



OHIO AUDITOR OF STATE
KEITH FABER



**CITY OF AVON
LORAIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1
Schedule of Findings.....	3
Summary Schedule of Prior Audit Findings, Prepared by Management	5
Attachment: Annual Comprehensive Financial Report	

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

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

City of Avon
Lorain County
36080 Chester Road
Avon, Ohio 44011

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Avon, Lorain County, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 30, 2024.

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 purposes 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

Efficient • Effective • Transparent

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 the 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2023-001.

City's Response to Finding

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

This 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 of the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

July 30, 2024

**CITY OF AVON
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023**

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

FINDING NUMBER – 2023-001

Noncompliance and Material Weakness – Illegal Transfers

Ohio Rev. Code §§ 5705.14, 5705.15, and 5705.16 provide guidelines pertaining to allowable inter-fund transfers. In certain circumstances, which are detailed in Ohio Rev. Code Section 5705.14, transfers from funds other than the General Fund may be made by resolution of the taxing authority, passed with a two-thirds affirmative vote. Transfers from the general fund require a resolution passed by a simple majority of the board members. In addition to the transfers allowed, which Ohio Rev. Code § 5705.14 authorizes, the taxing authority of any political subdivision, with the approval of the Tax Commissioner, may transfer from one fund to any other funds under its supervision, except the proceeds or balances of loans, bond issues, special levies for the payment of loans or bond issues, the proceeds or balances of funds derived from any excise tax levied by law for a specified purpose, and the proceeds or balances of any license fees imposed by law for a specified purpose.

Contrary to the aforementioned sections of the code, during the year, several transfers occurred that did not follow the Ohio Rev. Code:

The City transferred \$175,000 from the Park Operating Special Revenue Fund (250) to the Recreation Special Revenue Fund (249). The transfer occurred during 2023, as this was a typical fund transfer that was budgeted as needed in the Recreation Special Revenue Fund (249). This fund would get low on cash balance from time to time, and the City determined the transfer would be made from the Park Operating Special Revenue Fund (250), rather than the General Fund to replenish the low cash balance in the Recreation Special Revenue Fund (249). Similarly, in 2022, the City transferred \$200,000 from the Park Operating Special Revenue Fund (250) to the Recreation Special Revenue Fund (249). The illegal transfer was reported to management in 2022 but not adjusted to the financial statements or the City's accounting system, rather posted to the Summary of Identified Misstatements (SIM). The accompanying financial statements and City's accounting system have been adjusted to move the \$375,000 back to the Park Operating Fund (250).

Also in 2022, the City transferred \$360,000 from the 2021 Road Improvement Capital Projects Fund (419) to the Remaining Fund Information – Capital Improvements Capital Projects Fund (401), contrary to Ohio Law. The illegal transfer was reported to management in 2022 but not adjusted to the financial statements and the City's accounting system, rather posted to the SIM. The accompanying financial statements have been adjusted to move the \$360,000 back to the 2021 Road Improvement Capital Projects Fund (419).

The City transferred \$500,000 from the Recreation Income Tax Capital Project Fund (240) to the Recreation Special Revenue Fund (249). The transfer occurred during 2023, for the Middle School Turf Project. The accompanying financial statements have been adjusted to move the \$500,000 back to the Recreation Income Tax Capital Project Fund (240).

Illegal transfers have a direct and material impact on the financial statements.

**CITY OF AVON
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023
(CONTINUED)**

We recommend the City make transfers only in accordance with Ohio Revised Code. Failure to do so could result in illegal transfers in future years and the users of the financial statements basing their conclusions on materially misstated financial data.

Official's Response:

The City will look to follow the ORC with regard to fund transfers.



CITY OF AVON

36080 CHESTER ROAD • AVON, OHIO 44011-1099 • (440) 937-7800 • FAX (440) 937-7824

CITY OF AVON
LORAIN COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	The City failed to submit the required Project and Expenditure Report, during 2022, due to the lack of internal controls over reporting, and did not contact the U.S. Department of Treasury to provide reasons for not filing.	Fully Corrected.	None.

City of Avon, Ohio

Annual Comprehensive Financial Report



For the Fiscal Year Ended December 31, 2023

INTRODUCTORY SECTION

City of Avon, Ohio

Annual Comprehensive Financial Report

For The Year Ended December 31, 2023

Prepared by:

Office of the Director of Finance

Steven J. Presley
Director of Finance

City of Avon, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023
Table of Contents

	<u>Page</u>
<i>I. Introductory Section</i>	
Title Page	i
Table of Contents	ii
Letter of Transmittal	vi
Principal Officials	xii
Organizational Chart	xiii
GFOA Certificate of Achievement	xiv
 <i>II. Financial Section</i>	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	23
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual:	
General Fund	24
Fire Department Fund	25
Police Fund	26
Statement of Fund Net Position – Proprietary Funds	27
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	28
Statement of Cash Flows – Proprietary Funds	29
Statement of Fiduciary Net Position – Custodial Fund	30
Statement of Changes in Fiduciary Net Position – Custodial Fund	31

City of Avon, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023
Table of Contents (continued)

	<u>Page</u>
Notes to the Basic Financial Statements	32
 Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Public Employees Retirement System – Traditional Plan – Last Ten Years	86
Schedule of the City’s Proportionate Share of the Net Pension Asset – Ohio Public Employees Retirement System – Combined Plan – Last Six Years	88
Schedule of the City’s Proportionate Share of the Net Pension Liability – Ohio Police and Fire Pension Fund – Last Ten Years	90
Schedule of the City’s Proportionate Share of the Net OPEB Asset/Liability – Ohio Public Employees Retirement System – Last Seven Years	92
Schedule of the City’s Proportionate Share of the Net OPEB Liability – Ohio Police and Fire Pension Fund – Last Seven Years	94
Schedule of the City’s Contributions – Ohio Public Employees Retirement System – Last Ten Years	96
Schedule of the City’s Contributions – Ohio Police and Fire Pension Fund – Last Ten Years.....	98
Notes to the Required Supplementary Information	100
 Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Fund Descriptions	106
Combining Balance Sheet – Nonmajor Governmental Funds	110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	111
Combining Balance Sheet – Nonmajor Special Revenue Funds	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	114
Combining Balance Sheet – Nonmajor Capital Projects Funds	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	118

City of Avon, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023
Table of Contents (continued)

	<u>Page</u>
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balances/Equity – Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund	122
Fire Department Fund	126
Police Fund	127
Special Assessment Bond Retirement Fund	128
Tax Increment Financing Fund	129
Water Fund	130
Sewer Fund	131
Nonmajor Funds:	
Street Construction, Maintenance and Repair Fund	132
Recycling Fund	133
State Highway Fund	134
Permissive Tax Fund	135
Mayor’s Court Computer Fund	136
Recreation Fund	137
Park Operating Fund	139
Park Development and Improvement Fund.....	140
Donations Fund	141
Economic Development and Tourism Fund	142
Opioid Settlement Fund	143
Lorain Public Library Fund	144
General Obligation Bond Retirement Fund	145
Equipment Fund	146
Storm Water Detention Fund	147
Road and Bridges Fund	148
Sidewalk Programs Fund	149
Storm and Sanitary Sewers Fund	150
Municipal Buildings Fund.....	151
Recreation Complex Fund.....	152
Stadium Marquee Fund	153
Capital Improvements Fund	154
Traxler Property Fund	155
City-Wide Bike Trails Fund	156
Storm Water Fund	157

City of Avon, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023
Table of Contents (continued)

	<u>Page</u>
III. Statistical Section	
Net Position by Component – Last Ten Years	S2
Changes in Net Position – Last Ten Years	S4
Fund Balances, Governmental Funds – Last Ten Years	S10
Changes in Fund Balances, Governmental Funds – Last Ten Years	S12
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Years	S14
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years	S16
Property Tax Levies and Collections – Last Ten Tax Years	S20
Principal Real Property Taxpayers – Current and Nine Years Ago	S22
Income Tax Revenue Base and Collections – Last Ten Years	S23
Income Tax Statistics – Last Ten Tax Years	S24
Ratios of Outstanding Debt by Type – Last Ten Years	S26
Computation of Direct and Overlapping Governmental Activities Debt	S27
Legal Debt Margin – Last Ten Years	S28
Principal Employers – Current and Nine Years Ago.....	S31
Demographic and Economic Statistics – Last Ten Years.....	S32
Full-Time Equivalent City Government Employees by Function/Program – Last Ten Years	S34
Operating Indicators by Function/Program – Last Ten Years	S36
Capital Assets Statistics by Function/Program – Last Ten Years.....	S40



CITY OF AVON

36080 Chester Road · Avon, OH 44011 · Phone (440) 937-7800 · Fax (440) 937-7824 · www.cityofavon.com

July 30, 2024

Members of City Council and
Citizens of Avon
Avon, Ohio 44011-1588

We are pleased to submit the Annual Comprehensive Financial Report for the year ended December 31, 2023.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires the cities reporting on a GAAP basis to file unaudited basic financial statements with the Auditor of State within 150 days of the fiscal year end. This report is submitted to satisfy that requirement for the year ended December 31, 2023.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Under Ohio law, regular audits are required to be performed on all financial related operations of the City. These audits may be done by either the State Auditor's Office or, if the State Auditor permits, an independent public accounting firm. For the year 2023, the City of Avon was audited by the Ohio Auditor of State's office. Their unmodified opinion is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of 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 City of Avon was founded in 1814, incorporated as a village in 1917, and achieved City status in 1961. The City of Avon is located in Lorain County in northeast Ohio, 22 miles west of downtown Cleveland. The City is bounded on the north by the City of Avon Lake, on the east by the City of Westlake, on the west by the Village of Sheffield, and on the south by the City of North Ridgeville. The City covers 20.5 square miles, or a total of 13,120 acres. Avon is between 625 and 700 feet above sea level. The French Creek waterway runs throughout the City's relatively flat topography. The 2020 U.S. Census Bureau reports the City's population at 24,847, up 17 percent from 21,193 in 2010; however, the current estimated, non-Census population of the City is 25,375.

Avon is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. A charter was first adopted by the electorate on May 2, 1961. The charter provides for a Mayor-Council form of government. The elected officials consist of a Mayor and seven council members.

The Mayor is the City's chief executive officer and is elected to a four-year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. As the chief conservator of the peace, he oversees the enforcement of all laws and ordinances. He also executes all contracts, conveyances, and evidences of indebtedness of the City. A magistrate presides over the mayor's court and reports to the Mayor.

Legislative authority is vested in a seven-member council with four members elected from wards and three elected at large. All of the Council members choose an at large member to serve as Council President. Council enacts ordinances and resolutions relating to tax levies, appropriations, borrowing money, and accepting bids for materials and services and other municipal purposes.

CITY DEPARTMENTS & SERVICES

The Avon Fire Department employs 41 full-time and 1 part-time firefighter paramedics that offer much more than fire protection and emergency services. The Avon Fire Department strives to exceed the expectations of the citizens and visitors to our City through a professional all hazards approach; guided by honor, integrity, pride, accountability, and the dedication of its 42 members. The department provides 24-hour fire protection, emergency medical services, hazardous material response, specialty rescue, fire prevention and public education.

In 2023, the department answered 4,047 calls for service which includes 3,307 calls for EMS, and 740 fire related calls. Some members of the department are involved with a regional response team that specializes in unique dynamic emergencies that takes specialized training such as building collapse, trench rescue, water and ice surface and sub-surface rescue, lost person search and more. These individuals logged more than 700 hours of training beyond what the department provides and worked with other local departments from Avon Lake to Wellington to keep us all safer.

In 2023, the department certified 183 people in CPR/AED use and installed over 58 child car seats. Our Fire Prevention Bureau completed 2,193 fire safety inspections, and with the help of some on duty personnel, brought a modified public education program to over 500 students from pre-K to 2nd grade. The department also installed over 40 residential lock boxes through the senior lock box program and even installed a few smoke detectors for those seniors who did not have anyone else to help. We will continue to address the needs of our community in the coming years.

The Avon Police Department handled 21,602 calls for service in 2023, which included 608 traffic crashes handled (both roadway and private property). There were 1,824 traffic citations issued for various violations and the agency took 529 criminal reports resulting in 338 criminal arrests.

In 2023, the department continued participation in community events which included the Avon annual Safety Fair, BBQ with the Blue cook outs at our local parks, Summer Lunch Program, Movie Night at the Park, Trick or Treat, 4th of July Bike Parade, Shop with a Cop, and numerous other toy drives, food drives, fundraisers, and events throughout the City. Our School Resource Officers were active full time in the Middle School and High School along with our regular patrol officers conducting regular checks of all of the schools in town. During the summer months our School Resource Officers along with our patrol staff worked to help prepare our kindergarten class for school at Safety Town.

The department offers several programs to help out residents that include vacation house checks, residential and commercial crime prevention surveys, teen home alone program, security camera registration, and emergency alert notifications. More information on these and other programs can be found on our website at WWW.AVONPD.COM as well as our social media channel at WWW.FACEBOOK.COM/AVONOHPOLICE.

The City of Avon Parks & Recreation Department offers a host of activities for children, adults and families to enjoy throughout the year. Just to name a few are the Safety Town, Creative Cupcakes, Playground Days, Youth Volleyball and Basketball Leagues, Yoga programs and partnering with the Avon Local School District coaches and staff members to offer a variety of seasonal sport camps throughout the year. We have several family-fun activities, free to the residents of Avon. These events showcase what our various parks and facilities have to offer our community. They include Movie Night in the Park, Not So Spooky Halloween, Family Bingo Night, Health and Safety Fair, Superhero Day and our annual Pool Party to celebrate the start of summer.

In 2021, the City purchased 17 acres of parkland adjacent to Veteran’s Memorial Park on the City’s west side. The City was awarded a grant through the Land and Water Conservation Funds program of the Ohio Department of Natural Resources to acquire this property. In addition, the seller of the property donated one-third of the property value to the City.

In 2022, the City and the Avon Local School District partnered to build 8 tennis courts and 5 pickleball courts, with an additional 6 pickleball on the tennis courts. These courts are located at Avon High Schools and are available for residents to enjoy, along with the tennis/pickleball programs.

The City Administration continues to seek parkland for use by residents and visitors alike.

The Avon Service Department is responsible for performing maintenance, repair and improvements to the City-owned infrastructure in order to provide for the safe, efficient, and expeditious movement of motor vehicles and pedestrians throughout the City. Presently, there are over 162 miles of paved streets and roadways throughout the City. The Department maintains all the City vehicles and equipment.

The Avon Utilities Department is responsible to maintain over 237 miles of water and sanitary sewer lines throughout the City. Additionally, 3 water storage tanks, 2 water booster stations and 3 sewer lift stations are maintained daily. The Utilities Department sends in excess of 9,000 monthly invoices to all the residents and businesses for their water consumption and sewer discharge. The department is also responsible for ensuring all Federal and State EPA regulations are followed for both water and sanitary sewer. In 2018, the City established a storm water fund that is used towards the maintenance and management of storm water throughout the City.

The Avon Building Department manages and inspects all construction activities within the City, ensuring that contractors are performing up to both the City and State building codes. In addition, they are here to assist residents and businesses with all re-modeling and new construction projects. The Building Department reviewed and inspected \$51,369,119 of building permit values in 2023.

The Avon Planning & Zoning Department’s main function is being the channel through which all development applications are processed and development codes are enforced. The Planning Department is the platting authority of the City and ensures that development proposals adhere to City regulations and meet sound planning principles. The Planning & Zoning Department reviewed over 100 planning or zoning applications in 2023.

The Avon Finance Department is responsible for the accurate recording of all financial transactions for the City including monitoring of all assets and liabilities, keeping accurate accounting of all tax revenues and assessments, collecting all monies, payroll and benefits administration and authorization of all City purchasing functions.

The Avon Information Technology Department is responsible for the operation and maintenance of the City’s hardware and software. The IT Department manages about 500 devices and 50 software programs.

Other services provided by the City include a Mayor’s Court, facility rentals for parties and other events and general administrative services.

GENERAL INFORMATION ABOUT AVON

A number of major State and county roads traverse the City of Avon, including Interstate 90, Ohio State Routes 83, 254 and 611. The Ohio Turnpike is approximately ten miles south of the City. The City of Avon is serviced by two airports, Cleveland Hopkins International Airport, 16 miles southeast, and Lorain County Regional Airport, 15 miles southwest.

Shopping centers in the City of Avon include Avon Commons, Avon Crossings, Chester Road Square, French Creek Square, 2100 Center, City Centre and Market Place at Avon. Other retail facilities in Avon include Ashley Home Stores, Cabela’s, Duluth Trading Company, Hobby Lobby, Levin Furniture, Meijer, Menard and various other stores. Several large shopping centers are located within close proximity of the City including the

Promenade and Crocker Park in Westlake, Great Northern Mall in North Olmsted, and South Park Mall in Strongsville. The City of Avon is home to many fine restaurants, with more in the construction and planning phases. Banks with branches in the City include Fifth Third Bank, The First Federal Savings and Loan of Lorain, First National Bank, PNC Bank, Dollar Bank, Key Bank, Third Federal Savings and Loan, Northwest Bank, Huntington National Bank, First Federal of Lakewood and Chase Bank.

The Board of Education of the Avon Local School District is a separate political subdivision of the State, although its territorial boundaries are coterminous with those of the City. The Board of Education provides public education for kindergarten through 12th grade. Avon Local School enrollment is 4,416. Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Baldwin-Wallace University, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Lakeland Community College, Lorain County Community College, Kent State University, Notre Dame College, Oberlin College, Southeastern Business College, Ursuline College, the Cleveland Institute of Music and the Cleveland Institute of Art.

CITY PROFILE – ECONOMIC CONDITIONS

Residential Information

The City of Avon is appealing to new residents because of their excellent schools and City services. The current estimated average household income in Avon, \$155,344 is 257 percent of the State average and 159 percent of the national average. The current estimated median age for Avon residents is 40. Over 61 percent of Avon residents have attained an Associate Degree or higher. The current estimated average property value for a residence in Avon is \$282,100. The number of new single-family home permits issued for the year 2023 was 26 with an approximate valuation of \$17,412,496 compared to 40 single-family home permits issued the previous year with a valuation of \$21,733,183.

There are now over 35 residential developments in the City of Avon. In addition, many residents still choose to live on the primary thoroughfares that traverse the City.

Commercial & Industrial Development

Commercial permits for new construction issued 2023 had a valuation of \$40,628,674 compared to \$67,976,497 in 2022. There are numerous commercial projects and expansions presently underway in the City, including Dick's Sporting Goods, Coopers Hawk Winery, and Top Golf.

Assessed Valuations

The assessed valuation for tax year 2023 for the City of Avon is \$1,134,413,860 per the Lorain County Auditor's Office. Property taxes will be collected on this valuation in 2024. This is 15,008,790 (1.3 percent) more than the tax year 2022 valuation. The City's assessed value equates to approximately \$3.2 billion at full market value. The Lorain County Auditors' Office performed a full six-year appraisal of all properties throughout the County in 2018. This re-appraisal resulted in about a 9 percent increase in valuation among both residential and commercial properties. The Lorain County Auditors' Office conducted a Triennial appraisal in 2021 resulting in about a 12 percent increase in valuations in Avon.

Because the City has fifteen Tax Increment Financing (TIF) agreements in place for much of the commercial property north of I-90, these values are considered exempt and therefore not included in the County Auditor's total taxable assessed valuations. The City and the Avon Local School District both collect Tax Increment Financing revenues as if they were property taxes. Presently, the City is collecting TIF revenues on an estimated commercial assessed valuation of over \$321,000,000.

The City of Avon also has 4 Enterprise Zone Authority (EZA) tax abatement agreements currently in effect. The City agreed to forego the collection of a portion of property taxes for businesses locating in Avon for up to 15 years. The City considers such agreements beneficial to the overall health and financial stability of the City as these businesses bring in many new employees as part of the EZA agreements. This adds to the income tax revenues of the City. Once the agreements expire the City then realizes an increase in property tax collections.

See the history of assessed valuations in the Statistical Section of this report.

Income Tax

In March of 2020, Ohio's General Assembly passed House Bill 197 in response to the COVID-19 pandemic. This bill addressed various topics, including local income tax collection. The provisions of this legislation are being challenged in court, and the ultimate disposition is not known. The City's income tax receivable/revenue reported in these statements has been calculated consistent with the provisions of House Bill 197.

REVELANT FINANCIAL POLICIES

The budget must be structurally balanced so that revenues support expenditures. Budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund.

The budget is controlled at the object level within each fund. Council action is not necessary for the transfers of appropriations within an object. The budget may be amended or supplemented at any time during the year upon formal action of Council. Transfers of cash between funds require City Council authorization.

LONG-TERM FINANCIAL PLANNING

The City's Finance Department continuously reviews all monetary transactions. In addition, the Finance Department works diligently to manage and analyze revenues of the City so that all funds maintain optimal balances. The City's financial operations remain strong due to its historically steady rate of income tax growth, expected future expansion of commercial and industrial employers, a healthy Aa1 credit rating (Moody's) and a demonstrated track record of sound budgeting and financial management. The City maintains an efficient balance between debt funded and cash funded municipal projects.

The City of Avon has established fifteen Tax Increment Financing (TIF) Districts throughout the commercial and industrial zoned areas, primarily north of Interstate 90. The historical and future revenues received from these TIF districts contribute to various infrastructure improvements such as the Nagel Road Interchange and to debt service on existing bonds that were used to finance qualified infrastructure related projects. All TIF agreements in place are "30 year agreements" and each one keeps the Avon Local School District whole.

AWARDS & ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an easily readable and efficiently organized Annual Comprehensive Financial Report which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The City of Avon has received the Certificate of Achievement for its Annual Comprehensive Financial Report each year dating back a number of years. A Certificate of Achievement is valid for a period of one year.


The City of Avon believes the current report continues to conform to the requirements and standards of the Certificate of Achievement Program and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

For 2009, the City received the Auditor of State's "Making Your Tax Dollars Count" Award, and for years 2010, 2011, 2013 and 2017 the City was presented with the "Auditor of State Award with Distinction."


The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the supervisors of the other City departments. The preparation of the Annual Comprehensive Financial Report requires a major effort, and we would like to express our appreciation to everyone who assisted and contributed to the presentation of this year's report. Special acknowledgment is extended to the Local Government Services Section of the Office of the Auditor of State for their continued guidance in the preparation of this report.

We are happy to report that the City's financial policies and management, combined with a strong local economy, have enabled Avon to continue to improve its already sound financial condition. In addition, the prospects for continuing this trend are encouraging. Each year we renew our commitment to implement responsible and progressive changes in order to improve our responsiveness to the citizenry and to ensure the financial stability of the community. We extend our appreciation to City Council for its continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



Bryan K. Jensen
Mayor



Steven J Presley CPA
Director of Finance

City of Avon, Ohio
Principal Officials
December 31, 2023

Elected Officials:

Mayor..... Bryan K. Jensen
President of Council Brian Fischer
Council Member at Large Michelle Patton
Council Member at Large Mary Berges
Council Member – Ward I..... Jennifer Demaline
Council Member – Ward II..... Dennis McBride
Council Member – Ward III Anthony Moore
Council Member – Ward IV Scott Radcliffe

Directors:

Director of Law..... John A. Gasior
Director of Finance Steven J. Presley
Director of Public Safety and Public Service..... Duane P. Streator

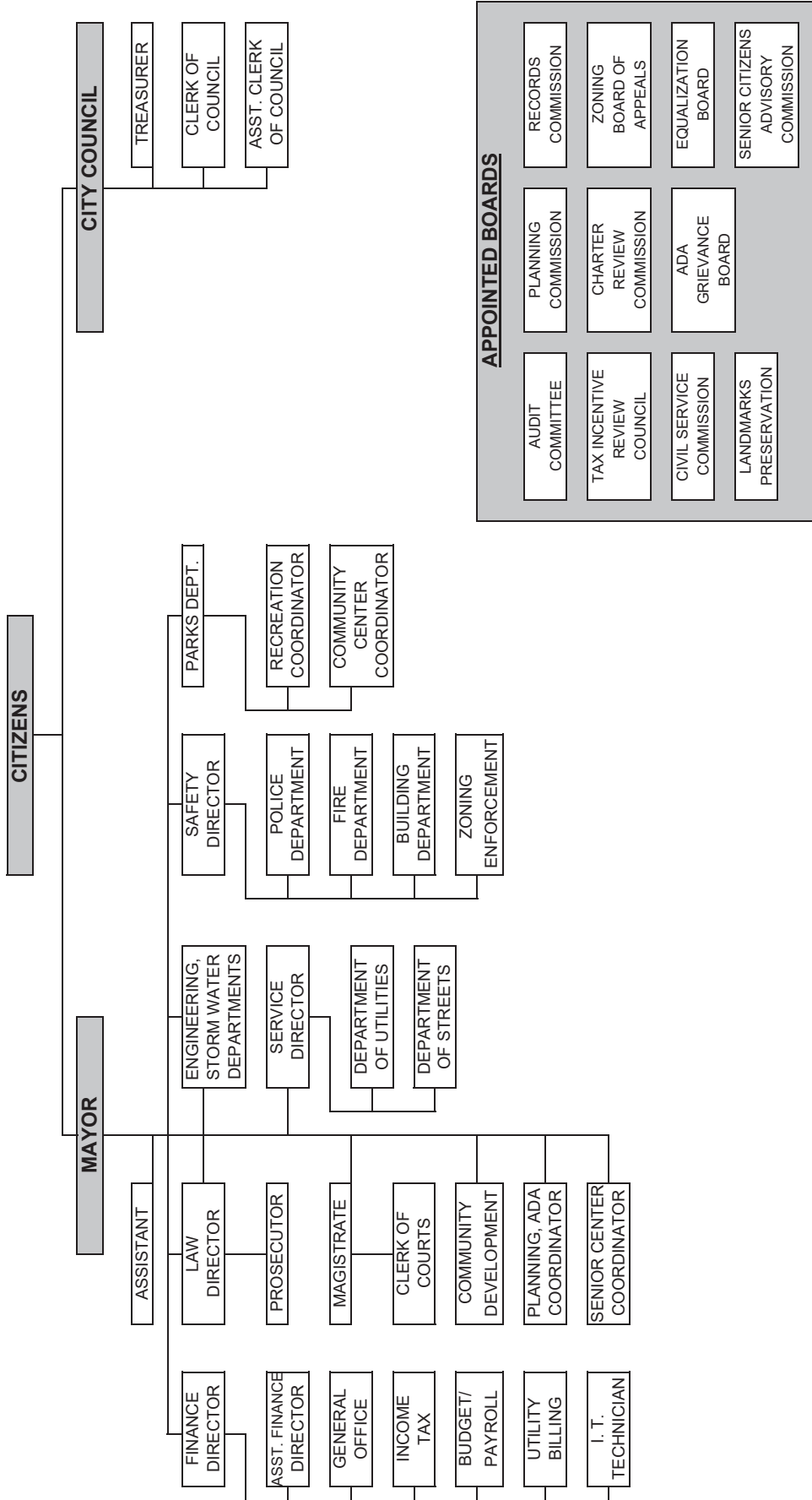
Chairmen, Boards and Commissions:

Board of Zoning and Building Appeals Mark Ladegaard
Planning Commission Carolyn Witherspoon
Civil Service Commission Peter G. Kratt

Other Staff Members:

Treasurer..... Kathleen Grisa
City Consulting Engineer Ryan Cummins, Chagrin Valley Engineering
Superintendent of Utilities..... Brian Bruce
Secretary to the Mayor..... Rose Seighman
Clerk of Council Barbara J. Brooks
Clerk of Court..... Sharon Firestone
Assistant Director of Finance Beth A. Raicevich
Planning Coordinator Pam Fechter
Clerk Secretary of Planning Commission and Zoning Board of Appeals Jill K. Clements
Prosecutor Richard Kray
City Magistrate Thomas C. Stringer
Chief of Police Daniel N. Fischbach
Police Captain..... Lawrence M. Fischbach III
Chief of Fire..... David Swope
Assistant Chief of Fire Brett A. Bruehler
Chief Building Inspector..... Emily Hanson

CITY OF AVON ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Avon
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL
SECTION

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

City of Avon
Lorain County
36080 Chester Road
Avon, Ohio 44011

To the Members of Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Avon, Lorain County, Ohio (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Avon, Lorain County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Fire Department Fund, and Police Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue our report dated July 30, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

July 30, 2024

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The discussion and analysis of the City of Avon's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2023 are:

- Income tax collections increased by 7.9 percent over 2022. This is mostly the result of an increase in individuals working from home here in Avon, the addition of the Bendix corporation and many other small businesses opening in Avon.
- Tax increment financing (TIF) revenues increased by 6.2 percent over 2022. This is primarily a result of commercial and industrial development and expansion in the City. TIF revenue growth has averaged 18.6 percent, annually, over the last 5 years.

Using This Annual Comprehensive Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of Avon as a financial whole or an entire operating entity. The statements here proceed to provide an increasingly detailed look at our specific financial conditions.

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

Reporting the City of Avon as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows and liabilities and deferred inflows using the accrual basis of accounting similar to the accounting method used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in that position. The changes in net position are important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished; however, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City capital assets will also need to be evaluated.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

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 and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Revenue and Expenses
- General Revenues
- Net Position Beginning of Year and Year's End

Reporting the City of Avon's Most Significant Funds

Fund Financial Statements

The discussion of the City's funds begins on page 11. Fund financial statements provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents; however, these fund financial statements focus on the City's most significant funds. In the case of the City of Avon, the major funds are the general, fire department, police, special assessment bond retirement, tax increment financing, water, and sewer.

Governmental Funds

Most of the City's activities are reported in the governmental funds that focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Governmental funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

Proprietary funds (the water, sewer, and storm water funds) have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the City as a whole.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The City of Avon as a Whole

The statement of net position looks at the City as a whole. Table 1 provides a summary of the City's net position at December 31, 2023 compared to December 31, 2022.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	\$75,857,999	\$70,137,207	\$11,425,183	\$10,530,773	\$87,283,182	\$80,667,980
Net Pension Asset	55,760	85,521	11,414	17,511	67,174	103,032
Net OPEB Asset	0	1,013,283	0	207,534	0	1,220,817
Capital Assets, Net	126,495,117	124,313,237	39,817,520	40,337,633	166,312,637	164,650,870
<i>Total Assets</i>	<u>202,408,876</u>	<u>195,549,248</u>	<u>51,254,117</u>	<u>51,093,451</u>	<u>253,662,993</u>	<u>246,642,699</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	2,441,758	2,637,434	104,842	111,400	2,546,600	2,748,834
Pension	13,879,452	7,373,247	836,266	349,224	14,715,587	7,722,471
OPEB	2,166,509	1,661,180	128,282	14,749	2,294,791	1,675,929
<i>Total Deferred Outflows of Resources</i>	<u>18,487,719</u>	<u>11,671,861</u>	<u>1,069,390</u>	<u>475,373</u>	<u>19,556,978</u>	<u>12,147,234</u>
Liabilities						
Current and Other Liabilities	5,060,658	6,302,074	558,029	1,359,656	5,618,687	7,661,730
Long-Term Liabilities:						
Due Within One Year	5,314,982	4,951,919	365,686	216,083	5,680,668	5,168,002
Due In More Than One Year:						
Other Amounts	62,012,214	67,036,946	4,182,501	4,504,473	66,194,715	71,541,419
Net Pension Liability	37,755,780	20,645,656	1,962,779	588,157	39,718,559	21,233,813
Net OPEB Liability	2,312,638	3,118,396	41,173	0	2,353,811	3,118,396
<i>Total Liabilities</i>	<u>112,456,272</u>	<u>102,054,991</u>	<u>7,110,168</u>	<u>6,668,369</u>	<u>119,566,440</u>	<u>108,723,360</u>
Deferred Inflows of Resources						
Property Taxes	7,762,475	7,567,484	0	0	7,762,475	7,567,484
Payments in Lieu of Taxes	3,982,748	3,908,686	0	0	3,982,748	3,908,686
Leases	2,156,577	2,602,943	0	0	2,156,577	2,602,943
Pension	1,295,462	9,244,017	18,522	732,379	1,313,853	9,976,396
OPEB	2,303,760	2,276,929	13,640	220,228	2,317,400	2,497,157
<i>Total Deferred Inflows of Resources</i>	<u>17,501,022</u>	<u>25,600,059</u>	<u>32,162</u>	<u>952,607</u>	<u>17,533,053</u>	<u>26,552,666</u>
Net Position						
Net Investment in Capital Assets	65,236,888	58,157,066	35,584,504	35,280,827	100,821,392	93,437,893
Restricted:						
Capital Projects	1,464,462	1,785,896	0	0	1,464,462	1,785,896
Debt Service	12,453,010	12,175,220	0	0	12,453,010	12,175,220
Other Purposes	9,029,026	9,441,496	11,414	225,045	9,040,440	9,666,541
Unrestricted (Deficit)	2,755,915	(1,993,619)	9,585,259	8,441,976	12,341,174	6,448,357
<i>Total Net Position</i>	<u>\$90,939,301</u>	<u>\$79,566,059</u>	<u>\$45,181,177</u>	<u>\$43,947,848</u>	<u>\$136,120,478</u>	<u>\$123,513,907</u>

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The net pension liability (NPL) is one of the largest single liabilities reported by the City at December 31, 2023. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange; however, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Total assets increased during 2023 by \$7 million. The largest increases were seen in cash and cash equivalents. Cash and cash equivalents increased due to revenues outpacing operational needs for the City as a whole, along with a more favorable fair value related to the City’s investment portfolio. Total liabilities increased by \$10.8 million during 2023. The increase in overall liabilities is due to increased long-term liabilities. The increase in long-term liabilities is primarily the result of incorporated changes affecting the net pension liability calculation.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

Table 2 shows the changes in net position for the year ended December 31, 2023.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for Services and Operating Assessments	\$5,268,538	\$6,421,752	\$10,258,321	\$10,425,386	\$15,526,859	\$16,847,138
Operating Grants and Contributions	2,427,138	2,212,068	0	0	2,427,138	2,212,068
Capital Grants and Contributions	4,789,583	3,726,917	537,762	735,000	5,327,345	4,461,917
Total Program Revenues	12,485,259	12,360,737	10,796,083	11,160,386	23,281,342	23,521,123
General Revenues:						
Property Taxes	7,861,632	7,486,735	0	0	7,861,632	7,486,735
Municipal Income Taxes	29,839,389	27,649,761	0	0	29,839,389	27,649,761
Permissive Motor Vehicle License Taxes	72,962	126,304	0	0	72,962	126,304
Grants and Entitlements	1,267,543	1,042,871	0	0	1,267,543	1,042,871
Unrestricted Contributions	53,321	13,889	0	0	53,321	13,889
Investment Earnings/Interest	1,574,362	(363,311)	0	0	1,574,362	(363,311)
Payments in Lieu of Taxes	3,789,746	3,568,398	0	0	3,789,746	3,568,398
Gain on Sale of Capital Assets	0	21,084	0	0	0	21,084
Miscellaneous	997,798	735,386	62,854	52,305	1,060,652	787,691
Total General Revenues	45,456,753	40,281,117	62,854	52,305	45,519,607	40,333,422
Total Revenues	57,942,012	52,641,854	10,858,937	11,212,691	68,800,949	63,854,545
Program Expenses						
General Government	7,982,516	6,287,817	0	0	7,982,516	6,287,817
General Government - Intergovernmental	2,113,033	2,028,402	0	0	2,113,033	2,028,402
Security of Persons and Property	19,232,747	15,271,596	0	0	19,232,747	15,271,596
Transportation	7,280,164	7,102,533	0	0	7,280,164	7,102,533
Community Environment	3,605,292	2,937,305	0	0	3,605,292	2,937,305
Basic Utility Services	1,182,906	982,002	0	0	1,182,906	982,002
Leisure Time Activities	3,566,642	3,186,822	0	0	3,566,642	3,186,822
Interest	1,779,562	1,844,391	0	0	1,779,562	1,844,391
Water	0	0	3,206,866	4,249,346	3,206,866	4,249,346
Sewer	0	0	5,869,251	5,233,417	5,869,251	5,233,417
Storm Water	0	0	375,399	306,286	375,399	306,286
Total Expenses	46,742,862	39,640,868	9,451,516	9,789,049	56,194,378	49,429,917
Increase in Net Position Before Transfers	11,199,150	13,000,986	1,407,421	1,423,642	12,606,571	14,424,628
Transfers	174,092	17,025	(174,092)	(17,025)	0	0
Changes in Net Position	11,373,242	13,018,011	1,233,329	1,406,617	12,606,571	14,424,628
Net Position, January 1	79,566,059	66,548,048	43,947,848	42,541,231	123,513,907	109,089,279
Net Position, December 31	\$90,939,301	\$79,566,059	\$45,181,177	\$43,947,848	\$136,120,478	\$123,513,907

Governmental program revenues increased primarily from increased capital grants and contributions from developers. While program revenues provide considerable assistance in the provision of governmental services, the burden of governmental support is met by general revenues such as property taxes, municipal income taxes, and grants and entitlements. General revenues increased from the prior year mainly due to increases in municipal income taxes, investment earnings/interest, property taxes, and payments in lieu of taxes due to an improving economy and increased assessed values.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The three largest governmental activities expenses are related to security of persons and property, general government, and transportation. All three increased due to higher personal services and changes in assumptions related to the net pension liability for then pension systems.

