	218,199	38,625	105,951	126,857	259,472	254,567	246,043
Total Revenues	30,294,310	29,607,856	29,516,971	31,311,610	30,256,231	32,013,603	33,437,568	35,217,252	34,364,329	39,174,191
EXPENDITURES:										
General Government	6,782,463	6,732,698	6,865,789	6,824,872	6,784,024	8,211,149	6,992,697	7,122,008	7,384,324	8,127,800
Security of Persons and Property	14,189,824	14,278,036	14,666,021	15,050,954	15,117,698	15,733,227	15,916,551	15,967,766	16,658,873	17,216,292
Public Health and Welfare	392,920	387,280	397,013	473,152	452,561	466,016	496,041	499,832	518,265	548,654
Community Environment	879,567	1,094,601	901,068	943,207	1,040,727	1,018,334	1,100,098	1,159,345	1,200,452	1,346,830
Leisure Time Activities	1,764,362	1,871,385	1,903,359	1,921,982	1,976,147	2,053,276	2,087,132	1,377,913	1,926,397	2,269,334
Transportation	1,432,221	1,564,053	1,727,753	1,729,324	1,847,926	1,631,927	1,766,450	1,860,941	1,549,747	1,949,743
Basic Utility Services	137,709	48,438	80,343	196,657	73,251	116,085	68,095	184,850	65,241	89,887
Capital Outlay	2,324,908	2,215,365	2,375,170	3,378,882	2,982,131	6,873,002	4,978,756	5,808,820	2,010,080	7,069,520
Debt Service:										
Principal	1,041,234	1,111,234	1,126,234	1,141,234	1,196,234	1,066,234	1,108,920	1,167,162	1,276,922	1,445,881
Interest	453,434	420,640	372,184	288,915	331,691	437,075	397,071	511,942	464,023	392,796
Bond Issuance Costs	0	0	0	0	0	0	0	115,500	182,894	0
Total Expenditures	29,398,642	29,723,730	30,414,934	31,949,179	31,802,390	37,606,325	34,911,811	35,776,079	33,237,218	40,456,737
Excess of Revenues Over (Under) Expenditures	895,668	(115,874)	(897,963)	(637,569)	(1,546,159)	(5,592,722)	(1,474,243)	(558,827)	1,127,111	(1,282,546)
OTHER FINANCING SOURCES (USES)										
Transfers In	3,750,000	3,141,746	3,494,507	2,562,487	2,710,000	3,712,181	3,000,000	2,325,000	4,387,173	3,203,622
Transfers Out	(3,750,000)	(7,464,208)	(3,494,507)	(2,562,487)	(2,710,000)	(3,812,181)	(3,150,000)	(2,443,580)	(4,016,233)	(4,262,525)
General Obligation Refunding Bonds Premium	0	0	0	0	0	0	0	0	208,164	0
General Obligation Bonds Issued	0	0	0	0	0	0	0	6,665,000	5,610,000	0
Bond Anticipation Notes Issued	0	0	0	0	5,620,000	5,615,000	12,010,000	5,610,000	0	0
Bond Anticipation Notes Repaid	0	0	0	0	0	(5,620,000)	(5,615,000)	(12,010,000)	(5,610,000)	0
Proceeds of Other Debt- StormWater	0	0	0	0	0	272,767	320,703	1,718,555	0	916,878
Insurance - BWC Dividend	0	0	0	0	0	0	0	1,425,430	0	0
Sale of Capital Assets	59,020	0	329,411	0	0	0	0	0	0	451,407
Total Other Financing Sources (Uses)	59,020	(4,322,462)	329,411	0	5,620,000	167,767	6,565,703	3,290,405	579,104	309,382
Net Change in Fund Balances	\$ 954,688	\$ (4,438,336)	\$ (568,552)	\$ (637,569)	\$ 4,073,841	\$ (5,424,955)	\$ 5,091,460	\$ 2,731,578	\$ 1,706,215	\$ (973,164)
Debt Service as a Percentage of Noncapital Expenditures	5.52%	5.57%	5.34%	5.01%	5.30%	4.89%	5.03%	5.60%	5.58%	5.51%



CITY OF WILLOUGHBY, OHIO
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(Modified Accrual Basis of Accounting)

Year	Municipal Income Taxes	Property & Other Local Taxes	Total
2013	\$17,014,038	\$4,139,550	\$21,153,588
2014	\$16,999,234	\$4,203,716	\$21,202,950
2015	\$17,066,704	\$4,262,112	\$21,328,816
2016	\$17,181,979	\$4,228,427	\$21,410,406
2017	\$17,180,978	\$4,266,474	\$21,447,452
2018	\$17,959,082	\$4,523,932	\$22,483,014
2019	\$19,167,062	\$4,399,781	\$23,566,843
2020	\$18,079,276	\$4,260,575	\$22,339,851
2021	\$19,902,595	\$4,472,688	\$24,375,283
2022	\$23,154,770	\$4,784,628	\$27,939,398