Program revenues make up a significant portion of the total revenues for business-type activities. Charges for services and operating assessments decreased due to fewer special assessment collections. Capital grants and contributions decreased from the prior year due to decreased ARPA grant funding, which was partially offset by the donated assets from developers for sewer lines.

GOVERNMENTAL ACTIVITIES

Several revenue sources fund the City's governmental activities with City income tax being the largest contribution. The general income tax rate of 1 percent was established by City Ordinance No. 371-68, passed February 28, 1968. The Income Tax Ordinance was amended on November 2, 1993 requiring proposed tax rate changes be submitted to the electors of the City for approval or rejection. On November 6, 2002 the electors approved an increase in the income tax rate to 1-1/2 percent from 1 percent and a change in the tax credit for residents having income taxable in another community. In November 2007, the electors approved an increase in the income tax rate to 1-3/4 percent and a change in the tax credit. In 2023, the revenue from municipal income taxes increased by \$2.2 million from the prior year as a result of the economy continuing to improve since the pandemic.

The City of Avon is very aggressive in collecting delinquent income tax. The City utilizes the Regional Income Tax Agency for income tax collections. Their collection efforts including subpoena programs and small claims court are very effective and cost justified. The City's strong and diversified commercial and industrial tax base provide the City with a predictable revenue stream. There's an estimated 22,168 people working in Avon.

Charges for services represents receipts from the Mayor's Court, cable television, building permits, park development and improvement fees, recreation program fees, emergency rescue fees, contractor registration, community center rental fees, and storm water detention fees.

Within the category of security of persons and property expense are the Police Department and the Fire Department.

The Police Department is very efficient and continues to operate within its budget each year. The Police Department is partially funded by a continuous 2 mill levy, a portion of the 0.50 income tax revenue and through general fund transfers of revenues. The department has a 5 year, 0.50 mill equipment levy that is utilized for capital asset purchases, including vehicles.

The Fire Department is also very efficient and operates well within its annual budget. The department is partially funded with a portion of the .50 percent income tax that was passed by Avon voters in 2002, along with emergency rescue services revenue and through transfers from the general fund. Like the Police Department, the Fire Department also has a 5 year, 0.50 mill equipment levy that is utilized for capital asset purchases, including vehicles and equipment for both the Fire Department and rescue squad. The department continues to upgrade emergency fire and rescue equipment to better serve the community.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services shown below identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Total Cost and Net Cost of Services

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General Government	\$7,982,516	\$6,287,817	(\$5,809,185)	(\$3,029,514)
General Government - Intergovernmental	2,113,033	2,028,402	(2,113,033)	(2,028,402)
Security of Persons and Property	19,232,747	15,271,596	(17,571,505)	(14,063,899)
Transportation	7,280,164	7,102,533	(3,777,439)	(2,372,402)
Community Environment	3,605,292	2,937,305	(1,497,574)	(1,057,582)
Basic Utility Services	1,182,906	982,002	(152,289)	(809,702)
Leisure Time Activities	3,566,642	3,186,822	(1,557,016)	(2,074,239)
Interest	1,779,562	1,844,391	(1,779,562)	(1,844,391)
Total Cost of Services	\$46,742,862	\$39,640,868	(\$34,257,603)	(\$27,280,131)

BUSINESS-TYPE ACTIVITIES

The decrease in expenses for business-type activities funds were due to overall decreases in materials and supplies expenses for all funds, most significantly in the water fund.

The City's Funds

Information about the City's governmental funds begins on page 20. These funds are accounted for by using the modified accrual basis of accounting. All governmental funds had total revenues of \$55,564,074 and expenditures of \$48,865,092. The most significant fund is the general fund with a year-end fund balance of \$22,614,213, which included an unassigned fund balance of \$21,097,106, compared to annual expenditures of \$9,913,929. While revenues far exceeded expenditures, \$8,335,500 was transferred to other funds, leaving the general fund with a net change of \$5,680,598, with other financing sources included. The transferred funds enabled the City to fund police and fire operations, street improvement and other capital improvements projects, as well as to service long-term debt obligations.

Even with an increase in municipal income tax and charges for services revenues, expenditures in the fire department fund exceeded revenues; however, the fire department fund ended with a positive net change due to transfers in from the general fund. The police fund saw an increase in property and municipal income taxes, but still required a transfer from general fund to help with operations. The special assessment bond retirement fund saw a slight negative change in fund balance as debt service requirements exceeded collected revenue. The tax increment financing fund saw a positive net change as payments in lieu of taxes revenue exceeded its debt service requirements.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. At the direction of Council, all capital projects and requests for capital type purchases must be reviewed and approved individually by Council. Recommendations and requests for budget changes are referred to the Finance Committee of City Council for review, after which they are sent to Council work session for presentation before going to the formal Council meeting for ordinance enactment on the change. Budgets for projects are set based on public bidding and engineers' estimates. The City strives to hold down project costs and control contractor expenditures. The result is that most contract/project work is completed under budget. The City takes great pride in project management successes. The legal level of budgetary control has been established by Council at the fund department, object level for all funds.

The general fund supports many major activities such as the Building and Planning Departments as well as the legislative and most executive activities. Some capital projects are funded with general fund dollars. By ordinance, these funds are transferred from the general fund to capital project funds where the revenue and expenditures for the capital improvement are tracked and monitored.

The most significant budgeted fund is the general fund. During the course of 2023, the City amended its general fund budget for a total increase in certified revenues. All revenues were expected to increase, mainly municipal income taxes. Actual revenues received by the City were slightly higher the final budgeted amount due to municipal income taxes coming in slightly higher than projected.

Original appropriations were increased during the year to establish final appropriated expenditures of \$12,913,009 for the year.

The increases from originally budgeted revenues and expenditures when compared to final budgets were primarily due to conservative budgeting at the beginning of the year.

The City continued to maintain a respectable level of liquidity in the general fund by maintaining a fund balance at year-end of 87.9 percent of total actual revenues received during the year.

Capital Assets and Debt Administration

Capital Assets

Total capital assets (net of depreciation/amortization) for the governmental activities are \$126,495,117, which is an increase over the prior year. Total governmental capital asset additions were \$9,891,330, with \$6,017,992 of this amount being infrastructure additions. Total capital assets (net of depreciation/amortization) for the business-type activities are \$39,817,520, which is a decrease from the prior year. Total business-type activities' capital asset additions were \$2,344,915, which were mostly infrastructure, as well.

See Note 13 of the Notes to the Basic Financial Statements for additional information on the City's capital assets.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

Debt Administration

On December 31, 2023, the City of Avon had a total of \$69,190,115 in outstanding long-term debt obligations (excluding compensated absences, NPL, and OPEB), with \$5,389,311 due within one year.

General obligation bonds for governmental activities include Schneider Court Improvements, various refunding bonds, and improvement bonds. The business-type activities general obligation bonds are payable from the water and sewer funds' charges for services.

The special assessment bonds consist of the voluntary assessment a developer has agreed to for their portion of Schneider Court Improvements, improvement bonds, and refunding bonds. Principal and interest for these bonds are paid from the collection of special assessments by the Lorain County Auditor.

The Ohio Public Works Commission loans represent interest free loans obtained to finance portions of the Jaycox Road/Chester Improvements, the Detroit Road Improvement, Phases I and II, the Reigelsberger-Jaycox Bridge project, the Chester Road relocation project, the Chester Road American Roadway Improvements, and the Nagel Road Widening Phase I. These OPWC loans are paid from the bond retirement fund.

The leases payable relate to a copier lease entered by the City.

During 2009, the City of Avon entered into contractual agreements with the City of Avon Lake for the construction and future maintenance of a water trunk line that services the City of Avon. The project was financed mainly by general obligation bonds which were issued by the City of Avon Lake. All proceeds were received by the City of Avon Lake and the City of Avon Lake is responsible for the debt retirement and maintenance. The line will be a capital asset of the City of Avon Lake. The total amount owed to the City of Avon Lake as of December 31, 2023, is \$115,886. This amount has been recorded on Avon's financial statements as a long-term liability in the water enterprise fund.

See Note 14 of the Notes to the Basic Financial Statements for additional information on the City's outstanding debt obligations.

Current Financial Related Activities

Over the past ten years the City has enjoyed strong growth in revenues as a result of new commercial and industrial development and expansion. The City, with the support of the school system, currently has four tax abatement agreements in effect with local companies. Bendix Commercial Vehicle Systems, LLC opened a new facility in October 2021. Bendix has been granted a 14-year property tax abatement. Each of the other three companies has expanded in Avon from their original facility and employment base. Although property taxes have been partially deferred as a result of these abatements, the deferral has been more than offset by the significant increase in income tax collections as a result of the employment in these companies.

The City has aggressively pursued the use of Tax Increment Financing (TIF) as an economic development tool. The City currently has 15 areas designated as TIF districts. The revenues derived from these districts are used for infrastructure related projects and the associated debt service.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The City is ideally situated on Interstate 90, approximately twenty minutes from Cleveland, Ohio and Cleveland Hopkins International Airport. Interstate 90 divides the City providing an ideal separation for commercial and industrial development north of Interstate 90 and commercial and residential development south of Interstate 90. With development of the commercial and industrial sites on the north side, the City's financial condition has been significantly strengthened. Moody's Investor Services has assigned an Aa1 bond rating to the City of Avon, and the City Administration works hard to maintain or improve this rating.

The City takes advantage of grants wherever possible. Recent examples of grant funded capital projects include:

- State Routes 83 and 254 Intersection Improvements, Ohio Department of Transportation Safety Funding, \$4,616,000. Construction will begin on this project in 2025.
- Moore Road Rehabilitation, Northeast Ohio Areawide Coordinating Agency (NOACA)/Ohio Department of Transportation TIP Award, up to \$427,743 or 80 percent of the construction costs. This project was completed in 2023.
- Just Imagine Drive Pavement Resurfacing, Ohio Public Works Commission, total grant awarded \$345,330. The project was completed in 2023.
- Chester Road Widening Phase 2, Ohio Public Works Commission, total grant/loan awarded \$750,000. The project will be completed in 2024.
- Purchase of Park Property, Land & Water Conservation Grant, \$392,000.

In addition to these capital improvement grants, the City receives various grant funding for issues such as Drug Use Prevention, Safety/Workers' Compensation, Northeast Ohio Public Energy Council (NOPEC) and other sources.

From a commercial/industrial standpoint, the City of Avon has seen steady growth. Many businesses in Avon are expanding. Hospitals and other health care related organizations have opened in Avon. Companies, hotels, stores and restaurants are finding Avon a very attractive destination, particularly along the I-90 corridor. At the same time, the City's population has continued to grow.

The City employs 216 people, 161 full-time and 55 permanent part-time. This does not include City Council or other Commission members, nor does it include seasonal hires.

The Finance Director, Mayor, and City Council work extremely hard at managing debt. Finances are planned so that we can pay cash for many of the municipal projects, facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain a decent level of services. The City pays down principal amounts on short-term debt continuously. Over the past five years the City has paid cash in excess of \$10,000,000 toward capital projects and land acquisitions. The annual budget is monitored efficiently and consistently throughout the year. Department heads review their budgets monthly and spend only for necessary expenses. Over the last ten years the City has expanded their services but has strived to keep the size of its work force at practical levels.

City of Avon, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2023
Unaudited

The City of Avon has committed itself to financial excellence. The City has received the Government Finance Officers Certificate of Achievement for Excellence in Financial Reporting Award every year since 1991, the year of our first Annual Comprehensive Financial Report. The City of Avon was one of the first in Ohio to report using the Government Accounting Standards Board (GASB) 34 requirements and early implemented GASB Statement 54 in the 2010 Annual Comprehensive Financial Report. The City of Avon received the Auditor of State “*Making Your Tax Dollars Count*” award for the 2009 audit and the “*Auditor of State Award with Distinction*” for the 2010, 2011, 2013 and 2017 audits. Our commitment to the residents of Avon has been one of full disclosure of the financial position of the City and will continue to be.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends or invests. If you have any questions about this report or need additional information, contact the Finance Department, City of Avon, 36080 Chester Road, Avon, Ohio 44011, telephone 440-937-7806, or at the website at www.cityofavon.com.

Basic Financial Statements

City of Avon, Ohio
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities *	Total *
Assets			
Equity in Pooled Cash and Cash Equivalents	\$40,871,488	\$9,015,041	\$49,886,529
Accrued Interest Receivable	74,907	77,783	152,690
Materials and Supplies Inventory	372,863	631,599	1,004,462
Accounts Receivable	473,856	798,688	1,272,544
Internal Balances	71,000	(71,000)	0
Intergovernmental Receivable	1,653,265	0	1,653,265
Municipal Income Taxes Receivable	6,775,214	0	6,775,214
Property Taxes Receivable	7,841,443	0	7,841,443
Permissive Motor Vehicle License Taxes Receivable	10,481	0	10,481
Payments in Lieu of Taxes Receivable	4,022,049	0	4,022,049
Special Assessments Receivable	11,534,856	973,072	12,507,928
Leases Receivable	2,156,577	0	2,156,577
Net Pension Asset (See Note 18)	55,760	11,414	67,174
Capital Assets, Non-Depreciable/Non-Amortizable	9,227,128	7,580	9,234,708
Capital Assets, Depreciable/Amortizable, Net	117,267,989	39,809,940	157,077,929
<i>Total Assets</i>	<u>202,408,876</u>	<u>51,254,117</u>	<u>253,662,993</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	2,441,758	104,842	2,546,600
Pension	13,879,452	836,266	14,715,587
OPEB	2,166,509	128,282	2,294,791
<i>Total Deferred Outflows of Resources</i>	<u>18,487,719</u>	<u>1,069,390</u>	<u>19,556,978</u>
Liabilities			
Accounts Payable	616,901	62,173	679,074
Contracts Payable	440,012	16,916	456,928
Accrued Wages and Benefits	302,609	26,639	329,248
Intergovernmental Payable	283,749	366,532	650,281
Payroll Withholding Payable	25,166	1,776	26,942
Deposits Held Payable	2,845,417	0	2,845,417
Unearned Revenue	409,529	0	409,529
Accrued Interest Payable	136,436	83,993	220,429
Matured Compensated Absences Payable	839	0	839
Long-Term Liabilities:			
Due Within One Year	5,314,982	365,686	5,680,668
Due In More Than One Year:			
Other Amounts Due in More Than One Year	62,012,214	4,182,501	66,194,715
Net Pension Liability (See Note 18)	37,755,780	1,962,779	39,718,559
Net OPEB Liability (See Note 19)	2,312,638	41,173	2,353,811
<i>Total Liabilities</i>	<u>112,456,272</u>	<u>7,110,168</u>	<u>119,566,440</u>
Deferred Inflows of Resources			
Property Taxes	7,762,475	0	7,762,475
Payments in Lieu of Taxes	3,982,748	0	3,982,748
Leases	2,156,577	0	2,156,577
Pension	1,295,462	18,522	1,313,853
OPEB	2,303,760	13,640	2,317,400
<i>Total Deferred Inflows of Resources</i>	<u>17,501,022</u>	<u>32,162</u>	<u>17,533,053</u>
Net Position			
Net Investment in Capital Assets	65,236,888	35,584,504	100,821,392
Restricted for:			
Capital Projects	1,464,462	0	1,464,462
Debt Service	12,453,010	0	12,453,010
Fire Department	2,123,246	0	2,123,246
Street Construction, Maintenance and Repair	2,620,622	0	2,620,622
Police Department	828,493	0	828,493
Park Operations and Development	2,952,052	0	2,952,052
Pension Plan	55,760	11,414	67,174
Other Purposes	448,853	0	448,853
Unrestricted	2,755,915	9,585,259	12,341,174
<i>Total Net Position</i>	<u>\$90,939,301</u>	<u>\$45,181,177</u>	<u>\$136,120,478</u>

See accompanying notes to the basic financial statements

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

City of Avon, Ohio
Statement of Activities
For the Year Ended December 31, 2023

	Expenses	Program Revenues		
		Charges for Services and Operating Assessments	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$7,982,516	\$2,173,331	\$0	\$0
General Government - Intergovernmental	2,113,033	0	0	0
Security of Persons and Property	19,232,747	1,347,637	265,507	48,098
Transportation	7,280,164	9,173	1,744,180	1,749,372
Community Environment	3,605,292	1,380,055	269,646	458,017
Basic Utility Services	1,182,906	17,501	0	1,013,116
Leisure Time Activities	3,566,642	340,841	147,805	1,520,980
Interest	1,779,562	0	0	0
<i>Total Governmental Activities</i>	<u>46,742,862</u>	<u>5,268,538</u>	<u>2,427,138</u>	<u>4,789,583</u>
Business-Type Activities				
Water	3,206,866	4,793,607	0	0
Sewer	5,869,251	4,941,421	0	537,762
Storm Water	375,399	523,293	0	0
<i>Total Business-Type Activities</i>	<u>9,451,516</u>	<u>10,258,321</u>	<u>0</u>	<u>537,762</u>
<i>Total</i>	<u>\$56,194,378</u>	<u>\$15,526,859</u>	<u>\$2,427,138</u>	<u>\$5,327,345</u>

General Revenues

Property Taxes Levied for:

General Purposes

Streets

Police

Park Operating

Lorain Public Library

Equipment

Municipal Income Taxes Levied for:

General Purposes

Fire Department

Police

Park Operating

Recreation Complex

Permissive Motor Vehicle License Taxes

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Contributions

Investment Earnings/Interest

Payments in Lieu of Taxes

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$5,809,185)	\$0	(\$5,809,185)
(2,113,033)	0	(2,113,033)
(17,571,505)	0	(17,571,505)
(3,777,439)	0	(3,777,439)
(1,497,574)	0	(1,497,574)
(152,289)	0	(152,289)
(1,557,016)	0	(1,557,016)
(1,779,562)	0	(1,779,562)
(34,257,603)	0	(34,257,603)
0	1,586,741	1,586,741
0	(390,068)	(390,068)
0	147,894	147,894
0	1,344,567	1,344,567
(34,257,603)	1,344,567	(32,913,036)
2,329,017	0	2,329,017
1,416,097	0	1,416,097
832,711	0	832,711
335,391	0	335,391
2,098,062	0	2,098,062
850,354	0	850,354
16,580,767	0	16,580,767
4,667,724	0	4,667,724
4,667,724	0	4,667,724
1,961,587	0	1,961,587
1,961,587	0	1,961,587
72,962	0	72,962
1,267,543	0	1,267,543
53,321	0	53,321
1,574,362	0	1,574,362
3,789,746	0	3,789,746
997,798	62,854	1,060,652
45,456,753	62,854	45,519,607
174,092	(174,092)	0
45,630,845	(111,238)	45,519,607
11,373,242	1,233,329	12,606,571
79,566,059	43,947,848	123,513,907
\$90,939,301	\$45,181,177	\$136,120,478

City of Avon, Ohio
Balance Sheet
Governmental Funds
December 31, 2023

	General	Fire Department	Police	Special Assessment Bond Retirement	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$18,784,808	\$2,140,242	\$1,112,521	\$714,565	\$1,853,306	\$13,439,143	\$38,044,585
Materials and Supplies Inventory	0	0	0	0	0	372,863	372,863
Accounts Receivable	0	0	0	0	0	473,856	473,856
Interfund Receivable	1,515,201	0	0	0	0	0	1,515,201
Intergovernmental Receivable	312,357	0	44,611	0	0	1,296,297	1,653,265
Accrued Interest Receivable	72,477	0	0	0	0	2,430	74,907
Municipal Income Taxes Receivable	3,774,230	1,037,851	1,037,851	0	0	925,282	6,775,214
Property Taxes Receivable	2,355,643	0	831,648	0	0	4,654,152	7,841,443
Permissive Motor Vehicle License Taxes Receivable	0	0	0	0	0	10,481	10,481
Payments in Lieu of Taxes Receivable	0	0	0	0	4,022,049	0	4,022,049
Special Assessments Receivable	0	0	0	11,534,856	0	0	11,534,856
Leases Receivable	478,968	0	0	0	0	1,677,609	2,156,577
Restricted Assets:							
Equity in Pooled Cash and Cash Equivalents	2,826,903	0	0	0	0	0	2,826,903
Total Assets	\$30,120,587	\$3,178,093	\$3,026,631	\$12,249,421	\$5,875,355	\$22,852,113	\$77,302,200
Liabilities							
Accounts Payable	\$242,811	\$52,506	\$104,110	\$0	\$0	\$217,474	\$616,901
Contracts Payable	103,840	0	0	0	0	336,172	440,012
Accrued Wages and Benefits	56,434	89,067	118,093	0	0	39,015	302,609
Interfund Payable	0	0	0	0	0	1,444,201	1,444,201
Intergovernmental Payable	47,444	99,915	108,253	0	0	28,137	283,749
Payroll Withholding Payable	4,045	11,586	8,905	0	0	630	25,166
Deposits Held Payable from Restricted Assets	2,814,717	0	0	0	0	0	2,814,717
Deposits Held Payable	0	0	0	0	0	30,700	30,700
Unearned Revenue	0	0	0	0	0	409,529	409,529
Matured Compensated Absences Payable	0	0	839	0	0	0	839
Total Liabilities	3,269,291	253,074	340,200	0	0	2,505,858	6,368,423
Deferred Inflows of Resources							
Property Taxes	2,331,094	0	823,272	0	0	4,608,109	7,762,475
Payments in Lieu of Taxes	0	0	0	0	3,982,748	0	3,982,748
Unavailable Revenue	1,427,021	315,677	368,664	11,534,856	39,301	1,515,804	15,201,323
Leases	478,968	0	0	0	0	1,677,609	2,156,577
Total Deferred Inflows of Resources	4,237,083	315,677	1,191,936	11,534,856	4,022,049	7,801,522	29,103,123
Fund Balances							
Nonspendable	70,186	0	0	0	0	372,863	443,049
Restricted	0	2,609,342	1,494,495	714,565	1,853,306	6,400,951	13,072,659
Committed	0	0	0	0	0	2,797,446	2,797,446
Assigned	1,446,921	0	0	0	0	3,650,424	5,097,345
Unassigned (Deficit)	21,097,106	0	0	0	0	(676,951)	20,420,155
Total Fund Balances	22,614,213	2,609,342	1,494,495	714,565	1,853,306	12,544,733	41,830,654
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$30,120,587	\$3,178,093	\$3,026,631	\$12,249,421	\$5,875,355	\$22,852,113	\$77,302,200

See accompanying notes to the basic financial statements

City of Avon, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2023*

Total Governmental Fund Balances \$41,830,654

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

Capital assets used in governmental activities are not financial resources
 and therefore are not reported in the funds. 126,495,117

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

Delinquent Property Taxes	78,968	
Delinquent Payments in Lieu of Taxes	39,301	
Municipal Income Taxes	2,060,778	
Intergovernmental	1,341,963	
Special Assessments	11,534,856	
Fines, Forfeitures, and Settlements	145,457	
Total	15,201,323	15,201,323

In the statement of activities, interest is accrued on outstanding bonds,
 whereas in governmental funds, an interest expenditure is reported when due. (136,436)

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

Deferred Charge on Refunding	2,441,758	
General Obligation Bonds	(51,882,508)	
Special Assessment Bonds	(12,185,998)	
OPWC Loans	(594,296)	
Lease	(189,455)	
Compensated Absences	(2,474,939)	
Total	(64,885,438)	(64,885,438)

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

Net Pension Asset	55,760	
Deferred Outflows - Pension	13,879,452	
Deferred Outflows - OPEB	2,166,509	
Net Pension Liability	(37,755,780)	
Net OPEB Liability	(2,312,638)	
Deferred Inflows - Pension	(1,295,462)	
Deferred Inflows - OPEB	(2,303,760)	
Total	(27,565,919)	(27,565,919)

Net Position of Governmental Activities \$90,939,301

See accompanying notes to the basic financial statements

City of Avon, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Fire Department	Police	Special Assessment Bond Retirement	Tax Increment Financing	Other Governmental Funds	Total Governmental Funds
Revenues							
Property Taxes	\$2,326,317	\$0	\$832,038	\$0	\$0	\$4,694,971	\$7,853,326
Permissive Motor Vehicle License Taxes	0	0	0	0	0	117,330	117,330
Payments in Lieu of Taxes	0	0	0	0	3,766,992	0	3,766,992
Municipal Income Taxes	16,377,944	4,622,147	4,622,147	0	0	3,876,504	29,498,742
Charges for Services	303,116	1,146,532	0	0	0	958,443	2,408,091
Licenses and Permits	1,286,345	350	24,499	0	0	111,436	1,422,630
Fines, Forfeitures, and Settlements	137,474	0	1,441	0	0	34,193	173,108
Intergovernmental	1,259,994	154,645	105,514	0	0	4,573,265	6,093,418
Special Assessments	0	0	0	975,236	0	0	975,236
Investment Earnings/Interest	1,507,254	0	0	0	0	67,108	1,574,362
Contributions and Donations	53,321	0	0	0	0	24,220	77,541
Lease Revenue	62,179	0	0	0	0	384,187	446,366
Rentals	56,246	0	0	0	0	102,888	159,134
Miscellaneous	559,837	13,361	46,780	0	0	377,820	997,798
<i>Total Revenues</i>	<u>23,930,027</u>	<u>5,937,035</u>	<u>5,632,419</u>	<u>975,236</u>	<u>3,766,992</u>	<u>15,322,365</u>	<u>55,564,074</u>
Expenditures							
Current:							
General Government	6,641,073	0	0	29,810	0	0	6,670,883
Security of Persons and Property	0	6,851,218	8,892,132	0	0	14,502	15,757,852
Transportation	0	0	0	0	0	3,050,980	3,050,980
Community Environment	3,191,591	0	0	0	0	226,220	3,417,811
Leisure Time Activities	52,328	0	0	0	0	2,764,343	2,816,671
Intergovernmental	0	0	0	0	0	2,113,033	2,113,033
Capital Outlay	0	0	0	0	0	8,574,241	8,574,241
Debt Service:							
Principal Retirement	24,845	6,211	6,211	459,270	2,158,166	2,041,836	4,696,539
Interest	4,092	1,023	1,023	555,390	786,388	419,166	1,767,082
<i>Total Expenditures</i>	<u>9,913,929</u>	<u>6,858,452</u>	<u>8,899,366</u>	<u>1,044,470</u>	<u>2,944,554</u>	<u>19,204,321</u>	<u>48,865,092</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>14,016,098</u>	<u>(921,417)</u>	<u>(3,266,947)</u>	<u>(69,234)</u>	<u>822,438</u>	<u>(3,881,956)</u>	<u>6,698,982</u>
Other Financing Sources (Uses)							
Sale of Capital Assets	0	0	0	0	0	25,261	25,261
Transfers In	0	1,000,000	2,600,000	0	0	4,737,485	8,337,485
Transfers Out	(8,335,500)	0	0	0	0	0	(8,335,500)
<i>Total Other Financing Sources (Uses)</i>	<u>(8,335,500)</u>	<u>1,000,000</u>	<u>2,600,000</u>	<u>0</u>	<u>0</u>	<u>4,762,746</u>	<u>27,246</u>
<i>Net Change in Fund Balances</i>	<u>5,680,598</u>	<u>78,583</u>	<u>(666,947)</u>	<u>(69,234)</u>	<u>822,438</u>	<u>880,790</u>	<u>6,726,228</u>
<i>Fund Balances Beginning of Year</i>	<u>16,933,615</u>	<u>2,530,759</u>	<u>2,161,442</u>	<u>783,799</u>	<u>1,030,868</u>	<u>11,663,943</u>	<u>35,104,426</u>
<i>Fund Balances End of Year</i>	<u>\$22,614,213</u>	<u>\$2,609,342</u>	<u>\$1,494,495</u>	<u>\$714,565</u>	<u>\$1,853,306</u>	<u>\$12,544,733</u>	<u>\$41,830,654</u>

City of Avon, 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, 2023*

Net Change in Fund Balances - Total Governmental Funds \$6,726,228

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

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

Capital Asset Additions:			
Capital Outlays	7,918,682		
Capital Contributions	2,144,755		
Current Year Depreciation/Amortization	(7,087,743)		
Total			2,975,694

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (793,814)

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

Delinquent Property Taxes	8,306		
Delinquent Payments in Lieu of Taxes	22,754		
Municipal Income Taxes	340,647		
Permissive Motor Vehicle License Taxes	(44,368)		
Intergovernmental	393,978		
Special Assessments	(461,484)		
Fines, Forfeitures, and Settlements	145,457		
Total			405,290

Repayment of bond, loan, and lease principal are expenditures in the governmental funds, but the repayments reduce the long-term liabilities in the statement of net position. 4,696,539

In the statement of activities, interest is accrued on outstanding bonds and deferred charges and bond premiums are amortized over the term of the bonds, whereas in governmental funds, an expenditure is reported when bonds are issued:

Accrued Interest	8,003		
Amortization of Loss on Refunding	(195,676)		
Amortization of Bond Premiums	175,193		
Total			(12,480)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds, such as compensated absences. (210,063)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:

Pension	2,566,505		
OPEB	50,898		
Total			2,617,403

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	(5,251,632)		
OPEB	220,077		
Total			(5,031,555)

Change in Net Position of Governmental Activities \$11,373,242

See accompanying notes to the basic financial statements

City of Avon, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property Taxes	\$1,931,912	\$2,324,253	\$2,326,317	\$2,064
Municipal Income Taxes	13,522,722	16,268,980	16,283,425	14,445
Charges for Services	251,725	302,847	303,116	269
Licenses and Permits	1,062,497	1,285,126	1,286,345	1,219
Fines, Forfeitures, and Settlements	116,699	140,399	140,524	125
Intergovernmental	1,088,020	1,308,980	1,310,142	1,162
Interest	848,430	1,020,734	1,021,640	906
Contributions and Donations	40,597	53,224	53,321	97
Rentals	107,817	137,640	137,852	212
Miscellaneous	463,379	559,320	559,837	517
<i>Total Revenues</i>	<u>19,433,798</u>	<u>23,401,503</u>	<u>23,422,519</u>	<u>21,016</u>
Expenditures				
Current:				
General Government	5,145,299	7,703,994	6,515,376	1,188,618
Community Environment	3,823,529	5,119,501	4,438,883	680,618
Leisure Time Activities	60,577	60,577	52,147	8,430
Debt Service:				
Principal Retirement	24,845	24,845	24,845	0
Interest	4,092	4,092	4,092	0
<i>Total Expenditures</i>	<u>9,058,342</u>	<u>12,913,009</u>	<u>11,035,343</u>	<u>1,877,666</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>10,375,456</u>	<u>10,488,494</u>	<u>12,387,176</u>	<u>1,898,682</u>
Other Financing Sources (Uses)				
Advances Out	(1,150,000)	(1,150,000)	(1,150,000)	0
Transfers Out	(8,335,500)	(8,335,500)	(8,335,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(9,485,500)</u>	<u>(9,485,500)</u>	<u>(9,485,500)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	889,956	1,002,994	2,901,676	1,898,682
<i>Fund Balance Beginning of Year</i>	16,140,904	16,140,904	16,140,904	0
Prior Year Encumbrances Appropriated	1,532,991	1,532,991	1,532,991	0
<i>Fund Balance End of Year</i>	<u>\$18,563,851</u>	<u>\$18,676,889</u>	<u>\$20,575,571</u>	<u>\$1,898,682</u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Municipal Income Taxes	\$4,052,485	\$4,623,467	\$4,623,467	\$0
Charges for Services	984,951	1,123,727	1,123,727	0
Licenses and Permits	307	350	350	0
Intergovernmental	135,547	154,645	154,645	0
Miscellaneous	11,710	13,361	13,361	0
<i>Total Revenues</i>	<u>5,185,000</u>	<u>5,915,550</u>	<u>5,915,550</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	6,846,718	7,057,718	6,897,119	160,599
Debt Service:				
Principal Retirement	6,211	6,211	6,211	0
Interest	1,023	1,023	1,023	0
<i>Total Expenditures</i>	<u>6,853,952</u>	<u>7,064,952</u>	<u>6,904,353</u>	<u>160,599</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,668,952)	(1,149,402)	(988,803)	160,599
Other Financing Sources (Uses)				
Transfers In	1,000,000	1,000,000	1,000,000	0
<i>Net Change in Fund Balance</i>	(668,952)	(149,402)	11,197	160,599
<i>Fund Balance Beginning of Year</i>	1,860,681	1,860,681	1,860,681	0
Prior Year Encumbrances Appropriated	65,403	65,403	65,403	0
<i>Fund Balance End of Year</i>	<u>\$1,257,132</u>	<u>\$1,776,682</u>	<u>\$1,937,281</u>	<u>\$160,599</u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$778,407	\$832,038	\$832,038	\$0
Municipal Income Taxes	4,325,449	4,623,467	4,623,467	0
Licenses and Permits	22,920	24,499	24,499	0
Fines, Forfeitures, and Settlements	1,348	1,441	1,441	0
Intergovernmental	104,358	111,548	111,548	0
Miscellaneous	43,764	46,780	46,780	0
<i>Total Revenues</i>	<u>5,276,246</u>	<u>5,639,773</u>	<u>5,639,773</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	8,900,563	9,210,413	9,036,598	173,815
Debt Service:				
Principal Retirement	6,211	6,211	6,211	0
Interest	1,023	1,023	1,023	0
<i>Total Expenditures</i>	<u>8,907,797</u>	<u>9,217,647</u>	<u>9,043,832</u>	<u>173,815</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,631,551)	(3,577,874)	(3,404,059)	173,815
Other Financing Sources (Uses)				
Transfers In	2,600,000	2,600,000	2,600,000	0
<i>Net Change in Fund Balance</i>	(1,031,551)	(977,874)	(804,059)	173,815
<i>Fund Balance Beginning of Year</i>	1,464,517	1,464,517	1,464,517	0
Prior Year Encumbrances Appropriated	251,613	251,613	251,613	0
<i>Fund Balance End of Year</i>	<u>\$684,579</u>	<u>\$738,256</u>	<u>\$912,071</u>	<u>\$173,815</u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2023

	Business-Type Activities			Total
	Water	Sewer	Nonmajor Storm Water	
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$4,411,418	\$4,243,356	\$360,267	\$9,015,041
Accrued Interest Receivable	0	77,783	0	77,783
Materials and Supplies Inventory	612,726	18,873	0	631,599
Accounts Receivable	317,894	431,999	48,795	798,688
Special Assessments Receivable	256,734	716,338	0	973,072
<i>Total Current Assets</i>	<u>5,598,772</u>	<u>5,488,349</u>	<u>409,062</u>	<u>11,496,183</u>
<i>Noncurrent Assets</i>				
Restricted Assets:				
Net Pension Asset	5,372	4,700	1,342	11,414
Capital Assets, Non-Depreciable	0	7,580	0	7,580
Capital Assets, Depreciable, Net	17,591,410	22,218,530	0	39,809,940
<i>Total Noncurrent Assets</i>	<u>17,596,782</u>	<u>22,230,810</u>	<u>1,342</u>	<u>39,828,934</u>
<i>Total Assets</i>	<u>23,195,554</u>	<u>27,719,159</u>	<u>410,404</u>	<u>51,325,117</u>
Deferred Outflows of Resources				
Deferred Charge on Refunding	36,605	68,237	0	104,842
Pension	400,558	338,903	96,812	836,273
OPEB	61,486	51,953	14,843	128,282
<i>Total Deferred Outflows of Resources</i>	<u>498,649</u>	<u>459,093</u>	<u>111,655</u>	<u>1,069,397</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	18,360	10,581	33,232	62,173
Contracts Payable	178	13,399	3,339	16,916
Accrued Wages and Benefits	12,206	11,795	2,638	26,639
Intergovernmental Payable	109,921	254,928	1,683	366,532
Payroll Withholding Payable	888	888	0	1,776
Interfund Payable	71,000	0	0	71,000
Accrued Interest Payable	2,221	81,772	0	83,993
Compensated Absences Payable	4,001	4,001	4,610	12,612
Avon Lake Intergovernmental Payable	38,963	0	0	38,963
Leases Payable	3,225	3,225	0	6,450
Bonds Payable	100,744	206,917	0	307,661
<i>Total Current Liabilities</i>	<u>361,707</u>	<u>587,506</u>	<u>45,502</u>	<u>994,715</u>
<i>Long-Term Liabilities (net of current portion)</i>				
Compensated Absences Payable	89,409	89,409	18,899	197,717
Avon Lake Intergovernmental Payable	76,923	0	0	76,923
Leases Payable	8,615	8,615	0	17,230
Bonds Payable	1,315,083	2,575,548	0	3,890,631
Net Pension Liability	923,660	808,203	230,916	1,962,779
Net OPEB Liability	19,375	16,954	4,844	41,173
<i>Total Long-Term Liabilities</i>	<u>2,433,065</u>	<u>3,498,729</u>	<u>254,659</u>	<u>6,186,453</u>
<i>Total Liabilities</i>	<u>2,794,772</u>	<u>4,086,235</u>	<u>300,161</u>	<u>7,181,168</u>
Deferred Inflows of Resources				
Pension	8,835	7,547	2,147	18,529
OPEB	6,419	5,616	1,605	13,640
<i>Total Deferred Inflows of Resources</i>	<u>15,254</u>	<u>13,163</u>	<u>3,752</u>	<u>32,169</u>
Net Position				
Net Investment in Capital Assets	16,084,462	19,500,042	0	35,584,504
Restricted for Pension Plan	5,372	4,700	1,342	11,414
Unrestricted	4,794,343	4,574,112	216,804	9,585,259
<i>Total Net Position</i>	<u>\$20,884,177</u>	<u>\$24,078,854</u>	<u>\$218,146</u>	<u>\$45,181,177</u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023*

	Business-Type Activities			Total
	Water	Sewer	Nonmajor Storm Water	
Operating Revenues				
Charges for Services	\$4,793,607	\$4,941,421	\$523,293	\$10,258,321
Other	42,465	2,975	17,414	62,854
<i>Total Operating Revenues</i>	<u>4,836,072</u>	<u>4,944,396</u>	<u>540,707</u>	<u>10,321,175</u>
Operating Expenses				
Personal Services	868,255	801,334	148,700	1,818,289
Materials and Supplies	1,039,566	2,998,634	117,387	4,155,587
Contractual Services	312,175	273,025	96,071	681,271
Other	12,661	1,927	0	14,588
Depreciation/Amortization	888,860	1,165,856	0	2,054,716
<i>Total Operating Expenses</i>	<u>3,121,517</u>	<u>5,240,776</u>	<u>362,158</u>	<u>8,724,451</u>
<i>Operating Income (Loss)</i>	<u>1,714,555</u>	<u>(296,380)</u>	<u>178,549</u>	<u>1,596,724</u>
Non-Operating Revenues (Expenses)				
Interest	(35,377)	(53,483)	0	(88,860)
Loss on Disposal of Capital Assets	(65,780)	(590,799)	(153,733)	(810,312)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(101,157)</u>	<u>(644,282)</u>	<u>(153,733)</u>	<u>(899,172)</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>1,613,398</u>	<u>(940,662)</u>	<u>24,816</u>	<u>697,552</u>
Capital Contributions	0	537,762	0	537,762
Transfers Out	(1,985)	0	0	(1,985)
<i>Change in Net Position</i>	<u>1,611,413</u>	<u>(402,900)</u>	<u>24,816</u>	<u>1,233,329</u>
<i>Net Position Beginning of Year</i>	<u>19,272,764</u>	<u>24,481,754</u>	<u>193,330</u>	<u>43,947,848</u>
<i>Net Position End of Year</i>	<u>\$20,884,177</u>	<u>\$24,078,854</u>	<u>\$218,146</u>	<u>\$45,181,177</u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-Type Activities			Totals
	Water	Sewer	Nonmajor Storm Water	
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$4,815,013	\$4,969,034	\$523,003	\$10,307,050
Cash Received from Special Assessments	3,902	19,550	0	23,452
Other Operating Revenues	42,465	2,975	17,414	62,854
Cash Payments for Employee Services and Benefits	(780,604)	(755,845)	(136,771)	(1,673,220)
Cash Payments to Suppliers for Materials and Supplies	(1,119,599)	(3,001,095)	(117,387)	(4,238,081)
Cash Payments for Contractual Services	(481,563)	(320,335)	(59,500)	(861,398)
Other Operating Expenses	(12,661)	(1,927)	0	(14,588)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>2,466,953</u>	<u>912,357</u>	<u>226,759</u>	<u>3,606,069</u>
Cash Flows from Noncapital Financing Activities				
Transfers Out	(1,985)	0	0	(1,985)
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(1,111,757)	(1,168,480)	(153,733)	(2,433,970)
Principal Paid on General Obligation Bonds	(44,626)	(92,233)	0	(136,859)
Principal Paid on Special Assessment Bonds	(4,195)	(19,393)	0	(23,588)
Principal Paid on Avon Lake Waterline	(36,872)	0	0	(36,872)
Principal Paid on Leases	(3,106)	(3,106)	0	(6,212)
Interest Paid on General Obligation Bonds	(14,455)	(21,707)	0	(36,162)
Interest Paid on Special Assessment Bonds	(9,518)	(27,066)	0	(36,584)
Interest Paid on Avon Lake Waterline	(8,716)	0	0	(8,716)
Interest Paid on Leases	(512)	(512)	0	(1,024)
Payment on Manuscript Bonds	(12,000)	0	0	(12,000)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,245,757)</u>	<u>(1,332,497)</u>	<u>(153,733)</u>	<u>(2,731,987)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,219,211	(420,140)	73,026	872,097
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,192,207</u>	<u>4,663,496</u>	<u>287,241</u>	<u>8,142,944</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,411,418</u>	<u>\$4,243,356</u>	<u>\$360,267</u>	<u>\$9,015,041</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$1,714,555	(\$296,380)	\$178,549	\$1,596,724
<i>Adjustments:</i>				
Depreciation/Amortization	888,860	1,165,856	0	2,054,716
(Increase) Decrease in Assets:				
Materials and Supplies Inventory	(80,033)	(2,461)	0	(82,494)
Accounts Receivable	21,406	27,613	(290)	48,729
Special Assessment Receivable	3,902	19,550	0	23,452
Net Pension Asset	487	426	122	1,035
(Increase) Decrease in Deferred Outflows:				
Pension	212,650	157,243	44,918	414,811
OPEB	45,089	35,933	10,267	91,289
Increase (Decrease) in Liabilities:				
Accounts Payable	(53,767)	(13,874)	33,232	(34,409)
Contracts Payable	(2,043)	(39,537)	3,339	(38,241)
Accrued Wages and Benefits	2,510	2,445	481	5,436
Intergovernmental Payable	(113,499)	6,155	(16)	(107,360)
Payroll Withholding Payable	(26)	(26)	0	(52)
Compensated Absences Payable	13,993	13,993	3,176	31,162
Net Pension Liability	29,845	26,114	7,462	63,421
Net OPEB Liability	(369)	(323)	(91)	(783)
Increase (Decrease) in Deferred Inflows:				
Pension	(140,604)	(123,550)	(35,298)	(299,452)
OPEB	(76,003)	(66,820)	(19,092)	(161,915)
<i>Total Adjustments</i>	<u>752,398</u>	<u>1,208,737</u>	<u>48,210</u>	<u>2,009,345</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$2,466,953</u>	<u>\$912,357</u>	<u>\$226,759</u>	<u>\$3,606,069</u>

Noncash Capital Financing Activities

At December 31, 2022, the City had accounts and contracts payable related to the acquisition of capital assets of \$40,186 and \$586,631, respectively.

During 2023, the City received sewer lines valued at \$537,762 from developers. This is recorded as a capital contribution.

See accompanying notes to the basic financial statements

City of Avon, Ohio
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2023

	<u>Avon Lake Sanitary Sewer Trunk Fees</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$8,200
Liabilities	
Intergovernmental Payable	<u>8,200</u>
Net Position	
Restricted for Other Governments	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

City of Avon, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2023

	Avon Lake Sanitary Sewer Trunk Fees
Additions	
Charges for Services for Other Governments	\$26,413
Deductions	
Distributions to Other Governments	26,413
<i>Net Change in Fiduciary Net Position</i>	0
<i>Net Position Beginning of Year</i>	0
<i>Net Position End of Year</i>	\$0

See accompanying notes to the basic financial statements

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 1 – Description of City and Reporting Entity

The City of Avon (the “City”) is a municipal corporation duly organized and existing under the constitution and laws of the State of Ohio. The City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. Avon was incorporated as a village in 1917 and made a city in May 1961. The City operates under its own charter and is governed by the mayor-council form of government.

The Mayor is the City's chief executive officer and is elected to a four-year term. The Mayor supervises the administration of all departments and appoints department heads and public members of administrative boards, upon confirmation by Council. The chief conservator of the peace, he/she oversees the enforcement of all laws and ordinances and presides over the Mayor's Court. He/She also executes all contracts, conveyances, and evidences of indebtedness of the City.

Legislative authority is vested in a seven-member council with four members elected from wards and three elected at large. All of the council members choose an at-large council member to serve as Council President. Council enacts ordinances and resolutions relating to tax levies, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes.

Reporting Entity

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 primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, firefighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water and sewer.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The City has no component units.

The City is associated with the Lorain County General Health District, the Northeast Ohio Public Energy Council (NOPEC), and the Regional Income Tax Agency (RITA), all of which are jointly governed organizations, as presented in Note 15.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to 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 as follows.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Basis of Presentation

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

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

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

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

Fund Accounting

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

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

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

Fire Department Fund This fund is used to account for and report income taxes restricted for the cost of operating the City's fire department and Emergency Medical Services revenue.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Police Fund This fund is used to account for and report restricted income taxes and property taxes levied to pay for the cost of operating the City's police department.

Special Assessment Bond Retirement Fund This fund is used to account for and report the accumulation of restricted special assessments to pay principal and interest on special assessment debt.

Tax Increment Financing Fund This fund accounts for and reports all payments received in lieu of taxes related to the City TIF agreements. The restricted revenue will be used for City infrastructure debt service or improvements.

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

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

Water Fund This fund is used to account for revenues generated from charges for distribution of water to the residential and commercial users of the City and for the maintenance and construction of waterlines.

Sewer Fund This fund is used to account for revenues generated from charges for sanitary sewer services provided to the residential and commercial users of the City and for the maintenance and construction of sewer lines.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's fiduciary fund is custodial. The City's custodial fund accounts for sanitary sewer trunk fees collected by the City on behalf of the City of Avon Lake. The liabilities represent amounts where no further action is needed to release the assets to the City of Avon Lake.

Measurement Focus

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

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from investment trust, private purpose trust funds, and custodial funds.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements.

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 and the statements presented for proprietary and fiduciary funds are prepared using 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, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, State-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines, interest, grants, fees 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, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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 18 and 19.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB, leases, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, delinquent payments in lieu of taxes, municipal income taxes, intergovernmental revenues, fines, forfeitures, and settlements, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities found on page 21. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 18 and 19).

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

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

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. For reporting purposes, various custodial funds, utilized for internal control purposes, have been combined with the general fund and various special revenue, capital projects, and enterprise funds. These custodial funds are not required to be budgeted and appropriated and therefore are not included in the Accountability and Compliance note (Note 4). 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 legal level of control has been established by Council at the fund, department, and object level for all funds.

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 and final budgeted amounts on the budgetary statements reflect the amounts on the original and final amended certificate of estimated resources in effect when final appropriations were passed by Council.

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.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Cash and Cash Equivalents

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

During 2023, investments were made in a money market mutual fund, negotiable certificates of deposit, treasury securities, federal home loan bank bonds, federal home loan mortgage corporation bonds, and federal farm credit bank bonds. Investments are reported at fair value, which is based on quoted market prices.

Under existing Ohio statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment earnings/interest revenue credited to the general fund during 2023 amounted to \$1,507,254 which includes \$820,440 assigned from other City funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Inventory

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

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies and deposits held. Restricted assets in the enterprise funds represent amounts held in trust by the pension plans for future benefits.

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally 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 (except for intangible right-to-use lease assets which are discussed later) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Description	Estimated Lives
Land Improvements	10 years
Building and Improvements	10 - 50 years
Machinery and Equipment	3 - 20 years
Vehicles	5 - 15 years
Infrastructure	10 - 50 years
Waterline Rights	50 years
Intangible Right to Use Assets - Equipment	5 years

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

The City’s infrastructure consists of park improvements (roads, paths, bridges, culverts, water and sewer lines within the park system), streets, bridges and culverts, traffic signals, storm sewers, and water and sewer lines and includes infrastructure acquired prior to December 31, 1980.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund loans which do not represent available expendable resources are classified as nonspendable fund balance. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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

Pensions/Other Postemployment Benefits (OPEB)

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

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The City recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

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. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence or employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employee who has accumulated unpaid leave is paid.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds; however, claims and judgments and compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits. Bonds, leases, and long-term loans are recognized as a liability on the governmental financial statements when due.

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 classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally legally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State statute. City Council assigned fund balance for City administration, community environment, and leisure time activities purposes.

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.

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

Net Position

Net position represents the difference between all the elements in a statement of net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position for pension plans represent the corresponding restricted asset amounts held in trust by the pension plans for future benefits. Net position restricted for other purposes include recycling, highway maintenance, street lighting and traffic signals, court computer systems, economic development and tourism, and public library operations.

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

Contributions of Capital

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

Internal Activity

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services and other operating revenue for the water, sewer, and storm water funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Deferred Charge on Refunding

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

Bond Premiums

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are receipted in the year the bonds are issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

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.

Leases

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

Lessee At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 3 – Change in Accounting Principles

For 2023, the City implemented Governmental Accounting Standards Board (GASB) No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The City did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The City did not have any contracts that met the GASB 96 definition of a SBITA, other than short-term SBITAs.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

For 2023, the City also implemented the guidance in GASB’s Implementation Guide No. 2021-1, *Implementation Guidance Update—2021* (other than question 5.1).

Note 4 – Accountability and Compliance

Accountability

At December 31, 2023, the recreation special revenue fund and the Traxler property and city-wide bike trails capital projects funds had deficits of \$262,013, \$397,015 and \$17,923, respectively. The funds’ deficits are the result of the recognition of payables in accordance with generally accepted accounting principles. The general fund is liable for any deficits in other funds and provides transfers when cash is required, rather than when accruals occur.

Compliance

Contrary to Ohio Revised Code Section 5705.39, the following funds had original appropriations in excess of certified available resources, as of December 31, 2023:

Fund	Original Estimated Resources Plus Available Balances	Original Appropriations	Excess
<i>Special Revenue Fund:</i>			
Recreation	\$350,821	\$579,356	(\$228,535)
<i>Capital Projects Fund:</i>			
Sidewalk Program	479,346	531,158	(51,812)

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Contrary to Ohio Revised Code Section 5705.41(B), the following funds had expenditures plus encumbrances in excess of final appropriations as of December 31, 2023:

Fund	Appropriations Plus Prior Year Encumbrances	Expenditures Plus Encumbrances	Excess
<i>Special Revenue Fund:</i>			
Fire Department			
Security of Persons and Property:			
Materials and Supplies	\$389,010	\$404,633	(\$15,623)
<i>Enterprise Fund:</i>			
Water			
Other	5,000	12,661	(7,661)

Management has indicated that appropriations will be closely monitored to prevent future violations.

Note 5 – 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 transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general and the major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
3. Investments are reported at cost (budget) rather than fair value (GAAP basis).
4. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
5. Advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
6. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

	Net Change in Fund Balance		
	General	Fire Department	Police
GAAP Basis	\$5,680,598	\$78,583	(\$666,947)
Net Adjustment for Revenue Accruals	(59,471)	1,320	7,354
Unrecorded Cash Beginning of Year	51,171	88,078	0
Unrecorded Cash End of Year	(93,684)	(110,883)	0
Beginning Fair Value Adjustment for Investments	(846,848)	0	0
Ending Fair Value Adjustment for Investments	441,324	0	0
Net Adjustment for Expenditure Accruals	586,022	34,591	47,079
Advances Out	(1,150,000)	0	0
Encumbrances	(1,707,436)	(80,492)	(191,545)
Budget Basis	<u>\$2,901,676</u>	<u>\$11,197</u>	<u>(\$804,059)</u>

Note 6 – Deposits and Investments

The City is a charter City and has adopted an investment policy through City Ordinance. The City has elected to follow the provisions of State statute. State Statutes classify monies held by the City into three categories.

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

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

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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited.

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

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2023, \$2,751,701 of the City's total bank balance of \$35,110,901 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. Two of the City's financial institutions participate in the Ohio Pooled Collateral System (OPCS) and were approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

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

Investments

Investments are reported at fair value. As of December 31, 2023, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Fair Value - Level 1 Inputs:				
Money Market Mutual Fund	\$986,562	Less Than One Year	N/A	6.47 %
Fair Value - Level 2 Inputs:				
Negotiable Certificates of Deposit	4,796,007	Less Than Three Years	N/A	31.43
Treasury Securities	869,812	Less Than Three Years	N/A	5.70
Federal Home Loan Bank Bonds	5,233,925	Less Than Three Years	AA+	34.31
Federal Home Loan Mortgage Corporation Bonds	995,040	Less Than Two Years	AA+	6.52
Federal Farm Credit Bank Bonds	2,375,890	Less Than Two Years	AA+	15.57
Total Investments	<u>\$15,257,236</u>			<u>100.00 %</u>

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 preceding chart identifies the City's recurring fair value measurements as of December 31, 2023. The money market account is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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

Credit Risk The municipal securities, negotiable certificates of deposit, and money market mutual fund are unrated. Ohio law requires the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized statistical rating organization. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk The City limits investments in agencies to one-third of the total assets within the investment portfolio.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 7 – Fund Balances

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

Fund Balances	General	Fire Department	Police	Special Assessment Bond Retirement	Tax Increment Financing	Other Governmental Funds	Total
<u>Nonspendable:</u>							
Inventory	\$0	\$0	\$0	\$0	\$0	\$372,863	\$372,863
Interfund Loans	58,000	0	0	0	0	0	58,000
Unclaimed Funds	12,186	0	0	0	0	0	12,186
<i>Total Nonspendable</i>	<u>70,186</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>372,863</u>	<u>443,049</u>
<u>Restricted for:</u>							
Security of Persons and Property	0	2,609,342	1,494,495	0	0	1,165,273	5,269,110
Street Maintenance	0	0	0	0	0	1,845,262	1,845,262
Debt Retirement	0	0	0	714,565	1,853,306	2,438	2,570,309
Recycling	0	0	0	0	0	13,816	13,816
Mayor's Court	0	0	0	0	0	86,704	86,704
Recreation	0	0	0	0	0	2,745,128	2,745,128
Economic Development	0	0	0	0	0	239,612	239,612
Lorain Public Library	0	0	0	0	0	135	135
Municipal Buildings	0	0	0	0	0	302,583	302,583
<i>Total Restricted</i>	<u>0</u>	<u>2,609,342</u>	<u>1,494,495</u>	<u>714,565</u>	<u>1,853,306</u>	<u>6,400,951</u>	<u>13,072,659</u>
<u>Committed to:</u>							
Street Maintenance	0	0	0	0	0	16	16
Recreation	0	0	0	0	0	2,664,943	2,664,943
Stadium Marquee	0	0	0	0	0	102,563	102,563
K-9 and Memorial Programs	0	0	0	0	0	29,924	29,924
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,797,446</u>	<u>2,797,446</u>
<u>Assigned to:</u>							
City Administration	222,780	0	0	0	0	0	222,780
Community Environment	1,223,903	0	0	0	0	0	1,223,903
Leisure Time Activities	238	0	0	0	0	0	238
Street Maintenance	0	0	0	0	0	1,944,117	1,944,117
Storm Water and Storm Sewer	0	0	0	0	0	571,962	571,962
Capital Improvements	0	0	0	0	0	709,578	709,578
Sidewalk and Roads Programs	0	0	0	0	0	424,767	424,767
<i>Total Assigned</i>	<u>1,446,921</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,650,424</u>	<u>5,097,345</u>
Unassigned (Deficit)	21,097,106	0	0	0	0	(676,951)	20,420,155
Total Fund Balances	<u><u>\$22,614,213</u></u>	<u><u>\$2,609,342</u></u>	<u><u>\$1,494,495</u></u>	<u><u>\$714,565</u></u>	<u><u>\$1,853,306</u></u>	<u><u>\$12,544,733</u></u>	<u><u>\$41,830,654</u></u>

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 8 – Receivables

Receivables at December 31, 2023, consisted primarily of municipal income taxes, property taxes, payments in lieu of taxes, special assessments, intergovernmental receivables arising from entitlements and shared revenues, accrued interest on investments, leases, and accounts (billings for user charged services, Opioid settlement monies, and court fines).

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

Special assessments expected to be collected in more than one year amount to \$10,825,653, \$238,078, and \$671,869 in the special assessment bond retirement fund, water fund, and sewer fund, respectively. The amount of delinquent special assessments outstanding at year-end were \$1,107, \$2,924, and \$79 for governmental, the water fund, and the sewer fund, respectively.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes were levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2023, was \$9.95 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

	Assessed Values
Real Property	
Residential/Agricultural	\$916,738,390
Commercial Industrial/Public Utility	179,241,200
Public Utility Property	23,425,480
Total Valuation	<u>\$1,119,405,070</u>

The Lorain County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2023, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2023 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Income Tax

The City levies a municipal income tax of one-and-three-quarters percent on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as on incomes of residents earned outside of the City. In the latter case, the City allows a credit of one-and-one-half percent of the taxable income earned in or attributable to the municipality of employment or business activity. One percent is levied for general purposes, one half percent is restricted for safety forces operations, and one-quarter percent is used for parks and recreation.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of approximately 1.5 percent. Income tax proceeds are received by the general fund, the fire department, the police, and the park operating special revenue funds, and the recreation complex capital projects fund.

Payments in Lieu of Taxes

According to State law, the City has established several tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvements have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

Intergovernmental

A summary of the governmental activities principal items of intergovernmental receivables follows:

<u>Receivable</u>	<u>Amount</u>
Gasoline Tax	\$669,530
State of Ohio Grant (Traxler Property)	400,000
Homestead and Rollback	319,360
Local Government	173,612
Motor Vehicle Registration	<u>90,763</u>
Total	<u><u>\$1,653,265</u></u>

Opioid Settlement Monies

During 2021, Ohio reached an agreement with the three largest distributors of opioids. Subsequently, settlements have been reached with other distributors. As contingencies related to timing and measurement are resolved, a receivable will be reported in accompanying financial statements as a part of accounts receivable. As a participating subdivision, the City reported \$146,524 as an accounts receivable related to opioid settlement monies in the OneOhio Special Revenue Fund in the accompanying financial statements. Collections of these settlement monies are expected to extend through 2038 with \$16,642 expected to be collected in 2024.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Leases

The City is reporting leases receivable of \$478,968 in the general fund and \$1,677,609 in the municipal buildings capital projects fund at December 31, 2023. These amounts represent the discounted future lease payments. These discounts are being amortized using the interest method. For 2023, the City recognized lease revenue of \$62,179 and investment earnings/interest revenue of \$19,427 in the general fund and recognized lease revenue of \$384,187 and investment earnings/interest revenue of \$14,145 in the municipal buildings capital projects fund related to lease payments received. These lease revenue amounts exclude short-term leases. A description of the City's leasing arrangements is as follows.

The City has entered into various lease agreements for cell towers with a couple companies at varying years and terms as follows, which are receipted into the general fund:

Company	Lease Commencement Date	Years	Lease Ending Date	Payment Method
AT&T #1	1997	30	2026	Monthly
AT&T #2	1997	30	2026	Monthly
T-Mobile	2003	30	2032	Monthly

In addition, the City has also entered into an agreement with the United States Postal Service (USPS) where the City has leased a premise for USPS operations. The lease was effective on February 1, 2008, has a term of 25 years, and carries an interest rate of 0.71 percent. Payments are collected monthly by the municipal buildings capital projects fund.

The City also entered into an agreement with Avon Baseball, LLC, subsequently Blue Dog Baseball, LLC, who is the owner of the Lake Erie Crushers, to play at the baseball complex owned by the City. The lease was effective on June 16, 2008, has a term of 17 years, and carries an interest rate of 0.71 percent. Payments are collected in \$50,000 installments per year in the months from May through September by the municipal buildings capital projects fund.

A summary of future lease amounts receivable is as follows:

Year	General		Municipal Buildings	
	Principal	Interest	Principal	Interest
2024	\$67,898	\$16,973	\$388,586	\$11,414
2025	73,969	14,297	141,338	8,661
2026	80,412	11,384	142,341	7,658
2027	33,783	9,143	143,351	6,648
2028	36,832	7,810	165,584	5,568
2029-2033	186,074	15,449	696,409	10,303
Total	<u>\$478,968</u>	<u>\$75,056</u>	<u>\$1,677,609</u>	<u>\$50,261</u>

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 9 – Tax Abatements

The City negotiates tax abatement agreements on an individual basis. The City may grant tax abatements only in designated Enterprise Zones or Community Re-investment Act zones. To date, all of the tax abatement agreements the City has granted have been under the Enterprise Zone Authority. The City has tax abatement agreements with four entities as of December 31, 2023:

Company	Purpose	Percentage Abated During the Year	Amount Abated During the Year
Bendix Commercial Vehicle Systems, LLC	Relocation	90 %	\$795,202
Jenne Distributors	Plant Expansion	75	77,617
L&W Engineering	Plant Expansion	75	64,514
Custom Culinary, Incorporated	Plant Expansion	50	15,057
Total			<u>\$952,390</u>

Each agreement was negotiated under Ohio Revised Code Sections 5709.62 and 5709.63, allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention and expansion. Each of the tax abatement agreements currently in place in the City requires the company to increase employment, both in terms of new jobs created and incremental payroll dollars. The agreements further require investment in both real and personal property by the company.

Abatements are obtained through application by the property owner, including proof that the improvements have been made. The percentage abated is identified in the preceding table and is applied to the additional property tax resulting from the increase in assessed value as a result of the improvement. The amount of the abatement is deducted from the recipient’s tax bill.

Note 10 – Contingencies

Grants

The City received financial assistance from State and Federal sources in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City.

Litigation

The City is not currently a party to any legal proceedings which management estimates would have a material impact on the financial statements.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 11 – Risk Management

Property and Liability

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the City negotiated with McGowan Governmental Underwriters for commercial insurance coverage relating to general liability, police professional, public officials, employment practices liability, cyber security liability, law enforcement liability, property, fire, auto and employee bonds and public official bonds.

This coverage includes a \$1,000,000/\$3,000,000 general liability policy, a \$1,000,000/\$3,000,000 employee benefits liability coverage policy, a \$1,000,000 public officials liability coverage policy, a \$1,000,000 employment practices liability, a \$250,000 crime coverage policy, a \$500,000 EDP policy, a \$1,000,000 cyber and privacy policy, a \$96,756,493 blanket building and contents policy, a \$1,000,000 vehicle policy and a \$9,000,000 excess umbrella policy. The deductibles on these policies range from \$1,000 to \$25,000.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

Workers' Compensation

The City pays the Ohio Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Employee Insurance Benefits

The City was fully insured with Medical Mutual of Ohio for medical and prescription drugs and with Delta Dental and Anthem Vision. Employees who choose to enroll are enrolled in all three plans. Enrolled individuals pay monthly premiums of \$158.86 for single coverage and \$428.28 for family coverage.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 12 – Compensated Absences

The criteria for determining the vacation and sick leave liabilities are derived from negotiated agreements and City ordinances. The following table depicts these allowable amounts:

<u>Vacation Time</u>	<u>Days Earned Per Year</u>	<u>Permitted Carry-Over</u>		
All Employees other than Fire	10 - 25	80 hours		
Fire department:				
Shift Employees	5 - 11 tours	120 hours		
40 Hours per Week	10 - 25	40 hours		
<u>Compensatory Time</u>	<u>Allowable Accumulation/Use</u>	<u>Allowable Payout</u>		
All Employees other than Police, Fire and Teamsters	120	40		
Fire Department	192	50		
Police Department:				
Patrolmen & Officers	126	40		
Dispatch	104	40		
Teamsters	80	0		
<u>Sick Leave</u>	<u>Sick Leave Hours Earned Per Month</u>	<u>Sick Leave Accumulation</u>	<u>Sick Leave Payment Upon Retirement (1)</u>	<u>Sick Leave Conversion</u>
All Employees other than Teamsters and Fire	10	Unlimited	Accumulation, up to 960 Hours	(2)
Fire Department:				
Shift Employees	13	Unlimited	1/2, up to 1,200 hours	(3)
40 Hours per Week	10	Unlimited	1/2, up to 960 hours	(2)
Teamsters	8	Unlimited	1/2, up to 960 hours	(2)

(1) To be eligible for retirement, the employee shall have worked full-time for the City at least ten years and shall have attained normal retirement age under the pension system.

(2) Accumulated sick leave in excess of 90 days may be converted to vacation leave at the rate of one sick leave day for one vacation day to a maximum of five days for a calendar year.

(3) Full-time fire shift employees who have accumulated more than 1,200 hours may convert up to 100 hours of sick leave to cash at the rate of two hours sick leave to one hour of pay to a maximum of 50 hours of pay per calendar year.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Note 13 – Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Balance 12/31/22	Additions	Deletions	Transfers	Balance 12/31/23
Governmental Activities:					
Nondepreciable Capital Assets:					
Land	\$8,067,889	\$937,903	\$0	\$0	\$9,005,792
Construction in Progress	177,989	221,336	(177,989)	0	221,336
<i>Total Nondepreciable Capital Assets</i>	<u>8,245,878</u>	<u>1,159,239</u>	<u>(177,989)</u>	<u>0</u>	<u>9,227,128</u>
Depreciable Capital Assets:					
Tangible Assets					
Land Improvements	3,047,730	244,389	(9,825)	0	3,282,294
Buildings and Improvements	52,140,015	1,130,066	(7,984)	0	53,262,097
Machinery and Equipment	8,219,100	1,005,151	(50,362)	140,492	9,314,381
Vehicles	8,349,383	512,482	(533,828)	70,258	8,398,295
Infrastructure:					
Park Improvements	1,395,035	196,930	0	0	1,591,965
Streets	93,086,494	4,032,172	(407,968)	0	96,710,698
Bridges and Culverts	3,147,391	0	0	0	3,147,391
Traffic Signals	6,676,293	0	(95,116)	0	6,581,177
Storm Sewer	32,276,059	974,317	0	0	33,250,376
Water Lines	8,795,388	814,573	0	0	9,609,961
<i>Total Tangible Assets</i>	<u>217,132,888</u>	<u>8,910,080</u>	<u>(1,105,083)</u>	<u>210,750</u>	<u>225,148,635</u>
Intangible Right to Use Lease Assets:					
Intangible Right to Use Lease - Equipment	275,199	0	0	0	275,199
<i>Total Depreciable/Amortizable Capital Assets</i>	<u>217,408,087</u>	<u>8,910,080</u>	<u>(1,105,083)</u>	<u>210,750</u>	<u>225,423,834</u>
Less Accumulated Depreciation/Amortization:					
Depreciation					
Land Improvements	(1,424,893)	(225,201)	0	0	(1,650,094)
Buildings and Improvements	(14,892,982)	(1,185,954)	0	0	(16,078,936)
Machinery and Equipment	(4,398,585)	(706,072)	12,722	0	(5,091,935)
Vehicles	(5,068,825)	(536,005)	298,547	(38,643)	(5,344,926)
Infrastructure:					
Park Improvements	(796,090)	(53,066)	0	0	(849,156)
Streets	(55,138,327)	(2,911,386)	0	0	(58,049,713)
Bridges and Culverts	(1,327,446)	(89,925)	0	0	(1,417,371)
Traffic Signals	(3,882,419)	(313,531)	0	0	(4,195,950)
Storm Sewer	(12,516,177)	(823,509)	0	0	(13,339,686)
Water Lines	(1,860,038)	(190,675)	0	0	(2,050,713)
<i>Total Depreciation</i>	<u>(101,305,782)</u>	<u>(7,035,324)</u>	<u>311,269</u>	<u>(38,643)</u>	<u>(108,068,480)</u>
Amortization					
Intangible Right to Use Lease Assets:					
Intangible Right to Use Lease - Equipment	(34,946)	(52,419)	0	0	(87,365)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(101,340,728)</u>	<u>(7,087,743)*</u>	<u>311,269</u>	<u>(38,643)</u>	<u>(108,155,845)</u>
Total Depreciable/Amortizable Capital Assets, Net	<u>116,067,359</u>	<u>1,822,337</u>	<u>(793,814)</u>	<u>172,107</u>	<u>117,267,989</u>
Governmental Activities Capital Assets, Net	<u>\$124,313,237</u>	<u>\$2,981,576</u>	<u>(\$971,803)</u>	<u>\$172,107</u>	<u>\$126,495,117</u>

The water and sewer enterprise funds transferred assets with a net book value of \$172,107.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

	Depreciation	Lease Amortization	Total
General Government	\$1,005,405	\$13,105	\$1,018,510
Security of Persons and Property	699,371	13,105	712,476
Transportation	3,628,057	6,552	3,634,609
Community Environment	54,542	13,105	67,647
Basic Utility Services	1,014,184	0	1,014,184
Leisure Time Activities	633,765	6,552	640,317
Total Depreciation/Amortization Expense	\$7,035,324	\$52,419	\$7,087,743

	Balance 12/31/22	Additions	Deletions	Transfers	Balance 12/31/23
Business-Type Activities:					
<i>Nonpreciable Capital Assets:</i>					
Land	\$7,580	\$0	\$0	\$0	\$7,580
<i>Depreciable Capital Assets:</i>					
<i>Tangible Assets</i>					
Land Improvements	209,899	0	(8,550)	0	201,349
Buildings and Improvements	2,068,529	60,568	(36,003)	0	2,093,094
Machinery and Equipment	4,478,868	318,882	(22,047)	(140,492)	4,635,211
Vehicles	1,267,544	0	0	(70,258)	1,197,286
Waterline Rights	2,024,462	0	0	0	2,024,462
Infrastructure:					
Water Lines	27,780,398	939,557	0	0	28,719,955
Sewer Lines	34,501,224	1,025,908	(571,605)	0	34,955,527
<i>Total Tangible Assets</i>	<i>72,330,924</i>	<i>2,344,915</i>	<i>(638,205)</i>	<i>(210,750)</i>	<i>73,826,884</i>
<i>Intangible Right to Use Lease Assets:</i>					
Intangible Right to Use Lease - Equipment	34,400	0	0	0	34,400
<i>Total Depreciable/Amortizable Capital Assets</i>	<i>72,365,324</i>	<i>2,344,915</i>	<i>(638,205)</i>	<i>(210,750)</i>	<i>73,861,284</i>
<i>Less Accumulated Depreciation/Amortization:</i>					
<i>Depreciation</i>					
Land Improvements	(131,500)	(10,815)	0	0	(142,315)
Buildings and Improvements	(1,175,247)	(68,896)	0	0	(1,244,143)
Machinery and Equipment	(1,446,048)	(263,432)	0	0	(1,709,480)
Vehicles	(775,928)	(114,018)	0	38,643	(851,303)
Waterline Rights	(1,060,982)	(41,015)	0	0	(1,101,997)
Infrastructure:					
Water Lines	(12,456,106)	(635,313)	0	0	(13,091,419)
Sewer Lines	(14,985,092)	(914,675)	0	0	(15,899,767)
<i>Total Depreciation</i>	<i>(32,030,903)</i>	<i>(2,048,164)</i>	<i>0</i>	<i>38,643</i>	<i>(34,040,424)</i>
<i>Amortization</i>					
<i>Intangible Right to Use Lease Assets:</i>					
Intangible Right to Use Lease - Equipment	(4,368)	(6,552)	0	0	(10,920)
<i>Total Accumulated Depreciation/Amortization</i>	<i>(32,035,271)</i>	<i>(2,054,716)</i>	<i>0</i>	<i>38,643</i>	<i>(34,051,344)</i>
Total Capital Assets, Being Depreciated/Amortized, Net	40,330,053	290,199	(638,205)	(172,107)	39,809,940
Business-Type Activities Capital Assets, Net	\$40,337,633	\$290,199	(\$638,205)	(\$172,107)	\$39,817,520

During 2023, the City received streets, storm sewers, and water hydrants valued at \$959,532, \$650,305, and \$362,811 from developers in governmental activities. The City also received sewer lines valued at \$537,762 from developers in business-type activities.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

During 1994, the City acquired an intangible asset due to the agreement with the City of Avon Lake. Per this agreement, the City had the right to use the City of Avon Lake Waterline #1, which was jointly constructed, but is owned by the City of Avon Lake. The construction of the waterline was completed in 1996. The entire asset value was capitalized as of December 31, 1996.