CITY OF WILLOUGHBY, OHIO
INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS (Cash Basis)

Tax Year	Total Tax Collected	Tax from Withholding	Tax from Net Profit	Tax from Individuals	Tax -Other	Tax Rate
2013	\$17,295,394	\$12,425,332	\$3,245,672	\$1,438,824	\$185,566	2.00%
2014	\$16,962,780	\$12,581,948	\$2,742,728	\$1,429,657	\$208,447	2.00%
2015	\$16,874,109	\$12,620,567	\$2,600,829	\$1,408,597	\$244,116	2.00%
2016	\$17,199,752	\$12,730,500	\$2,692,623	\$1,479,920	\$296,709	2.00%
2017	\$16,953,021	\$12,933,423	\$2,402,411	\$1,388,858	\$228,330	2.00%
2018	\$17,944,467	\$13,629,927	\$2,598,150	\$1,400,969	\$315,421	2.00%
2019	\$19,206,814	\$14,125,208	\$2,815,310	\$1,704,573	\$561,723	2.00%
2020	\$18,088,678	\$13,861,000	\$2,360,197	\$1,543,599	\$323,882	2.00%
2021	\$19,560,239	\$14,685,619	\$2,846,770	\$1,639,169	\$388,681	2.00%
2022	\$22,665,826	\$16,430,200	\$3,965,494	\$1,974,669	\$295,463	2.00%

Source: Regional Income Tax Agency & State Net Profit

The City levies a 2.00% income tax on substantially all income earned within the City. Additional increases in the income tax rate require voter approval. City residents pay City income tax on income earned outside the City, however, credit is allowed for income taxes paid to other municipalities. Council could vote to reduce the credit by 50%. Employers within the City withhold income tax on employee compensation and remit to the Regional Income Tax Agency.

CITY OF WILLOUGHBY, OHIO
TOP TEN INCOME TAX WITHHOLDERS
AND TOP FIFTY WITHHOLDERS BY CLASSIFICATION
CURRENT YEAR AND NINE YEARS AGO

2022		2013	
Rank	Name	Rank	Name
1	University Hospitals Health System	1	Lake Health (Lake Hospital System)
2	Progressive Casualty Ins Co	2	Willoughby-Eastlake City Schools
3	Willoughby-Eastlake City Schools	3	City of Willoughby
4	Marous Brothers Construction	4	Ohio Presbyterian - Breckenridge
5	City of Willoughby	5	Horizon Mental Health Management
6	Horizon Mental Health Management	6	Marous Brothers Construction
7	Ohio Living -Breckenridge	7	Bescast Inc
8	Group Management Services Inc	8	Momentive Performance/GE Lighting
9	Cast Nylons Inc	9	March Berry & Company Inc
10	Multistack BAC LLC	10	Fluid Line Products Inc

Classification	2022	2013
Government	\$ 926,169	\$ 918,282
Commercial, Mfg, & Other	<u>7,124,052</u>	<u>5,162,340</u>
	\$ 8,050,221	\$ 6,080,622

Source: Regional Income Tax Agency

Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

CITY OF WILLOUGHBY, OHIO
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year/ Collection Year	Assessed Value			Total Taxable Assessed Value	Total Direct Tax Rate	Total Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Other Real Estate & Public Utility Property	Less: Tax Exempt Real Property				
2012/2013	\$413,212,990	\$215,650,450	\$58,743,170	\$570,120,270	8.53	\$1,603,118,813	35.56%
2013/2014	\$413,637,780	\$213,727,490	\$54,654,120	\$572,711,150	8.51	\$1,608,149,828	35.61%
2014/2015	\$415,877,300	\$216,045,970	\$55,035,870	\$576,887,400	8.49	\$1,618,067,240	35.65%
2015/2016	\$426,980,486	\$212,729,990	\$55,427,656	\$584,282,820	8.49	\$1,638,026,496	35.67%
2016/2017	\$434,148,970	\$212,089,740	\$58,504,220	\$587,734,490	8.54	\$1,646,291,902	35.70%
2017/2018	\$438,881,430	\$215,854,930	\$59,334,240	\$595,402,120	8.54	\$1,666,919,029	35.72%
2018/2019	\$483,614,830	\$233,294,900	\$67,931,050	\$648,978,680	8.46	\$1,818,278,400	35.69%
2019/2020	\$488,387,720	\$232,403,610	\$69,804,270	\$650,987,060	8.48	\$1,822,045,155	35.73%
2020/2021	\$490,437,740	\$233,073,600	\$63,189,130	\$660,322,210	8.48	\$1,846,563,660	35.76%
2021/2022	\$569,696,070	\$239,565,380	\$63,189,130	\$746,072,320	8.40	\$2,089,572,263	35.70%

Source: (1) Lake County Auditor Schedule A to Certificate of Official Estimate of Revenues.