During 2009, the City acquired an intangible asset due to the agreement with the City of Avon Lake. Per this agreement, the City had the right to use the City of Avon Lake Waterline #2, which was jointly constructed, but is owned by the City of Avon Lake. The construction of the waterline was completed in 2002. The entire asset value was capitalized as of December 31, 2002.

Note 14 – Long-Term Obligations

The original issue date, interest rate, original issue amount and date of maturity of each of the City’s bonds, and loans follows:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Governmental Activities:			
<i>General Obligation Bonds:</i>			
2006 Schneider Court Improvements Bonds	3.45-4.25 %	\$111,132	December 1, 2026
2012C Refunding Bonds	2.00-4.00	2,535,000	December 1, 2024
2016 Refunding Bonds	2.00-4.00	26,834,600	December 1, 2038
2017 Refunding Bonds	1.25-2.32	1,975,000	December 1, 2023
2020 Refunding Bonds	0.281-2.531	27,359,664	December 1, 2039
2022 Improvement Bonds	3.00-4.00	7,425,000	December 1, 2042
<i>Special Assessment Bonds:</i>			
2006 Schneider Court Improvements Bonds	3.45-4.25	903,868	December 1, 2026
2017 Street Improvement Bonds	2.00-4.00	6,330,000	December 1, 2037
2020 Refunding Bonds	0.281-2.531	5,764,196	December 1, 2039
2022 Improvement Bonds	3.00-4.00	1,045,000	December 1, 2042
<i>Ohio Public Works Commission Loans from Direct Borrowing:</i>			
Jaycox Road/Center Improvements	0.00	145,194	January 1, 2029
Detroit Road Improvement - Phase I	0.00	97,167	July 1, 2037
Detroit Road Improvement - Phase II	0.00	32,423	January 1, 2038
Reigelsberger-Jaycox Bridge	0.00	125,000	January 1, 2036
Chester Road Relocation	0.00	46,428	July 1, 2040
Chester Road American Roadway Improvements	0.00	250,000	January 1, 2041
Nagel Road Widening - Phase I	0.00	179,874	January 1, 2040
<i>Lease:</i>			
2022 Copier Lease	3.78	275,199	June 26, 2027
Business-Type Activities:			
<i>General Obligation Bonds:</i>			
2016 Refunding Bonds - Water	2.00-4.00	20,400	December 1, 2028
2016 Refunding Bonds - Sewer	2.00-4.00	190,000	December 1, 2027
2020 Refunding Bonds - Water	0.281-2.531	1,261,172	December 1, 2037
2020 Refunding Bonds - Sewer	0.281-2.531	2,158,237	December 1, 2037
<i>Special Assessment Bonds:</i>			
2020 Refunding Bonds - Water	0.281-2.531	267,444	December 1, 2037
2020 Refunding Bonds - Sewer	0.281-2.531	779,287	December 1, 2037
<i>Lease:</i>			
2022 Copier Lease - Water	3.78	17,200	June 26, 2027
2022 Copier Lease - Sewer	3.78	17,200	June 26, 2027

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Changes in bonds and other long-term obligations of the City during 2023 were as follows:

	Principal Outstanding 12/31/22	Additions	Deletions	Principal Outstanding 12/31/23	Due Within One Year
Governmental Activities:					
<i>General Obligation Bonds:</i>					
2006 Schneider Court Improvements Bonds	\$30,110	\$0	\$7,117	\$22,993	\$7,117
Unamortized Premium	97	0	24	73	0
2012C Refunding Bonds	445,000	0	270,000	175,000	175,000
Unamortized Premium	29,147	0	14,574	14,573	0
2016 Refunding Bonds	20,137,298	0	1,738,075	18,399,223	1,772,947
Unamortized Premium	1,095,685	0	68,480	1,027,205	0
2017 Refunding Bonds	400,000	0	400,000	0	0
2020 Refunding Bonds	25,645,834	0	1,250,091	24,395,743	1,784,179
2022 Improvement Bonds:					
Serial Portion	5,695,000	0	480,000	5,215,000	495,000
Term Portion	1,730,000	0	0	1,730,000	0
Unamortized Premium	950,208	0	47,510	902,698	0
<i>Total General Obligation Bonds</i>	<u>56,158,379</u>	<u>0</u>	<u>4,275,871</u>	<u>51,882,508</u>	<u>4,234,243</u>
<i>Special Assessment Bonds:</i>					
2006 Schneider Court Improvements Bonds	244,890	0	57,883	187,007	57,883
2017 Street Improvement Bonds	5,150,000	0	260,000	4,890,000	265,000
Unamortized Premium	585,791	0	39,052	546,739	0
2020 Refunding Bonds	5,553,129	0	106,387	5,446,742	345,213
2022 Improvement Bonds:					
Serial Portion	430,000	0	35,000	395,000	40,000
Term Portion	615,000	0	0	615,000	0
Unamortized Premium	111,063	0	5,553	105,510	0
<i>Total Special Assessment Bonds</i>	<u>12,689,873</u>	<u>0</u>	<u>503,875</u>	<u>12,185,998</u>	<u>708,096</u>
<i>OPWC Loans from Direct Borrowing:</i>					
Jaycox Road/Chester Improvements	47,188	0	7,260	39,928	7,260
Detroit Road Improvement - Phase I	58,302	0	3,887	54,415	3,887
Detroit Road Improvement - Phase II	20,102	0	1,296	18,806	1,297
Reigelsberger-Jaycox Bridge	84,375	0	6,250	78,125	6,250
Chester Road Relocation	37,987	0	2,110	35,877	2,110
Chester Road American Roadway Improvements	231,250	0	12,500	218,750	12,500
Nagel Road Widening - Phase I	157,389	0	8,994	148,395	8,993
<i>Total OPWC Loans from Direct Borrowing</i>	<u>636,593</u>	<u>0</u>	<u>42,297</u>	<u>594,296</u>	<u>42,297</u>
<i>Other Long-Term Obligations:</i>					
2022 Copier Lease	239,144	0	49,689	189,455	51,601
Compensated Absences	2,264,876	465,443	255,380	2,474,939	278,745
<i>Total Other Long-Term Obligations</i>	<u>2,504,020</u>	<u>465,443</u>	<u>305,069</u>	<u>2,664,394</u>	<u>330,346</u>
<i>Net Pension Liability:</i>					
OPERS	2,871,560	6,711,387	0	9,582,947	0
OPF	17,774,096	10,398,737	0	28,172,833	0
<i>Total Net Pension Liability</i>	<u>20,645,656</u>	<u>17,110,124</u>	<u>0</u>	<u>37,755,780</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OPERS	0	201,029	0	201,029	0
OPF	3,118,396	0	1,006,787	2,111,609	0
<i>Total Net OPEB Liability</i>	<u>3,118,396</u>	<u>201,029</u>	<u>1,006,787</u>	<u>2,312,638</u>	<u>0</u>
<i>Total Governmental Activities</i>	<u>\$95,752,917</u>	<u>\$17,776,596</u>	<u>\$6,133,899</u>	<u>\$107,395,614</u>	<u>\$5,314,982</u>

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

	Principal Outstanding 12/31/22	Additions	Deletions	Principal Outstanding 12/31/23	Due Within One Year
Business-Type Activities:					
<i>General Obligation Bonds:</i>					
2016 Refunding Bonds - Water	\$12,702	\$0	\$1,925	\$10,777	\$2,053
2016 Refunding Bonds - Sewer	105,000	0	20,000	85,000	20,000
2020 Refunding Bonds - Water	1,193,941	0	42,701	1,151,240	82,959
2020 Refunding Bonds - Sewer	2,053,439	0	72,233	1,981,206	142,527
<i>Total General Obligation Bonds</i>	<u>3,365,082</u>	<u>0</u>	<u>136,859</u>	<u>3,228,223</u>	<u>247,539</u>
<i>Special Assessment Bonds:</i>					
2020 Refunding Bonds - Water	258,005	0	4,195	253,810	15,732
2020 Refunding Bonds - Sewer	735,652	0	19,393	716,259	44,390
<i>Total Special Assessment Bonds</i>	<u>993,657</u>	<u>0</u>	<u>23,588</u>	<u>970,069</u>	<u>60,122</u>
<i>Intergovernmental Payable:</i>					
2009 Avon Lake Waterline	152,758	0	36,872	115,886	38,963
<i>Other Long-Term Obligations:</i>					
2022 Copier Lease - Water	14,946	0	3,106	11,840	3,225
2022 Copier Lease - Sewer	14,946	0	3,106	11,840	3,225
Compensated Absences	179,167	43,714	12,552	210,329	12,612
<i>Total Other Long-Term Obligations</i>	<u>209,059</u>	<u>43,714</u>	<u>18,764</u>	<u>234,009</u>	<u>19,062</u>
<i>Net Pension Liability:</i>					
OPERS - Water	276,780	646,880	0	923,660	0
OPERS - Sewer	242,183	566,020	0	808,203	0
OPERS - Storm Water	69,194	161,722	0	230,916	0
<i>Total Net Pension Liability</i>	<u>588,157</u>	<u>1,374,622</u>	<u>0</u>	<u>1,962,779</u>	<u>0</u>
<i>Net OPEB Liability:</i>					
OPERS - Water	0	19,375	0	19,375	0
OPERS - Sewer	0	16,954	0	16,954	0
OPERS - Storm Water	0	4,844	0	4,844	0
<i>Total Net OPEB Liability</i>	<u>0</u>	<u>41,173</u>	<u>0</u>	<u>41,173</u>	<u>0</u>
<i>Total Business-Type Activities</i>	<u>\$5,308,713</u>	<u>\$1,459,509</u>	<u>\$216,083</u>	<u>\$6,552,139</u>	<u>\$365,686</u>

General obligation bonds will be paid from the general obligation bond retirement debt service fund, with the exception of portions being paid by the street, construction, maintenance and repair and park development and improvement special revenue funds, the tax increment financing debt service fund, and the municipal buildings and recreation complex capital projects funds. The Ohio Public Works Commission loans will be paid from the general obligation debt service fund. General obligation bonds reported in the enterprise funds will be paid from charges for services revenue in the respective enterprise funds.

Special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

On April 12, 2006, the City issued \$1,015,000 in Schneider Court Improvement serial bonds at interest rates varying from 3.45 percent to 4.25 percent. The bonds were issued for a 20 year period with a final maturity at December 1, 2026. The bonds are being retired from the general obligation bond retirement fund.

On June 28, 2012, the City issued general obligation bonds, in the amount of \$2,535,000, to refund a portion of the veteran's park and service garage term bonds. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 12 year period with a final maturity on December 1, 2024. The bonds will be retired through the street, construction, maintenance and repair and park development and improvement special revenue funds. The bonds were sold at a premium of \$174,883. Proceeds of \$2,656,706 were deposited in an irrevocable

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

trust with an escrow agent to provide for all future debt payments on the veteran's park and service garage term bonds. As a result, \$2,435,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On February 25, 2016, the City issued general obligation bonds, in the amount of \$27,045,000, to refund a portion of the Series 2008 and Series 2009B various purpose bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 22 year period with a final maturity on December 1, 2038. The bonds will be retired through the general obligation bond retirement fund and the water and sewer enterprise funds. The bonds were sold at a premium of \$1,575,047. Proceeds of \$28,289,718 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the 2008 and Series 2009B various purpose bonds. As a result, \$25,420,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On September 19, 2017, the City issued general obligation bonds, in the amount of \$1,975,000, to partially refund the Series 2009A various purpose bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 1.25 to 2.32 percent. The bonds were issued for a 7 year period with a final maturity on December 1, 2023. The bonds were retired through the general obligation bond retirement fund. Proceeds of \$1,930,457 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the Series 2009A various purpose bonds. As a result, \$1,800,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On September 19, 2017, the City issued special assessment bonds, in the amount of \$6,330,000, for the purpose of widening and resurfacing a portion of Chester Road. The bonds were issued with interest rates varying from 2 to 4 percent. The bonds were issued for a 20 year period with a final maturity on December 1, 2037. The bonds will be retired through the special assessment bond retirement fund. The bonds were sold at a premium of \$781,055. Of this premium, \$762,244 was never received by the City, but rather sent directly to the paying agent to be used to redeem the outstanding notes. Had the City actually received those funds, they would have been deposited into the special assessment bond retirement fund and then used to pay the notes.

On September 3, 2020, the City issued general obligation and special assessment bonds, in the amount of \$37,590,000, to partially refund the 2011 YMCA bonds, 2012A various purpose bonds, 2012B various purpose bonds, 2013 various purpose bonds, and 2014 Nagel Road Interchange bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 0.281 to 2.531 percent. The bonds were issued for a 20 year period with a final maturity on December 1, 2039. The bonds will be retired through the general obligation bond retirement fund. Net proceeds of \$37,171,976 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded bonds. As a result, \$35,345,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements.

On February 24, 2022, the City issued \$8,470,000, with a premium of \$1,061,271, in various purpose general obligation and special assessment improvement bonds to replace the municipal facility, various purpose, and street improvement notes. These bonds have a maturity date of December 1, 2042 and have interest rates of 3 to 4 percent.

The City has entered into contractual agreements for construction loans from the Ohio Public Works Commission (OPWC). Under the terms of these agreements, the OPWC will reimburse, advance or directly pay the construction costs of approved projects. The OPWC loans are interest free. These loans from direct borrowing contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

During 2009, the City entered into a contractual agreement with the City of Avon Lake for the construction and future maintenance of a water trunk line that runs through Avon. Avon purchased waterline rights allowing residents to tap into the line. All proceeds were received by the City of Avon Lake and the City of Avon Lake is responsible for the debt retirement and maintenance. The line will be a capital asset of the City of Avon Lake. This amount has been recorded on Avon's books as a long-term liability in the water enterprise fund. The annual interest rate of this obligation is 5.672 percent. A corresponding amount was recorded as an intangible asset in the water enterprise fund. This amount will be amortized over the life of the waterline. In 2023, \$36,872 was paid from the water enterprise fund. The total amount owed to the City of Avon Lake as of December 31, 2023, is \$115,886.

The City's overall legal debt margin was \$117,539,970 and an unvoted debt margin of \$61,569,717 at December 31, 2023. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2023 are as follows:

Governmental Activities:

Years	General Obligation Bonds		Special Assessment Bonds		OPWC Loans from Direct Borrowing	Total Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2024	\$4,234,243	\$1,159,235	\$708,096	\$477,767	\$42,297	\$4,984,636	\$1,637,002
2025	4,133,900	1,091,980	738,131	451,721	42,298	4,914,329	1,543,701
2026	4,225,172	988,465	761,498	425,772	42,298	5,028,968	1,414,237
2027	4,342,837	878,909	720,598	395,527	42,297	5,105,732	1,274,436
2028	3,922,903	766,219	755,094	365,890	42,299	4,720,296	1,132,109
2029-2033	15,481,757	2,569,536	4,202,872	1,349,102	178,815	19,863,444	3,918,638
2034-2038	12,602,147	938,292	3,377,460	482,158	155,030	16,134,637	1,420,450
2039-2042	995,000	53,872	270,000	20,550	48,962	1,313,962	74,422
Total	<u>\$49,937,959</u>	<u>\$8,446,508</u>	<u>\$11,533,749</u>	<u>\$3,968,487</u>	<u>\$594,296</u>	<u>\$62,066,004</u>	<u>\$12,414,995</u>

Business-Type Activities:

Years	General Obligation Bonds		Special Assessment Bonds		Avon Lake		Total Business-Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$247,539	\$35,671	\$60,122	\$35,876	\$38,963	\$6,624	\$346,624	\$78,171
2025	249,898	35,179	63,071	33,772	41,173	4,414	354,142	73,365
2026	253,977	33,726	64,353	31,564	35,750	12,731	354,080	78,021
2027	250,931	31,296	65,634	29,312	0	0	316,565	60,608
2028	232,138	28,986	69,865	27,015	0	0	302,003	56,001
2029-2033	1,150,923	107,319	384,448	98,016	0	0	1,535,371	205,335
2034-2037	842,817	27,221	262,576	31,348	0	0	1,105,393	58,569
Total	<u>\$3,228,223</u>	<u>\$299,398</u>	<u>\$970,069</u>	<u>\$286,903</u>	<u>\$115,886</u>	<u>\$23,769</u>	<u>\$4,314,178</u>	<u>\$610,070</u>

Compensated absences will be paid from the general fund, the fire department special revenue fund, the street construction, maintenance and repair special revenue fund, the police special revenue fund, the recreation special revenue fund, the park operating special revenue fund, and the water, sewer, and storm water enterprise funds. The City pays obligations related to employee compensation from the fund benefitting from their service. There is no repayment schedule for the net pension/OPEB liabilities; however, employer pension/OPEB contributions are made from the same funds as compensated absences.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

The City has an outstanding agreement to lease copiers. The future lease payments were discounted based on the interest rate implicit in the lease or using the City's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. The lease will be paid from the general fund, fire department, police, street construction, maintenance and repair, and park operating special revenues funds, and water and sewer enterprise funds. A summary of the principal and interest amounts for the lease is as follows:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$51,601	\$6,273	\$6,450	\$784
2025	53,586	4,289	6,698	536
2026	55,647	2,228	6,955	278
2027	28,621	316	3,577	40
Total	<u>\$189,455</u>	<u>\$13,106</u>	<u>\$23,680</u>	<u>\$1,638</u>

Note 15 – Jointly Governed Organizations

Lorain County General Health District

The City participates in the Lorain County General Health District (Health District), a jointly governed organization, which provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Health District's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. The Board of Health members are appointed to staggered five-year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the cities of Avon and Sheffield Lake and one member is appointed jointly by the cities of Amherst and Oberlin. The remaining five members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$154,087 during 2023 for the operation of the Health District. Financial information can be obtained by contacting the Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio, 44035.

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 electricity. NOPEC's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity 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 eight-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 did not contribute to NOPEC during 2023. Financial information can be obtained by contacting Ron McVoy, Board Chairman, 31320 Solon Road, Suite 20 Solon, Ohio 44139 or at the website www.nopecinfo.org.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2023, the City paid RITA \$360,608 for income tax collection services.

Note 16 – Interfund Balances and Transfers

Interfund Balances

On the fund financial statements interfund balances at December 31, 2023, were:

	Receivables		Payable	
	Advances To	Manuscript Bonds	Advances From	Manuscript Bonds
	Other Funds	Bonds	Other Funds	Bonds
General	\$1,444,201	\$71,000	\$0	\$0
Other Governmental Funds	0	0	1,444,201	0
Water	0	0	0	71,000
Total	\$1,444,201	\$71,000	\$1,444,201	\$71,000

The general fund had a receivable of \$1,444,201, which resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. All are anticipated to be repaid within one year.

The Jaycox Road Watermain Improvement interfund balance of \$71,000 represents a manuscript bond that was issued on September 2, 2008, at 5.10 percent. This bond matures on December 1, 2028 and was used for the purpose of the cost of construction of a watermain extension on Jaycox Road. A repayment schedule for the remaining outstanding balance is as follows:

Years	Jaycox Road Watermain Improvement		
	Principal	Interest	Total
2024	\$13,000	\$3,185	\$16,185
2025	13,000	3,185	16,185
2026	14,000	2,185	16,185
2027	15,000	1,185	16,185
2028	16,000	185	16,185
Total	\$71,000	\$9,925	\$80,925

The manuscript bond was issued by the City and purchased by the general fund. The City intends to repay this from the proceeds of special assessments levied against benefited property owners.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

During 2007, the City issued manuscript bonds in the amount of \$2,044,674. The sewer replacement and depreciation enterprise fund purchased the bonds. The North Branch sanitary sewer enterprise fund received the debt proceeds which will be used to pay for improvements to the Jaycox Road sewer line. For GAAP reporting purposes these two funds are combined and reported as part of the sewer enterprise fund. The manuscript bonds will be repaid from the collection of future tap-in fees over the next twenty years.

On March 1, 2008, the City refunded \$2,044,674 of manuscript bonds and issued \$1,987,552 in manuscript bonds with a maturity date of December 1, 2027 and at the interest rate of 4.5 percent. Due to the uncertainty of the collection of tap-in fees the annual revenue is not known.

During 2023, no tap-in-fees were pledged to repay the Jaycox Road Sewer Line Improvement manuscript bonds. The bonds are payable solely from and to the extent tap-in-fees are received by the City in connection with the improvement for which the bonds were issued and are payable through 2027. Currently; the City is unable to determine the amount of revenue to be collected from tap-in fees because a large portion of the land is undeveloped and it is not known who will purchase the land and when it will be connected to the sewer. Accordingly, because of such unknowns, an accurate debt repayment schedule has not been established.

Internal Balances – Change in Proportionate Share

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

Balances related to the internal proportionate share for pension at December 31, 2023, were as follows:

	Pension	
	Deferred Outflows	Deferred Inflows
Governmental Activities	\$0	\$131
Business-Type Activities:		
Water	70	0
Sewer	68	0
Storm Water	0	7
<i>Total Enterprise Funds/Business-Type Activities</i>	138	7
Elimination from Proprietary Fund Statements	(7)	(7)
Total Business-Type	131	0
Total	\$131	\$131

Interfund Transfers

Transfers are primarily from the general fund to various funds within the City. The general fund transferred funds to help finance the various programs accounted for in other special revenue funds and to provide start-up funds for new capital projects funds established by Council. Funds from the general fund are also transferred to the police fund to cover the shortfall of income tax collections.

Transfers are also made to cover the various debt obligations of the City from the general fund and other governmental funds to the debt service funds.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Transfers made during the year ended December 31, 2023, were as follows:

<u>Transfers To</u>	<u>Transfers From</u>		
	<u>General</u>	<u>Water</u>	<u>Total</u>
Fire Department	\$1,000,000	\$0	\$1,000,000
Police	2,600,000	0	2,600,000
Other Governmental Funds	4,735,500	1,985	4,737,485
Total	<u>\$8,335,500</u>	<u>\$1,985</u>	<u>\$8,337,485</u>

Note 17 – Significant Commitments

Contractual Commitments

At December 31, 2023, the various projects within the City had contractual commitments consisting of the following:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
2023 Road Program	\$2,440,067	\$2,164,109	\$275,958
Chester Rd/American Way Project	2,009,585	1,731,076	278,508
SR 83 and SR 254 Intersection	287,172	286,072	1,100
Safety Center Signage Project	171,120	89,670	81,450
Sidewalk Program	78,000	60,379	17,621
2024 Road Program	70,000	23,617	46,383
Center Road Widening	59,000	54,218	4,782
Moore Road Rehabilitation	50,000	42,134	7,866
SR 83 Pedestrian Bridges	35,000	23,378	11,622
Detroit Road Widening	35,000	29,992	5,008
Sanitary Sewer Replacement	35,000	17,685	17,315
2022 Road Program	35,000	21,496	13,504
Chester Road/American Way Improvements	34,515	4,987	29,528
Nagel Road Improvements	7,508	0	7,508
Restroom Project	7,451	0	7,451
Total	<u>\$5,354,418</u>	<u>\$4,548,813</u>	<u>\$805,605</u>

The amounts remaining on these contracts were encumbered at year end. The amounts of \$218,353 and \$184,397 in accounts and contracts payable, respectively, for governmental activities, have been capitalized.

Encumbrances

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

General	\$1,707,436
Fire Department	80,492
Police	191,545
Other Governmental Funds	2,078,849
Water	35,557
Sewer	26,733
Nonmajor Storm Water	68,045
Total	\$4,188,657

Note 18 – Defined Benefit Pension Plans

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

Net Pension Liability (Asset)/Net OPEB Liability

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

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

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

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

The proportionate share of each plan’s unfunded benefits is presented as a *net pension asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable*. The remainder of this note includes the required pension disclosures. See Note 19 for the required OPEB disclosures.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Plan Description – Ohio Public Employees Retirement System (OPERS)

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced previously 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 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member’s pension benefit vests upon receipt of the initial benefit payment.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

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

	State and Local	
	Traditional	Combined
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
 2023 Actual Contribution Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

For 2023, the City's contractually required contribution was \$907,459 for the traditional plan, \$17,280 for the combined plan and \$23,204 for the member-directed plan. Of these amounts, \$86,228 is reported as an intergovernmental payable for the traditional plan, \$1,638 for the combined plan, and \$2,204 for the member-directed plan.

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

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

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

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

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

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

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

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

	Police	Firefighters
2023 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2023 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$1,798,972 for 2023. Of this amount, \$175,213 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City’s proportion of the net pension liability (asset) was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City’s defined benefit pension plans:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.03908500%	0.02850100%	0.29658640%	
Prior Measurement Date	0.03976500%	0.02615000%	0.28450292%	
Change in Proportionate Share	-0.00068000%	0.00235100%	0.01208348%	
Proportionate Share of the:				
Net Pension Liability	\$11,545,726	\$0	\$28,172,833	\$39,718,559
Net Pension (Asset)	\$0	(\$67,174)	\$0	(\$67,174)
Pension Expense	\$1,779,832	\$5,311	\$3,803,510	\$5,588,653

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

2023 pension expense for the member-directed defined contribution plan was \$20,224. The aggregate pension expense for all pension plans was \$5,608,877 for 2023.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$383,500	\$4,130	\$422,580	\$810,210
Changes of assumptions	121,973	4,447	2,541,093	2,667,513
Net difference between projected and actual earnings on pension plan investments	3,290,895	24,481	4,101,618	7,416,994
Changes in proportion and differences between City contributions and proportionate share of contributions	86,320	0	1,010,839	1,097,159
City contributions subsequent to the measurement date	907,459	17,280	1,798,972	2,723,711
Total Deferred Outflows of Resources	\$4,790,147	\$50,338	\$9,875,102	\$14,715,587
Deferred Inflows of Resources				
Differences between expected and actual experience	\$0	\$9,598	\$641,860	\$651,458
Changes of assumptions	0	0	549,362	549,362
Changes in proportion and differences between City contributions and proportionate share of contributions	71,802	25,968	15,263	113,033
Total Deferred Inflows of Resources	\$71,802	\$35,566	\$1,206,485	\$1,313,853

\$2,723,711 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2024. 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 Traditional Plan	OPERS Combined Plan	OP&F	Total
Year Ending December 31:				
2024	\$484,505	(\$3,600)	\$912,630	\$1,393,535
2025	745,600	(92)	1,670,554	2,416,062
2026	968,670	1,653	1,751,404	2,721,727
2027	1,612,111	5,982	2,478,236	4,096,329
2028	0	(3,455)	56,821	53,366
Thereafter	0	(2,996)	0	(2,996)
Total	\$3,810,886	(\$2,508)	\$6,869,645	\$10,678,023

Actuarial Assumptions – OPERS

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

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

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class.

These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized as follows:

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other Investments	5.00	3.27
Total	<u>100.00%</u>	

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

Sensitivity of the City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$17,295,113	\$11,545,726	\$6,763,268
OPERS Combined Plan	(35,056)	(67,174)	(92,628)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements, and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, are presented as follows:

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	2.2 percent simple per year

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

For 2021, 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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

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

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, 2022, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.80 %
Non-US Equity	12.40	5.50
Private Markets	10.00	7.90
Core Fixed Income *	25.00	2.50
High Yield Fixed Income	7.00	4.40
Private Credit	5.00	5.90
U.S. Inflation Linked Bonds *	15.00	2.00
Midstream Energy Infrastructure	5.00	5.90
Real Assets	8.00	5.90
Gold	5.00	3.60
Private Real Estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: Assumptions are geometric.
* levered 2.5x

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

Discount Rate For 2022, the total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 7.50 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$37,165,403	\$28,172,833	\$20,697,309

Note 19 – Defined Benefit OPEB Plans

See Note 18 for a description of the net OPEB liability.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees and are no longer participating in OPERS-provided self-insured group plans.

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

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

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

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

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

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

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

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

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

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

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan, and beginning July 1, 2022, there was a 2 percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution was \$9,951 for 2023. Of this amount, \$945 is reported as an intergovernmental payable.

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

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

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

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

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

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

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded.

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

The City’s contractually required contribution to OP&F was \$42,639 for 2023. Of this amount, \$4,162 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, 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, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.03841300%	0.29658640%	
Prior Measurement Date	<u>0.03897700%</u>	<u>0.28450288%</u>	
Change in Proportionate Share	<u>-0.00056400%</u>	<u>0.01208352%</u>	
Proportionate Share of the Net OPEB Liability	\$242,202	\$2,111,609	\$2,353,811
OPEB Expense	(435,883)	146,089	(289,794)

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$126,008	\$126,008
Changes of assumptions	236,564	1,052,310	1,288,874
Net difference between projected and actual earnings on OPEB plan investments	481,020	181,113	662,133
Changes in proportion and differences between City contributions and proportionate share of contributions	14,659	150,527	165,186
City contributions subsequent to the measurement date	<u>9,951</u>	<u>42,639</u>	<u>52,590</u>
Total Deferred Outflows of Resources	<u><u>\$742,194</u></u>	<u><u>\$1,552,597</u></u>	<u><u>\$2,294,791</u></u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$60,414	\$416,366	\$476,780
Changes of assumptions	19,465	1,727,125	1,746,590
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>361</u>	<u>93,669</u>	<u>94,030</u>
Total Deferred Inflows of Resources	<u><u>\$80,240</u></u>	<u><u>\$2,237,160</u></u>	<u><u>\$2,317,400</u></u>

\$52,590 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2024	\$93,856	(\$57,881)	\$35,975
2025	175,779	(35,077)	140,702
2026	149,997	(62,651)	87,346
2027	232,371	(23,445)	208,926
2028	0	(155,414)	(155,414)
Thereafter	<u>0</u>	<u>(392,734)</u>	<u>(392,734)</u>
Total	<u><u>\$652,003</u></u>	<u><u>(\$727,202)</u></u>	<u><u>(\$75,199)</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.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent including wage inflation
Single Discount Rate	5.22 percent
Prior Year Single Discount Rate	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.05 percent
Prior Year Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2036
Actuarial Cost Method	Individual Entry Age

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00%	2.56%
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other Investments	6.00	1.84
Total	100.00%	

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) 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 4.05 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, 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 The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (4.22 percent) or one percentage point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
City's proportionate share of the net OPEB liability (asset)	\$824,343	\$242,202	(\$238,161)

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

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$227,021	\$242,202	\$259,288

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent
Blended Discount Rate:	
Current measurement date	4.27 percent
Prior measurement date	2.84 percent
Cost-of-Living Adjustments	2.2 percent simple per year
Projected Depletion Year of OPEB Assets	2036

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

For 2021, 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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

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

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 18.

Discount Rate For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, 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 of 7.5 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

City of Avon, Ohio
Notes to Basic Financial Statements
For the Year Ended December 31, 2023

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 4.27 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
City's proportionate share of the net OPEB liability	\$2,600,248	\$2,111,609	\$1,699,072

Note 20 – Asset Retirement Obligations

The Governmental Accounting Standard Board’s (GASB) Statement No. 83, *Certain Asset Retirement Obligations*, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City may be responsible to address any public safety issues associated with their lift stations, requiring the City to record an asset retirement obligation (ARO). There may be additional AROs related to public safety issues; however, these amounts are not reasonably estimable. Currently, there is significant uncertainty as to what items would need to be addressed; therefore, a reliable estimated amount could not be determined.

Note 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the City did not receive COVID-19 funding, but will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

Required Supplementary Information

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

	2023	2022	2021
City's Proportion of the Net Pension Liability	0.03908500%	0.03976500%	0.03733300%
City's Proportionate Share of the Net Pension Liability	\$11,545,726	\$3,459,717	\$5,528,205
City's Covered Payroll	\$6,058,636	\$5,771,157	\$5,258,221
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57%	59.95%	105.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
0.03867800%	0.03806600%	0.03843600%	0.03917700%	0.03908700%	0.03829000%	0.03829000%
\$7,644,969	\$10,425,505	\$6,029,863	\$8,896,430	\$6,770,361	\$4,618,201	\$4,513,892
\$5,442,014	\$5,141,493	\$5,079,338	\$5,075,950	\$4,853,183	\$4,694,325	\$4,442,337
140.48%	202.77%	118.71%	175.27%	139.50%	98.38%	101.61%
82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

City of Avon, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
*Last Six Years (1) **

	2023	2022	2021
City's Proportion of the Net Pension Asset	0.02850100%	0.02615000%	0.02033100%
City's Proportionate Share of the Net Pension Asset	\$67,174	\$103,032	\$58,687
City's Covered Payroll	\$132,421	\$119,214	\$89,600
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-50.73%	-86.43%	-65.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	137.14%	169.88%	157.67%

(1) Amounts for the Combined Plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

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

See accompanying notes to the required supplementary information

2020	2019	2018
0.01559100%	0.01500700%	0.00093900%
\$32,511	\$16,781	\$1,280
\$69,407	\$64,186	\$3,846
-46.84%	-26.14%	-33.28%
145.28%	126.64%	137.28%

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

	2023	2022	2021
City's Proportion of the Net Pension Liability	0.29658640%	0.28450292%	0.28240070%
City's Proportionate Share of the Net Pension Liability	\$28,172,833	\$17,774,096	\$19,251,509
City's Covered Payroll	\$8,063,504	\$7,262,255	\$6,495,526
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	349.39%	244.75%	296.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	75.03%	70.65%

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
0.27827870%	0.27263300%	0.27381700%	0.28017600%	0.27287700%	0.27012100%	0.27012100%
\$18,746,340	\$22,254,057	\$16,805,385	\$17,746,067	\$17,554,368	\$13,993,394	\$13,155,740
\$7,408,127	\$6,166,015	\$5,951,032	\$5,788,641	\$5,497,478	\$5,331,475	\$5,231,361
253.05%	360.91%	282.39%	306.57%	319.32%	262.47%	251.48%
69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's Proportion of the Net OPEB Asset/Liability	0.03841300%	0.03897700%	0.03644500%
City's Proportionate Share of the Net OPEB Asset	\$0	\$1,220,817	\$649,296
City's Proportionate Share of the Net OPEB Liability	\$242,202	\$0	\$0
City's Covered Payroll	\$6,393,307	\$6,077,996	\$5,511,821
City's Proportionate Share of the Net OPEB Asset/Liability as a Percentage of its Covered Payroll	3.79%	-20.09%	-11.78%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%

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

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.03755200%	0.03687700%	0.03675000%	0.03771000%
\$0	\$0	\$0	\$0
\$5,186,907	\$4,807,892	\$3,990,779	\$3,808,837
\$5,673,246	\$5,348,954	\$5,205,484	\$5,211,700
91.43%	89.88%	76.66%	73.08%
47.80%	46.33%	54.14%	54.04%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's Proportion of the Net OPEB Liability	0.29658640%	0.28450288%	0.28240070%
City's Proportionate Share of the Net OPEB Liability	\$2,111,609	\$3,118,396	\$2,992,081
City's Covered Payroll	\$8,063,504	\$7,262,255	\$6,495,526
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	26.19%	42.94%	46.06%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	52.59%	46.90%	45.40%

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

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017
0.27827870%	0.27263300%	0.27381700%	0.28017600%
\$2,748,762	\$2,482,742	\$15,514,086	\$13,299,325
\$7,408,127	\$6,166,015	\$5,951,032	\$5,788,641
37.10%	40.26%	260.70%	229.75%
47.08%	46.57%	14.13%	15.96%

City of Avon, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Ten Years

	2023	2022	2021
Net Pension Liability - Traditional Plan			
Contractually Required Contribution	\$907,459	\$848,209	\$807,962
Contributions in Relation to the Contractually Required Contribution	<u>(907,459)</u>	<u>(848,209)</u>	<u>(807,962)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$6,481,850	\$6,058,636	\$5,771,157
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net Pension Asset - Combined Plan (2)			
Contractually Required Contribution	\$17,280	\$18,539	\$16,690
Contributions in Relation to the Contractually Required Contribution	<u>(17,280)</u>	<u>(18,539)</u>	<u>(16,690)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$144,000	\$132,421	\$119,214
Pension Contributions as a Percentage of Covered Payroll	<u>12.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability - OPEB Plan (3)			
Contractually Required Contribution	\$9,951	\$8,090	\$7,505
Contributions in Relation to the Contractually Required Contribution	<u>(9,951)</u>	<u>(8,090)</u>	<u>(7,505)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$6,842,089	\$6,393,307	\$6,077,996
OPEB Contributions as a Percentage of Covered Payroll	<u>0.15%</u>	<u>0.13%</u>	<u>0.12%</u>

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

(2) Information prior to 2017 is not available.

(3) Information prior to 2016 is not available.

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
\$736,150	\$761,882	\$719,808	\$660,314	\$609,114	\$582,381	\$563,319
(736,150)	(761,882)	(719,808)	(660,314)	(609,114)	(582,381)	(563,319)
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$5,258,221	\$5,442,014	\$5,141,493	\$5,079,338	\$5,075,950	\$4,853,183	\$4,694,325
14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$12,544	\$9,717	\$8,986	\$500			
(12,544)	(9,717)	(8,986)	(500)			
\$0	\$0	\$0	\$0			
\$89,600	\$69,407	\$64,186	\$3,846			
14.00%	14.00%	14.00%	13.00%			
\$6,561	\$6,473	\$5,731	\$55,724	\$106,949		
(6,561)	(6,473)	(5,731)	(55,724)	(106,949)		
\$0	\$0	\$0	\$0	\$0		
\$5,511,821	\$5,673,246	\$5,348,954	\$5,205,484	\$5,211,700		
0.12%	0.11%	0.11%	1.07%	2.05%		

City of Avon, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2023	2022	2021
Net Pension Liability			
Contractually Required Contribution	\$1,798,972	\$1,702,173	\$1,533,139
Contributions in Relation to the Contractually Required Contribution	<u>(1,798,972)</u>	<u>(1,702,173)</u>	<u>(1,533,139)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$8,527,721	\$8,063,504	\$7,262,255
Pension Contributions as a Percentage of Covered Payroll	<u>21.10%</u>	<u>21.11%</u>	<u>21.11%</u>
Net OPEB Liability			
Contractually Required Contribution	\$42,639	\$40,318	\$36,312
Contributions in Relation to the Contractually Required Contribution	<u>(42,639)</u>	<u>(40,318)</u>	<u>(36,312)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.60%</u>	<u>21.61%</u>	<u>21.61%</u>

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

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015	2014
\$1,373,591	\$1,567,163	\$1,305,658	\$1,258,810	\$1,225,896	\$1,166,859	\$1,130,439
(1,373,591)	(1,567,163)	(1,305,658)	(1,258,810)	(1,225,896)	(1,166,859)	(1,130,439)
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$6,495,526	\$7,408,127	\$6,166,015	\$5,951,032	\$5,788,641	\$5,497,478	\$5,331,475
21.15%	21.15%	21.18%	21.15%	21.18%	21.23%	21.20%
\$32,478	\$37,040	\$30,830	\$29,755	\$28,943	\$27,487	\$26,657
(32,478)	(37,040)	(30,830)	(29,755)	(28,943)	(27,487)	(26,657)
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
21.65%	21.65%	21.68%	21.65%	21.68%	21.73%	21.70%

City of Avon, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

Changes in Assumptions – OPERS Pension – Traditional Plan

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

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

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

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

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

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

City of Avon, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. 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 previously described tables.

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

Changes in Assumptions – OPERS Pension – Combined Plan

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

For 2022, 2021 and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

Changes in Assumptions – OP&F Pension

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

	Beginning in 2018	2017 and Prior
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost-of-Living Adjustments	2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increases based on the lesser of the increase in CPI and 3 percent

City of Avon, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

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

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

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

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

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

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

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

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

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

City of Avon, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

Changes in Assumptions – OPERS OPEB

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

Changes in Assumptions – OP&F OPEB

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

For 2022, the OP&F Board adopted a change in the investment rate of return, changing it from 8 percent for 2018 through 2021 to 7.5 percent for 2022 and 2023.

City of Avon, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

Changes in Benefit Terms – OPERS OPEB

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

Changes in Benefit Terms – OP&F OPEB

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

Combining Statements and Individual Fund Schedules

Combining Statements and Individual Fund Schedules

Fund Descriptions – Nonmajor Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Street Construction, Maintenance and Repair Fund – This fund is used to account for and report property tax revenue and 92.5 percent of the State gasoline tax and motor vehicle registration fees restricted for street construction, maintenance and repair of dedicated streets within the City.

Recycling Fund – This fund accounts for and reports grant proceeds and miscellaneous revenues restricted for costs related to the development of the City recycling program.

ADA Parking Violations Fund – This fund accounts for and reports committed fines collected for unauthorized parking in handicapped spaces to be used for the maintenance of City parks. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

State Highway Fund – This fund accounts for and reports 7.5 percent of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of State highways within the City.

Permissive Tax Fund – This fund accounts for and reports restricted resources received from the City's permissive license fees. The proceeds are used for street lighting and traffic signals.

Mayor's Court Computer Fund – This fund accounts for and reports restricted fines collected to be used to maintain court computer systems.

Recreation Fund – This fund accounts for and reports committed fees received from individuals participating in the recreation programs provided by the City.

Park Operating Fund – This fund accounts for and reports restricted property taxes to pay for the costs associated with the operations and upkeep of the City parks.

Park Development and Improvement Fund – This fund accounts for and reports committed fees assessed to anyone building within the City limits, proceeds from the sale of property or donations used to provide for the maintenance and enhancement of City parks.

Donations Fund – This fund accounts for and reports committed donations received for the purchase of K-9 dog and training and the establishment of a living tree memorial.

Economic Development and Tourism Fund – This fund accounts for and reports restricted lodging tax received for the promotion of economic development and tourism.

American Rescue Plan Fund – This fund accounts for and reports restricted Federal and State grant monies to assist the City in areas affected by the impact of COVID-19. The fund did not have any budgetary activity in 2023; therefore, budgetary information is not provided.

Opioid Settlement Fund – This fund accounts for and reports the Opioid settlement distributions received through the OneOhio funds of the National Opioid Settlement agreement and expenses restricted to assist with abating the opioid epidemic.

Lorain Public Library Fund – This fund accounts for and reports a restricted 1.2 mill levy used to pay for the upkeep of the Lorain Public Library – Avon Branch.

(continued)

Fund Descriptions – Nonmajor Funds (continued)

Nonmajor Capital Projects Funds

Debt service funds are used to account for and report financial resources that are restricted to expenditures for principal and interest.

General Obligation Bond Retirement Fund This fund accounts for and reports transfers in and debt proceeds that are restricted for the repayment of general obligation debt.

Capital projects funds are used to account and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds or for assets that will be held in trust.

Equipment Fund – This fund accounts for and reports restricted property taxes used for the purchase of equipment for the Police and Fire Departments.

Storm Water Detention Fund – This fund accounts for and reports monies derived from fees generated from developers, when necessary, that are assigned to the maintenance of storm water detention.

Road and Bridges Fund This fund accounts for and reports assigned monies received from transfers in for the road and bridge improvements made during the year that include activities such as resurfacing and blacktop upgrades.

Sidewalk Programs Fund – This fund accounts for and reports assigned monies from transfers in for costs associated with the construction and improvement of City sidewalks.

Storm and Sanitary Sewers Fund – This fund accounts for and reports assigned monies from transfers in for the cost of a storm and sanitary sewer system isolated to a specific residential development.

Municipal Buildings Fund – This fund accounts for and reports restricted monies from bond and note proceeds for the costs associated with the various City building projects.

Recreation Complex Fund – This fund accounts for and reports municipal income tax revenue committed to the cost of constructing a recreation facility in conjunction with the Greater Cleveland YMCA.

Stadium Marquee Fund – This fund accounts for and reports committed advertising revenue from the highway marquee next to the baseball stadium. The revenue will only be used for capital replacement or improvements to the baseball stadium.

Capital Improvements Fund – This fund accounts for and reports assigned monies from transfers in for the costs related to various capital infrastructure improvements within the City.

Traxler Property Fund – This fund accounts for and reports restricted monies from the State and transfers in for the costs related to the purchase of property for preserving green space and creating new parks.

City-Wide Bike Trails Fund – This fund accounts for and reports restricted monies from grant funding from the Northeast Ohio Areawide Coordinating Agency (NOACA) and other monies for the costs related to the development of a City-wide bike trail and master path plan.

(continued)

Fund Descriptions – Nonmajor Funds (continued)

Nonmajor Enterprise Fund

Enterprise funds are used to account for the financing of activity for which a fee is charged to external users for goods or services provided by the City. The intent is that the cost of providing goods or services to the general public be financed or recovered through user charges.

Storm Water Fund – This fund is used to account for revenues generated from utility fees charged to all citizens and businesses for the improvement and maintenance of infrastructure related to storm water and drainage operations.

(This Page Intentionally Left Blank.)

City of Avon, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Bond Retirement Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$4,847,625	\$2,438	\$8,589,080	\$13,439,143
Materials and Supplies Inventory	372,863	0	0	372,863
Accounts Receivable	146,524	0	327,332	473,856
Intergovernmental Receivable	872,363	0	423,934	1,296,297
Accrued Interest Receivable	2,430	0	0	2,430
Municipal Income Taxes Receivable	462,641	0	462,641	925,282
Property and Other Taxes Receivable	3,805,322	0	848,830	4,654,152
Permissive Motor Vehicle License Taxes Receivable	10,481	0	0	10,481
Leases Receivable	0	0	1,677,609	1,677,609
<i>Total Assets</i>	<u>\$10,520,249</u>	<u>\$2,438</u>	<u>\$12,329,426</u>	<u>\$22,852,113</u>
Liabilities				
Accounts Payable	\$93,454	\$0	\$124,020	\$217,474
Contracts Payable	480	0	335,692	336,172
Accrued Wages and Benefits	38,441	0	574	39,015
Interfund Payable	294,201	0	1,150,000	1,444,201
Intergovernmental Payable	27,444	0	693	28,137
Payroll Withholding Payable	630	0	0	630
Deposits Held Payable	0	0	30,700	30,700
Unearned Revenue	7,577	0	401,952	409,529
<i>Total Liabilities</i>	<u>462,227</u>	<u>0</u>	<u>2,043,631</u>	<u>2,505,858</u>
Deferred Inflows of Resources				
Property Taxes	3,767,616	0	840,493	4,608,109
Unavailable Revenue	942,814	0	572,990	1,515,804
Leases	0	0	1,677,609	1,677,609
<i>Total Deferred Inflows of Resources</i>	<u>4,710,430</u>	<u>0</u>	<u>3,091,092</u>	<u>7,801,522</u>
Fund Balances				
Nonspendable	372,863	0	0	372,863
Restricted	4,966,322	2,438	1,432,191	6,400,951
Committed	130,614	0	2,666,832	2,797,446
Assigned	139,806	0	3,510,618	3,650,424
Unassigned (Deficit)	(262,013)	0	(414,938)	(676,951)
<i>Total Fund Balances</i>	<u>5,347,592</u>	<u>2,438</u>	<u>7,194,703</u>	<u>12,544,733</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$10,520,249</u>	<u>\$2,438</u>	<u>\$12,329,426</u>	<u>\$22,852,113</u>

City of Avon, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor General Obligation Bond Retirement Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$3,845,528	\$0	\$849,443	\$4,694,971
Permissive Motor Vehicle License Taxes	117,330	0	0	117,330
Municipal Income Taxes	1,938,252	0	1,938,252	3,876,504
Charges for Services	212,122	419,807	326,514	958,443
Licenses and Permits	98,186	0	13,250	111,436
Fines, Forfeitures, and Settlements	34,193	0	0	34,193
Intergovernmental	2,175,735	0	2,397,530	4,573,265
Investment Earnings/Interest	52,963	0	14,145	67,108
Contributions and Donations	5,045	0	19,175	24,220
Lease Revenue	0	0	384,187	384,187
Rentals	21,600	0	81,288	102,888
Miscellaneous	20,849	0	356,971	377,820
<i>Total Revenues</i>	<u>8,521,803</u>	<u>419,807</u>	<u>6,380,755</u>	<u>15,322,365</u>
Expenditures				
Current:				
Security of Persons and Property	14,502	0	0	14,502
Transportation	3,050,980	0	0	3,050,980
Community Environment	226,220	0	0	226,220
Leisure Time Activities	2,764,343	0	0	2,764,343
Intergovernmental	2,113,033	0	0	2,113,033
Capital Outlay	0	0	8,574,241	8,574,241
Debt Service:				
Principal Retirement	282,422	899,414	860,000	2,041,836
Interest	19,846	162,219	237,101	419,166
<i>Total Expenditures</i>	<u>8,471,346</u>	<u>1,061,633</u>	<u>9,671,342</u>	<u>19,204,321</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>50,457</u>	<u>(641,826)</u>	<u>(3,290,587)</u>	<u>(3,881,956)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	25,261	25,261
Transfers In	710,500	505,000	3,521,985	4,737,485
<i>Total Other Financing Sources (Uses)</i>	<u>710,500</u>	<u>505,000</u>	<u>3,547,246</u>	<u>4,762,746</u>
<i>Net Change in Fund Balances</i>	760,957	(136,826)	256,659	880,790
<i>Fund Balances Beginning of Year</i>	<u>4,586,635</u>	<u>139,264</u>	<u>6,938,044</u>	<u>11,663,943</u>
<i>Fund Balances End of Year</i>	<u><u>\$5,347,592</u></u>	<u><u>\$2,438</u></u>	<u><u>\$7,194,703</u></u>	<u><u>\$12,544,733</u></u>

City of Avon, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2023

	Street Construction, Maintenance and Repair	Recycling	ADA Parking Violations	State Highway	Permissive Tax	Mayor's Court Computer
Assets						
Equity in Pooled Cash and Cash Equivalents	\$1,510,858	\$13,816	\$16	\$255,600	\$51,637	\$86,704
Materials and Supplies Inventory	372,863	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0
Intergovernmental Receivable	786,927	0	0	57,022	0	0
Accrued Interest Receivable	2,048	0	0	382	0	0
Municipal Income Taxes Receivable	0	0	0	0	0	0
Property and Other Taxes Receivable	1,414,434	0	0	0	0	0
Permissive Motor Vehicle License Taxes Receivable	0	0	0	0	10,481	0
<i>Total Assets</i>	<u>\$4,087,130</u>	<u>\$13,816</u>	<u>\$16</u>	<u>\$313,004</u>	<u>\$62,118</u>	<u>\$86,704</u>
Liabilities						
Accounts Payable	\$58,447	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0	0
Accrued Wages and Benefits	24,012	0	0	0	0	0
Interfund Payable	0	0	0	0	0	0
Intergovernmental Payable	16,910	0	0	0	0	0
Payroll Withholding Payable	0	0	0	0	0	0
Unearned Revenue	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>99,369</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources						
Property Taxes	1,399,744	0	0	0	0	0
Unavailable Revenue	567,193	0	0	38,015	0	0
<i>Total Deferred Inflows of Resources</i>	<u>1,966,937</u>	<u>0</u>	<u>0</u>	<u>38,015</u>	<u>0</u>	<u>0</u>
Fund Balances						
Nonspendable	372,863	0	0	0	0	0
Restricted	1,508,155	13,816	0	274,989	62,118	86,704
Committed	0	0	16	0	0	0
Assigned	139,806	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>2,020,824</u>	<u>13,816</u>	<u>16</u>	<u>274,989</u>	<u>62,118</u>	<u>86,704</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$4,087,130</u>	<u>\$13,816</u>	<u>\$16</u>	<u>\$313,004</u>	<u>\$62,118</u>	<u>\$86,704</u>

Recreation	Park Operating	Park Development and Improvement	Donations	Economic Development and Tourism	American Rescue Plan	Opioid Settlement	Lorain Public Library	Total Nonmajor Special Revenue Funds
\$0	\$2,471,314	\$100,674	\$29,924	\$284,772	\$7,577	\$34,598	\$135	\$4,847,625
0	0	0	0	0	0	0	0	372,863
0	0	0	0	0	0	146,524	0	146,524
0	19,813	0	0	0	0	0	8,601	872,363
0	0	0	0	0	0	0	0	2,430
0	462,641	0	0	0	0	0	0	462,641
0	334,997	0	0	0	0	0	2,055,891	3,805,322
0	0	0	0	0	0	0	0	10,481
<u>\$0</u>	<u>\$3,288,765</u>	<u>\$100,674</u>	<u>\$29,924</u>	<u>\$284,772</u>	<u>\$7,577</u>	<u>\$181,122</u>	<u>\$2,064,627</u>	<u>\$10,520,249</u>
\$0	\$28,824	\$0	\$0	\$6,183	\$0	\$0	\$0	\$93,454
0	0	0	0	480	0	0	0	480
3,170	10,646	0	0	613	0	0	0	38,441
256,701	0	0	0	37,500	0	0	0	294,201
2,142	8,008	0	0	384	0	0	0	27,444
0	630	0	0	0	0	0	0	630
0	0	0	0	0	7,577	0	0	7,577
<u>262,013</u>	<u>48,108</u>	<u>0</u>	<u>0</u>	<u>45,160</u>	<u>7,577</u>	<u>0</u>	<u>0</u>	<u>462,227</u>
0	331,518	0	0	0	0	0	2,036,354	3,767,616
0	164,011	0	0	0	0	145,457	28,138	942,814
0	495,529	0	0	0	0	145,457	2,064,492	4,710,430
0	0	0	0	0	0	0	0	372,863
0	2,745,128	0	0	239,612	0	35,665	135	4,966,322
0	0	100,674	29,924	0	0	0	0	130,614
0	0	0	0	0	0	0	0	139,806
(262,013)	0	0	0	0	0	0	0	(262,013)
<u>(262,013)</u>	<u>2,745,128</u>	<u>100,674</u>	<u>29,924</u>	<u>239,612</u>	<u>0</u>	<u>35,665</u>	<u>135</u>	<u>5,347,592</u>
<u>\$0</u>	<u>\$3,288,765</u>	<u>\$100,674</u>	<u>\$29,924</u>	<u>\$284,772</u>	<u>\$7,577</u>	<u>\$181,122</u>	<u>\$2,064,627</u>	<u>\$10,520,249</u>

City of Avon, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023

	Street Construction, Maintenance and Repair	Recycling	ADA Parking Violations	State Highway	Permissive Tax	Mayor's Court Computer
Revenues						
Property Taxes	\$1,414,649	\$0	\$0	\$0	\$0	\$0
Permissive Motor Vehicle License Taxes	0	0	0	0	117,330	0
Municipal Income Taxes	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Licenses and Permits	9,173	0	0	0	0	0
Fines, Forfeitures, and Settlements	0	0	0	0	0	4,835
Intergovernmental	1,611,514	0	0	130,129	0	0
Investment Earnings/Interest	47,968	0	0	4,995	0	0
Contributions and Donations	0	0	0	0	0	0
Rentals	0	0	0	0	0	0
Miscellaneous	5,211	0	0	0	0	0
<i>Total Revenues</i>	<u>3,088,515</u>	<u>0</u>	<u>0</u>	<u>135,124</u>	<u>117,330</u>	<u>4,835</u>
Expenditures						
Current:						
Security of Persons and Property	0	0	0	0	0	0
Transportation	2,847,272	0	0	0	203,708	0
Community Environment	0	3,374	0	0	0	1,593
Leisure Time Activities	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0
Debt Service:						
Principal Retirement	172,261	0	0	0	0	0
Interest	11,970	0	0	0	0	0
<i>Total Expenditures</i>	<u>3,031,503</u>	<u>3,374</u>	<u>0</u>	<u>0</u>	<u>203,708</u>	<u>1,593</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	57,012	(3,374)	0	135,124	(86,378)	3,242
Other Financing Sources (Uses)						
Transfers In	0	7,500	0	0	100,000	0
<i>Net Change in Fund Balances</i>	57,012	4,126	0	135,124	13,622	3,242
<i>Fund Balances (Deficit) Beginning of Year</i>	1,963,812	9,690	16	139,865	48,496	83,462
<i>Fund Balances (Deficit) End of Year</i>	<u>\$2,020,824</u>	<u>\$13,816</u>	<u>\$16</u>	<u>\$274,989</u>	<u>\$62,118</u>	<u>\$86,704</u>

Recreation	Park Operating	Park Development and Improvement	Donations	Economic Development and Tourism	Opioid Settlement	Lorain Public Library	Total Nonmajor Special Revenue Funds
\$0	\$335,048	\$0	\$0	\$0	\$0	\$2,095,831	\$3,845,528
0	0	0	0	0	0	0	117,330
0	1,938,252	0	0	0	0	0	1,938,252
212,122	0	0	0	0	0	0	212,122
0	39,583	49,430	0	0	0	0	98,186
0	0	0	0	0	29,358	0	34,193
0	147,244	0	0	269,646	0	17,202	2,175,735
0	0	0	0	0	0	0	52,963
0	300	0	4,745	0	0	0	5,045
0	0	0	0	21,600	0	0	21,600
0	15,638	0	0	0	0	0	20,849
<u>212,122</u>	<u>2,476,065</u>	<u>49,430</u>	<u>4,745</u>	<u>291,246</u>	<u>29,358</u>	<u>2,113,033</u>	<u>8,521,803</u>
0	0	0	14,502	0	0	0	14,502
0	0	0	0	0	0	0	3,050,980
0	0	0	0	221,253	0	0	226,220
920,175	1,844,168	0	0	0	0	0	2,764,343
0	0	0	0	0	0	2,113,033	2,113,033
0	6,211	103,950	0	0	0	0	282,422
0	1,023	6,853	0	0	0	0	19,846
<u>920,175</u>	<u>1,851,402</u>	<u>110,803</u>	<u>14,502</u>	<u>221,253</u>	<u>0</u>	<u>2,113,033</u>	<u>8,471,346</u>
(708,053)	624,663	(61,373)	(9,757)	69,993	29,358	0	50,457
<u>500,000</u>	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>710,500</u>
(208,053)	624,663	(61,373)	(6,757)	169,993	29,358	0	760,957
(53,960)	2,120,465	162,047	36,681	69,619	6,307	135	4,586,635
<u>(\$262,013)</u>	<u>\$2,745,128</u>	<u>\$100,674</u>	<u>\$29,924</u>	<u>\$239,612</u>	<u>\$35,665</u>	<u>\$135</u>	<u>\$5,347,592</u>

City of Avon, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2023

	Equipment	Storm Water Detention	Road and Bridges	Sidewalk Programs	Storm and Sanitary Sewers
Assets					
Equity in Pooled Cash and Cash Equivalents	\$1,161,964	\$563,414	\$2,536,553	\$424,767	\$8,548
Accounts Receivable	0	0	327,332	0	0
Intergovernmental Receivable	23,934	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	0	0
Property and Other Taxes Receivable	848,830	0	0	0	0
Leases Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$2,034,728</u>	<u>\$563,414</u>	<u>\$2,863,885</u>	<u>\$424,767</u>	<u>\$8,548</u>
Liabilities					
Accounts Payable	\$32,356	\$0	\$0	\$0	\$0
Contracts Payable	0	0	309,574	0	0
Accrued Wages and Benefits	0	0	0	0	0
Interfund Payable	0	0	750,000	0	0
Intergovernmental Payable	0	0	0	0	0
Deposits Held Payable	0	0	0	0	0
Unearned Revenue	0	0	0	0	0
<i>Total Liabilities</i>	<u>32,356</u>	<u>0</u>	<u>1,059,574</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources					
Property Taxes	840,493	0	0	0	0
Unavailable Revenue	32,271	0	0	0	0
Leases	0	0	0	0	0
<i>Total Deferred Inflows of Resources</i>	<u>872,764</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances					
Restricted	1,129,608	0	0	0	0
Committed	0	0	0	0	0
Assigned	0	563,414	1,804,311	424,767	8,548
Unassigned (Deficit)	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,129,608</u>	<u>563,414</u>	<u>1,804,311</u>	<u>424,767</u>	<u>8,548</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$2,034,728</u>	<u>\$563,414</u>	<u>\$2,863,885</u>	<u>\$424,767</u>	<u>\$8,548</u>

Municipal Buildings	Recreation Complex	Stadium Marquee	Capital Improvements	Traxler Property	City-Wide Bike Trails	Total Nonmajor Capital Projects Funds
\$334,550	\$2,252,561	\$247,382	\$1,048,161	\$2,985	\$8,195	\$8,589,080
0	0	0	0	0	0	327,332
0	0	0	0	400,000	0	423,934
0	462,641	0	0	0	0	462,641
0	0	0	0	0	0	848,830
1,677,609	0	0	0	0	0	1,677,609
<u>\$2,012,159</u>	<u>\$2,715,202</u>	<u>\$247,382</u>	<u>\$1,048,161</u>	<u>\$402,985</u>	<u>\$8,195</u>	<u>\$12,329,426</u>
\$0	\$10,214	\$0	\$81,450	\$0	\$0	\$124,020
0	0	0	0	0	26,118	335,692
574	0	0	0	0	0	574
0	0	0	0	400,000	0	1,150,000
693	0	0	0	0	0	693
30,700	0	0	0	0	0	30,700
0	0	144,819	257,133	0	0	401,952
<u>31,967</u>	<u>10,214</u>	<u>144,819</u>	<u>338,583</u>	<u>400,000</u>	<u>26,118</u>	<u>2,043,631</u>
0	0	0	0	0	0	840,493
0	140,719	0	0	400,000	0	572,990
1,677,609	0	0	0	0	0	1,677,609
<u>1,677,609</u>	<u>140,719</u>	<u>0</u>	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>3,091,092</u>
302,583	0	0	0	0	0	1,432,191
0	2,564,269	102,563	0	0	0	2,666,832
0	0	0	709,578	0	0	3,510,618
0	0	0	0	(397,015)	(17,923)	(414,938)
<u>302,583</u>	<u>2,564,269</u>	<u>102,563</u>	<u>709,578</u>	<u>(397,015)</u>	<u>(17,923)</u>	<u>7,194,703</u>
<u>\$2,012,159</u>	<u>\$2,715,202</u>	<u>\$247,382</u>	<u>\$1,048,161</u>	<u>\$402,985</u>	<u>\$8,195</u>	<u>\$12,329,426</u>

City of Avon, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2023

	Equipment	Storm Water Detention	Road and Bridges	Sidewalk Programs	Storm and Sanitary Sewers
Revenues					
Property Taxes	\$849,443	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	0	0	0	0
Charges for Services	0	17,501	0	0	0
Licenses and Permits	0	0	0	0	0
Intergovernmental	47,868	0	789,840	3,820	0
Investment Earnings/Interest	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Lease Revenue	0	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	0	0	327,332	24,790	0
<i>Total Revenues</i>	<u>897,311</u>	<u>17,501</u>	<u>1,117,172</u>	<u>28,610</u>	<u>0</u>
Expenditures					
Capital Outlay	811,413	0	4,481,305	270,959	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest	0	0	0	0	0
<i>Total Expenditures</i>	<u>811,413</u>	<u>0</u>	<u>4,481,305</u>	<u>270,959</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>85,898</u>	<u>17,501</u>	<u>(3,364,133)</u>	<u>(242,349)</u>	<u>0</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	25,261	0	0	0	0
Transfers In	0	0	2,445,000	500,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>25,261</u>	<u>0</u>	<u>2,445,000</u>	<u>500,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	111,159	17,501	(919,133)	257,651	0
<i>Fund Balances Beginning of Year</i>	<u>1,018,449</u>	<u>545,913</u>	<u>2,723,444</u>	<u>167,116</u>	<u>8,548</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,129,608</u>	<u>\$563,414</u>	<u>\$1,804,311</u>	<u>\$424,767</u>	<u>\$8,548</u>

Municipal Buildings	Recreation Complex	Stadium Marquee	Capital Improvements	Traxler Property	City-Wide Bike Trails	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$849,443
0	1,938,252	0	0	0	0	1,938,252
279,013	0	30,000	0	0	0	326,514
13,250	0	0	0	0	0	13,250
0	0	183,763	435,022	937,217	0	2,397,530
14,145	0	0	0	0	0	14,145
19,175	0	0	0	0	0	19,175
384,187	0	0	0	0	0	384,187
81,288	0	0	0	0	0	81,288
4,849	0	0	0	0	0	356,971
<u>795,907</u>	<u>1,938,252</u>	<u>213,763</u>	<u>435,022</u>	<u>937,217</u>	<u>0</u>	<u>6,380,755</u>
776,264	58,186	183,763	435,022	1,484,232	73,097	8,574,241
370,000	490,000	0	0	0	0	860,000
5,568	231,533	0	0	0	0	237,101
<u>1,151,832</u>	<u>779,719</u>	<u>183,763</u>	<u>435,022</u>	<u>1,484,232</u>	<u>73,097</u>	<u>9,671,342</u>
<u>(355,925)</u>	<u>1,158,533</u>	<u>30,000</u>	<u>0</u>	<u>(547,015)</u>	<u>(73,097)</u>	<u>(3,290,587)</u>
0	0	0	0	0	0	25,261
425,000	0	0	1,985	150,000	0	3,521,985
<u>425,000</u>	<u>0</u>	<u>0</u>	<u>1,985</u>	<u>150,000</u>	<u>0</u>	<u>3,547,246</u>
69,075	1,158,533	30,000	1,985	(397,015)	(73,097)	256,659
233,508	1,405,736	72,563	707,593	0	55,174	6,938,044
<u>\$302,583</u>	<u>\$2,564,269</u>	<u>\$102,563</u>	<u>\$709,578</u>	<u>(\$397,015)</u>	<u>(\$17,923)</u>	<u>\$7,194,703</u>

(This Page Intentionally Left Blank.)

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in Fund
Balances/Equity – Budget (Non-GAAP Basis) and Actual**

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property Taxes	\$1,931,912	\$2,324,253	\$2,326,317	\$2,064
Municipal Income Taxes	13,522,722	16,268,980	16,283,425	14,445
Charges for Services	251,725	302,847	303,116	269
Licenses and Permits	1,062,497	1,285,126	1,286,345	1,219
Fines, Forfeitures, and Settlements	116,699	140,399	140,524	125
Intergovernmental	1,088,020	1,308,980	1,310,142	1,162
Interest	848,430	1,020,734	1,021,640	906
Contributions and Donations	40,597	53,224	53,321	97
Rentals	107,817	137,640	137,852	212
Miscellaneous	463,379	559,320	559,837	517
<i>Total Revenues</i>	<u>19,433,798</u>	<u>23,401,503</u>	<u>23,422,519</u>	<u>21,016</u>
Expenditures				
Current:				
General Government:				
Council:				
Personal Services	165,346	255,133	250,449	4,684
Materials and Supplies	6,157	9,500	8,529	971
Contractual Services	21,025	32,462	21,523	10,939
Total Council	<u>192,528</u>	<u>297,095</u>	<u>280,501</u>	<u>16,594</u>
Mayor:				
Personal Services	229,669	354,385	331,028	23,357
Materials and Supplies	7,615	11,046	3,757	7,289
Contractual Services	78,093	120,500	79,954	40,546
Total Mayor	<u>315,377</u>	<u>485,931</u>	<u>414,739</u>	<u>71,192</u>
Finance/IT Department:				
Personal Services	480,809	741,878	671,220	70,658
Materials and Supplies	64,793	85,873	76,708	9,165
Contractual Services	221,412	327,338	322,512	4,826
Capital Outlay	466,637	596,848	450,373	146,475
Total Finance/IT Department	<u>1,233,651</u>	<u>1,751,937</u>	<u>1,520,813</u>	<u>231,124</u>
Human Resources:				
Personal Services	83,134	128,277	119,781	8,496
Materials and Supplies	2,410	3,712	356	3,356
Contractual Services	42,042	64,565	48,017	16,548
Total Human Resources	<u>\$127,586</u>	<u>\$196,554</u>	<u>\$168,154</u>	<u>\$28,400</u>

(continued)

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Law Director:				
Personal Services	\$133,538	\$206,052	\$204,451	\$1,601
Materials and Supplies	2,916	4,500	643	3,857
Contractual Services	204,085	314,237	302,363	11,874
Total Law Director	340,539	524,789	507,457	17,332
Treasurer:				
Personal Services	15,478	23,883	23,876	7
Materials and Supplies	745	1,150	600	550
Contractual Services	454	700	112	588
Total Treasurer	16,677	25,733	24,588	1,145
City Hall:				
Personal Services	16,850	26,000	20,400	5,600
Materials and Supplies	67,833	103,903	103,903	0
Contractual Services	681,206	1,022,924	840,022	182,902
Capital Outlay	649,332	971,341	941,110	30,231
Other	3,240	5,000	3,274	1,726
Total City Hall	1,418,461	2,129,168	1,908,709	220,459
Civil Service:				
Personal Services	3,429	5,291	4,782	509
Contractual Services	21,048	32,310	3,298	29,012
Other	648	1,000	0	1,000
Total Civil Service	25,125	38,601	8,080	30,521
Landmarks Preservation:				
Personal Services	3,853	5,946	5,853	93
Materials and Supplies	324	500	0	500
Contractual Services	501	677	0	677
Total Landmarks Preservation	4,678	7,123	5,853	1,270
Records:				
Personal Services	5,485	8,464	8,027	437
Material and Supplies	3,240	5,000	1,433	3,567
Contractual Services	324	500	0	500
Total Records	\$9,049	\$13,964	\$9,460	\$4,504

(continued)

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Statutory Accounts:				
Personal Services	\$221,076	\$341,125	\$101,416	\$239,709
Contractual Services	272,193	420,000	312,328	107,672
Total Statutory Accounts	493,269	761,125	413,744	347,381
Engineer:				
Personal Services	46,393	71,586	66,362	5,224
Materials and Supplies	486	750	100	650
Contractual Services	514,353	771,432	715,522	55,910
Total Engineer	561,232	843,768	781,984	61,784
Income Tax Department:				
Contractual Services	407,127	628,206	471,294	156,912
Total General Government	5,145,299	7,703,994	6,515,376	1,188,618
Community Environment				
Avon Seniors:				
Personal Services	318,781	343,992	333,198	10,794
Materials and Supplies	34,055	36,393	27,330	9,063
Contractual Services	69,320	75,007	66,302	8,705
Capital Outlay	60,054	64,781	60,113	4,668
Other	463	500	75	425
Total Avon Seniors	482,673	520,673	487,018	33,655
Cemetery:				
Materials and Supplies	278	2,500	0	2,500
Contractual Services	15,387	33,165	28,564	4,601
Total Cemetery	15,665	35,665	28,564	7,101
Planning Commission:				
Personal Services	150,978	232,692	200,101	32,591
Materials and Supplies	2,592	4,000	2,025	1,975
Contractual Services	120,120	184,610	158,115	26,495
Capital Outlay	9,721	15,000	1,059	13,941
Other	972	1,500	320	1,180
Total Planning Commission	284,383	437,802	361,620	76,182
Building Inspector:				
Personal Services	818,191	1,262,166	1,010,083	252,083
Materials and Supplies	24,287	36,780	21,745	15,035
Contractual Services	100,483	158,726	98,752	59,974
Capital Outlay	31,541	45,618	45,000	618
Other	1,581,092	1,897,286	1,713,944	183,342
Total Building Inspector	\$2,555,594	\$3,400,576	\$2,889,524	\$511,052

(continued)