The current assessed valuation is computed at approximately the following percentages of estimated true value: real property - 35%, public utilities - 100%

CITY OF WILLOUGHBY, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

Tax Year/ Collection Year	City of Willoughby Direct Rates							Overlapping Rates		Total Direct & Overlapping Rates
	General Fund	Debt Service Fund	Police Pension Fund	Fire Pension Fund	Recreation Fund	Road & Bridge Fund	Total City Millage	Lake County	Willoughby/ Eastlake, Kirtland School Districts	
2012/2013	3.80	1.63	0.30	0.30	0.50	2.00	8.53	15.30	62.82 (1)	86.65
2013/2014	3.55	1.86	0.30	0.30	0.50	2.00	8.51	15.30	63.54 (1)	87.35
2014/2015	3.55	1.84	0.30	0.30	0.50	2.00	8.49	15.30	63.47 (1)	87.26
2015/2016	3.55	1.84	0.30	0.30	0.50	2.00	8.49	15.70	66.57 (1)	90.76
2016/2017	3.55	1.89	0.30	0.30	0.50	2.00	8.54	15.70	66.78 (1)	91.02
2017/2018	3.55	1.89	0.30	0.30	0.50	2.00	8.54	16.00	66.63 (1)	91.17
2018/2019	3.55	1.81	0.30	0.30	0.50	2.00	8.46	16.78	64.42 (1)	89.66
2019/2020	3.55	1.83	0.30	0.30	0.50	2.00	8.48	16.78	65.19 (1)	90.45
2020/2021	3.55	1.83	0.30	0.30	0.50	2.00	8.48	16.77	70.29 (1)	95.54
2021/2022	3.55	1.75	0.30	0.30	0.50	2.00	8.40	17.13	67.18 (1)	92.71

(1) Includes 3.30 mill continuous Library District Levy to cover Willoughby/Eastlake School District and distributed directly to the library.

Source: Lake County Auditor's Office

CITY OF WILLOUGHBY, OHIO
PROPERTY TAX LEVIES & COLLECTIONS
REAL & PUBLIC UTILITY PROPERTY ONLY
LAST TEN YEARS
(UNAUDITED)

Tax Year/ Collection Year	Net Tax Levy	Current Collections	Percentage of Current Collection to Net Levy	Delinquent Collections	Total Collections	Percentage of Total Collections to Net Levy
2012/2013	\$3,640,773	\$3,544,071	97.3%	\$100,345	\$3,644,416	100.0%
2013/2014	\$3,655,638	\$3,528,586	96.5%	\$160,859	\$3,689,445	100.0%
2014/2015	\$3,660,054	\$3,556,600	97.2%	\$129,168	\$3,685,768	100.0%
2015/2016	\$3,706,170	\$3,611,831	97.5%	\$89,614	\$3,701,445	99.9%
2016/2017	\$3,762,661	\$3,647,745	96.9%	\$74,231	\$3,721,976	98.9%
2017/2018	\$3,807,983	\$3,718,482	97.6%	\$113,708	\$3,832,190	100.0%
2018/2019	\$3,950,229	\$3,830,197	97.0%	\$90,259	\$3,920,456	99.2%
2019/2020	\$3,982,275	\$3,877,413	97.4%	\$62,236	\$3,939,649	98.9%
2020/2021	\$4,028,822	\$3,945,700	97.9%	\$0	\$3,945,700	97.9%
2021/2022	\$4,311,262	\$4,215,719	97.8%	\$71,884	\$4,287,603	99.5%

Source: Lake County Auditor's Office

Note: The County does not provide delinquency information by tax year.