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Traffic/Signalization:				
Personal Services	\$80,004	\$123,448	\$115,324	\$8,124
Materials and Supplies	72,185	103,309	88,742	14,567
Contractual Services	94,354	129,810	114,220	15,590
Capital Outlay	55,774	86,060	86,060	0
Total Traffic/Signalization	302,317	442,627	404,346	38,281
Safety Director/Zoning Officer:				
Personal Services	172,642	266,333	263,075	3,258
Materials and Supplies	1,847	2,850	625	2,225
Contractual Services	6,772	10,450	1,684	8,766
Capital Outlay	1,620	2,500	2,427	73
Other	16	25	0	25
Total Safety Director/Zoning Officer	182,897	282,158	267,811	14,347
Total Community Environment	3,823,529	5,119,501	4,438,883	680,618
Leisure Time Activities:				
Community Center:				
Personal Services	20,215	20,215	19,496	719
Materials and Supplies	2,049	2,049	987	1,062
Contractual Services	33,475	33,475	28,574	4,901
Other	4,838	4,838	3,090	1,748
Total Leisure Time Activities	60,577	60,577	52,147	8,430
Debt Service:				
Principal Retirement	24,845	24,845	24,845	0
Interest	4,092	4,092	4,092	0
Total Debt Service	28,937	28,937	28,937	0
Total Expenditures	9,058,342	12,913,009	11,035,343	1,877,666
Excess of Revenues Over (Under) Expenditures	10,375,456	10,488,494	12,387,176	1,898,682
Other Financing Sources (Uses)				
Advances Out	(1,150,000)	(1,150,000)	(1,150,000)	0
Transfers Out	(8,335,500)	(8,335,500)	(8,335,500)	0
Total Other Financing Sources (Uses)	(9,485,500)	(9,485,500)	(9,485,500)	0
Net Change in Fund Balance	889,956	1,002,994	2,901,676	1,898,682
Fund Balance Beginning of Year	16,140,904	16,140,904	16,140,904	0
Prior Year Encumbrances Appropriated	1,532,991	1,532,991	1,532,991	0
Fund Balance End of Year	\$18,563,851	\$18,676,889	\$20,575,571	\$1,898,682

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Department Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Municipal Income Taxes	\$4,052,485	\$4,623,467	\$4,623,467	\$0
Charges for Services	984,951	1,123,727	1,123,727	0
Licenses and Permits	307	350	350	0
Intergovernmental	135,547	154,645	154,645	0
Miscellaneous	11,710	13,361	13,361	0
<i>Total Revenues</i>	<u>5,185,000</u>	<u>5,915,550</u>	<u>5,915,550</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire Department:				
Personal Services	6,023,203	6,209,495	6,064,497	144,998
Materials and Supplies	377,693	389,010	404,633	(15,623)
Contractual Services	445,821	459,213	427,989	31,224
Total Security of Persons and Property	<u>6,846,718</u>	<u>7,057,718</u>	<u>6,897,119</u>	<u>160,599</u>
Debt Service:				
Principal Retirement	6,211	6,211	6,211	0
Interest	1,023	1,023	1,023	0
Total Debt Service	<u>7,234</u>	<u>7,234</u>	<u>7,234</u>	<u>0</u>
<i>Total Expenditures</i>	<u>6,853,952</u>	<u>7,064,952</u>	<u>6,904,353</u>	<u>160,599</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,668,952)	(1,149,402)	(988,803)	160,599
Other Financing Sources (Uses)				
Transfers In	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(668,952)	(149,402)	11,197	160,599
<i>Fund Balance Beginning of Year</i>	1,860,681	1,860,681	1,860,681	0
Prior Year Encumbrances Appropriated	<u>65,403</u>	<u>65,403</u>	<u>65,403</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,257,132</u>	<u>\$1,776,682</u>	<u>\$1,937,281</u>	<u>\$160,599</u>

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$778,407	\$832,038	\$832,038	\$0
Municipal Income Taxes	4,325,449	4,623,467	4,623,467	0
Licenses and Permits	22,920	24,499	24,499	0
Fines, Forfeitures, and Settlements	1,348	1,441	1,441	0
Intergovernmental	104,358	111,548	111,548	0
Miscellaneous	43,764	46,780	46,780	0
<i>Total Revenues</i>	<u>5,276,246</u>	<u>5,639,773</u>	<u>5,639,773</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Personal Services	7,298,712	7,559,879	7,500,476	59,403
Materials and Supplies	474,552	491,054	466,506	24,548
Contractual Services	1,115,629	1,147,810	1,057,946	89,864
Other	11,670	11,670	11,670	0
Total Security of Persons and Property	<u>8,900,563</u>	<u>9,210,413</u>	<u>9,036,598</u>	<u>173,815</u>
Debt Service:				
Principal Retirement	6,211	6,211	6,211	0
Interest	1,023	1,023	1,023	0
Total Debt Service	<u>7,234</u>	<u>7,234</u>	<u>7,234</u>	<u>0</u>
<i>Total Expenditures</i>	<u>8,907,797</u>	<u>9,217,647</u>	<u>9,043,832</u>	<u>173,815</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,631,551)	(3,577,874)	(3,404,059)	173,815
Other Financing Sources (Uses)				
Transfers In	<u>2,600,000</u>	<u>2,600,000</u>	<u>2,600,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,031,551)	(977,874)	(804,059)	173,815
<i>Fund Balance Beginning of Year</i>	1,464,517	1,464,517	1,464,517	0
Prior Year Encumbrances Appropriated	<u>251,613</u>	<u>251,613</u>	<u>251,613</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$684,579</u></u>	<u><u>\$738,256</u></u>	<u><u>\$912,071</u></u>	<u><u>\$173,815</u></u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Special Assessments	\$972,000	\$975,236	\$975,236	\$0
Expenditures				
Current:				
General Government:				
Contractual Services	35,000	35,000	29,810	5,190
Debt Service:				
Principal Retirement	459,272	459,272	459,270	2
Interest	555,398	555,398	555,390	8
Total Debt Service	1,014,670	1,014,670	1,014,660	10
<i>Total Expenditures</i>	1,049,670	1,049,670	1,044,470	5,200
<i>Net Change in Fund Balance</i>	(77,670)	(74,434)	(69,234)	5,200
<i>Fund Balance Beginning of Year</i>	783,799	783,799	783,799	0
<i>Fund Balance End of Year</i>	\$706,129	\$709,365	\$714,565	\$5,200

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Tax Increment Financing Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Payments in Lieu of Taxes	\$10,084,000	\$10,358,157	\$10,358,157	\$0
Expenditures				
Current:				
General Government:				
Contractual Services	6,675,025	6,705,025	6,591,165	113,860
Debt Service:				
Principal Retirement	2,158,175	2,158,175	2,158,166	9
Interest	786,395	786,395	786,388	7
Total Debt Service	2,944,570	2,944,570	2,944,554	16
<i>Total Expenditures</i>	9,619,595	9,649,595	9,535,719	113,876
<i>Net Change in Fund Balance</i>	464,405	708,562	822,438	113,876
<i>Fund Balance Beginning of Year</i>	1,030,868	1,030,868	1,030,868	0
<i>Fund Balance End of Year</i>	\$1,495,273	\$1,739,430	\$1,853,306	\$113,876

City of Avon, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Charges for Services	\$5,071,671	\$4,675,360	\$4,815,013	\$139,653
Special Assessments	3,902	3,902	3,902	0
Other Operating Revenues	44,727	41,234	42,465	1,231
<i>Total Revenues</i>	<u>5,120,300</u>	<u>4,720,496</u>	<u>4,861,380</u>	<u>140,884</u>
Expenses				
Personal Services	845,747	847,854	780,578	67,276
Materials and Supplies	1,449,937	1,455,216	1,121,402	333,814
Contractual Services	580,425	581,803	495,030	86,773
Capital Outlay	1,288,606	1,289,829	1,132,044	157,785
Other	4,987	5,000	12,661	(7,661)
Debt Service:				
Principal Retirement	88,799	88,799	88,799	0
Interest	33,201	33,201	33,201	0
<i>Total Expenses</i>	<u>4,291,702</u>	<u>4,301,702</u>	<u>3,663,715</u>	<u>637,987</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenses Before Transfers</i>	828,598	418,794	1,197,665	778,871
Transfers Out	(1,985)	(1,985)	(1,985)	0
<i>Net Change in Fund Equity</i>	826,613	416,809	1,195,680	778,871
<i>Fund Equity Beginning of Year</i>	3,169,300	3,169,300	3,169,300	0
Prior Year Encumbrances Appropriated	138,993	138,993	138,993	0
<i>Fund Equity End of Year</i>	<u><u>\$4,134,906</u></u>	<u><u>\$3,725,102</u></u>	<u><u>\$4,503,973</u></u>	<u><u>\$778,871</u></u>

City of Avon, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Charges for Services	\$5,135,313	\$4,790,451	\$4,969,034	\$178,583
Special Assessments	19,946	19,125	19,550	425
Other Operating Revenues	3,074	2,868	2,975	107
<i>Total Revenues</i>	<u>5,158,333</u>	<u>4,812,444</u>	<u>4,991,559</u>	<u>179,115</u>
Expenses				
Personal Services	785,223	831,450	755,819	75,631
Materials and Supplies	2,905,227	3,089,308	3,010,744	78,564
Contractual Services	432,115	459,854	332,379	127,475
Capital Outlay	1,434,097	1,464,022	1,173,520	290,502
Other	4,722	5,000	1,927	3,073
Debt Service:				
Principal Retirement	114,734	114,734	114,732	2
Interest	49,287	49,287	49,285	2
<i>Total Expenses</i>	<u>5,725,405</u>	<u>6,013,655</u>	<u>5,438,406</u>	<u>575,249</u>
<i>Net Change in Fund Equity</i>	(567,072)	(1,201,211)	(446,847)	754,364
<i>Fund Equity Beginning of Year</i>	3,947,455	3,947,455	3,947,455	0
Prior Year Encumbrances Appropriated	715,127	715,127	715,127	0
<i>Fund Equity End of Year</i>	<u>\$4,095,510</u>	<u>\$3,461,371</u>	<u>\$4,215,735</u>	<u>\$754,364</u>

City of Avon, 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, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Property Taxes	\$1,385,353	\$1,404,900	\$1,414,649	\$9,749
Licenses and Permits	8,983	9,110	9,173	63
Intergovernmental	1,577,491	1,599,750	1,610,850	11,100
Interest	31,904	32,355	32,579	224
Miscellaneous	5,104	5,175	5,211	36
<i>Total Revenues</i>	<u>3,008,835</u>	<u>3,051,290</u>	<u>3,072,462</u>	<u>21,172</u>
Expenditures				
Current:				
Transportation:				
Street Department:				
Personal Services	1,671,664	1,679,605	1,603,050	76,555
Materials and Supplies	926,599	930,414	848,545	81,869
Contractual Services	345,973	347,609	274,717	72,892
Capital Outlay	371,688	373,296	303,165	70,131
Total Transportation	<u>3,315,924</u>	<u>3,330,924</u>	<u>3,029,477</u>	<u>301,447</u>
Debt Service:				
Principal Retirement	172,261	172,261	172,261	0
Interest	11,973	11,973	11,970	3
Total Debt Service	<u>184,234</u>	<u>184,234</u>	<u>184,231</u>	<u>3</u>
<i>Total Expenditures</i>	<u>3,500,158</u>	<u>3,515,158</u>	<u>3,213,708</u>	<u>301,450</u>
<i>Net Change in Fund Balance</i>	(491,323)	(463,868)	(141,246)	322,622
<i>Fund Balance Beginning of Year</i>	1,305,592	1,305,592	1,305,592	0
Prior Year Encumbrances Appropriated	<u>165,553</u>	<u>165,553</u>	<u>165,553</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$979,822</u>	<u>\$1,007,277</u>	<u>\$1,329,899</u>	<u>\$322,622</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recycling Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Community Environment:				
Recycling:				
Material and Supplies	6,000	6,000	2,418	3,582
Contractual Services	1,500	1,500	956	544
<i>Total Expenditures</i>	7,500	7,500	3,374	4,126
<i>Excess of Revenues Over (Under) Expenditures</i>	(7,500)	(7,500)	(3,374)	4,126
Other Financing Sources (Uses)				
Transfers In	2,500	7,500	7,500	0
<i>Net Change in Fund Balance</i>	(5,000)	0	4,126	4,126
<i>Fund Balance Beginning of Year</i>	9,690	9,690	9,690	0
<i>Fund Balance End of Year</i>	\$4,690	\$9,690	\$13,816	\$4,126

City of Avon, 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, 2023*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$112,886	\$128,426	\$130,076	\$1,650
Interest	3,404	3,872	3,922	50
<i>Total Revenues</i>	<u>116,290</u>	<u>132,298</u>	<u>133,998</u>	<u>1,700</u>
Expenditures				
Current:				
Transportation:				
State Highway:				
Material and Supplies	95,415	95,415	59,293	36,122
Contractual Services	11,390	11,390	6,170	5,220
<i>Total Expenditures</i>	<u>106,805</u>	<u>106,805</u>	<u>65,463</u>	<u>41,342</u>
<i>Net Change in Fund Balance</i>	9,485	25,493	68,535	43,042
<i>Fund Balance Beginning of Year</i>	123,594	123,594	123,594	0
Prior Year Encumbrances Appropriated	<u>25,355</u>	<u>25,355</u>	<u>25,355</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$158,434</u></u>	<u><u>\$174,442</u></u>	<u><u>\$217,484</u></u>	<u><u>\$43,042</u></u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Tax Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Permissive Motor Vehicle License Taxes	\$125,000	\$129,033	\$129,033	\$0
Expenditures				
Current:				
Transportation:				
Permissive Tax:				
Contractual Services	212,000	222,000	218,445	3,555
<i>Excess of Revenues Over (Under) Expenditures</i>	(87,000)	(92,967)	(89,412)	3,555
Other Financing Sources (Uses)				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	13,000	7,033	10,588	3,555
<i>Fund Balance Beginning of Year</i>	41,049	41,049	41,049	0
<i>Fund Balance End of Year</i>	<u>\$54,049</u>	<u>\$48,082</u>	<u>\$51,637</u>	<u>\$3,555</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Mayor's Court Computer Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, Forfeitures, and Settlements	\$5,000	\$4,570	\$4,570	\$0
Expenditures				
Current:				
Community Environment:				
Mayor's Court Computer:				
Capital Outlay	25,000	25,000	1,198	23,802
<i>Net Change in Fund Balance</i>	(20,000)	(20,430)	3,372	23,802
<i>Fund Balance Beginning of Year</i>	83,067	83,067	83,067	0
<i>Fund Balance End of Year</i>	\$63,067	\$62,637	\$86,439	\$23,802

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Charges for Services	\$399,500	\$211,203	\$212,122	\$919
Expenditures				
Current:				
Leisure Time Activities:				
Recreation Department:				
Personal Services	120,549	230,759	194,144	36,615
Materials and Supplies	78	150	150	0
Contractual Services	38,263	68,590	57,804	10,786
Other	261,463	500,500	500,000	500
Total Recreation Department	420,353	799,999	752,098	47,901
Tennis Camp:				
Materials and Supplies	15,627	25,657	15,540	10,117
Adult Volleyball:				
Materials and Supplies	313	600	92	508
Youth Basketball:				
Materials and Supplies	46,411	75,067	60,255	14,812
Adult Softball:				
Materials and Supplies	731	1,400	1,247	153
Safety Town:				
Materials and Supplies	7,925	13,656	10,741	2,915
Little Eagles:				
Materials and Supplies	16,718	31,046	15,146	15,900
Fishing:				
Materials and Supplies	\$3,918	\$7,500	\$6,000	\$1,500

(continued)

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund (continued)
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Theater:				
Materials and Supplies	\$4,782	\$9,080	\$5,680	\$3,400
Youth Football:				
Materials and Supplies	287	287	0	287
Fitness Camp:				
Materials and Supplies	17,298	29,238	14,245	14,993
Educational:				
Materials and Supplies	4,430	8,251	8,169	82
Youth Baseball:				
Materials and Supplies	6,269	12,000	3,783	8,217
Mini Cheer/Dance Camp:				
Materials and Supplies	26,195	50,075	41,627	8,448
Youth Soccer:				
Materials and Supplies	3,657	7,000	6,043	957
Lacrosse Camp:				
Materials and Supplies	1,828	3,500	0	3,500
Playground Days:				
Materials and Supplies	2,612	5,000	1,758	3,242
<i>Total Expenditures</i>	<u>579,356</u>	<u>1,079,356</u>	<u>942,424</u>	<u>136,932</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(179,856)	(868,153)	(730,302)	137,851
Other Financing Sources (Uses)				
Transfers In	<u>0</u>	<u>1,175,000</u>	<u>500,000</u>	<u>(675,000)</u>
<i>Net Change in Fund Balance</i>	(179,856)	306,847	(230,302)	(537,149)
<i>Fund Balance (Deficit) Beginning of Year</i>	(81,126)	(81,126)	(81,126)	0
Prior Year Encumbrances Appropriated	<u>32,447</u>	<u>32,447</u>	<u>32,447</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$228,535)</u></u>	<u><u>\$258,168</u></u>	<u><u>(\$278,981)</u></u>	<u><u>(\$537,149)</u></u>

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Operating Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property Taxes	\$279,081	\$335,048	\$335,048	\$0
Municipal Income Taxes	1,608,239	1,930,755	1,930,755	0
Licenses and Permits	32,971	39,583	39,583	0
Intergovernmental	122,648	147,244	147,244	0
Contributions and Donations	250	300	300	0
Miscellaneous	13,026	15,638	15,638	0
<i>Total Revenues</i>	<u>2,056,215</u>	<u>2,468,568</u>	<u>2,468,568</u>	<u>0</u>
Expenditures				
Current:				
Leisure Time Activities:				
Park Operating:				
Personal Services	863,547	909,092	667,500	241,592
Materials and Supplies	156,208	163,320	142,377	20,943
Contractual Services	633,834	665,963	602,387	63,576
Capital Outlay	992,186	1,037,375	854,627	182,748
Other	475	500	0	500
Total Leisure Time Activities	<u>2,646,250</u>	<u>2,776,250</u>	<u>2,266,891</u>	<u>509,359</u>
Debt Service:				
Principal Retirement	6,211	6,211	6,211	0
Interest	1,023	1,023	1,023	0
Total Debt Service	<u>7,234</u>	<u>7,234</u>	<u>7,234</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,653,484</u>	<u>2,783,484</u>	<u>2,274,125</u>	<u>509,359</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(597,269)	(314,916)	194,443	509,359
Other Financing Sources (Uses)				
Transfers Out	(175,000)	(175,000)	0	175,000
<i>Net Change in Fund Balance</i>	(772,269)	(489,916)	194,443	684,359
<i>Fund Balance Beginning of Year</i>	1,687,169	1,687,169	1,687,169	0
Prior Year Encumbrances Appropriated	<u>188,622</u>	<u>188,622</u>	<u>188,622</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,103,522</u>	<u>\$1,385,875</u>	<u>\$2,070,234</u>	<u>\$684,359</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Development and Improvement Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues				
Licenses and Permits	\$120,000	\$49,430	\$49,430	\$0
Expenditures				
Current:				
Leisure Time Activities:				
Park Development and Improvement:				
Contractual Services	25,000	25,000	0	25,000
Other	1,500	1,500	0	1,500
Total Leisure Time Activities	26,500	26,500	0	26,500
Debt Service:				
Principal Retirement	103,950	103,950	103,950	0
Interest	6,855	6,855	6,853	2
Total Debt Service	110,805	110,805	110,803	2
<i>Total Expenditures</i>	137,305	137,305	110,803	26,502
<i>Net Change in Fund Balance</i>	(17,305)	(87,875)	(61,373)	26,502
<i>Fund Balance Beginning of Year</i>	162,047	162,047	162,047	0
<i>Fund Balance End of Year</i>	\$144,742	\$74,172	\$100,674	\$26,502

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Donations Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Contributions and Donations	\$5,495	\$4,745	\$4,745	\$0
Expenditures				
Current:				
Security of Persons and Property:				
Donations:				
Materials and Supplies	6,200	7,700	5,574	2,126
Contractual Services	15,836	18,336	13,768	4,568
<i>Total Expenditures</i>	22,036	26,036	19,342	6,694
<i>Excess of Revenues Over (Under) Expenditures</i>	(16,541)	(21,291)	(14,597)	6,694
Other Financing Sources (Uses)				
Transfers In	3,000	3,000	3,000	0
<i>Net Change in Fund Balance</i>	(13,541)	(18,291)	(11,597)	6,694
<i>Fund Balance Beginning of Year</i>	30,645	30,645	30,645	0
Prior Year Encumbrances Appropriated	6,036	6,036	6,036	0
<i>Fund Balance End of Year</i>	\$23,140	\$18,390	\$25,084	\$6,694

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development and Tourism Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$148,134	\$262,026	\$269,646	\$7,620
Rentals	11,866	20,990	21,600	610
<i>Total Revenues</i>	<u>160,000</u>	<u>283,016</u>	<u>291,246</u>	<u>8,230</u>
Expenditures				
Current:				
Community Environment:				
Economic Development and Tourism:				
Personal Services	31,066	33,607	31,616	1,991
Material and Supplies	3,401	3,666	624	3,042
Contractual Services	205,957	222,102	202,510	19,592
Capital Outlay	78,815	84,864	0	84,864
<i>Total Expenditures</i>	<u>319,239</u>	<u>344,239</u>	<u>234,750</u>	<u>109,489</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(159,239)	(61,223)	56,496	117,719
Other Financing Sources (Uses)				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(59,239)	38,777	156,496	117,719
<i>Fund Balance Beginning of Year</i>	105,830	105,830	105,830	0
Prior Year Encumbrances Appropriated	13,632	13,632	13,632	0
<i>Fund Balance End of Year</i>	<u>\$60,223</u>	<u>\$158,239</u>	<u>\$275,958</u>	<u>\$117,719</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Opioid Settlement Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Fines, Forfeitures, and Settlements	\$28,291	\$28,291	\$28,291	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	28,291	28,291	28,291	0
<i>Fund Balance Beginning of Year</i>	<u>6,307</u>	<u>6,307</u>	<u>6,307</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$34,598</u></u>	<u><u>\$34,598</u></u>	<u><u>\$34,598</u></u>	<u><u>\$0</u></u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Lorain Public Library Fund
For the Year Ended December 31, 2023*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,015,582	\$2,095,831	\$2,095,831	\$0
Intergovernmental	16,543	17,202	17,202	0
<i>Total Revenues</i>	2,032,125	2,113,033	2,113,033	0
Expenditures				
Current:				
General Government:				
Lorain Public Library:				
Contractual Services	2,022,635	2,113,035	2,113,033	2
<i>Net Change in Fund Balance</i>	9,490	(2)	0	2
<i>Fund Balance Beginning of Year</i>	135	135	135	0
<i>Fund Balance End of Year</i>	<u>\$9,625</u>	<u>\$133</u>	<u>\$135</u>	<u>\$2</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Charges for Services	\$464,810	\$419,807	\$419,807	\$0
Debt Service:				
Principal Retirement	899,438	899,438	899,414	24
Interest	162,222	162,222	162,219	3
<i>Total Expenditures</i>	1,061,660	1,061,660	1,061,633	27
<i>Excess of Revenues Over (Under) Expenditures</i>	(596,850)	(641,853)	(641,826)	27
Other Financing Sources (Uses)				
Transfers In	505,000	505,000	505,000	0
<i>Net Change in Fund Balance</i>	(91,850)	(136,853)	(136,826)	27
<i>Fund Balance Beginning of Year</i>	139,264	139,264	139,264	0
<i>Fund Balance End of Year</i>	\$47,414	\$2,411	\$2,438	\$27

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Equipment Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property Taxes	\$814,353	\$849,443	\$849,443	\$0
Intergovernmental	45,891	47,868	47,868	0
<i>Total Revenues</i>	<u>860,244</u>	<u>897,311</u>	<u>897,311</u>	<u>0</u>
Expenditures				
Capital Outlay:				
Equipment:				
Contractual Services	11,408	17,000	12,695	4,305
Capital Outlay	1,648,367	2,067,775	1,893,611	174,164
<i>Total Expenditures</i>	<u>1,659,775</u>	<u>2,084,775</u>	<u>1,906,306</u>	<u>178,469</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(799,531)	(1,187,464)	(1,008,995)	(178,469)
Other Financing Sources (Uses)				
Sale of Capital Assets	25,261	25,261	25,261	0
<i>Net Change in Fund Balance</i>	(774,270)	(1,162,203)	(983,734)	(178,469)
<i>Fund Balance Beginning of Year</i>	710,137	710,137	710,137	0
Prior Year Encumbrances Appropriated	792,775	792,775	792,775	0
<i>Fund Balance End of Year</i>	<u>\$728,642</u>	<u>\$340,709</u>	<u>\$519,178</u>	<u>(\$178,469)</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Storm Water Detention Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Charges for Services	\$45,000	\$17,501	\$17,501	\$0
Expenditures				
Capital Outlay:				
Storm Water Detention:				
Contractual Services	125,000	125,000	0	125,000
<i>Net Change in Fund Balance</i>	(80,000)	(107,499)	17,501	125,000
<i>Fund Balance Beginning of Year</i>	545,913	545,913	545,913	0
<i>Fund Balance End of Year</i>	\$465,913	\$438,414	\$563,414	\$125,000

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Road and Bridges Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$1,495,000	\$995,000	\$789,840	(\$205,160)
Expenditures				
Capital Outlay:				
Road and Bridge Programs:				
Capital Outlay	4,348,620	6,243,930	5,214,907	1,029,023
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,853,620)	(5,248,930)	(4,425,067)	823,863
Other Financing Sources (Uses)				
Advances In	750,000	750,000	750,000	0
Transfers In	2,445,000	2,445,000	2,445,000	0
<i>Total Other Financing Sources (Uses)</i>	3,195,000	3,195,000	3,195,000	0
<i>Net Change in Fund Balance</i>	341,380	(2,053,930)	(1,230,067)	823,863
<i>Fund Balance Beginning of Year</i>	2,485,972	2,485,972	2,485,972	0
Prior Year Encumbrances Appropriated	643,783	643,783	643,783	0
<i>Fund Balance End of Year</i>	<u>\$3,471,135</u>	<u>\$1,075,825</u>	<u>\$1,899,688</u>	<u>\$823,863</u>

City of Avon, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sidewalk Programs Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental	\$4,500	\$3,820	\$3,820	\$0
Miscellaneous	0	24,790	24,790	0
<i>Total Revenues</i>	4,500	28,610	28,610	0
Expenditures				
Capital Outlay:				
Sidewalk Programs:				
Capital Outlay	531,158	531,158	328,689	202,469
<i>Excess of Revenues Over (Under) Expenditures</i>	(526,658)	(502,548)	(300,079)	202,469
Other Financing Sources (Uses)				
Transfers In	250,000	500,000	500,000	0
<i>Net Change in Fund Balance</i>	(276,658)	(2,548)	199,921	202,469
<i>Fund Balance Beginning of Year</i>	193,688	193,688	193,688	0
Prior Year Encumbrances Appropriated	31,158	31,158	31,158	0
<i>Fund Balance (Deficit) End of Year</i>	(\$51,812)	\$222,298	\$424,767	\$202,469

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Storm and Sanitary Sewers Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Storm Sewers:				
Capital Outlay	8,548	8,548	0	8,548
<i>Net Change in Fund Balance</i>	(8,548)	(8,548)	0	8,548
<i>Fund Balance Beginning of Year</i>	8,078	8,078	8,078	0
Prior Year Encumbrances Appropriated	470	470	470	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$8,548	\$8,548

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Buildings Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Charges for Services	\$263,049	\$278,229	\$279,013	\$784
Licenses and Permits	12,492	13,213	13,250	37
Contributions and Donations	18,078	19,121	19,175	54
Rentals	452,178	478,273	479,620	1,347
Miscellaneous	4,572	4,836	4,849	13
<i>Total Revenues</i>	<u>750,369</u>	<u>793,672</u>	<u>795,907</u>	<u>2,235</u>
Expenditures				
Capital Outlay:				
Municipal Buildings:				
Personal Services	373,051	404,328	401,593	2,735
Materials and Supplies	81,328	87,021	76,118	10,903
Contractual Services	220,878	238,256	216,169	22,087
Capital Outlay	117,604	126,500	124,207	2,293
Other	20,930	22,685	14,050	8,635
Total Capital Outlay	<u>813,790</u>	<u>878,790</u>	<u>832,137</u>	<u>46,653</u>
Debt Service:				
Principal Retirement	370,000	370,000	370,000	0
Interest	5,570	5,570	5,568	2
Total Debt Service	<u>375,570</u>	<u>375,570</u>	<u>375,568</u>	<u>2</u>
<i>Total Expenditures</i>	<u>1,189,360</u>	<u>1,254,360</u>	<u>1,207,705</u>	<u>46,655</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(438,991)	(460,688)	(411,798)	48,890
Other Financing Sources (Uses)				
Transfers In	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(13,991)	(35,688)	13,202	48,890
<i>Fund Balance Beginning of Year</i>	239,974	239,974	239,974	0
Prior Year Encumbrances Appropriated	<u>38,527</u>	<u>38,527</u>	<u>38,527</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$264,510</u>	<u>\$242,813</u>	<u>\$291,703</u>	<u>\$48,890</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Complex Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Municipal Income Taxes	\$1,645,000	\$1,930,755	\$1,930,755	\$0
Expenditures				
Capital Outlay:				
Recreation Complex:				
Contractual Services	75,925	75,925	57,923	18,002
Debt Service:				
Principal Retirement	490,000	490,000	490,000	0
Interest	231,535	231,535	231,533	2
Total Debt Service	721,535	721,535	721,533	2
<i>Total Expenditures</i>	797,460	797,460	779,456	18,004
<i>Excess of Revenues Over (Under) Expenditures</i>	847,540	1,133,295	1,151,299	18,004
Other Financing Sources (Uses)				
Transfers Out	0	(500,000)	0	500,000
<i>Net Change in Fund Balance</i>	847,540	633,295	1,151,299	518,004
<i>Fund Balance Beginning of Year</i>	1,101,262	1,101,262	1,101,262	0
<i>Fund Balance End of Year</i>	\$1,948,802	\$1,734,557	\$2,252,561	\$518,004

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Stadium Marquee Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Charges for Services	\$30,000	\$30,000	\$30,000	\$0
Expenditures				
Capital Outlay:				
Stadium Marquee:				
Capital Outlay	57,980	886,980	850,181	36,799
<i>Net Change in Fund Balance</i>	(27,980)	(856,980)	(820,181)	36,799
<i>Fund Balance Beginning of Year</i>	1,059,583	1,059,583	1,059,583	0
Prior Year Encumbrances Appropriated	7,980	7,980	7,980	0
<i>Fund Balance End of Year</i>	<u>\$1,039,583</u>	<u>\$210,583</u>	<u>\$247,382</u>	<u>\$36,799</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Capital Improvements:				
Capital Outlay	100,000	510,000	442,473	67,527
<i>Excess of Revenues Over (Under) Expenditures</i>	(100,000)	(510,000)	(442,473)	67,527
Other Financing Sources (Uses)				
Transfers In	51,985	1,985	1,985	0
<i>Net Change in Fund Balance</i>	(48,015)	(508,015)	(440,488)	67,527
<i>Fund Balance Beginning of Year</i>	1,399,748	1,399,748	1,399,748	0
<i>Fund Balance End of Year</i>	<u>\$1,351,733</u>	<u>\$891,733</u>	<u>\$959,260</u>	<u>\$67,527</u>

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Traxler Property Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$201,875	\$937,217	\$937,217	\$0
Expenditures				
Capital Outlay:				
Land Purchases:				
Capital Outlay	751,875	1,485,000	1,484,232	768
<i>Excess of Revenues Over (Under) Expenditures</i>	(550,000)	(547,783)	(547,015)	768
Other Financing Sources (Uses)				
Advances In	400,000	400,000	400,000	0
Transfers In	150,000	150,000	150,000	0
<i>Total Other Financing Sources (Uses)</i>	550,000	550,000	550,000	0
<i>Net Change in Fund Balance</i>	0	2,217	2,985	768
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$2,217	\$2,985	\$768

City of Avon, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City-Wide Bike Trails Fund
For the Year Ended December 31, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
City-Wide Bike Trails:				
Capital Outlay	54,406	87,661	87,661	0
<i>Net Change in Fund Balance</i>	(54,406)	(87,661)	(87,661)	0
<i>Fund Balance Beginning of Year</i>	56,450	56,450	56,450	0
Prior Year Encumbrances Appropriated	39,406	39,406	39,406	0
<i>Fund Balance End of Year</i>	<u>\$41,450</u>	<u>\$8,195</u>	<u>\$8,195</u>	<u>\$0</u>

City of Avon, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Storm Water Fund
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Charges for Services	\$450,016	\$504,405	\$523,003	\$18,598
Other Operating Revenues	14,984	16,795	17,414	619
<i>Total Revenues</i>	<u>465,000</u>	<u>521,200</u>	<u>540,417</u>	<u>19,217</u>
Expenses				
Personal Services	140,738	146,822	136,771	10,051
Materials and Supplies	171,872	178,694	162,311	16,383
Contractual Services	62,657	65,193	64,921	272
Capital Outlay	166,969	171,527	171,433	94
<i>Total Expenses</i>	<u>542,236</u>	<u>562,236</u>	<u>535,436</u>	<u>26,800</u>
<i>Net Change in Fund Equity</i>	(77,236)	(41,036)	4,981	46,017
<i>Fund Equity Beginning of Year</i>	207,652	207,652	207,652	0
Prior Year Encumbrances Appropriated	<u>79,589</u>	<u>79,589</u>	<u>79,589</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$210,005</u>	<u>\$246,205</u>	<u>\$292,222</u>	<u>\$46,017</u>

(This Page Intentionally Left Blank.)

STATISTICAL
SECTION

Statistical Section

This part of the City of Avon, Ohio'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(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and the municipal income	S14-S25
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S26-S29
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S31-S35
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S36-S41

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

City of Avon, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2023	2022	2021	2020
Governmental Activities:				
Net Investment in Capital Assets	\$65,236,888	\$58,157,066	\$51,629,402	\$47,308,553
Restricted:				
Capital Projects	1,464,462	1,785,896	1,414,255	1,353,570
Debt Service	12,453,010	12,175,220	12,152,012	12,025,588
Fire Department	2,123,246	2,077,657	1,632,170	1,066,320
Street Construction, Maintenance and Repair	2,620,622	2,357,990	2,180,724	1,783,288
Pension and OPEB Plans	55,760	1,098,804	594,712	0
Other Purposes	4,229,398	3,907,045	3,333,321	3,430,891
Unrestricted (Deficit)	2,755,915	(1,993,619)	(6,388,548)	(13,027,023)
<i>Total Governmental Activities Net Position</i>	<u>90,939,301</u>	<u>79,566,059</u>	<u>66,548,048</u>	<u>53,941,187</u>
Business-Type Activities:				
Net Investment in Capital Assets	35,584,504	35,280,827	34,470,471	33,442,569
Restricted for Pension and OPEB Plans	11,414	225,045	113,271	0
Unrestricted	9,585,259	8,441,976	7,957,489	6,146,144
<i>Total Business-Type Activities Net Position</i>	<u>45,181,177</u>	<u>43,947,848</u>	<u>42,541,231</u>	<u>39,588,713</u>
Primary Government:				
Net Investment in Capital Assets	100,821,392	93,437,893	86,099,873	80,751,122
Restricted	22,957,912	23,627,657	21,420,465	19,659,657
Unrestricted (Deficit)	12,341,174	6,448,357	1,568,941	(6,880,879)
<i>Total Primary Government Net Position</i>	<u>\$136,120,478</u>	<u>\$123,513,907</u>	<u>\$109,089,279</u>	<u>\$93,529,900</u>

(1) The City reported the impacts of GASB Statement No. 68 and 75 beginning in 2014 and 2017, respectively.

2019	2018	2017 (1)	2016	2015	2014 (1)
\$44,244,473	\$40,705,398	\$36,346,679	\$36,167,606	\$35,118,979	\$29,363,504
939,036	1,414,965	673,086	0	0	0
11,900,099	12,350,278	12,259,293	6,845,284	6,970,159	7,274,056
635,889	516,991	457,789	1,819,386	1,566,828	1,763,116
1,653,925	1,305,160	936,227	797,185	877,451	758,676
0	0	0	0	0	0
2,445,593	2,363,384	2,653,685	1,388,994	844,041	709,230
(13,212,611)	(25,390,793)	(24,458,137)	(7,739,091)	(7,953,442)	(7,407,222)
<u>48,606,404</u>	<u>33,265,383</u>	<u>28,868,622</u>	<u>39,279,364</u>	<u>37,424,016</u>	<u>32,461,360</u>
31,342,561	29,208,283	27,540,894	27,325,569	25,107,622	24,624,861
0	0	0	0	0	0
6,020,879	7,119,691	7,002,552	7,627,901	6,581,243	5,817,722
<u>37,363,440</u>	<u>36,327,974</u>	<u>34,543,446</u>	<u>34,953,470</u>	<u>31,688,865</u>	<u>30,442,583</u>
75,587,034	69,913,681	63,887,573	63,493,175	60,226,601	53,988,365
17,574,542	17,950,778	16,980,080	10,850,849	10,258,479	10,505,078
(7,191,732)	(18,271,102)	(17,455,585)	(111,190)	(1,372,199)	(1,589,500)
<u>\$85,969,844</u>	<u>\$69,593,357</u>	<u>\$63,412,068</u>	<u>\$74,232,834</u>	<u>\$69,112,881</u>	<u>\$62,903,943</u>

City of Avon, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2023	2022	2021	2020
Program Revenues				
Governmental Activities:				
Charges for Services and Operating Assessments				
General Government	\$2,173,331	\$3,258,303	\$2,054,137	\$2,477,969
Security of Persons and Property	1,347,637	1,020,557	847,225	722,746
Transportation	9,173	11,167	9,504	2,106
Community Environment	1,380,055	1,613,722	1,582,217	1,452,621
Basic Utility Services	17,501	172,300	141,132	33,077
Leisure Time Activities	340,841	345,703	400,037	325,634
Subtotal - Charges for Services	<u>5,268,538</u>	<u>6,421,752</u>	<u>5,034,252</u>	<u>5,014,153</u>
Operating Grants and Contributions:				
General Government	0	0	0	246,052
Security of Persons and Property	265,507	125,119	151,144	1,053,281
Transportation	1,744,180	1,750,379	1,923,838	1,743,037
Community Environment	269,646	236,108	182,366	188,803
Leisure Time Activities	147,805	100,462	200,659	455,757
Subtotal - Operating Grants and Contributions	<u>2,427,138</u>	<u>2,212,068</u>	<u>2,458,007</u>	<u>3,686,930</u>
Capital Grants and Contributions:				
General Government	0	0	0	0
Security of Persons and Property	48,098	62,021	48,177	47,091
Transportation	1,749,372	2,968,585	431,403	2,006,184
Community Environment	458,017	29,893	16,668	46,607
Basic Utility Services	1,013,116	0	493,198	1,050,130
Leisure Time Activities	1,520,980	666,418	0	12,000
Subtotal - Capital Grants and Contributions	<u>4,789,583</u>	<u>3,726,917</u>	<u>989,446</u>	<u>3,162,012</u>
<i>Total Governmental Activities Program Revenues</i>	<u>12,485,259</u>	<u>12,360,737</u>	<u>8,481,705</u>	<u>11,863,095</u>
Business-Type Activities:				
Charges for Services:				
Water	4,793,607	4,957,322	4,898,196	5,164,986
Sewer	4,941,421	4,987,725	4,878,000	4,751,590
Storm Water	523,293	480,339	440,784	401,766
Subtotal - Charges for Services	<u>10,258,321</u>	<u>10,425,386</u>	<u>10,216,980</u>	<u>10,318,342</u>
Operating Grants and Contributions				
Water	0	0	0	10,418
Sewer	0	0	0	8,172
Storm Water	0	0	0	4,075
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,665</u>
Capital Grants and Contributions				
Water	0	0	177,668	0
Sewer	537,762	735,000	554,562	319,525
Subtotal - Capital Grants and Contributions	<u>537,762</u>	<u>735,000</u>	<u>732,230</u>	<u>319,525</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>10,796,083</u>	<u>11,160,386</u>	<u>10,949,210</u>	<u>10,660,532</u>
<i>Total Primary Government Program Revenues</i>	<u>\$23,281,342</u>	<u>\$23,521,123</u>	<u>\$19,430,915</u>	<u>\$22,523,627</u>

2019	2018 (1)	2017	2016	2015 (1)	2014
\$3,293,553	\$2,401,683	\$8,114,096	\$2,030,361	\$2,290,540	\$2,016,543
771,395	724,024	672,185	546,672	488,084	435,775
5,147	447	5,810	0	0	0
2,065,815	1,426,275	1,282,241	1,332,972	1,463,186	1,092,889
49,696	146,909	165,369	226,175	139,941	87,182
547,361	449,303	373,357	499,486	330,063	336,570
6,732,967	5,148,641	10,613,058	4,635,666	4,711,814	3,968,959
0	0	0	0	0	7,778
117,989	108,765	91,377	92,698	99,565	108,650
1,696,424	1,289,739	1,257,588	1,265,019	1,210,312	1,239,055
217,444	218,047	312,305	0	0	0
119,885	58,810	62,251	64,361	72,308	64,625
2,151,742	1,675,361	1,723,521	1,422,078	1,382,185	1,420,108
0	36,483	139,194	74,008	72,453	75,239
61,719	0	0	0	0	0
1,253,803	1,605,739	613,588	2,273,112	3,689,916	699,636
61,194	366,738	228,861	261,457	40,663	420,710
916,005	2,589,937	761,643	1,543,907	1,421,007	0
48,500	17,500	58,100	33,333	0	0
2,341,221	4,616,397	1,801,386	4,185,817	5,224,039	1,195,585
11,225,930	11,440,399	14,137,965	10,243,561	11,318,038	6,584,652
4,622,337	4,557,586	4,406,393	4,721,224	3,545,630	3,250,484
4,535,296	4,293,225	4,073,106	4,160,768	3,604,548	3,330,982
402,000	393,601	0	0	0	0
9,559,633	9,244,412	8,479,499	8,881,992	7,150,178	6,581,466
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	99,375	0	0	0
290,378	760,388	401,656	590,677	2,003,839	111,193
290,378	760,388	501,031	590,677	2,003,839	111,193
9,850,011	10,004,800	8,980,530	9,472,669	9,154,017	6,692,659
\$21,075,941	\$21,445,199	\$23,118,495	\$19,716,230	\$20,472,055	\$13,277,311

(continued)

City of Avon, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2023	2022	2021	2020
Expenses				
Governmental Activities:				
General Government	\$7,982,516	\$6,287,817	\$4,892,138	\$6,779,429
General Government - Intergovernmental	2,113,033	2,028,402	1,304,162	481,496
Security of Persons and Property	19,232,747	15,271,596	13,591,320	15,034,371
Transportation	7,280,164	7,102,533	4,966,239	6,650,222
Community Environment	3,605,292	2,937,305	2,144,885	3,804,932
Basic Utility Services	1,182,906	982,002	707,967	954,292
Leisure Time Activities	3,566,642	3,186,822	2,257,863	2,102,270
Interest	1,779,562	1,844,391	1,624,599	1,937,004
<i>Total Governmental Activities Expenses</i>	<u>46,742,862</u>	<u>39,640,868</u>	<u>31,489,173</u>	<u>37,744,016</u>
Business-Type Activities				
Water	3,206,866	4,249,346	3,390,774	4,133,977
Sewer	5,869,251	5,233,417	4,265,971	3,572,470
Storm Water	375,399	306,286	275,981	507,818
<i>Total Business-Type Activities Expenses</i>	<u>9,451,516</u>	<u>9,789,049</u>	<u>7,932,726</u>	<u>8,214,265</u>
<i>Total Primary Government Program Expenses</i>	<u>56,194,378</u>	<u>49,429,917</u>	<u>39,421,899</u>	<u>45,958,281</u>
Net (Expense)/Revenue				
Governmental Activities	(34,257,603)	(27,280,131)	(23,007,468)	(25,880,921)
Business-Type Activities	1,344,567	1,371,337	3,016,484	2,446,267
<i>Total Primary Government Net Expense</i>	<u>(\$32,913,036)</u>	<u>(\$25,908,794)</u>	<u>(\$19,990,984)</u>	<u>(\$23,434,654)</u>

2019	2018 (1)	2017	2016	2015 (1)	2014
\$6,434,578	\$4,582,465	\$4,552,425	\$4,632,151	\$4,340,391	\$5,326,980
481,222	486,023	0	0	0	0
2,189,332	14,263,912	12,455,701	11,960,179	10,611,997	10,094,196
7,147,202	6,587,258	6,356,119	6,463,824	5,453,943	5,862,901
4,248,527	3,035,192	2,348,421	4,068,001	2,147,727	1,728,765
1,310,333	904,786	840,382	911,121	814,317	688,440
2,584,382	2,071,772	2,200,268	1,629,373	1,377,791	1,302,661
2,669,789	2,681,243	2,802,582	2,565,722	3,032,601	2,976,565
<u>27,065,365</u>	<u>34,612,651</u>	<u>31,555,898</u>	<u>32,230,371</u>	<u>27,778,767</u>	<u>27,980,508</u>
3,660,184	3,635,564	4,098,831	2,999,014	4,509,372	3,102,338
4,443,700	4,311,528	4,133,510	3,390,641	3,466,945	3,555,325
471,214	243,607	0	0	0	0
<u>8,575,098</u>	<u>8,190,699</u>	<u>8,232,341</u>	<u>6,389,655</u>	<u>7,976,317</u>	<u>6,657,663</u>
<u>35,640,463</u>	<u>42,803,350</u>	<u>39,788,239</u>	<u>38,620,026</u>	<u>35,755,084</u>	<u>34,638,171</u>
(15,839,435)	(23,172,252)	(17,417,933)	(21,986,810)	(16,460,729)	(21,395,856)
1,274,913	1,814,101	748,189	3,083,014	1,177,700	34,996
<u>(\$14,564,522)</u>	<u>(\$21,358,151)</u>	<u>(\$16,669,744)</u>	<u>(\$18,903,796)</u>	<u>(\$15,283,029)</u>	<u>(\$21,360,860)</u>

(continued)

City of Avon, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2023	2022	2021	2020
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$2,329,017	\$2,230,342	\$2,019,736	\$1,952,748
Streets	1,416,097	1,346,786	1,338,239	1,295,779
Police	832,711	765,308	750,577	721,007
Park Operating	335,391	318,975	316,950	306,895
Lorain Public Library	2,098,062	2,013,467	1,248,683	435,020
Library Bond Retirement	0	0	0	0
Equipment	850,354	811,857	805,584	781,046
Municipal Income Taxes levied for:				
General Purposes	16,580,767	15,041,788	13,031,248	10,465,398
Fire Department	4,667,724	4,490,147	3,965,407	3,438,644
Police	4,667,724	4,490,148	3,965,407	3,438,644
Park Operating	1,961,587	1,813,839	1,545,340	1,312,712
Recreation Complex	1,961,587	1,813,839	1,533,867	1,324,185
Permissive Motor Vehicle License Taxes	72,962	126,304	0	0
Grants and Entitlements not Restricted to				
Specific Programs	1,267,543	1,042,871	966,183	2,096,449
Unrestricted Contributions	53,321	13,889	125	200
Investment Earnings/Interest	1,574,362	(363,311)	(56,669)	314,380
Payments in Lieu of Taxes	3,789,746	3,568,398	3,476,170	2,567,923
Gain on Sale of Capital Assets	0	21,084	21,595	0
Miscellaneous	997,798	735,386	599,406	660,285
<i>Total Governmental Activities</i>	<u>45,456,753</u>	<u>40,281,117</u>	<u>35,527,848</u>	<u>31,111,315</u>
Business-Type Activities				
Investment Earnings/Interest	0	0	0	0
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	62,854	52,305	22,515	63,269
<i>Total Business-Type Activities</i>	<u>62,854</u>	<u>52,305</u>	<u>22,515</u>	<u>63,269</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>45,519,607</u>	<u>40,333,422</u>	<u>35,550,363</u>	<u>31,174,584</u>
Transfers				
Governmental Activities	174,092	17,025	86,481	284,263
Business-Type Activities	(174,092)	(17,025)	(86,481)	(284,263)
Change in Net Position				
Governmental Activities	11,373,242	13,018,011	12,606,861	5,514,657
Business-Type Activities	1,233,329	1,406,617	2,952,518	2,225,273
<i>Total Primary Government Change in Net Position</i>	<u>\$12,606,571</u>	<u>\$14,424,628</u>	<u>\$15,559,379</u>	<u>\$7,739,930</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 and 75 beginning in 2015 and 2018, respectively

2019	2018 (1)	2017	2016	2015 (1)	2014
\$1,951,655	\$1,805,289	\$1,724,850	\$1,661,026	\$1,536,192	\$1,532,142
1,293,845	1,309,030	1,219,882	1,212,333	1,180,355	1,188,229
722,005	706,811	653,997	650,063	629,286	625,571
306,437	310,032	288,920	287,132	279,556	281,422
434,169	0	0	0	0	0
0	0	0	0	0	61,569
779,858	790,383	579,088	572,212	552,147	560,244
10,960,373	9,687,503	9,582,138	9,135,298	7,902,348	7,018,713
3,384,756	3,357,920	2,729,053	4,415,368	3,911,656	4,229,098
3,384,757	3,357,920	3,095,920	1,806,394	1,378,008	983,874
1,284,559	1,224,588	1,197,897	796,208	493,731	617,848
1,284,557	1,224,588	1,197,897	1,670,331	1,481,191	1,225,308
0	0	0	0	0	0
1,250,922	961,286	613,496	907,160	803,671	588,601
2,215	240	1,825	3,521	225	150
618,049	392,997	188,035	135,853	70,407	124,974
2,580,907	1,954,892	1,481,646	1,149,003	647,795	2,580,037
0	16,717	0	0	0	0
640,674	388,076	532,736	166,277	556,817	562,343
30,879,738	27,488,272	25,087,380	24,568,179	21,423,385	22,180,123
391	7,198	0	9,974	11,791	19,561
31,222	4,000	0	0	0	0
29,658	39,970	24,610	171,617	56,791	88,492
61,271	51,168	24,610	181,591	68,582	108,053
30,941,009	27,539,440	25,111,990	24,749,770	21,491,967	22,288,176
300,718	80,741	65,424	0	0	(4,622)
(300,718)	(80,741)	(65,424)	0	0	4,622
15,341,021	4,396,761	7,734,871	2,581,369	4,962,656	779,645
1,035,466	1,784,528	707,375	3,264,605	1,246,282	147,671
\$16,376,487	\$6,181,289	\$8,442,246	\$5,845,974	\$6,208,938	\$927,316

City of Avon, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2023	2022	2021	2020
General Fund				
Nonspendable	\$70,186	\$83,186	\$94,691	\$348,584
Assigned	1,446,921	1,152,778	1,045,333	1,202,926
Unassigned	21,097,106	15,697,651	13,961,588	11,708,330
Total General Fund	22,614,213	16,933,615	15,101,612	13,259,840
All Other Governmental Funds				
Nonspendable	372,863	377,112	405,388	365,214
Restricted	13,072,659	11,712,799	10,768,684	8,332,087
Committed	2,797,446	1,823,083	975,439	510,487
Assigned	3,650,424	4,267,420	2,377,086	3,441,236
Unassigned (Deficit)	(676,951)	(9,603)	(1,345,039)	(6,490,974)
Total All Other Governmental Funds (Deficit)	19,216,441	18,170,811	13,181,558	6,158,050
Total Governmental Funds (Deficit)	\$41,830,654	\$35,104,426	\$28,283,170	\$19,417,890

2019	2018	2017	2016	2015	2014
\$421,129	\$526,415	\$583,871	\$190,961	\$189,085	\$202,048
1,942,930	204,368	770,604	112,088	1,199,671	863,715
9,363,127	8,851,170	6,922,744	5,970,523	3,629,253	4,290,707
11,727,186	9,581,953	8,277,219	6,273,572	5,018,009	5,356,470
312,487	417,293	394,414	345,794	284,776	228,638
6,348,878	6,180,481	5,511,082	5,003,524	4,375,547	5,927,793
478,340	360,372	605,342	914,525	721,199	594,804
919,311	1,061,126	711,663	630,353	362,947	244,226
(6,914,918)	(7,875,772)	(8,249,154)	(13,835,549)	(8,098,171)	(2,575,669)
1,144,098	143,500	(1,026,653)	(6,941,353)	(2,353,702)	4,419,792
\$12,871,284	\$9,725,453	\$7,250,566	(\$667,781)	\$2,664,307	\$9,776,262

City of Avon, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2023	2022	2021	2020
Revenues				
Property Taxes	\$7,853,326	\$7,475,390	\$6,471,085	\$5,492,910
Permissive Motor Vehicle License Taxes	117,330	126,304	0	0
Payments in Lieu of Taxes	3,766,992	3,566,861	3,473,157	2,564,451
Municipal Income Taxes	29,498,742	27,915,595	24,330,867	20,237,577
Charges for Services	2,408,091	2,288,820	2,173,922	1,846,872
Licenses and Permits	1,422,630	1,847,065	1,767,733	2,662,693
Fines, Forfeitures, and Settlements	173,108	159,887	176,250	225,317
Intergovernmental	6,093,418	6,732,184	3,791,775	5,726,539
Special Assessments	975,236	872,545	974,176	1,096,352
Investment Earnings/Interest	1,574,362	(363,311)	(56,669)	314,380
Contributions and Donations	77,541	64,440	58,255	89,350
Lease Revenue	446,366	420,025	0	0
Rentals	159,134	188,640	425,964	216,191
Miscellaneous	997,798	735,386	599,406	660,285
<i>Total Revenues</i>	<u>55,564,074</u>	<u>52,029,831</u>	<u>44,185,921</u>	<u>41,132,917</u>
Expenditures				
Current:				
General Government	6,670,883	5,470,600	4,988,797	5,294,000
Security of Persons and Property	15,757,852	14,764,035	13,244,692	12,401,121
Transportation	3,050,980	3,062,126	2,778,839	2,824,970
Community Environment	3,417,811	3,460,828	3,395,901	3,460,984
Leisure Time Activities	2,816,671	2,676,221	2,458,141	1,610,167
Intergovernmental	2,113,033	2,028,402	1,304,162	481,496
Capital Outlay	8,574,241	8,308,473	5,061,518	6,030,566
Debt Service:				
Principal Retirement	4,696,539	13,280,752	9,671,383	6,973,591
Interest	1,767,082	1,793,390	1,726,680	2,101,753
Issuance Costs	0	206,107	40,572	281,206
<i>Total Expenditures</i>	<u>48,865,092</u>	<u>55,050,934</u>	<u>44,670,685</u>	<u>41,459,854</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,698,982</u>	<u>(3,021,103)</u>	<u>(484,764)</u>	<u>(326,937)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	25,261	35,889	28,692	18,176
Inception of Leases	0	275,199	0	0
Inception of Financed Purchases	0	0	0	0
Refunding Bonds Issued	0	0	0	33,123,860
General Obligation Bonds Issued	0	7,425,000	0	0
Special Assessment Bonds Issued	0	1,045,000	0	0
Premium on Bonds Issued	0	1,061,271	0	0
Notes Issued	0	0	9,320,000	6,100,000
Premium on Notes Issued	0	0	19,200	66,612
Loans Issued	0	0	0	108,629
Payment to Refunded Bond Escrow Agent	0	0	0	(32,827,997)
Transfers In	8,337,485	11,639,007	11,178,002	10,063,126
Transfers Out	(8,335,500)	(11,639,007)	(11,195,850)	(9,778,863)
<i>Total Other Financing Sources (Uses)</i>	<u>27,246</u>	<u>9,842,359</u>	<u>9,350,044</u>	<u>6,873,543</u>
<i>Net Change in Fund Balances</i>	<u>\$6,726,228</u>	<u>\$6,821,256</u>	<u>\$8,865,280</u>	<u>\$6,546,606</u>
Debt Service as a Percentage of Noncapital Expenditures	15.8%	31.1%	29.5%	25.3%

2019	2018	2017	2016	2015	2014
\$5,493,746	\$4,941,026	\$4,507,570	\$4,412,562	\$4,197,012	\$4,234,545
0	0	0	0	0	0
2,592,018	1,946,184	1,490,985	1,156,913	663,744	2,535,911
20,134,539	18,661,469	17,816,561	17,848,810	15,451,834	14,129,864
2,378,470	2,243,007	2,076,575	2,168,666	1,710,546	1,383,468
2,751,044	1,542,150	1,127,049	1,434,048	1,973,368	1,472,885
256,941	213,004	153,008	145,250	281,221	262,517
4,030,664	2,787,589	2,923,261	2,773,270	4,791,149	2,247,864
1,301,607	1,066,893	744,363	798,590	744,494	837,217
618,049	392,997	188,035	135,853	70,407	124,974
115,875	73,377	93,230	36,850	39,475	4,606
0	0	0	0	0	0
494,838	499,573	464,615	448,955	424,554	422,160
640,674	388,076	532,736	166,277	556,817	562,343
40,808,465	34,755,345	32,117,988	31,526,044	30,904,621	28,218,354
5,067,537	3,686,590	3,514,261	3,780,366	3,625,119	4,585,168
12,163,716	11,403,635	10,699,681	10,015,974	9,827,877	9,752,745
3,090,430	2,910,520	2,586,021	2,960,063	2,546,580	2,809,212
3,746,416	2,806,655	2,059,964	2,155,968	2,139,948	1,742,815
1,960,248	1,636,582	1,832,622	1,302,536	1,123,760	1,119,428
481,222	486,023	0	0	0	0
5,196,463	3,360,689	4,450,283	15,364,564	13,047,443	4,350,175
6,981,291	7,242,175	7,756,574	2,912,141	2,621,565	2,602,713
2,735,478	2,837,360	2,766,714	2,553,703	3,088,258	3,226,688
80,662	0	215,598	295,316	0	106,786
41,503,463	36,370,229	35,881,718	41,340,631	38,020,550	30,295,730
(694,998)	(1,614,884)	(3,763,730)	(9,814,587)	(7,115,929)	(2,077,376)
25,041	20,717	25,022	835,925	3,974	22,322
0	0	0	0	0	0
0	0	0	117,535	0	0
0	0	1,975,000	26,834,600	0	0
0	0	6,330,000	0	0	5,235,000
0	0	0	0	0	0
0	0	781,055	1,575,047	0	211,786
3,250,000	3,900,000	4,400,000	5,075,000	0	0
123,699	47,951	36,033	93,692	0	0
141,371	0	0	57,414	0	114,014
0	0	(1,930,457)	(28,106,714)	0	0
9,062,090	8,776,955	7,760,326	8,237,262	8,710,298	8,700,814
(8,761,372)	(8,655,852)	(7,694,902)	(8,237,262)	(8,710,298)	(8,700,814)
3,840,829	4,089,771	11,682,077	6,482,499	3,974	5,583,122
\$3,145,831	\$2,474,887	\$7,918,347	(\$3,332,088)	(\$7,111,955)	\$3,505,746
26.3%	30.3%	33.7%	20.6%	22.7%	22.3%

City of Avon, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2023	\$916,738,390	\$179,241,200	\$3,131,370,257	\$23,425,480	\$26,619,864
2022	902,240,670	179,719,620	3,091,315,114	22,260,560	25,296,091
2021	788,252,450	180,206,110	2,767,024,457	20,356,070	23,131,898
2020	767,856,200	179,340,420	2,706,276,057	19,486,970	22,144,284
2019	752,294,870	180,438,460	2,664,952,371	18,574,930	21,107,875
2018	664,126,710	170,230,710	2,383,878,343	16,527,770	18,781,557
2017	647,599,910	168,351,740	2,331,290,429	15,573,110	17,696,716
2016	633,809,990	168,060,590	2,291,058,800	14,083,250	16,003,693
2015	573,754,960	168,064,920	2,119,485,371	13,371,550	15,194,943
2014	559,668,300	170,425,410	2,085,982,029	12,652,910	14,378,307

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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

Source: Lorain County, Ohio; County Auditor

Total				
Assessed Value	Estimated Actual Value	Ratio	Total Tax Rate (mills)	Weighted Average (mills)
\$1,119,405,070	\$3,157,990,121	35.45 %	\$9.95	7.41074
1,104,220,850	3,116,611,205	35.43	9.95	7.41469
988,814,630	2,790,156,355	35.44	9.95	7.43060
966,683,590	2,728,420,341	35.43	9.95	7.19047
951,308,260	2,686,060,246	35.42	9.15	6.39962
850,885,190	2,402,659,900	35.41	9.15	6.39411
831,524,760	2,348,987,144	35.40	9.15	6.76476
815,953,830	2,307,062,493	35.37	9.15	6.62286
755,191,430	2,134,680,315	35.38	9.15	6.62119
742,746,620	2,100,360,335	35.36	9.15	6.86823

City of Avon, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2023	2022	2021	2020
Unvoted Millage				
Operating	\$2.30000	\$2.30000	\$2.30000	\$2.30000
Police Pension	0.30000	0.30000	0.30000	0.30000
<i>Total Unvoted Millage</i>	<u>2.60000</u>	<u>2.60000</u>	<u>2.60000</u>	<u>2.60000</u>
Voted Millage - by levy				
1984 Police				
General Business and Public Utility Personal	2.00000	2.00000	2.00000	2.00000
Residential/Agricultural Real	0.43952	0.43952	0.43988	0.49324
Commercial/Industrial and Public Utility Real	0.60982	0.60982	0.61207	0.61051
1996 Library				
General Business and Public Utility Personal	0.00000	0.00000	0.00000	1.20000
Residential/Agricultural Real	0.00000	0.00000	0.00000	0.50072
Commercial/Industrial and Public Utility Real	0.00000	0.00000	0.00000	0.44910
2020 Library				
General Business and Public Utility Personal	2.00000	2.00000	2.00000	0.80000
Residential/Agricultural Real	1.76860	1.77598	1.77744	0.79722
Commercial/Industrial and Public Utility Real	2.00000	1.99264	2.00000	0.80000
2002 Fire - 5 years (2)				
General Business and Public Utility Personal	0.00000	0.00000	0.00000	0.00000
Residential/Agricultural Real	0.00000	0.00000	0.00000	0.00000
Commercial/Industrial and Public Utility Real	0.00000	0.00000	0.00000	0.00000
2017 Fire - 5 years				
General Business and Public Utility Personal	0.50000	0.50000	0.50000	0.50000
Residential/Agricultural Real	0.39635	0.39635	0.39667	0.44479
Commercial/Industrial and Public Utility Real	0.48212	0.48212	0.48390	0.48267
2007 Police - 10 years (4)				
General Business and Public Utility Personal	0.50000	0.50000	0.50000	0.50000
Residential/Agricultural Real	0.36494	0.36494	0.36524	0.40955
Commercial/Industrial and Public Utility Real	0.35648	0.35648	0.35780	0.35689
2008 Park & Recreation - 5 years (3)				
General Business and Public Utility Personal	0.45000	0.45000	0.45000	0.45000
Residential/Agricultural Real	0.32845	0.32845	0.32872	0.36859
Commercial/Industrial and Public Utility Real	0.32083	0.32083	0.32202	0.32120
2008 Street Improvement - 10 years (5)				
General Business and Public Utility Personal	1.90000	1.90000	1.90000	1.90000
Residential/Agricultural Real	1.38678	1.38678	1.38792	1.55629
Commercial/Industrial and Public Utility Real	1.35462	1.35462	1.35962	1.35617
<i>Total Voted Millage by Type of Property</i>				
General Business and Public Utility Personal	7.35000	7.35000	7.35000	7.35000
Residential/Agricultural Real	4.68463	4.69202	4.69586	4.57040
Commercial/Industrial and Public Utility Real	5.12386	5.11650	5.13540	4.37654
<i>Total Millage by Type of Property</i>				
General Business and Public Utility Personal	\$9.95000	\$9.95000	\$9.95000	\$9.95000
Residential/Agricultural Real	7.28463	7.29202	7.29586	7.17040
Commercial/Industrial and Public Utility Real	7.72386	7.71650	7.73540	6.97654
<i>Total Weighted Average Tax Rate</i>	<u>\$7.41074</u>	<u>\$7.41469</u>	<u>\$7.43060</u>	<u>\$7.19047</u>

2019	2018	2017	2016	2015	2014
\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000	\$2.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
2.60000	2.60000	2.60000	2.60000	2.60000	2.60000
2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
0.49495	0.49651	0.55284	0.55445	0.55535	0.59993
0.60972	0.59922	0.63098	0.63243	0.63513	0.63809
1.20000	1.20000	1.20000	1.20000	1.20000	1.20000
0.50247	0.50405	0.56123	0.56287	0.56378	0.60904
0.44852	0.44080	0.46416	0.46523	0.46721	0.46939
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.50000	0.50000	0.50000
0.00000	0.00000	0.00000	0.37738	0.37799	0.40833
0.00000	0.00000	0.00000	0.24401	0.24505	0.24620
0.50000	0.50000	0.50000	0.00000	0.00000	0.00000
0.44634	0.44775	0.49854	0.00000	0.00000	0.00000
0.48204	0.47374	0.49885	0.00000	0.00000	0.00000
0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
0.41098	0.41227	0.45904	0.46038	0.46113	0.49815
0.35642	0.35029	0.36885	0.36970	0.37128	0.37301
0.45000	0.45000	0.45000	0.45000	0.45000	0.45000
0.36988	0.37104	0.41314	0.41434	0.41502	0.44833
0.32078	0.31526	0.33196	0.33273	0.33415	0.33571
1.90000	1.90000	1.90000	1.90000	1.90000	1.90000
1.56171	1.56663	1.74436	1.74945	1.75229	1.89296
1.35441	1.33109	1.40163	1.40487	1.41086	1.41743
6.55000	6.55000	6.55000	6.55000	6.55000	6.55000
3.78633	3.79825	4.22915	4.11888	4.12556	4.45673
3.57189	3.51040	3.69643	3.44898	3.46369	3.47981
\$9.15000	\$9.15000	\$9.15000	\$9.15000	\$9.15000	\$9.15000
6.38633	6.39825	6.82915	6.71888	6.72556	7.05673
6.17189	6.11040	6.29643	6.04898	6.06369	6.07981
\$6.39962	\$6.39411	\$6.76476	\$6.62286	\$6.62119	\$6.86823

(continued)

City of Avon, Ohio
Property Tax Rates - Direct and Overlapping Governments (continued)
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2023	2022	2021	2020
Overlapping Rates by Taxing District:				
Avon Local School District				
General Business and Public Utility Personal	\$57.12900	\$57.12900	\$57.28600	\$59.46700
Residential/Agricultural Real	39.63887	39.63887	39.79657	42.08196
Commercial/Industrial and Public Utility Real	39.74169	39.74169	39.95467	42.09703
Lorain County Voted Millage				
General Business and Public Utility Personal	15.42700	15.42700	15.30200	15.58200
Residential/Agricultural Real	11.86252	11.86252	11.79890	13.63055
Commercial/Industrial and Public Utility Real	13.48128	13.48128	13.40163	13.78314
Special Taxing Districts (1)				
General Business and Public Utility Personal	2.95000	2.95000	2.95000	2.95000
Residential/Agricultural Real	2.38452	2.39452	2.39576	2.48595
Commercial/Industrial and Public Utility Real	2.45421	2.45421	2.46141	2.49009

Source: Lorain County Auditor

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

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

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

Rate: Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, the fixed amount is generated.

- (1) Health District, Joint Vocational School
- (2) The 1997 Fire levy was renewed in 2002, and then replaced in 2017.
- (3) The 1998 Parks & Recreation levy was renewed in 2003 and 2008.
- (4) The 1997 Police levy was renewed in 2007.
- (5) The 1998 Street Improvement levy was renewed in 2008.

2019	2018	2017	2016	2015	2014
\$59.65000	\$55.35200	\$57.45000	\$57.93000	\$58.53000	\$56.83000
42.26833	37.97338	40.73049	41.25673	41.88248	41.45910
42.26035	37.70134	39.83640	40.31810	40.92124	39.22470
15.08200	15.08200	15.08200	15.08200	15.08200	14.48200
13.16440	13.18814	14.18175	14.20059	14.20966	14.08570
13.23437	13.06375	14.48742	14.41649	14.37154	13.77480
2.95000	2.95000	2.95000	3.45000	3.45000	3.45000
2.49331	2.49885	2.71516	3.17286	3.17538	3.31090
2.47849	2.44513	2.59437	3.02708	3.01105	3.01670

City of Avon, Ohio
Property Tax Levies And Collections
Last Ten Tax Years

Tax Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collection to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2022	\$6,268,946	\$6,077,836	96.95%	\$30,489	\$6,108,325
2021	6,186,683	6,049,382	97.78	28,454	6,077,836
2020	5,822,935	5,805,155	99.69	146,855	5,952,010
2019	5,699,308	5,576,152	97.84	54,238	5,630,390
2018	5,604,859	5,545,916	98.95	73,887	5,619,803
2017	5,286,919	5,210,028	98.55	260,962	5,470,990
2016	5,050,472	4,918,505	97.39	79,460	4,997,965
2015	5,066,557	4,863,588	95.99	83,497	4,947,085
2014	4,748,618	4,547,681	95.77	36,904	4,584,585
2013	4,750,344	4,694,267	98.82	54,351	4,748,618

Source: Lorain County, Ohio; County Auditor

Note: We are aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County's current computer system tracks levy amounts by current levy and delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. We are looking at options to improve the presentation.

(1) State reimbursement of rollback and homestead exemptions are included.

Percent of Total Tax Collection to Current Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Total Tax Levy
97.44%	\$78,968	1.26%
98.24	70,663	1.14
102.22	59,316	1.02
98.79	50,632	0.89
100.27	51,047	0.91
103.48	61,558	1.16
98.96	82,782	1.64
97.64	127,240	2.51
96.55	159,993	3.37
99.96	181,775	3.83

City of Avon, Ohio
Principal Real Property Taxpayers
Current and Nine Years Ago

2023		
Taxpayer	Real Property Assessed Valuation (1)	Percentage
First Interstate Avon, LTD	\$22,438,270	2.05 %
Avon Senior Living	15,361,020	1.40
Cleveland Electric Illuminating Company	11,503,020	1.05
Avon Owner 1, LLC	7,943,230	0.72
Comprehensive Healthcare of Ohio	7,757,040	0.71
Meijer Stores Limited Partnership	7,505,460	0.68
Menards, Incorporated	7,359,140	0.67
ILPT Avon, LLC	7,350,000	0.67
Orion Properties Eleven, LLC	6,878,790	0.63
American Transmissions Systems, Incorporated	6,198,840	0.57
Total	\$100,294,810	9.15 %
Total Real Property Assessed Valuation	\$1,095,979,590	
2014		
Taxpayer	Real Property Assessed Valuation (1)	Percentage
First Interstate Avon, LTD	\$18,383,630	2.52 %
SIR Properties Trust	9,818,630	1.34
Cleveland Electric Illuminating Company	8,777,190	1.20
AERC Avon, LLC	6,822,430	0.93
Orion Properties Eleven, LLC	5,839,170	0.80
Wal Mart Real Estate Business Trust	4,654,480	0.64
Chester Properties	4,531,270	0.62
First Interstate Commons East, LLC	4,193,720	0.58
Comprehensive Healthcare of Ohio	4,001,350	0.55
Lowe's Home Center, Incorporated	3,952,890	0.54
Total	\$70,974,760	9.72 %
Total Real Property Assessed Valuation	\$730,093,710	

Source: Lorain County, Ohio; County Auditor

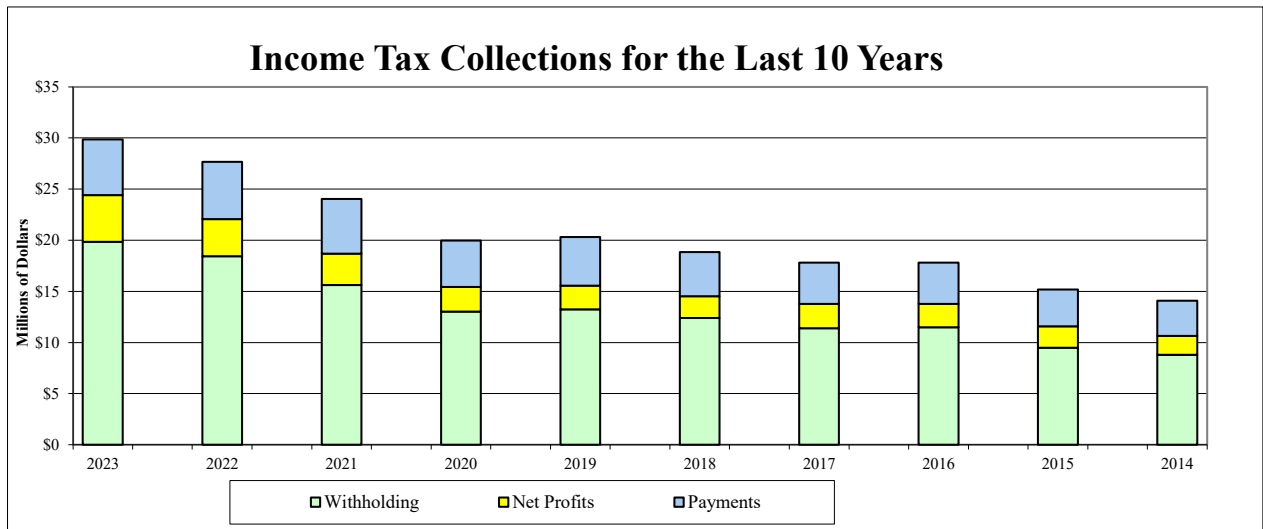
(1) The amounts presented represent the assessed values upon which 2023 and 2014 collections were based.