CITY OF WILLOUGHBY, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Year	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES		Total Primary Government	Total Personal Income	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes	OWDA & OPWC	Enterprise Bonds w/G.O. Commitment	OWDA & OPWC				
2013	\$13,215,265	\$105,000	\$0	\$10,205	\$3,510,000	\$6,792,946	\$23,633,416	\$673,584,732	3.51%	\$1,061
2014	\$12,261,192	\$70,000	\$0	\$8,971	\$3,110,000	\$6,235,444	\$21,685,607	\$673,584,732	3.22%	\$974
2015	\$11,142,120	\$35,000	\$0	\$7,737	\$2,855,000	\$7,040,768	\$21,080,625	\$673,584,732	3.13%	\$947
2016	\$10,008,048	\$0	\$0	\$6,503	\$2,595,000	\$6,921,585	\$19,531,136	\$673,584,732	2.90%	\$877
2017	\$8,783,976	\$0	\$5,620,000	\$5,269	\$2,595,000	\$10,647,250	\$27,651,495	\$673,584,732	4.11%	\$1,242
2018	\$7,689,904	\$0	\$5,615,000	\$276,802	\$2,450,000	\$10,448,938	\$26,480,644	\$673,584,732	3.93%	\$1,189
2019	\$6,565,832	\$0	\$12,010,000	\$583,585	\$2,295,000	\$9,973,649	\$31,428,066	\$673,584,732	4.67%	\$1,411
2020	\$12,061,760	\$0	\$5,610,000	\$2,274,978	\$2,140,000	\$12,792,432	\$34,879,170	\$673,584,732	5.18%	\$1,566
2021	\$16,657,178	\$0	\$0	\$2,183,056	\$1,985,000	\$14,487,300	\$35,312,534	\$861,781,271	4.10%	\$1,474
2022	\$15,323,237	\$0	\$0	\$2,944,053	\$1,820,000	\$13,511,676	\$33,598,966	\$861,781,271	3.90%	\$1,402

Note: 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 page S18 for personal income and population data.

CITY OF WILLOUGHBY, OHIO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
(Accrual Basis of Accounting)

<u>Year</u>	<u>General Obligation Bonds(1)</u>	<u>Less: Amount of Assets Restricted for Repayment of Debt</u>	<u>Total</u>	<u>Population</u>	<u>Percent of Estimated Actual Taxable Value of Property (2)</u>	<u>Per Capita (3)</u>
2013	\$13,215,265	\$4,386,078	\$8,829,187	22,268	0.55%	\$396
2014	\$12,261,192	\$1,278,144	\$10,983,048	22,268	0.68%	\$493
2015	\$11,142,120	\$1,123,871	\$10,018,249	22,268	0.62%	\$450
2016	\$10,008,048	\$1,235,985	\$8,772,063	22,268	0.54%	\$394
2017	\$8,783,976	\$1,152,005	\$7,631,971	22,268	0.46%	\$343
2018	\$7,689,904	\$1,127,774	\$6,562,130	22,268	0.39%	\$295
2019	\$6,565,832	\$1,142,831	\$5,423,001	22,268	0.30%	\$244
2020	\$12,061,760	\$1,135,695	\$10,926,065	22,268	0.60%	\$491
2021	\$16,657,178	\$1,158,761	\$15,498,417	23,959	0.84%	\$647
2022	\$15,323,237	\$1,068,680	\$14,254,557	23,959	0.68%	\$595

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

- (1) All bonded debt of the City of Willoughby is backed by the full faith and credit of the City. However, those issues that have been in the past and are currently supported by business-type activities or issued by outside agencies are not included in G O Bonds.
- (2) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page S10 for property value data.
- (3) Population data can be found in the schedule of Demographic and Economic Statistics on page S18.

CITY OF WILLOUGHBY, OHIO
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2022
(UNAUDITED)

<u>Jurisdiction</u>	<u>Assessed Valuation (1)</u>	<u>General Obligation Debt Outstanding (1)</u>	<u>Percent Overlapping (2)</u>	<u>Amount Applicable to City of Willoughby</u>
Direct:				
City of Willoughby	\$ 746,072,320			
General Obligation Bonds		\$ 15,323,237	100.00%	\$ 15,323,237
Ohio Water Development Loans		\$ 2,619,433	100.00%	\$ 2,619,433
Ohio Public Works Commission Loans		\$ 324,620	100.00%	\$ 324,620
Total Direct Debt		<u>\$ 18,267,290</u>		<u>\$ 18,267,290</u>
Overlapping:				
Willoughby-Eastlake City Schools	\$ 1,947,281,670	\$ 107,373,024	37.15%	\$ 39,889,078
Kirtland Local School District	\$ 415,174,510	\$ 8,100,000	4.57%	\$ 370,170
Auburn Joint Vocational S.D.	\$ 2,854,980,420	\$ 4,396,000	0.34%	\$ 14,946
Lake County	\$ 7,348,619,560	<u>\$ 3,300,000</u>	10.22%	<u>\$ 337,260</u>
Total Overlapping		<u>\$ 123,169,024</u>		<u>\$ 40,611,454</u>
Total Direct and Overlapping Debt		<u><u>\$ 141,436,314</u></u>		<u><u>\$ 58,878,744</u></u>

Sources: (1) Lake County Auditor's Office - general obligation debt .
(2) Percentages are determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations were for the 2022 collection year.

CITY OF WILLOUGHBY, OHIO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Overall Debt Limitation - 10.5% of Assessed Valuation	\$ 59,862,628	\$ 60,134,671	\$ 60,573,177	\$ 61,349,696	\$ 61,712,121	\$ 62,517,223	\$ 68,142,761	\$ 68,353,641	\$ 69,333,832	\$ 78,337,594
Gross Indebtedness	\$ 28,913,151	\$ 27,069,415	\$ 26,493,505	\$ 24,953,088	\$ 33,202,519	\$ 32,685,740	\$ 31,262,234	\$ 34,737,410	\$ 35,000,356	\$ 33,330,729
Less:										
OWDA	(6,222,611)	(5,708,705)	(6,410,778)	(6,345,844)	(9,970,757)	(10,048,210)	(9,935,187)	(14,456,454)	(16,020,464)	(15,674,611)
OPWC	(580,540)	(535,710)	(637,727)	(582,244)	(681,762)	(677,530)	(622,047)	(610,956)	(649,892)	(781,118)
Special Assessment Bond & BAN	(5,730,000)	(5,770,000)	(5,735,000)	(5,680,000)	(11,400,000)	(12,020,000)	(12,015,000)	(5,610,000)	(0)	0
Airport Debt	(150,000)	(145,000)	(140,000)	(135,000)	(130,000)	(125,000)	(120,000)	(115,000)	(110,000)	(100,000)
Sewer Debt	(1,535,000)	(1,465,000)	(1,395,000)	(1,325,000)	(1,255,000)	(1,185,000)	(1,110,000)	(1,035,000)	(960,000)	(880,000)
Golf Debt	(1,825,000)	(1,645,000)	(1,460,000)	(1,270,000)	(1,340,000)	(1,265,000)	(1,185,000)	(1,105,000)	(1,025,000)	(940,000)
	<u>(16,043,151)</u>	<u>(15,269,415)</u>	<u>(15,778,505)</u>	<u>(15,338,088)</u>	<u>(24,777,519)</u>	<u>(25,320,740)</u>	<u>(24,987,234)</u>	<u>(22,932,410)</u>	<u>(18,765,356)</u>	<u>(18,375,729)</u>
Net Debt Within 10.5% Limitations	12,870,000	11,800,000	10,715,000	9,615,000	8,425,000	7,365,000	6,275,000	11,805,000	16,235,000	14,955,000
Legal Debt Margin Within 10.5% Limitation*	<u>\$ 46,992,628</u>	<u>\$ 48,334,671</u>	<u>\$ 49,858,177</u>	<u>\$ 51,734,696</u>	<u>\$ 53,287,121</u>	<u>\$ 55,152,223</u>	<u>\$ 61,867,761</u>	<u>\$ 56,548,641</u>	<u>\$ 53,098,832</u>	<u>\$ 63,382,594</u>
Total Net Debt Applicable to the 10.5% Limit as a Percentage of the Debt Limit	21.50%	19.62%	17.69%	15.67%	13.65%	11.78%	9.21%	17.27%	23.42%	19.09%
Unvoted Debt Limitation - 5.5% of Assessed Valuation	\$ 31,356,615	\$ 31,499,113	\$ 31,728,807	\$ 32,135,555	\$ 32,325,397	\$ 32,747,117	\$ 35,693,827	\$ 35,804,288	\$ 36,317,722	\$ 41,033,978
Net Debt Within 10.5% Limitations	12,870,000	11,800,000	10,715,000	9,615,000	8,425,000	7,365,000	6,275,000	11,805,000	16,235,000	14,955,000
Less Debt Outside Limitations (Voted)	<u>(3,410,000)</u>	<u>(3,140,000)</u>	<u>(2,870,000)</u>	<u>(2,590,000)</u>	<u>(2,305,000)</u>	<u>(2,010,000)</u>	<u>(1,705,000)</u>	<u>(1,390,000)</u>	<u>(1,060,000)</u>	<u>(720,000)</u>
Debt Within 5.5% Limitations	<u>9,460,000</u>	<u>8,660,000</u>	<u>7,845,000</u>	<u>7,025,000</u>	<u>6,120,000</u>	<u>5,355,000</u>	<u>4,570,000</u>	<u>10,415,000</u>	<u>15,175,000</u>	<u>14,235,000</u>
Legal Debt Margin Within 5.5% Limitation*	<u>\$ 21,896,615</u>	<u>\$ 22,839,113</u>	<u>\$ 23,883,807</u>	<u>\$ 25,110,555</u>	<u>\$ 26,205,397</u>	<u>\$ 27,392,117</u>	<u>\$ 31,123,827</u>	<u>\$ 25,389,288</u>	<u>\$ 21,142,722</u>	<u>\$ 26,798,978</u>
Total Debt Applicable to the 5.5% Limit as a Percentage of the Debt Limit	30.17%	27.49%	24.73%	21.86%	18.93%	16.35%	12.80%	29.09%	41.78%	34.69%