City of Avon, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Collection Year	Tax Rate	Total Tax Collected (1)	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individual Payments	Percentage of Taxes from Individual Payments
2023	1.75%	\$29,839,389	\$19,834,242	66.47%	\$4,571,394	15.32%	\$5,433,753	18.21%
2022	1.75	27,649,761	18,434,096	66.67	3,635,944	13.15	5,579,722	20.18
2021	1.75	24,041,269	15,609,996	64.93	3,089,303	12.85	5,341,970	22.22
2020	1.75	19,979,583	13,022,692	65.18	2,417,530	12.10	4,539,361	22.72
2019	1.75	20,299,002	13,239,010	65.22	2,330,325	11.48	4,729,667	23.30
2018	1.75	18,852,519	12,408,728	65.82	2,120,908	11.25	4,322,883	22.93
2017	1.75	17,802,905	11,386,738	63.96	2,392,710	13.44	4,023,457	22.60
2016	1.75	17,823,599	11,505,133	64.55	2,276,074	12.77	4,042,392	22.68
2015	1.75	15,166,934	9,485,401	62.54	2,112,754	13.93	3,568,780	23.53
2014	1.75	14,074,841	8,803,813	62.55	1,833,952	13.03	3,437,076	24.42

Source: Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only without filing requirement.

(1) Accrual Basis



City of Avon, Ohio

Income Tax Statistics

Last Ten Tax Years

<u>Tax Year</u>	<u>Income Range</u>	<u>Number of Filers</u>	<u>Percent of Filers</u>	<u>Taxable Income</u>	<u>Percent of Taxable Income</u>
2022	\$0 - 24,999	2,011	23.73 %	\$15,379,349	1.44 %
2022	25,000 - 49,999	1,190	14.04	40,911,105	3.83
2022	50,000 - 74,999	842	9.94	52,296,750	4.90
2022	75,000 - 99,999	793	9.36	69,023,478	6.47
2022	Over 100,000	<u>3,639</u>	42.93	<u>889,324,538</u>	83.36
	Total	<u>8,475</u>		<u>\$1,066,935,220</u>	
2021	\$0 - 24,999	2,259	26.29 %	\$20,354,893	1.89 %
2021	25,000 - 49,999	1,062	12.36	39,062,009	3.62
2021	50,000 - 74,999	893	10.39	56,073,521	5.20
2021	75,000 - 99,999	794	9.24	68,941,539	6.40
2021	Over 100,000	<u>3,583</u>	41.72	<u>893,582,470</u>	82.89
	Total	<u>8,591</u>		<u>\$1,078,014,432</u>	
2020	\$0 - 24,999	2,155	26.18 %	\$19,183,030	1.84 %
2020	25,000 - 49,999	924	11.23	34,464,103	3.31
2020	50,000 - 74,999	855	10.39	53,047,717	5.10
2020	75,000 - 99,999	709	8.61	61,691,540	5.93
2020	Over 100,000	<u>3,587</u>	43.59	<u>872,355,868</u>	83.82
	Total	<u>8,230</u>		<u>\$1,040,742,258</u>	
2019	\$0 - 24,999	1,962	24.45 %	\$17,646,245	1.72 %
2019	25,000 - 49,999	953	11.88	34,865,494	3.40
2019	50,000 - 74,999	792	9.87	49,360,353	4.81
2019	75,000 - 99,999	673	8.39	58,629,269	5.72
2019	Over 100,000	<u>3,645</u>	45.41	<u>864,801,198</u>	84.35
	Total	<u>8,025</u>		<u>\$1,025,302,559</u>	
2018	\$0 - 24,999	2,084	25.24 %	\$18,803,324	1.89 %
2018	25,000 - 49,999	968	11.72	35,895,952	3.61
2018	50,000 - 74,999	869	10.52	54,089,321	5.44
2018	75,000 - 99,999	717	8.68	62,781,545	6.32
2018	Over 100,000	<u>3,620</u>	43.84	<u>822,375,220</u>	82.74
	Total	<u>8,258</u>		<u>\$993,945,362</u>	

(continued)

City of Avon, Ohio
Income Tax Statistics (continued)
Last Ten Tax Years

Tax Year	Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2017	\$0 - 24,999	2,023	25.25 %	\$18,339,331	1.91 %
2017	25,000 - 49,999	972	12.13	35,818,580	3.74
2017	50,000 - 74,999	817	10.20	50,648,328	5.28
2017	75,000 - 99,999	713	8.90	62,269,673	6.49
2017	Over 100,000	3,487	43.52	791,755,772	82.58
	Total	8,012		\$958,831,684	
2016	\$0 - 24,999	2,041	26.08 %	\$18,922,573	2.14 %
2016	25,000 - 49,999	942	12.04	35,065,354	3.97
2016	50,000 - 74,999	773	9.88	48,113,426	5.45
2016	75,000 - 99,999	748	9.56	64,842,877	7.34
2016	Over 100,000	3,323	42.44	715,940,744	81.10
	Total	7,827		\$882,884,974	
2015	\$0 - 24,999	1,921	25.13 %	\$17,654,809	2.03 %
2015	25,000 - 49,999	952	12.46	35,379,461	4.07
2015	50,000 - 74,999	785	10.27	49,049,486	5.65
2015	75,000 - 99,999	735	9.62	64,018,859	7.37
2015	Over 100,000	3,250	42.52	702,750,502	80.88
	Total	7,643		\$868,853,117	
2014	\$0 - 24,999	1,838	24.81 %	\$17,061,544	2.14 %
2014	25,000 - 49,999	919	12.41	34,214,734	4.30
2014	50,000 - 74,999	812	10.96	50,502,423	6.34
2014	75,000 - 99,999	791	10.68	68,780,514	8.63
2014	Over 100,000	3,048	41.14	626,035,615	78.59
	Total	7,408		\$796,594,830	
2013	\$0 - 24,999	1,824	24.94 %	\$17,314,080	2.27 %
2013	25,000 - 49,999	967	13.22	36,038,652	4.73
2013	50,000 - 74,999	842	11.51	52,691,022	6.91
2013	75,000 - 99,999	776	10.61	67,801,465	8.89
2013	Over 100,000	2,906	39.72	588,594,129	77.20
	Total	7,315		\$762,439,348	

Source:

Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only without filing requirement.

As of December 31, 2023, year 2023 information has not been compiled.

City of Avon, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years

Year	Total General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)	Governmental Activities Debt					
				General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes	OPWC Loans	Leases	Financed Purchases
2023	\$55,110,731	1.75 %	\$2,218	\$51,882,508	\$12,185,998	\$0	\$594,296	\$189,455	\$0
2022	59,523,461	1.91	2,396	56,158,379	12,689,873	0	636,593	239,144	0
2021	54,842,140	1.97	2,207	51,345,098	11,976,414	9,339,200	678,890	0	0
2020	58,109,325	2.13	2,742	54,504,680	12,506,644	6,166,612	729,836	0	0
2019	59,417,785	2.21	2,804	55,998,473	13,688,196	3,373,699	451,735	0	24,771
2018	62,209,618	2.59	2,935	58,731,077	14,169,142	3,947,951	331,167	0	48,761
2017	64,771,523	2.76	3,056	61,238,935	14,651,144	4,436,033	349,860	0	71,994
2016	67,136,120	2.91	3,168	63,550,401	7,835,346	5,168,692	377,768	0	94,495
2015	66,875,295	3.13	3,156	63,273,427	8,205,732	0	345,137	0	0
2014	69,197,678	3.29	3,265	65,557,853	8,603,358	0	366,796	0	0

Year	Business-Type Activities Debt						Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Special Assessment Bonds	Avon Lake Debt	Bond Anticipation Notes	Leases	Financed Purchases			
2023	\$3,228,223	\$970,069	\$115,886	\$0	\$23,680	\$0	\$69,190,115	5.92 %	\$2,785
2022	3,365,082	993,657	152,758	0	29,892	0	74,265,378	6.35	2,989
2021	3,497,042	1,014,297	187,651	0	0	0	78,038,592	6.67	3,141
2020	3,604,645	1,051,257	220,671	1,650,000	0	78,998	80,513,343	11.00	3,799
2019	3,419,312	1,114,851	251,918	3,275,000	0	155,950	81,753,905	11.17	3,858
2018	3,478,541	1,129,124	281,488	4,250,000	0	289,415	86,656,666	11.84	4,089
2017	3,532,588	1,139,828	309,471	7,250,000	0	411,903	93,391,756	12.76	4,407
2016	3,585,719	1,150,532	335,952	9,250,000	0	156,080	91,504,985	12.50	4,318
2015	3,601,868	1,157,669	361,012	10,950,000	0	202,848	88,097,693	12.04	4,157
2014	3,639,825	1,164,806	385,452	9,300,000	0	248,320	89,266,410	12.20	4,212

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

Source:

- (1) See S14-15 for taxable property value data.
- (2) See S32 for population and personal income data.
- (3) Includes general bonded debt, other governmental debt and business-type activities debt.
- (4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

City of Avon, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2023

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to the City of Avon
Direct - City of Avon:			
General Obligation Bonds	\$51,882,508	100.00%	\$51,882,508
Special Assessment Bonds	12,185,998	100.00%	12,185,998
OPWC Loans	594,296	100.00%	594,296
Leases	189,455	100.00%	189,455
<i>Total Direct Debt</i>	<u>64,852,257</u>		<u>64,852,257</u>
Overlapping:			
Avon Local School District			
General Obligation Bonds	67,755,885	100.00%	67,755,885
Financed Purchases	197,289	100.00%	197,289
Leases	124,287	100.00%	124,287
Lorain County			
General Obligation Bonds	39,845,000	11.99%	4,777,416
<i>Total Overlapping Debt</i>	<u>107,922,461</u>		<u>72,854,877</u>
Total	<u><u>\$172,774,718</u></u>		<u><u>\$137,707,134</u></u>

Source: Lorain County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

The basic security for the Bonds is the pledge of the City's ability to levy, and its pledge to levy, pursuant to constitutional and statutory requirements, and ad valorem tax on all taxable property in the City, within the ten-mill limitation imposed by Ohio law. In addition, the City has covenanted in the Bond Legislation to appropriate annually, to the extent required, sufficient amounts from municipal income tax revenues to pay principal and interest on the Bonds when due, and to continue to levy and collected the municipal income tax in an amount necessary to meet debt charges on the Bonds.

City of Avon, Ohio
Legal Debt Margin
Last Ten Years

	2023	2022	2021	2020
Total Assessed Property Value	<u>\$1,119,405,070</u>	<u>\$1,104,220,850</u>	<u>\$988,814,630</u>	<u>\$966,683,590</u>
General Bonded Debt Outstanding:				
General Obligation Notes/Bonds	\$55,110,731	\$59,523,461	\$54,842,140	\$58,109,325
Special Assessment Bonds	13,156,067	13,683,530	12,990,711	13,557,901
Bond Anticipation Notes	0	0	12,019,200	13,416,612
Bond Anticipation Notes Enterprise	0	0	1,650,000	3,275,000
OPWC Loans	594,296	636,593	678,890	729,836
Leases	213,135	269,036	0	0
Contractual Debt Obligation	<u>115,886</u>	<u>152,758</u>	<u>187,651</u>	<u>220,671</u>
Total Gross Indebtedness	69,190,115	74,265,378	82,368,592	89,309,345
Less Exempt Outstanding:				
General Obligation Bonds	(55,110,731)	(59,523,461)	(53,541,144)	(56,727,940)
General Obligation Revenue Notes/Bonds	0	0	0	0
Special Assessment Bonds	(13,156,067)	(13,683,530)	(12,990,711)	(13,557,901)
Bond Anticipation Notes	0	0	(12,019,200)	(13,416,612)
Bond Anticipation Notes Enterprise	0	0	(1,650,000)	(3,275,000)
OPWC Loans	(594,296)	(636,593)	(678,890)	(729,836)
Leases	(213,135)	(269,036)	0	0
Contractual Debt Obligation	(115,886)	(152,758)	(187,651)	(220,671)
General Obligation Bond Retirement Fund Balance	<u>(2,438)</u>	<u>(139,264)</u>	<u>(126,325)</u>	<u>(70,571)</u>
Total Net Debt Applicable to Debt Limit	<u>(2,438)</u>	<u>(139,264)</u>	1,174,671	1,310,814
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>117,537,532</u>	<u>115,943,189</u>	<u>103,825,536</u>	<u>101,501,777</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$117,539,970</u>	<u>\$116,082,453</u>	<u>\$102,650,865</u>	<u>\$100,190,963</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.12%	98.87%	98.71%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$61,567,279</u>	<u>\$60,732,147</u>	<u>\$54,384,805</u>	<u>\$53,167,597</u>
Total Gross Indebtedness	69,190,115	74,265,378	82,368,592	89,309,345
Less Exempt Outstanding:				
General Obligation Bonds	(55,110,731)	(59,523,461)	(53,541,144)	(56,727,940)
General Obligation Revenue Notes/Bonds	0	0	0	0
Special Assessment Bonds	(13,156,067)	(13,683,530)	(12,990,711)	(13,557,901)
Bond Anticipation Notes	0	0	(12,019,200)	(13,416,612)
Bond Anticipation Notes Enterprise	0	0	(1,650,000)	(3,275,000)
OPWC Loans	(594,296)	(636,593)	(678,890)	(729,836)
Leases	(213,135)	(269,036)	0	0
Contractual Debt Obligation	(115,886)	(152,758)	(187,651)	(220,671)
General Obligation Bond Retirement Fund Balance	<u>(2,438)</u>	<u>(139,264)</u>	<u>(126,325)</u>	<u>(70,571)</u>
Net Debt Within 5 ½ % Limitations	<u>(2,438)</u>	<u>(139,264)</u>	1,174,671	1,310,814
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$61,569,717</u>	<u>\$60,871,411</u>	<u>\$53,210,134</u>	<u>\$51,856,783</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.23%	97.84%	97.53%

Source: City Financial Records and Prior Year Annual Comprehensive Financial Reports.

2019	2018	2017	2016	2015	2014
<u>\$951,308,260</u>	<u>\$850,885,190</u>	<u>\$831,524,760</u>	<u>\$815,953,830</u>	<u>\$755,191,430</u>	<u>\$742,746,620</u>
\$59,417,785	\$62,209,618	\$74,092,780	\$78,892,362	\$76,440,382	\$77,041,162
14,803,047	15,298,266	14,872,220	8,837,638	9,204,618	9,598,838
10,773,699	11,929,172	8,175,000	15,180,000	8,500,000	7,500,000
4,250,000	7,250,000	1,900,000	1,700,000	1,350,000	500,000
451,735	331,167	349,860	377,768	345,137	366,796
0	0	0	0	0	0
251,918	281,488	309,471	335,952	361,012	385,452
<u>89,948,184</u>	<u>97,299,711</u>	<u>99,699,331</u>	<u>105,323,720</u>	<u>96,201,149</u>	<u>95,392,248</u>
(57,189,665)	(59,826,092)	(66,265,760)	(68,711,211)	(65,011,270)	(50,416,381)
0	0	(7,350,000)	(9,250,000)	0	0
(14,803,047)	(15,298,266)	(14,872,220)	(8,837,638)	(9,204,618)	(9,598,838)
(10,773,699)	(11,929,172)	(8,175,000)	(15,180,000)	(8,500,000)	(7,500,000)
(4,250,000)	(7,250,000)	(1,900,000)	(1,700,000)	(1,350,000)	(500,000)
(451,735)	(331,167)	(349,860)	(377,768)	(345,137)	(366,796)
0	0	0	0	0	0
(251,918)	(281,488)	(309,471)	(335,952)	(361,012)	(385,452)
(135,904)	(289,310)	(195,853)	(182,973)	(153,061)	(96,577)
<u>2,092,216</u>	<u>2,094,216</u>	<u>281,167</u>	<u>748,178</u>	<u>11,276,051</u>	<u>26,528,204</u>
<u>99,887,367</u>	<u>89,342,945</u>	<u>87,310,100</u>	<u>85,675,152</u>	<u>79,295,100</u>	<u>77,988,395</u>
<u>\$97,795,151</u>	<u>\$87,248,729</u>	<u>\$87,028,933</u>	<u>\$84,926,974</u>	<u>\$68,019,049</u>	<u>\$51,460,191</u>
97.91%	97.66%	99.68%	99.13%	85.78%	65.98%
<u>\$52,321,954</u>	<u>\$46,798,685</u>	<u>\$45,733,862</u>	<u>\$44,877,461</u>	<u>\$41,535,529</u>	<u>\$40,851,064</u>
89,948,184	97,299,711	99,699,331	105,323,720	96,201,149	95,392,248
(57,189,665)	(59,826,092)	(66,265,760)	(68,711,211)	(65,011,270)	(50,416,381)
0	0	(7,350,000)	(9,250,000)	0	0
(14,803,047)	(15,298,266)	(14,872,220)	(8,837,638)	(9,204,618)	(9,598,838)
(10,773,699)	(11,929,172)	(8,175,000)	(15,180,000)	(8,500,000)	(7,500,000)
(4,250,000)	(7,250,000)	(1,900,000)	(1,700,000)	(1,350,000)	(500,000)
(451,735)	(331,167)	(349,860)	(377,768)	(345,137)	(366,796)
0	0	0	0	0	0
(251,918)	(281,488)	(309,471)	(335,952)	(361,012)	(385,452)
(135,904)	(289,310)	(195,853)	(182,973)	(153,061)	(96,577)
<u>2,092,216</u>	<u>2,094,216</u>	<u>281,167</u>	<u>748,178</u>	<u>11,276,051</u>	<u>26,528,204</u>
<u>\$50,229,738</u>	<u>\$44,704,469</u>	<u>\$45,452,695</u>	<u>\$44,129,283</u>	<u>\$30,259,478</u>	<u>\$14,322,860</u>
96.00%	95.53%	99.39%	98.33%	72.85%	35.06%

(This Page Intentionally Left Blank.)

City of Avon, Ohio
Principal Employers
Current and Nine Years Ago

2023			
Employer	Employees	Percentage of Total City Employment	
Cleveland Clinic Foundation	1,333	6.01	%
Avon Local School District	769	3.47	
Bendix Commercial Vehicle Systems	744	3.36	
Wal-Mart	690	3.11	
University Hospitals Health System	586	2.64	
Select Employment Services, Inc.	405	1.83	
Shurtape Technologies, LLC	396	1.79	
A.J. Rose Manufacturing Company	384	1.73	
Costco Wholesale Corporation	382	1.72	
First Source Employee Management	345	1.56	
Total	6,034	27.22	%
Total Estimated Employment within the City	<u>22,168</u>		

2014			
Employer	Employees	Percentage of Total City Employment	
Cleveland Clinic Foundation	475	3.39	%
ShurTech Brands, LLC	425	3.04	
Avon Local School District	395	2.82	
Willoway Nurseries, Incorporated	350	2.50	
Wal-Mart	250	1.79	
A.J. Rose Manufacturing Company	220	1.57	
Costco Wholesale Corporation	217	1.55	
City of Avon	186	1.32	
Technifab	173	1.24	
All Pro Freight Systems, Incorporated	150	1.07	
Total	2,841	20.29	%
Total Estimated Employment within the City	<u>14,000</u>		

Source: Number of employees obtained from the W2's filed for the year with the Regional Income Tax Agency

City of Avon, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita	Median Household Income (1)	Median Age (1)
2023	24,847	\$1,169,622,831	\$47,073	\$109,916	40
2022	24,847	1,169,622,831	47,073	109,916	40
2021	24,847	1,169,622,831	47,073	109,916	40
2020	21,193	731,963,834	34,538	75,951	38
2019	21,193	731,963,834	34,538	75,951	38
2018	21,193	731,963,834	34,538	75,951	38
2017	21,193	731,963,834	34,538	75,951	38
2016	21,193	731,963,834	34,538	75,951	38
2015	21,193	731,963,834	34,538	75,951	38
2014	21,193	731,963,834	34,538	75,951	38

(1) Source: U. S. Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(3) Ohio Department of Job and Family Services

(4) Source: Lorain County Auditor

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

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (2)</u>	<u>Lorain County Unemployment Rate (3)</u>	<u>Average Sales Price of Residential Property (4)</u>	<u>Total Assessed Property Value (4)</u>
32.8%	4,416	3.2%	\$276,574	\$1,119,405,070
32.8	4,536	3.9	276,574	1,104,220,850
32.8	4,756	7.9	276,574	988,814,630
32.3	4,420	6.1	260,000	966,683,590
32.3	4,332	4.5	260,000	951,308,260
32.3	4,303	5.4	260,000	850,885,190
32.3	4,277	4.5	260,000	831,524,760
32.3	4,277	4.5	260,000	815,953,830
32.3	4,246	4.5	260,000	755,191,430
32.3	4,102	5.7	260,000	742,746,620

City of Avon, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2023	2022	2021	2020
General Government				
Council	5.50	5.50	5.50	5.50
Finance	3.50	3.50	3.50	4.00
Finance Director	1.00	1.00	1.00	1.00
Law	1.00	1.00	1.00	1.00
Mayor's Office	2.00	2.00	2.00	2.00
Human Resources	1.00	1.00	1.00	1.00
Planning	4.00	4.00	4.00	4.00
Civil Service	1.50	1.50	1.50	1.50
Court	1.50	1.50	1.50	1.50
Zoning	2.50	2.50	2.50	3.50
Information Technology	2.50	2.00	2.00	1.50
Senior Center	6.00	6.00	6.50	6.00
Engineering	0.50	0.50	0.50	0.50
Project Manager	0.00	0.00	0.00	0.00
Security of Persons and Property				
Safety Director	1.00	1.00	1.00	1.00
Police	48.00	48.00	44.00	39.50
Police - Dispatchers/Office/Other	10.50	10.50	10.50	10.50
Fire	41.00	40.00	38.00	41.50
Fire - Dispatchers/Office/Other	1.00	1.00	1.00	1.00
Leisure Time Activities				
Recreation and Parks	13.50	13.50	13.50	10.50
Landmarks Preservation	2.00	2.00	2.00	2.00
Community Development				
Building	9.00	9.00	9.00	9.00
Transportation				
Service/Street M&R	17.50	17.50	16.50	15.50
Basic Utility Services				
Water and Sewer	15.50	14.50	13.50	12.50
Totals:	<u>191.50</u>	<u>189.00</u>	<u>181.50</u>	<u>176.00</u>

Source: City of Avon, Ohio Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee on staff as of December 31st.

Note: Some employees work in two different departments.

2019	2018	2017	2016	2015	2014
5.50	5.50	5.50	5.50	5.50	5.50
4.00	3.50	4.50	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	0.50	0.50	0.50	0.50
4.00	3.50	3.50	3.50	3.50	3.50
1.50	1.50	1.50	1.50	1.50	1.50
1.50	1.50	1.50	1.50	1.50	1.50
3.50	3.50	3.50	3.50	3.50	3.50
1.50	1.50	1.00	1.00	1.00	0.00
6.50	5.00	5.00	5.00	4.50	4.00
0.50	0.50	0.50	0.50	0.50	1.00
0.00	0.00	0.00	0.00	0.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
40.00	37.00	37.50	36.00	35.00	32.50
11.00	10.50	9.00	8.50	8.50	10.50
40.00	35.00	33.00	33.00	34.00	32.50
1.00	1.00	1.00	1.00	1.00	1.00
12.00	9.50	8.00	11.00	10.50	12.00
2.00	2.00	2.00	2.00	2.00	2.00
10.00	10.00	9.00	9.50	9.50	7.00
15.00	14.50	15.00	15.00	14.50	15.50
13.00	11.50	14.50	14.00	13.50	12.00
<u>177.50</u>	<u>162.00</u>	<u>160.00</u>	<u>160.50</u>	<u>158.50</u>	<u>155.00</u>

City of Avon, Ohio
Operating Indicators by Function/Program
Last Ten Years (1)

Function/Program	2023	2022	2021	2020
Date of Incorporation as a Village	1917			
Date of Incorporation as a City	1961			
General Government				
<i>Council and Clerk</i>				
Number of Ordinances Passed	138	142	106	120
Number of Resolutions Passed	35	39	29	28
<i>Planning Commission/Zoning Board of Appeals</i>				
Number of Planning Commission docket items	82	68	68	53
Zoning Board of Appeals docket items	46	75	63	40
<i>Finance Department</i>				
Amount of checks written	\$56,007,263	\$59,184,455	\$56,092,139	\$54,577,510
Interest earnings for fiscal year (cash basis)	\$1,058,141	\$324,284	\$141,552	\$250,535
Number of Receipts issued	2,691	4,748	4,862	5,226
Number of Budget Adjustments issued	15	28	22	24
Agency Ratings - Moody's Financial Services	Aa1	Aa1	Aa1	Aa2
General Fund Receipts (cash basis in thousands)	\$22,694	\$20,195	\$18,335	\$17,174
General Fund Expenditures (cash basis in thousands)	\$18,131	\$17,791	\$16,953	\$15,517
General Fund Cash Balances including Income Tax (in thousands)	\$18,697	\$14,134	\$11,730	\$10,348
<i>Income Tax Department</i>				
Number of Annual withholding forms processed	50,791	42,504	33,860	29,435
Number of Business net profit forms processed	4,075	3,512	3,787	3,499
Number of Individual forms processed	21,108	18,227	20,578	17,878
<i>Engineer Contracted Services</i>				
Dollar amount of Construction overseen by Engineer	\$4,900,000	\$3,390,088	\$4,723,180	\$3,901,424
<i>Mayor's Court</i>				
Number of Traffic cases	964	1,043	987	1,409
Number of Criminal cases	16	40	22	37
<i>Civil Service</i>				
Number of police entry tests administered	2	1	0	1
Number of fire entry tests administered	0	1	1	1
Number of police promotional tests administered	0	1	1	1
Number of fire promotional tests administered	1	2	2	3
Number of hires of Police Officers from certified lists	5	3	6	0
Number of hires of Fire/Medics from certified lists	1	3	4	0
Number of promotions from police certified lists	1	2	3	1
Number of promotions from fire certified lists	3	2	4	3
<i>Building Department Indicators</i>				
Single Family Permits issued	26	40	45	106
Commercial Permits issued	286	335	346	221
Estimated Value of Construction	\$58,041,170	\$89,709,680	\$71,270,415	\$138,853,621
Number of permits issued (all types)	2,277	2,306	2,000	1,670
Amount of Revenue generated from permits	\$1,216,085	\$1,692,392	\$1,831,608	\$3,321,440
Number of contractor registrations issued	1,254	1,324	1,293	1,222

2019	2018	2017	2016	2015	2014
125	106	110	129	152	142
35	28	28	31	17	23
75	63	78	104	91	111
47	32	50	44	31	23
\$53,773,600	\$65,263,801	\$69,985,588	\$75,766,185	\$68,238,526	\$49,976,640
\$580,415	\$367,802	\$177,631	\$115,913	\$91,796	\$73,481
4,612	4,434	4,689	4,724	4,903	4,684
22	20	21	21	23	22
Aa2	Aa2	Aa2	Aa1	Aa1	Aa1
\$16,594	\$15,485	\$13,642	\$12,994	\$13,000	\$12,542
\$14,560	\$13,184	\$11,793	\$12,704	\$13,494	\$12,885
\$8,691	\$6,657	\$4,356	\$2,508	\$2,275	\$2,769
27,419	27,988	26,872	24,849	22,758	20,184
5,215	3,569	4,683	4,037	3,930	4,077
20,184	18,777	20,034	19,389	20,378	19,000
\$2,093,449	\$1,353,520	\$3,406,934	\$12,287,508	\$12,707,077	\$5,415,017
1,587	1,335	1,014	924	2,088	2,260
52	83	41	38	51	59
0	1	0	1	1	0
0	1	0	0	1	0
1	0	1	0	0	0
0	0	0	0	3	0
7	3	0	0	3	1
2	2	0	0	1	0
2	0	1	0	0	0
0	0	0	0	3	0
95	97	93	114	120	128
285	364	313	324	283	270
\$109,827,484	\$146,173,751	\$86,499,932	\$93,180,158	\$135,229,296	\$190,769,916
1,317	1,302	1,261	1,886	1,590	1,540
\$3,173,307	\$3,138,639	\$2,388,517	\$3,128,862	\$2,280,180	\$2,451,429
1,189	1,155	1,146	979	865	788

(continued)

City of Avon, Ohio
Operating Indicators by Function/Program (continued)
Last Ten Years (1)

Function/Program	2023	2022	2021	2020
Security of Persons and Property				
<i>Fire</i>				
EMS Calls	3,307	3,186	2,905	2,537
Ambulance Billing Collections (net)	\$1,146,936	\$976,306	\$836,122	\$723,600
Fire Calls	740	783	716	634
Fires with Loss	6	10	20	17
Fires with Losses exceeding \$10K	3	3	4	4
Fire Losses	\$1,340,400	\$843,759	\$554,700	\$103,700
Fire Safety Inspections	2,193	1,991	1,887	1,537
Number of times Mutual Aid given to Fire and EMS and Auto Aid	146	132	110	121
Number of times Mutual Aid received for Fire and EMS and Auto Aid	47	56	53	54
<i>Police</i>				
Total Calls for Services	21,602	19,235	19,993	21,650
Number of traffic citations issued	1,824	1,937	2,217	2,427
Number of parking citations issued	10	20	40	145
Number of criminal arrests	338	480	476	407
Number of accident reports completed	608	655	681	715
Part I Offenses (major offenses)	378	226	219	218
DUI Arrests	41	78	87	58
Prisoners	289	238	242	218
Prisoner meal costs	\$0	\$0	\$0	\$0
Motor Vehicle Accidents	1,267	1,212	1,063	932
Fatalities from Motor Vehicle Accidents	0	0	1	0
Gasoline costs of fleet	\$143,379	\$108,479	\$118,097	\$94,809
Leisure Time Activities				
Recreation Men's and Women's Leagues receipts	\$4,911	\$2,625	\$7,240	\$0
Recreation Youth Activities receipts	\$207,211	\$199,416	\$222,615	\$73,535
Transportation				
Street Improvements Cost	\$391,124	\$342,343	\$301,570	\$438,471
Street Improvements Cost per mile	\$2,414	\$2,140	\$1,909	\$2,885
Miles of City Streets	162	160	158	152
Tons of snow melting salt purchased (November - May - winter season)	3,068	3,624	3,282	2,795
Cost of salt purchased	\$158,180	\$246,460	\$164,058	\$177,433
Water Department				
Water Rates per 1st 6,000 gallons of water used (per thousand)	\$5.26	\$5.26	\$5.26	\$5.20
Average gallons of water billed monthly (in thousands)	73,083	71,346	69,025	72,272
Total Water Collections Annually (Including P&I) (in thousands)	\$4,482	\$4,550	\$4,500	\$4,451
Wastewater Department				
Sewer Rates per 1,000 gallons of water used	\$7.90	\$7.90	\$7.90	\$7.60
Average gallons of sewer billed monthly (in thousands)	48,839	48,389	48,010	48,286
Total Sewer Collections Annually (Including P&I) (in thousands)	\$4,869	\$4,825	\$4,648	\$4,332

(1) Information for some years is not available.

Source: City of Avon Records

2019	2018	2017	2016	2015	2014
2,763	2,699	2,448	2,097	1,810	1,657
\$667,398	\$651,641	\$603,625	\$494,141	\$417,407	\$398,467
600	713	686	639	673	635
73	58	53	35	31	10
3	3	3	13	8	3
\$366,000	\$240,300	\$263,600	\$1,257,700	\$448,405	\$258,052
1,613	1,491	1,222	1,215	1,215	832
84	130	90	89	113	99
86	85	94	57	58	85
20,631	19,159	19,941	21,425	21,101	20,204
2,254	1,127	1,786	1,368	2,399	2,178
75	126	54	42	458	513
556	607	707	364	529	369
663	646	601	669	731	653
377	330	289	350	508	389
70	84	78	39	66	72
325	344	414	312	306	375
\$0	\$0	\$0	\$0	\$0	\$0
926	1,279	1,229	1,246	1,165	1,123
0	0	0	1	1	1
\$91,159	\$111,217	\$84,524	\$60,373	\$73,531	\$114,883
\$1,982	\$3,325	\$4,425	\$7,966	\$3,923	\$4,993
\$200,083	\$168,080	\$153,937	\$104,370	\$118,652	\$113,981
\$265,182	\$261,342	\$228,642	\$144,807	\$112,196	\$137,092
\$1,780	\$1,778	\$1,669	\$1,047	\$853	\$1,063
149	147	137	138	132	129
3,301	5,193	4,094	3,936	4,951	5,961
\$236,510	\$114,250	\$131,959	\$218,088	\$271,643	\$205,480
\$5.00	\$4.74	\$4.51	\$4.26	\$3.98	\$3.51
65,665	65,643	69,766	86,988	62,048	66,366
\$3,976	\$3,817	\$3,766	\$3,848	\$2,985	\$2,594
\$7.38	\$7.03	\$6.70	\$6.38	\$6.08	\$5.79
46,360	45,754	46,747	60,359	44,349	43,065
\$4,156	\$3,954	\$3,795	\$3,734	\$3,233	\$2,979

City of Avon, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2023	2022	2021	2020
General Government				
Vehicles	13	13	12	9
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	47	51	46	42
Fire				
Stations	1	1	1	1
Vehicles	14	16	14	14
Leisure Time Activities				
Recreation				
Number of Parks	9	9	9	8
Number of Ice Rinks	0	1	1	1
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	12	12	12	12
Number of Tot Lots	4	4	4	4
Number of Soccer Fields	16	18	16	16
Number of Swimming Pools	1	1	1	1
Vehicles	15	15	15	12
Transportation				
Service				
Buildings	1	1	1	1
Service Vehicles	24	25	24	24
Streets (miles)	162.00	162.00	158.00	156.30
Water and Sewer				
Buildings	10	10	10	10
Water Lines (miles)	129.74	129.50	127.74	127.00
Sanitary Sewers (miles)	107.85	107.61	105.85	105.60
Vehicles	14	14	14	13

Source: City of Avon Records

2019	2018	2017	2016	2015	2014
9	9	9	9	9	8
1	1	1	1	1	1
40	39	37	38	36	34
1	1	1	1	1	1
13	13	13	15	15	15
8	8	8	7	7	7
1	1	1	1	1	1
1	1	1	1	1	1
12	12	12	12	12	12
4	4	4	4	4	4
16	16	16	16	16	16
1	1	1	1	1	0
13	13	12	12	10	9
1	1	1	1	1	1
23	22	24	22	22	20
149.16	147.25	143.51	138.37	131.58	128.91
11	11	11	10	10	10
126.05	125.04	122.49	121.40	122.43	118.70
102.84	102.03	100.36	99.60	100.75	97.10
12	16	14	12	13	14

(This Page Intentionally Left Blank.)



Bryan K. Jensen, Mayor
36080 Chester Road
AVON, OHIO 44011
440-937-7800

OHIO AUDITOR OF STATE KEITH FABER



CITY OF AVON

LORAIN 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 9/17/2024

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

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