LEGAL DEBT MARGIN CALCULATION FOR 2022

Assessed Valuation	\$ 746,072,320
Overall Debt Limitation - (10.5% of Assessed Valuation)	\$ 78,337,594
Gross Indebtedness	33,330,729
Less :	
OWDA/OPWC	(16,455,729)
Airport Debt	(100,000)
Sewer Debt	(880,000)
Recreation- Golf Debt	(940,000)
Net Debt Within 10.5% Limitations-General Obligation Bonds	<u>14,955,000</u>
Legal Debt Margin Within 10.5% Limitation*	<u>\$ 63,382,594</u>
Unvoted Debt Limitation - (5.5% of Assessed Valuation)	\$ 41,033,978
Gross Indebtedness Authorized by Council	14,955,000
Less Debt Outside Limitations- Voted	<u>(720,000)</u>
Debt Within 5.5% Limitations	<u>14,235,000</u>
Legal Debt Margin Within 5.5% Limitation*	<u>\$ 26,798,978</u>

* Calculated without regard to balance in Debt Service funds.

CITY OF WILLOUGHBY, OHIO
PLEDGED-REVENUE COVERAGE
LAST TEN YEARS

SPECIAL ASSESSMENT BONDS

<u>YEAR</u>	<u>SPECIAL ASSESSMENT COLLECTIONS</u>	<u>DEBT SERVICE</u>		<u>COVERAGE</u>
		<u>PRINCIPAL</u>	<u>INTEREST</u>	
2013	\$44,206	\$35,000	\$8,190	1.02
2014	\$45,079	\$35,000	\$6,142	1.10
2015	\$45,600	\$35,000	\$4,095	1.17
2016	\$42,175	\$35,000	\$2,048	1.14
2017	\$0	\$0	\$0	0.00
2018	\$0	\$0	\$0	0.00
2019	\$0	\$0	\$0	0.00
2020	\$0	\$0	\$0	0.00
2021	\$0	\$0	\$0	0.00
2022	\$0	\$0	\$0	0.00

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City does not currently have special assessment bonds

CITY OF WILLOUGHBY, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Total Population (1)	Total Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)	Education Attainment: Bachelor's Degree or Higher (1)	School Enrollment (4)	Unemployment Rate (3)	Population in Group Quarters (1)	Total Dwelling Units (1)	Occupied Dwelling Units Households(1)	Persons Per/Owner Households	Owner Occupied Housing Units (%)	Occupied County Population (1)
2013	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,570	6.3%	200	11,387	10,413	2.30	61.1	230,041
2014	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,536	5.5%	200	11,387	10,413	2.30	61.1	230,041
2015	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,445	4.5%	200	11,387	10,413	2.30	61.1	230,041
2016	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,322	4.9%	200	11,387	10,413	2.30	61.1	230,041
2017	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,254	5.1%	200	11,387	10,413	2.30	61.1	230,041
2018	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,197	4.3%	200	11,387	10,413	2.30	61.1	230,041
2019	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,181	3.8%	200	11,387	10,413	2.30	61.1	230,041
2020	22,268	\$673,584,732	\$30,249	\$50,611	43.6	28.3%	3,042	8.4%	200	11,387	10,413	2.30	61.1	230,041
2021	23,959	\$861,781,271	\$35,969	\$60,311	44.0	31.2%	2,905	5.0%	214	12,275	11,630	2.08	60.7	232,603
2022	23,959	\$861,781,271	\$35,969	\$60,311	44.0	31.2%	2,976	4.3%	214	12,275	11,630	2.08	60.7	232,603

(1) Source: U.S. Bureau of the Census 2010 & 2020 and 2020 ACS (American Community Survey-5 yr estimate)

(2) Source: Computation of per capita personal income multiplied by population

(3) Source: U.S Bureau of Labor Statistics

(4) Source: Willoughby-Eastlake Board of Administration and ODE Website

CITY OF WILLOUGHBY, OHIO

Income Tax Filers by Income Level

TAX YEARS 2021 and 2013

<u>Income Range</u>	2021 (1) (2)			
	<u>Number of Filers</u>	<u>Percent of Filers</u>	<u>Taxable Income</u>	<u>Percent of Taxable Income</u>
\$ 100,000 and Over	1,734	20.57%	\$298,239,299	51.7%
75,000-99,999	1,023	12.14%	88,169,489	15.3%
50,000-74,999	1,530	18.15%	94,101,931	16.3%
25,000-49,999	1,937	22.98%	73,113,789	12.7%
Under 25,000	2,205	26.16%	23,216,121	4.0%
Total	<u>8,429</u>	<u>100.00%</u>	<u>\$576,840,629</u>	<u>100.0%</u>

<u>Income Range</u>	2013 (2)			
	<u>Number of Filers</u>	<u>Percent of Filers</u>	<u>Taxable Income</u>	<u>Percent of Taxable Income</u>
\$ 100,000 and Over	1,284	13.74%	\$212,718,883	40.9%
75,000-99,999	1,017	10.89%	87,586,065	16.8%
50,000-74,999	1,541	16.50%	94,660,501	18.2%
25,000-49,999	2,487	26.62%	91,940,606	17.7%
Under 25,000	3,013	32.25%	33,789,494	6.5%
Total	<u>9,342</u>	<u>100.00%</u>	<u>\$520,695,549</u>	<u>100.0%</u>

Source: Regional Income Tax Agency as of May 31, 2023

(1) Information for 2022 was not fully available

(2) Taxable Income of residents of the City. Willoughby is a mandatory filing city but offers 100% reciprocity for up to 2% of withholdings paid to another work city.

CITY OF WILLOUGHBY, OHIO
FULL-TIME CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>FUNCTION/PROGRAM</u>	<u>#</u>	<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>
<u>Governmental</u>											
General Government											
Council	7	7	8	8	8	8	8	8	8	8	8
Mayor	1	1	1	1	1	1	1	1	1	1	1
Law	2	2	2	2	2	3	3	3	3	3	3
Personnel	1	0	1	1	1	1	1	1	1	1	1
Court	25	24	24	24	24	25	23	20	23	22	22
Building & Grounds	7	7	7	7	7	7	7	7	6	7	7
Finance	9	9	9	9	9	8	8	8	8	8	8
Service	4	4	4	4	5	5	5	4	5	5	5
Vehicle Maintenance	3	3	3	3	3	4	4	3	4	4	4
Security of Persons and Property											
Police	57	55	57	57	57	57	56	57	56	58	58
Fire	41	41	41	41	42	41	41	41	41	41	41
Public Health and Welfare											
Cemetery	2	2	2	2	2	2	2	2	2	2	2
Community Environment											
Building	7	8	7	7	7	7	7	7	7	7	7
Community Development	2	2	1	1	1	2	2	2	2	2	2
Leisure Time Activities											
Parks	4	4	4	4	4	4	4	4	4	4	4
Recreation	7	7	7	7	6	7	7	6	7	7	7
Transportation											
Street	8	9	9	9	9	9	9	8	9	9	9
Traffic	2	2	2	2	2	2	2	2	2	2	2
Total Governmental	<u>189</u>	<u>187</u>	<u>189</u>	<u>189</u>	<u>190</u>	<u>193</u>	<u>190</u>	<u>184</u>	<u>189</u>	<u>191</u>	<u>191</u>
<u>Business-Type</u>											
Sewer											
Sewer	7	7	7	7	6	6	6	5	6	6	6
WPCC	18	18	17	17	16	17	17	16	17	17	17
Airport	0	0	0	0	0	0	0	0	0	0	0
Golf Course	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>
Total Business-Type	<u>28</u>	<u>29</u>	<u>28</u>	<u>28</u>	<u>26</u>	<u>27</u>	<u>27</u>	<u>24</u>	<u>27</u>	<u>27</u>	<u>27</u>
Totals	<u>217</u>	<u>216</u>	<u>217</u>	<u>217</u>	<u>216</u>	<u>220</u>	<u>217</u>	<u>208</u>	<u>216</u>	<u>218</u>	<u>218</u>

Source: City of Willoughby Finance Dept.

CITY OF WILLOUGHBY, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>OPERATING INDICATORS BY FUNCTION/PROGRAM</u>	<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>
<u>Governmental</u>										
General Government										
Council - Ordinances & Resolutions	139	125	145	135	135	162	119	128	129	168
Personnel - Civil Service Exams (taken)	11	88	91	111	11	195	182	82	91	91
Court - Number of cases	17,110	16,370	15,165	15,060	14,943	15,685	16,010	11,832	14,543	14,804
Finance										
Number of A/P checks processed	6,053	5,934	6,005	6,208	6,047	5,616	5,031	4,403	4,492	4,566
Number of purchase orders issued	899	925	849	904	941	939	997	828	872	988
Security of Persons and Property										
Police										
Total Arrests & other Citations	4,577	6,179	4,654	4,935	4,967	3,914	3,441	1,941	5,554	3,761
Parking Citations	2,346	3,373	2,857	2,584	2,275	2,021	1,750	742	1,430	1,216
Fire										
Total Number of Calls	4,915	5,037	5,183	5,249	5,207	5,601	5,673	4,941	5,546	5,471
Public Health and Welfare										
Cemetery (plots sold)	73	80	61	74	93	88	84	84	97	105
Community Environment										
Building										
Building Permits Issued	1,008	755	803	695	700	754	794	783	834	860
Inspections - Residential	2,674	2,427	2,228	2,241	1,636	2,040	2,917	2,676	1,431	2,062
- Comm/Industrial	564	646	764	837	549	551	521	478	346	1,163
Leisure Time Activities										
Parks - Program Participants	471	382	452	546	463	460	551	0	335	380
Pools - Attendance	62,318	40,586	42,123	44,215	34,320	31,283	33,518	0	22,171	23,327
Senior Center - Membership	1,518	1,698	1,939	1,861	1,981	1,726	2,535	1,843	2,855	3,179
- Attendance	29,689	30,558	31,146	27,402	31,877	32,290	35,710	11,359	15,949	39,632
<u>Business-Type</u>										
Sewer										
Sewer - Point of Sale Inspections	292	292	319	325	378	402	372	185	408	398
WPCC										
Flow Data MG (millions of gallons)	2,366	2,306	2,235	2,121	2,354	2,427	2,220	2,382	2,157	2,279
Golf Course										
Rounds of golf	36,031	38,225	39,928	38,790	36,354	33,013	32,322	33,669	39,583	33,587

Source: Various Willoughby Departments

CITY OF WILLOUGHBY, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

<u>FUNCTION/PROGRAM</u>	<u>#</u>	<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>
<u>Governmental Capital Assets</u>											
General Government											
Other Departmental Vehicles		40	40	42	41	40	46	47	44	43	44
City Hall Square Footage		25,884	25,884	25,884	25,884	25,884	25,884	25,884	25,884	25,884	25,884
Municipal Court Square Footage		30,950	30,950	30,950	30,950	30,950	30,950	30,950	30,950	30,950	30,950
Security of Persons and Property											
Police											
Number of Stations		1	1	1	1	1	1	1	1	1	1
Number of Vehicles		30	30	30	30	32	33	31	33	33	35
Square Footage of Building		28,924	28,924	28,924	28,924	28,924	28,924	28,924	28,924	28,924	28,924
Fire											
Number of Stations		2	2	2	2	2	2	2	2	2	2
Number of Vehicles		17	17	17	17	17	17	17	18	18	18
Square Footage of Buildings		37,878	37,878	37,878	37,878	37,878	37,878	37,878	37,878	37,878	37,878
Public Health and Welfare											
Cemetery											
Number of Cemeteries		2	2	2	2	2	2	2	2	2	2
Number of Acres		50	50	50	50	50	50	50	50	50	50
Number of Vehicles		2	2	2	2	2	2	2	3	3	3
Community Environment											
Building & Zoning											
Number of Vehicles		5	5	4	4	4	5	4	4	4	4
Leisure Time Activities											
Number of Parks		14	14	14	14	14	14	14	14	14	14
Parks Acreage		153	153	153	153	153	153	153	153	153	153
Number of Swimming Pools		2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm	2 large / 1sm
Number of Ballfields		15	15	15	15	15	15	15	15	15	15
Recreation - Senior Center		1	1	1	1	1	1	1	1	1	1
Senior Center Square Footage		31,974	31,974	31,974	31,974	31,974	31,974	20,095	20,095	20,095	20,095
Number of Vehicles		12	11	11	11	12	12	12	12	12	12
Transportation											
Miles of Streets		94	96	96	96	96	96	96	96	96	96
Number of Street Lights		3,093	3,100	3,104	3,104	3,104	3,104	3,110	3,110	3,116	3,108
Number of Traffic Lights		354	354	354	354	354	354	354	354	354	354
Business-Type Capital Assets											
Sewers											
Miles of Sanitary Sewers		104	106	106	106	106	125	126	126	126	126
Miles of Storm Sewers		103	105	105	105	105	125	126	126	126	126
Airport											
Number of Runways		2	0	0	0	0	0	0	0	0	0
Golf Course											
Number of Holes		18	18	18	18	18	18	18	18	18	18
Number of Acres		141	141	141	141	141	141	141	141	141	141
Number of Vehicles		2	2	2	2	2	2	2	2	2	2

Sources: Various Willoughby Departments



HISTORY | FAMILY | FUN | PROGRESS

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF WILLOUGHBY

LAKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/28/2023

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

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